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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Hans Energy Company Limited 漢思能源有限公司, you should at once hand this circular together with the accompanying form of proxy and annual report to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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HANS ENERGY COMPANY LIMITED
漢思能源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00554)

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
AMENDMENTS TO THE TERMS OF THE OPTIONS GRANTED
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the 2019 annual general meeting of Hans Energy Company Limited 漢思能源有限公司 (the “**Company**”) is set out on Pages 17 to 20 of this circular. Whether or not you intend to attend the meeting, please complete the accompanying form of proxy in accordance with the instructions stated thereon and return it to the Company’s Share Registrars in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting (i.e. by 11:00 a.m. on Wednesday, 29 May 2019) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting and at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Advisor”	any such person as shall have been designated by the Board as such, being a person who provides advisory services (in the areas of legal, technical, financial, corporate managerial or otherwise) to the Company or any Subsidiary
“AGM”	the annual general meeting of the Company to be held at Boardroom 8, Lower Lobby, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 31 May 2019 at 11:00 a.m. and any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for business of dealing in securities
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended from time to time
“Company”	Hans Energy Company Limited 漢思能源有限公司, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Connected Person”	has the meaning ascribed to it under the Listing Rules
“Consultant”	any such person as shall have been designated by the Board as such, being a person who provides consultancy services (legal, technical, financial, corporate, managerial advice or services or otherwise) to the Company or any Subsidiary
“Date of Grant”	the date on which an offer of the grant of an Option is offered to an Eligible Person
“Director(s)”	the director(s) of the Company
“Eligible Person”	any person who is (or will be on the Date of Grant) an Employee, a Director, a Consultant, an Advisor, agent, business affiliate, business partner, joint venture partner and strategic partner of the Company and any Subsidiary, or any supplier or provider of goods or services to the Company or any Subsidiary, as may be determined by the Directors from time to time

DEFINITIONS

“Employee”	a person who is in the full-time or part-time employment of the Company, any Subsidiary or any company in which the Company owns any equity interest
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate granted to the Directors to issue, allot and deal with unissued Shares up to a maximum of 20% of the total number of issued shares of the Company as at the date of passing of the relevant resolution
“Latest Practicable Date”	18 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Committee”	the listing sub-committee of the directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option”	as the context may require, in relation to the Share Option Scheme, a right granted by the Company under the Share Option Scheme (as the case may be) to subscribe for Shares in accordance with the Share Option Scheme
“Participant”	any Eligible Person who accepts the offer of a grant of an Option and who for the time being participates in the Share Option Scheme (or, where applicable, his personal representatives) and where the context requires or permits any Eligible Person to whom the offer of a grant of Options is made by the Company and which offer has not been withdrawn or lapsed or rejected
“PRC”	The People’s Republic of China
“Repurchase Mandate”	a general and unconditional mandate granted to the Directors to exercise all powers of the Company to purchase shares of the Company on the Stock Exchange, or any other stock exchange on which the shares of the Company may be listed, up to a maximum of 10% of the total number of issued shares of the Company as at the date of passing of the relevant resolution
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong

DEFINITIONS

“Share(s)”	the ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Shares
“Share Option Scheme”	the share option scheme of the Company adopted by the Company on 28 December 2012, details of which are set out in the Company’s circular dated 12 December 2012
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (as such term is defined in the Listing Rules) of the Company, whether incorporated in Hong Kong or elsewhere
“substantial shareholder”	has the meaning ascribed to under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission as amended from time to time
“%”	per cent



HANS ENERGY COMPANY LIMITED
漢思能源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00554)

Executive Directors:

Mr. David An (*Chairman*)
Mr. Yang Dong (*Chief Executive Officer*)
Ms. Liu Zhijun
Mr. Zhang Lei

Registered Office:

P.O. Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Independent Non-Executive Directors:

Mr. Li Wai Keung
Mr. Chan Chun Wai, Tony
Ms. Hai Hiu Chu

*Principal Place of Business
in Hong Kong:*

Unit 2608, 26/F.
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

26 April 2019

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
AMENDMENTS TO THE TERMS OF THE OPTIONS GRANTED
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM. These include ordinary resolutions relating to (i) the granting to the Directors the Repurchase Mandate and the Issue Mandate; (ii) the re-election of each of the retiring Directors and (iii) the proposed amendments to the terms of the Options granted pursuant to the Share Option Scheme.

LETTER FROM THE BOARD

THE REPURCHASE MANDATE

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Repurchase Mandate to exercise all powers of the Company to purchase Shares on the Stock Exchange, or on any other stock exchange on which the Shares may be listed, up to a maximum of 10% of the total number of issued shares of the Company as at the date of passing of the relevant resolution.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the proposed granting of the Repurchase Mandate at the AGM.

THE ISSUE MANDATE

An ordinary resolution will also be proposed at the AGM that the Directors be granted the Issue Mandate to issue, allot and deal with unissued Shares up to a maximum of 20% of the total number of issued shares of the Company as at the date of passing of the relevant resolution.

As at the Latest Practicable Date, there was a total of 3,732,638,000 Shares in issue. Subject to the passing of the resolution granting the Issue Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to issue up to a maximum of 746,527,600 Shares.

In addition, an ordinary resolution will further be proposed at the AGM adding any Shares repurchased under the Repurchase Mandate to the Issue Mandate. The Repurchase Mandate and the Issue Mandate would continue in force until the conclusion of the next annual general meeting of the Company unless they are renewed at such meeting or until revoked or varied by ordinary resolutions of the Shareholders in a general meeting held prior to the next annual general meeting of the Company.

EXTENSION OF ISSUE MANDATE

In addition, subject to the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the AGM to authorise the Directors to extend the Issue Mandate to allot and issue Shares by an amount of shares representing the aggregate nominal value of shares of the Company purchased or repurchased by the Company pursuant to the authority granted to the Directors under the Repurchase Mandate provided that such extended amount shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing the resolution for approving the Repurchase Mandate.

An explanatory statement required to be sent to the Shareholders under the Listing Rules is set out in Appendix I to this circular to provide the requisite information regarding the Repurchase Mandate to the Shareholders.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with article 116 of the Articles of Association, Mr. Yang Dong, Mr. Zhang Lei and Mr. Li Wai Keung (“**Mr. Li**”) shall retire by rotation at the AGM. All the retiring Directors, being eligible, will offer themselves for re-election at the AGM.

Biographical details of the above retiring Directors proposed for re-election at the AGM, which are required to be disclosed pursuant to the Listing Rules, are set out in Appendix II to this circular.

Further pursuant to Appendix 14 to the Listing Rules, it is recommended that serving more than nine years could be relevant to the determination of a non-executive director’s independence. If an independent non-executive director serves more than nine years, any further appointment of such independent non-executive director should be subject to a separate resolution to be approved by shareholders.

Mr. Li has served on the Board for more than 9 years but he has not held any executive or management position in the Group nor has he throughout such period been under the employment of any member of the Group. The Directors noted the positive contributions of Mr. Li to the development of the Company’s strategy and policies through independent, constructive and informed contributions supported by his skill, expertise and qualification and from his active participation at meetings. Mr. Li has given the annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules to the Company and the nomination committee of the Company has assessed by the selection criteria and the evaluation procedures set out in the nomination policy of the Company and is satisfied of the independence of Mr. Li. Hence, the Board considers that the long service of Mr. Li would not affect his exercise of independent judgment, and therefore considers Mr. Li to be independent and recommends Mr. Li to be re-elected.

RE-APPOINTMENT OF AUDITOR

KPMG will retire as the independent auditor of the Company at the AGM and, being eligible, offer themselves for re-appointment.

Upon the recommendation of the audit committee of the Company (the “**Audit Committee**”), the Board proposed to re-appoint KPMG as the independent auditor of the Company and to hold office until the conclusion of the next annual general meeting of the Company.

PROPOSED AMENDMENTS TO THE TERMS OF OPTIONS GRANTED

The Share Option Scheme was approved and adopted by the Company on 28 December 2012.

As at the Latest Practicable Date, the Company had granted 127,500,000 Options carrying the rights to subscribe for an aggregate of 127,500,000 Shares, representing approximately 3.42% of the Shares in issue as at the Latest Practicable Date, to the

LETTER FROM THE BOARD

participants. Among which, no Options have been exercised and the 127,500,000 Options granted remain outstanding. Other than the Share Option Scheme, the Company has no other share option scheme as at the Latest Practicable Date.

Among the 127,500,000 Options granted, 65,000,000 Options were granted to the Directors, details of which are set out as follows:

Name of Directors	Position held with the Company	Number of Shares issuable under the Options granted
Mr. Yang Dong	Executive Director and Chief Executive Officer	20,000,000
Ms. Liu Zhijun	Executive Director	18,000,000
Mr. Zhang Lei	Executive Director	18,000,000
Mr. Li Wai Keung	Independent Non-executive Director	3,000,000
Mr. Chan Chun Wai, Tony	Independent Non-executive Director	3,000,000
Ms. Hai Hiu Chu	Independent Non-executive Director	3,000,000

The remaining 62,500,000 Options were granted to the employees of the Group.

The purpose of the Share Option Scheme is, among other things, to attract, retain and motivate the Directors, the employees and senior management of the Group, to provide a means of compensating them through the grant of Options for their contribution to the benefit and success of the Group, and to allow them to participate in the growth and profitability of the Group.

The Board proposed the following amendments (“**Proposed Amendments**”) to the terms of the Options granted in order to better serve the purpose of the Share Option Scheme:

1. In order to retain the talents in the Group, the number of Options to be exercised by each Participant for each year shall not exceed one third of the number of Options granted to him/her/it in a particular grant under the Share Option Scheme (the “**One-third Limit**”), except for (i) approval by the Board to waive the One-third Limit to a particular Participant; (ii) subject to the compliance of the applicable laws, rules and regulations, repurchase of the Shares by the Company from the Participant at market price upon exercise of the Options granted by the Participant; and (iii) exercise of Options within the first anniversary of the death of the Participant or within three months after the Participant ceases to be an Employee in the circumstances as set out in the rules of the Share Option Scheme; and
2. To observe the requirement on statutory retirement age, if the Participant (except for those who are the Directors) attains the age of 65-year old or above, he/she shall tender his/her resignation from his/her position with the Group when he/she

LETTER FROM THE BOARD

delivers the notice to exercise the Options to the Company except that he/she has already resigned from his/her position with the Group before he/she delivers the notice to exercise the Options to the Company.

Apart from the Proposed Amendments, all other existing terms of the granted Options would remain unchanged.

Pursuant to note (2) to Rule 17.03(18) of the Listing Rules, any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of the Options granted must be approved by the Shareholders, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.

As the Proposed Amendments will not take effect automatically under the existing terms of the Share Option Scheme, the Proposed Amendments will be subject to approval by the Shareholders at the AGM in which the holders of the outstanding Options and any Shareholders who have a material interest shall abstain from voting.

The Proposed Amendments would become effective on the date which they were approved by the Shareholders at the AGM.

CLOSURE OF REGISTER OF MEMBERS

The forthcoming AGM is scheduled to be held on Friday, 31 May 2019. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 28 May 2019 to Friday, 31 May 2019, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to attend and vote at the AGM, all duly completed share transfer documents accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Tricor Secretaries Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 27 May 2019.

ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

Notice of the AGM is set out on pages 17 to 20 of this circular.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the results of the poll will be published by the Company after the AGM in the manner prescribed under the Listing Rules.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.hansenergy.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions stated thereon and return it to the Company's Share Registrars in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours

LETTER FROM THE BOARD

before the time appointed for the holding of the AGM (not later than 11:00 a.m. on Wednesday, 29 May 2019) or the adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM and at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions as set out in the notice convening the AGM will be voted by way of a poll and, after being verified by the scrutineer, the results of the poll will be published in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors consider that the proposed granting of the Repurchase Mandate and the Issue Mandate to the Directors, the re-election of the retiring Directors and the Proposed Amendments are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
For and on behalf of the Board
Hans Energy Company Limited
漢思能源有限公司
David An
Chairman

The following is as an explanatory statement, as required by the Listing Rules, to provide certain information to the Shareholders for their consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,732,638,000 Shares.

Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase up to a maximum of 373,263,800 Shares, being 10% of the total number of issued Shares as at the date of passing of the relevant resolution for granting the Repurchase Mandate.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to purchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum and articles of association and the applicable laws of the Cayman Islands.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2018) in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels of the Company.

5. MARKET PRICES OF SHARES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date:

	Share Price Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
April	0.238	0.201
May	0.235	0.203
June	0.450	0.196
July	0.230	0.202
August	0.400	0.211
September	0.255	0.195
October	0.250	0.220
November	0.241	0.222
December	0.240	0.206
2019		
January	0.230	0.196
February	0.240	0.210
March	0.240	0.210
April (up to and including the Latest Practicable Date)	0.345	0.220

6. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and articles of association of the Company.

The Company has not been notified by any core connected person (as defined in the Listing Rules) of the Company that such a person has a present intention to sell, or has undertaken not to sell, any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

7. TAKEOVERS CODE

If, as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Mr. David An, chairman of the Company, was interested in 2,766,593,980 Shares representing approximately 74.12% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the interest of Mr. David An in the Company would be increased to approximately 82.35% of the total issued share capital of the Company. The Directors consider that such increase would not give rise to an obligation on Mr. David An to make a mandatory offer under Rule 26 of the Takeovers Code but would reduce the percentage of Shares held by the public to less than 25% of the Company's total issued share capital. The Directors have no intention to exercise the Repurchase Mandate to such an extent as may result in the public shareholding falling below the minimum public float requirement.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate.

8. DISCLOSURE OF INTERESTS OF DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSON

As at the Latest Practicable Date, none of the Directors nor, to the best of their respective knowledge and belief and having made all reasonable enquiries, their close associates (as defined under the Listing Rules), have any present intention, if the Repurchase Mandate is approved by the Shareholders and is exercised, to sell any Shares to the Company or any of its subsidiaries under the Repurchase Mandate.

As at the Latest Practicable Date, no core connected person (as defined in the Listing Rules) of the Company (i) has notified the Company that he/she/it has a present intention to sell any Shares; (ii) has undertaken to the Company that he/she/it will not sell any Shares held by him/her/it to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

9. MATERIAL ADVERSE CHANGE

As compared with the financial position of the Company as at 31 December 2018 (being the date to which the latest audited accounts of the Company have been made up), the Directors consider that there would not be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

10. REPURCHASE OF SHARES MADE BY THE COMPANY

No Shares had been repurchased by the Company, whether on the Stock Exchange or otherwise, in the last six months preceding the Latest Practicable Date.

The following are the biographical details of the Directors proposed for re-election at the AGM:

1. MR. YANG DONG

Mr. Yang Dong (“Mr. Yang”), aged 58, has been the executive Director and the Chief Executive Officer of the Company since July 2016. He joined the Company in 2012. Mr. Yang graduated from Beijing Normal University with a degree in economics. He also holds a master’s degree in project management from University of Management and Technology. Mr. Yang held various senior key positions in the subsidiaries of China Petroleum & Chemical Corporation such as the deputy general manager in China Petrochemical International Co. Ltd. and deputy chairman and executive director in Sinopec Kantons Holdings Limited (Stock code: 934), the securities of which is listed on The Stock Exchange of Hong Kong Limited (“Stock Exchange”). He also has extensive experience in international trade of petroleum and chemical commodities.

Mr. Yang has entered into a service contract with the Company for a term of three years commencing from 13 July 2016, renewable automatically for successive terms of three years upon expiry of the then current term of his appointment, unless terminated in accordance with the terms of the service contract and he is subject to retirement by rotation and re-election at least once every three years at annual general meetings of the Company in accordance with the Articles of Association.

Mr. Yang received director’s emoluments of HK\$2,401,000 for the financial year ended 31 December 2018 which was determined by the Board with the recommendation of the remuneration committee of the Board by reference to his performance and responsibilities, the market rates for the position and the Company’s performance and profitability.

Mr. Yang does not have any relationships with any Directors, senior management, substantial or controlling shareholders of the Company nor does he hold any other positions in the Group. Save as disclosed above, He does not, at present, nor did he in the past three years, hold any directorships in any other public companies the securities of which are listed in Hong Kong or overseas. As at the Latest Practicable Date, he does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

2. MR. ZHANG LEI

Mr. Zhang Lei (“Mr. Zhang”), aged 53, has been the executive Director of the Company since August 2007. He joined the Company as Chief Operating Officer, PRC in 2006. Mr. Zhang graduated from Dongbei University of Finance and Economics and obtained the qualification of engineer. He has many years of experience in petrochemical industry. He has expertise in petrochemical specialized technology and is familiar with financial accounting policy and system of the PRC. Mr. Zhang also has in-depth knowledge in large petrochemical project management. He had served China

Petrochemical Corporation and held various key positions such as the chief financial officer of the Singapore branch, deputy general manager and chief financial officer of the Hong Kong branch. Mr. Zhang does not have a service contract with the Company and is not appointed for any specific length of service, but he is subject to retirement by rotation and re-election at least once every three years at annual general meetings of the Company in accordance with the Articles of Association.

Mr. Zhang received director's emoluments of HK\$2,229,000 for the financial year ended 31 December 2018 which was determined by the Board with the recommendation of the remuneration committee of the Board by reference to his performance and responsibilities, the market rates for the position and the Company's performance and profitability.

Mr. Zhang does not have any relationships with any Directors, senior management, substantial or controlling shareholders of the Company nor does he hold any other positions in the Group. He does not, at present, nor did he in the past three years, hold any directorships in any other public companies the securities of which are listed in Hong Kong or overseas. As at the Latest Practicable Date, he does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

3. MR. LI WAI KEUNG

Mr. Li Wai Keung ("Mr. Li"), aged 62, has been the independent non-executive Director of the Company since July 2002. He is also the chairman of the Audit Committee and the remuneration committee and a member of the nomination committee of the Company. Mr. Li graduated from The Hong Kong Polytechnic and holds a master's degree in Business Administration from The University of East Asia. He is also a fellow member of The Association of Chartered Certified Accountants and Hong Kong Institute of Certified Public Accountants. Mr. Li had worked for Henderson Land Development Company Limited. Mr. Li is now an executive director and chief financial officer of GDH Limited and the chief financial officer of Guangdong Holdings Limited. Besides, he has been re-designated from a non-executive director to an executive director of Guangdong Land Holdings Limited (stock code: 124) in 2012 and was appointed as company secretary in March 2017. He is currently a non-executive director of Guangdong Investment Limited (stock code: 270), an independent non-executive director of Shenzhen Investment Limited (stock code: 604) and China South City Holdings Limited (stock code: 1668), the securities of which are listed on the Stock Exchange. Apart from the abovementioned, Mr. Li was appointed as the Standing Committee Member of the 12th Guangdong Provincial Committee of the Chinese People's Political Consultative Conference in January 2018.

Mr. Li has entered into an appointment letter with the Company for a term of three years commencing from 22 January 2019, unless terminated in accordance with the terms of the appointment letter and he is subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company

in accordance with the Articles of Association. Mr. Li is entitled to receive a director's fee of HK\$280,000 per annum which was determined by the Board with the recommendation of the remuneration committee by reference to the market practices.

Mr. Li does not have any relationships with any Directors, senior management, substantial or controlling shareholders of the Company nor does he hold any other positions in the Group. As at the Latest Practicable Date, he does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

4. GENERAL

Each of the above retiring Directors proposed for re-election has confirmed that there is no information which is disclosable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning him/her that need to be brought to the attention of the Shareholders.



HANS ENERGY COMPANY LIMITED
漢思能源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00554)

NOTICE OF 2019 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2019 Annual General Meeting (the “**Meeting**”) of Hans Energy Company Limited 漢思能源有限公司 (the “**Company**”) will be held at Boardroom 8, Lower Lobby, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 31 May 2019 at 11:00 a.m. for the following purposes:

1. To consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and of the independent auditor for the year ended 31 December 2018.
2. To re-elect Mr. Yang Dong as director.
3. To re-elect Mr. Zhang Lei as director.
4. To re-elect Mr. Li Wai Keung as director.
5. To authorise the board of directors to fix the directors’ remuneration.
6. To re-appoint Messrs. KPMG as auditors and to authorise the board of directors to fix their remuneration.
7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (b) below, a general mandate be and is hereby unconditionally given to the directors of the Company to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised by The Securities and Futures Commission of Hong Kong (the “**Securities and Futures Commission**”) and the Stock Exchange for this purpose, subject to and in accordance with all

NOTICE OF 2019 ANNUAL GENERAL MEETING

applicable laws and the rules and regulations of the Securities and Futures Commission and the Stock Exchange or of any other stock exchange as amended from time to time;

- (b) the total number of shares of the Company to be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution and the approval pursuant to paragraph (a) shall be limited accordingly; and
 - (c) for the purpose of this resolution, “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT**

- (a) subject to paragraph (b) below, a general mandate be and is hereby unconditionally given to the directors of the Company to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to issue, allot and deal with the unissued shares of the Company including the power to make an offer or agreement, or grant options which would or might require shares of the Company to be issued and allotted, whether during the continuance of the Relevant Period or thereafter;
- (b) the aggregate number of the shares issued, allotted or agreed conditionally or unconditionally to be issued, allotted or dealt with pursuant to the approval in paragraph (a) above during the Relevant Period, otherwise than pursuant to the following, shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly:
 - (i) a rights issue;
 - (ii) the exercise of options granted or to be granted under a share option scheme;

NOTICE OF 2019 ANNUAL GENERAL MEETING

- (iii) the exercise of rights of subscription or conversion attaching to any securities which are convertible into shares of the Company or any warrants to subscribe for shares of the Company;
 - (iv) any scrip dividend schemes or similar arrangements implemented in accordance with the articles of association of the Company; or
 - (v) a specific authority granted or to be granted by the shareholders in general meeting; and
- (c) for the purpose of this resolution, “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”
9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of ordinary resolutions 7 and 8 as set out in the notice convening this meeting, the general mandate granted to the directors of the Company pursuant to resolution 8 to exercise the powers of the Company to issue, allot and deal with the unissued shares of the Company be and is hereby extended by the addition thereto the aggregate number of the shares of the Company to be repurchased by the Company under the authority granted pursuant to resolution 7, provided that such number in aggregate shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

NOTICE OF 2019 ANNUAL GENERAL MEETING

10. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** the Proposed Amendments to the terms of all the outstanding share options granted pursuant to the share option scheme adopted by the Company on 28 December 2012 (the “**Share Option Scheme**”), being 127,500,000 share options carrying rights to subscribe for 127,500,000 ordinary share of HK\$0.10 each of the Company, on the terms as set out in the Circular of the Company dated 26 April 2019 be and is hereby approved and any one of directors of the Company be and is hereby authorized to do all such acts and/or execute all such documents as may be necessary or expedient in order to give full effect to this resolution.”

By order of the Board
Hans Energy Company Limited
漢思能源有限公司
Lam Lai Wan, Bondie
Company Secretary

Hong Kong, 26 April 2019

Notes:

1. All resolutions at the Meeting will be taken by poll (except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and of the Company in accordance with the Listing Rules.
2. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Company’s Share Registrars in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the Meeting (i.e. by 11:00 a.m. on Wednesday, 29 May 2019) or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the Meeting and, in such event, the said form of proxy shall be deemed to be revoked.
4. For determining the qualification as members of the Company to attend and vote at the Meeting, the register of members of the Company will be closed from Tuesday, 28 May 2019 to Friday, 31 May 2019, both days inclusive, during which period no transfer of shares will be registered. In order to qualify as members to attend and vote at the Meeting, investors are required to lodge all transfer documents accompanied by the relevant share certificates with the Company’s Share Registrars in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 27 May 2019.

As at the date of this notice, the board of directors of the Company comprises four executive directors, namely Mr. David An (Chairman), Mr. Yang Dong, Ms. Liu Zhijun and Mr. Zhang Lei and three independent non-executive directors, namely Mr. Li Wai Keung, Mr. Chan Chun Wai, Tony and Ms. Hai Hiu Chu.