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## **BRIGHTOIL PETROLEUM (HOLDINGS) LIMITED**

**光滙石油(控股)有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 933)

### **AMENDMENT AGREEMENT TO THE 2016 OIL PURCHASE AGREEMENT**

Reference is made to the announcement of Brightoil Petroleum (Holdings) Limited (the “**Company**”) dated 12 May 2016 in relation to, among others, the 2016 Oil Purchase Agreement (the “**Announcement**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise specified.

#### **AMENDMENT AGREEMENT TO THE 2016 OIL PURCHASE AGREEMENT**

On 27 May 2016, the Company and Shenzhen Brightoil entered into an amendment agreement to the 2016 Oil Purchase Agreement (the “**Amendment Agreement**”) to amend the terms of the 2016 Oil Purchase Agreement as follows:

##### **Pursuant to the Amendment Agreement:**

1. All contractual terms in the 2016 Oil Purchase Agreement in relation to Oil Prepaid Cards shall be deleted, and the parties shall not have any rights and obligations in relation to Oil Prepaid Cards under the 2016 Oil Purchase Agreement.
2. The payment for Oil shall be made in cash by the Group within 45 days after the date of the oil delivery and the signing of the Oil purchase confirmation or within such period as the parties agree. The credit terms for the purchase of Oil and delivery services received by the Group shall be no less favourable than those available to the Group from Independent Third Parties for providing similar services.
3. The following term shall be deleted from the 2016 Oil Purchase Agreement: “*If Shenzhen Brightoil Group requests the Group to make payment in advance, Shenzhen Brightoil undertakes that its fees shall not be higher than 95% of the Quotes.*”

Save and except for the amendments under the Amendment Agreement as disclosed above, all the other terms and conditions of the 2016 Oil Purchase Agreement shall remain unchanged.

***Historical amount of fees paid for Oil sourced***

The table below sets out the fees paid or payable by the Group to the Shenzhen Brightoil Group pursuant to the 2013 Oil Purchase Agreement (i) for the years ended 30 June 2014 and 30 June 2015; and (ii) for the six months ended 31 December 2015, as well as the relevant annual caps for the years ended 30 June 2014, 30 June 2015 and 30 June 2016:

	<b>For the year ended 30 June 2014 (Approximate)</b>	<b>For the year ended 30 June 2015 (Approximate)</b>	<b>For the six months ended 31 December 2015 (Approximate)</b>
<b>Total fees paid or payable under the 2013 Oil Purchase Agreement</b>	HK\$8,657.7 million	HK\$9,279.5 million	HK\$3,540 million

	<b>For the year ended 30 June 2014</b>	<b>For the year ended 30 June 2015</b>	<b>For the year ending 30 June 2016</b>
<b>Existing annual caps</b>	US\$4,800 million (equivalent to approximately HK\$37,204.8 million)	US\$6,500 million (equivalent to approximately HK\$50,381.5 million)	US\$9,700 million (equivalent to approximately HK\$75,184.7 million)

For the year ending 30 June 2016, the Company expects the monetary cap of US\$9,700 million (equivalent to approximately HK\$75,184.7 million) will not be exceeded.

***Revised proposed annual caps***

The Directors propose that the maximum aggregate amount payable by the Group to the Shenzhen Brightoil Group for each of the three years ending 30 June 2017, 30 June 2018 and 30 June 2019 under the 2016 Oil Purchase Agreement (as amended by the Amendment Agreement) be not higher than the revised proposed annual caps as set out below:

	<b>Proposed revised annual caps for the year ending 30 June</b>		
	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Fees payable by the Group under the 2016 Oil Purchase Agreement (as amended by the Amendment Agreement)</b>	US\$3,840 million (equivalent to approximately HK\$29,763.84 million)	US\$5,200 million (equivalent to approximately HK\$40,305.2 million)	US\$7,760 million (equivalent to approximately HK\$60,147.76 million)

In arriving at the above revised proposed annual caps, the Directors have taken into account: (a) the volume of the International Trading and Bunkering Business of the Group achieved in the past; (b) the potential market size based on the expected level of international trading activities and the throughput at the various ports; (c) the plan of the Group to extend its coverage to other ports globally; and (d) the historical volume of amount of fees paid for the Oil sourced as set out above. Such cap amounts are estimated by the Group at approximately US\$360 per MT for fuel oil and approximately US\$379 per MT for crude oil to be purchased and delivered (with reference to the

high end of the range of bunker and crude oil market prices recorded by the Group for the period from 2013 to 2016).

The Board (excluding the Independent Non-executive Directors, the opinion of whom will be included in the circular to be despatched to the Shareholders after taking into account the advice from the Independent Financial Adviser) considers that the 2016 Oil Purchase Agreement (as amended by the Amendment Agreement) is entered into in the ordinary and usual course of business of the Group, on normal commercial terms (or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Company than terms available to or from (as appropriate) Independent Third Parties), fair and reasonable and in the interests of the Company and the Shareholders as a whole. It also considers that the revised proposed annual caps set for each of the three years ending 30 June 2017, 30 June 2018 and 30 June 2019 for the 2016 Oil Purchase Agreement (as amended by the Amendment Agreement) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio under Chapter 14A of the Listing Rules in respect of the revised proposed annual caps for the 2016 Oil Purchase Agreement (as amended by the Amendment Agreement) is more than 5%, the transactions contemplated under the 2016 Oil Purchase Agreement (as amended by the Amendment Agreement) are subject to the reporting, announcement, annual review requirements and the Independent Shareholders' approval requirements under the Listing Rules. Dr. Sit and his associates are required to abstain from voting on the resolutions approving the 2016 Oil Purchase Agreement (as amended by the Amendment Agreement) and its revised proposed annual caps at the SGM.

As additional time is required for convening the meeting of the Independent Board Committee and for preparing the letter from the Independent Financial Adviser, the circular containing, among other matters, (i) further information of the 2016 Oil Purchase Agreement (as amended by the Amendment Agreement); (ii) a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders in respect of the 2016 Oil Purchase Agreement (as amended by the Amendment Agreement) and its revised proposed annual caps; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders in relation to the 2016 Oil Purchase Agreement (as amended by the Amendment Agreement) and its revised proposed annual caps; and (iv) the notice of the SGM, will be despatched the Shareholders on or before 15 June 2016.

By Order of the Board  
**Brightoil Petroleum (Holdings) Limited**  
**Sit Kwong Lam**  
*Chairman*

Hong Kong, 27 May 2016

*As at the date of this announcement, the Board comprises (i) four Executive Directors, namely Dr. Sit Kwong Lam, Mr. Tang Bo, Mr. Tan Yih Lin and Mr. Wang Wei; (ii) one Non-executive Director, namely Mr. Dai Zhujiang; and (iii) three Independent Non-executive Directors, namely Mr. Kwong Chan Lam, Mr. Lau Hon Chuen and Professor Chang Hsin Kang.*

*\* for identification purpose only*