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NewOcean Energy Holdings Limited

(新海能源集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 342)

website: <http://www.newoceanhk.com>

UNUSUAL SHARE PRICE MOVEMENT AND CLARIFICATION OF ARTICLE APPEARING ON A WEBSITE

GENERAL

This announcement is made at the request of The Stock Exchange of Hong Kong Limited.

The board of directors (the “Board”) of NewOcean Energy Holdings Limited (the “Company”, and together with its subsidiaries, the “Group”) noted the decrease in the price of shares of the Company yesterday. Having made all reasonable enquiries with respect to the Company, the Board confirms that it is not aware of any reasons for the price movement, or of any inside information which needs to be disclosed under Part XIVA of the Securities and Futures Ordinance.

The Board however noted an article (the “Web Article”) appearing yesterday on a website in the People’s Republic of China (“PRC”) which contained unjustified assumptions, inaccurate statements and misleading surmise on the past results of the Group’s liquefied petroleum gas (“LPG”) business and wishes to clarify as follows.

CLARIFICATIONS

1. The caption of the Web Article alleged that the actual business results of the Company might be far below the brilliant figures that the Company has disclosed, which fuelled the rally of prices of its shares during the past year. The Web Article went on to question the annual revenue and profit growth of the Company for the period 2009-2012 despite the “shrinking market for imported LPG and domestic LPG”.

* *for identification purposes only*

For each of the financial years ended 31 December, the directors of the Company have prepared the consolidated financial statements for the year that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. The Group has fully complied with the code provisions contained in the Code on Corporate Governance Practices and Corporate Governance report as set out in Appendix 14 of the Rule Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in which the consolidated financial statements of each year have been duly reviewed by the Company's audit committee and the Group has sufficient internal control for maintaining proper accounting record and for ensuring the reliability of financial information. The Company has engaged Messer. Deloitte Touche Tohmatsu ("Deloitte") as its independent statutory auditor for more than 10 years. Based on the Company's annual report dated 18 March 2011, 16 March 2012 and 18 March 2013 respectively, Deloitte has issued unqualified auditor report for each of the three financial years ended 31 December 2012.

In all annual reports and interim reports of the Company, the management has given comprehensive analysis of the LPG market in the PRC, and detailed information about the Group's revenue and profit growth in each sector of the LPG business. The reasons for the growth of the Company including well structured logistics and business model, effective finance cost control and business strategy, both in favourable and in adverse market conditions, have been well and fully explained in these reports. The Company strongly condemns any innuendo the Web Article that the results of the Group has been exaggerated or falsified in any way.

2. The Web Article made an unsubstantiated allegation, based on purported enquiry results, that the business volume of the Company is subject to suspected serious exaggeration, especially for imported LPG in the PRC, citing, for example, an imported LPG of 390,000 tons in 2012 being shown in the record of Guangdong Oil & Gas Association.

As an illustration of the serious inaccuracy of the Web Article, the directors of the Group would like to clarify that the Group's imported LPG in 2012 are as follows: i) 650,662 tons of imported LPG were purchased through the wholly owned subsidiary NewOcean Energy (Zhuhai) Company Limited, this information is publicly available information provided by Guangdong Oil & Gas Association and matched to the record of General Administration of Customs of the PRC, ii) given that the Group's LPG storage in Zhuhai is the smallest in Guangdong Province, approximately 96,000 tons of imported LPG were purchased through the terminal owned by Shenzhen Sino-Benny LPG Co. Ltd., iii) six vessels each carried around 22,500 tons of imported LPG were purchased in Kuwait and then sold to Vitol S.A., which aggregated to 135,000 tons and iv) two vessels of aggregate 44,000 tons of imported LPG were purchased by the Group and reported to General Administration of Customs of the PRC under the name of Dongguan JOVO Energy Co., Ltd. The total import LPG amounted to around 926,000 tons in year 2012 is matched with our figure set out on page 17 of our annual report for year 2012. Omission of such information amounts to gross misrepresentation.

Since the global financial crisis in year 2008, in order to reduce the LPG import risk, the directors of the Group has decided to reduce the volume of LPG importation and increased domestic LPG purchase in China. The total domestic LPG purchase amounted to about 750,000 tons in 2012, representing an increase of 23.6% as compared with around 607,000 tons in 2011.

3. Based only on the figures purportedly obtained from “Companies in Zhuhai and Zhongshan”, the Web Article made an incorrect estimation of 300 tons per year as the average LPG sales volume for all the Group’s retail outlets.

The estimation is misleading as the Web Article totally ignored lucrative market in population centres such as Shenzhen and Guangzhou. As at 31 December 2012, including these 2 cities the Group had around 16 bottling plants and 220 retail outlets situated in 11 major cities in Southern China. During the year 2012, the LPG sales volume of the Group’s LPG retails in Shenzhen and Guangzhou had already exceeded 120,000 tons. Each of the other remaining LPG bottling plants contributed average of 25 tons of LPG sales per day which amounted to approximately 120,000 tons in 2012. The details of the business development in bottled LPG in year 2012 are set out on pages 20 and 21 of the Company’s annual report dated 18 March 2013.

4. The Web Article made an incorrect comment on the acquisition of the 10% equity interest in a non-wholly owned subsidiary in year 2012.

On 25 August 2009, a subsidiary of the Group entered into a subscription agreement (the “Subscription Agreement”) with an independent third party (the “Acquirer”) to dispose of 25% of the equity interest in a subsidiary (the “Subsidiary”) at HKD100,000,000 and granted a put-back option to the Acquirer exercisable upon the occurrence of certain events. Details of the transaction and the conditions for exercise of the put-back option have been fully set out in the circular issued by the Company on 15 September 2009. On 8 April 2010, both parties entered into a new subscription agreement (the “New Subscription Agreement”) under which the equity interest in the Subsidiary to be disposed was amended to 10% and the revised consideration was HKD40,000,000 and the details of the changes are set out in the announcement issued by the Company on 8 April 2010. In year 2012, after an investigation on the possibility of a spin off of a part of the Group’s LPG business operated by the Subsidiary, the Company decided not to proceed with such spin off, thereafter the Acquirer exercised the put-back option to sell the 10% equity interest back to the Group under the pre-agreed price of HKD40,000,000 plus 5% interest in accordance with the terms of the put-back option. Details of the exercise of put-back option have been set out in the announcement issued by the Company on 5 October 2012. The consideration on the acquisition of 10% equity interest in the Subsidiary and the exercises price of the put-back option was negotiated on arm-length basis. In the opinion of the directors, the exercises of the put-back option by the Acquirer was a commercial decision.

The Board strongly condemns the issue of the Web Article and is now taking legal advice on actions to be taken against the persons involved in the publication of the Web Article. In the meantime, as the external auditor Deloitte, is now in the final stage of the annual audit of the Group's 2013 results, the Company will use its best endeavors to assist Deloitte in completing the annual audit as soon as practicable, so as to avoid any doubts and speculation that might arise as a consequence of the Web Article.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in securities of the Company.

This announcement is made by the order of the Company, the Board individually and collectively accepts responsibility for the accuracy of the information contained herein.

By Order of the Board
Shum Siu Hung
Chairman

Hong Kong, 25 February 2014

As at the date of this announcement, the Board of the Company comprises Mr. Shum Siu Hung, Mr. Shum Chun, Lawrence, Mr. Cen Ziniu, Mr. Chiu Sing Chung, Raymond, Mr. Siu Ka Fai, Brian and Mr. Wang Jian, being the executive directors, Mr. Cheung Kwan Hung, Anthony, Mr. Chan Yuk Wai, Benedict and Dr. Xu Mingshe being the independent non-executive directors.