亞洲能源物流
ASIA ENERGY Logistics

ASIA ENERGY LOGISTICS GROUP LIMITED
亞洲能源物流集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0351)

ANNOUNCEMENT

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

Reference is made to the Announcements. The Board wishes to announce that the acquisition of the other two Vessels by the JV Group be extended to 31 December 2012.

Reference is made to the Circular. The Board also wishes to announce that on 31 December 2011, Ocean Jade, a wholly-owned subsidiary of the Company, Waibert and the JV Company entered into the Third Supplemental JV Agreement pursuant to which the parties agreed to amend the JV Agreement in the manner set out in this announcement.

INTRODUCTION

This announcement is made by Asia Energy Logistics Group Limited (the "Company") pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

FURTHER TIME EXTENSION FOR THE ACQUISITION OF VESSELS

Reference is made to the announcements of the Company dated 8 January 2010 in relation to a major and connected transaction and dated 4 July 2011 in relation to the extension for the acquisition of the other two Vessels (collectively, the "Announcements"). Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as they are defined in the Announcements.

As disclosed in the Announcements, the JV Group intends to acquire two Handy-size Vessels and two Panamax Vessels at prevailing market price of approximately US$114 million in aggregate within a period of nine months from the date of the JV Agreement. As disclosed in the announcement of interim results of the Company for the six months ended 30 June 2010 published on 24 August 2010, the JV Group has acquired two Handy-size Vessels for a consideration of RMB175,000,000 and RMB178,800,000 on 30 April 2010 and 10 August 2010 respectively and pursuant to a second memorandum of mutual understanding, the JV Company and the JV Shareholders agreed that the acquisition of the other two Vessels will be completed on or before 31 December 2011.

The Board wishes to announce that due to the prevailing market conditions, the JV Company and the JV Shareholders entered into a third memorandum of mutual understanding on 4 January 2012 to further extend the acquisition of the other two Vessels by the JV Group to 31 December 2012.

THIRD SUPPLEMENTAL JV AGREEMENT

Reference is also made to the circular of the Company dated 30 April 2010 (the "Circular") in relation to a major and connected transaction of the Company. Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as they are defined in the Circular.

The Board also wishes to announce that on 31 December 2011, Ocean Jade, a wholly-owned subsidiary of the Company, Waibert and the JV Company entered into the third supplemental agreement to the JV Agreement (the "Third Supplemental JV Agreement") pursuant to which the parties agreed to amend the JV Agreement such that the shareholders' loan contributed by the JV Shareholders shall, instead of non-interest bearing as disclosed in the Circular, become interest-bearing and calculate in the following manner:

(i) in respect of shareholders' loan contributed by the JV Shareholders as the JV Company's initial working capital, interests shall be calculated and accrued at a discount of 10 per cent of the above 5-year benchmark lending rate of the People's Bank of China commencing from the date of contribution of the loan and until the full and final payment of such portion of the shareholders' loan contributed as initial working capital in accordance with the terms of the JV Agreement and payable by the JV Company; and

(ii) in respect of the shareholders' loan contributed by the JV Shareholders for acquisition of vessels, interests shall be calculated and accrued at a discount of 10 per cent of the above 5-year benchmark lending rate of the People's Bank of China commencing from the date of contribution of the loan and until the delivery date of the Third Vessel and/or the Fourth Vessel and the amount of shareholders' loan contributed by Ocean Jade shall equal to that contributed by Waibert and payable by the JV Company,

provided that in both cases, the interest rate shall be adjusted on 1 January each calendar year with reference to a discount of 10 per cent of the above 5-year benchmark lending rate of the People's Bank of China prevailing on that day.

Save for the above amendments to the JV Agreement pursuant to the Third Supplemental JV Agreement, all terms and conditions of the JV Agreement shall remain the same and in full force and effect.

As disclosed in the Circular, in order to balance the capital contribution between the JV Shareholders, Ocean Jade and the JV Company shall acquire the Third Vessel and the Fourth Vessel after the First Two Vessels have been acquired and as disclosed above, the JV Shareholders and the JV Company have agreed to extend the completion date for the acquisition of the Third Vessel and the Fourth Vessel to 31 December 2012.

Against this background, the JV Shareholders and the JV Company negotiated in good faith and entered into the Third Supplemental JV Agreement to provide for the calculation and payment of interests on the shareholders' loan contributed by the JV Shareholders. The Board is of the view that the terms of the Third Supplemental JV Agreement are fair and reasonable and the transactions contemplated thereunder are in the interest of the Company and the Shareholders as a whole.

By order of the Board
Asia Energy Logistics Group Limited
Liang Jun
Executive Director

4 January 2012

As at the date of this announcement, the executive Directors are Mr. Liang Jun, Mr. Fung Ka Keung, David and Ms. Yu Sau Lai; the non-executive Directors are Mr. Yu Baodong (Chairman), Ms. Sun Wei and Mr. Tse On Kin; and the independent non-executive Directors are Mr. Chan Chi Yuen, Mr. Zhang Xi and Professor Sit Fung Shuen, Victor.