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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)

**DISCLOSEABLE TRANSACTION IN RELATION TO
SUBSCRIPTION OF LIMITED PARTNERSHIP INTEREST**

On 26 March 2019, Creative Apex, a direct wholly-owned subsidiary of the Company, entered into the Subscription Agreement with the General Partner, pursuant to which Creative Apex agreed to subscribe for the limited partnership interest in the Limited Partnership with a maximum capital commitment of US\$20 million (equivalent to approximately HK\$156 million).

As the highest applicable percentage ratio in relation to the Subscription is less than 25% but more than 5%, the Subscription constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

SUBSCRIPTION OF LIMITED PARTNERSHIP INTEREST

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PRINCIPAL TERMS OF SUBSCRIPTION AGREEMENT

The principal terms of the Subscription Agreement are summarized as below:

Date:	26 March 2019
Parties:	1. Creative Apex; and 2. the General Partner
Subscription:	Creative Apex subscribed for and agreed to purchase the interest in the Limited Partnership
Consideration:	Creative Apex subscribed for the interest in the Limited Partnership for a maximum commitment of US\$20 million (equivalent to approximately HK\$156 million)

The capital commitment made by Creative Apex was determined after arm's length negotiation between the General Partner and Creative Apex, taking into account various factors including the terms of the Subscription, the investment objectives of the Limited Partnership and the financial position of the Group. The commitment to the Limited Partnership will be funded by the Group's internal resources.

INFORMATION ABOUT THE LIMITED PARTNERSHIP

Name of the Limited Partnership:	Templewater I, L.P.
Term of Limited Partnership:	The Limited Partnership commenced on the date on which a partnership certificate was issued and will continue until it is wound up and dissolved or at the expiration of the last to occur 8 years after the Initial Closing Date, extendable twice for 1 year each time at the General Partner's sole discretion.
Purpose of Limited Partnership:	The purpose of the Limited Partnership is (i) to achieve capital appreciation and participation primarily through investments in equity and equity-related securities, mainly in companies based in Asia-Pacific and Europe and portfolio funds with a similar investment focus and (ii) to engage in all activities and transactions the General Partner considers necessary or desirable in connection with (i) above as may be amended from time to time.
Commitment:	Creative Apex has committed to contribute capital of maximum amount of US\$20 million (equivalent to approximately HK\$156 million) to the Limited Partnership as a limited partner.

Investment Period: From the Initial Closing Date up until the date falling four years from the final Additional Closing Date, with the option to extend for 1 year at the General Partner's discretion.

Management: The General Partner shall have exclusive responsibility for the operation of the Limited Partnership and the management conduct and control of its business and affairs and shall make all investment decisions on behalf of the Limited Partnership.

The Limited Partner shall take no part in the operation of the Limited Partnership or the management or conduct of its business and affairs except with the written consent of the General Partner.

Key policy of distribution of investment proceeds: No partner is entitled to receive distributions from the Limited Partnership other than by way of voluntarily distribution; or upon the winding up of the Partnership's affairs.

The distribution priority is as follows:

1. Each Limited Partners and Founding Limited Partners will be returned their capital commitment in full (in proportion to their respective participation percentage);
2. The remaining distributable cash flow will be distributed as (i) 80% to the Limited Partners and Founding Limited Partners (in proportion to their respective participation percentage), and (ii) 20% to Founding Limited Partners.

Transfer of limited partnership interest: No Limited Partners may sell, transfer, assign or otherwise dispose of all or any part of its interest in the Limited Partnership without the prior written consent of the General Partner. The General Partner may grant or withhold its consent in its absolute discretion and is not required to give any reason for its decision.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the General Partner and its respective ultimate beneficial owner(s) are Independent Third Parties.

INFORMATION OF THE LIMITED PARTNERSHIP AND THE GENERAL PARTNER

The Limited Partnership is an exempted limited partnership registered under the Exempted Limited Partnership Law (Revised) of the Cayman Islands on 14 November 2018 with number 99019. As it is newly established, neither financial information nor past performance of the Limited Partnership is presented in this announcement.

The General Partner is an exempted company incorporated in the Cayman Islands with limited liability. It is principally engaged in investment and management of funds.

INFORMATION ON THE GROUP AND CREATIVE APEX

The Group is principally engaged in the provision of terminal and storage facilities and services for liquid petrochemical products in south China. The Group provides integrated facilities of jetties, storage tanks, warehousing and logistic services in south China for oil, petroleum, liquid petrochemical products and offers value-added services in its ports and storage tank farms.

Creative Apex is a company incorporated in the British Virgin Islands, a direct wholly-owned subsidiary of the Company.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The Group has endeavoured in exploring opportunities for potential investments with a view to generating revenue and achieve better return for its Shareholders.

The Company understands that the Limited Partnership will consider actively, among other things, investment in the energy sector which is in line with the Group's business. The Directors are of the view that the investment into the Limited Partnership falls within the Company's wider growth strategy to penetrate the energy sector. The Directors believe that the Subscription represents a good investment opportunity for the Group to diversify the Group's investment portfolio and generate stable income and return for the Group.

In the view of the above, the Directors consider that the terms of the Subscription Agreement are fair and reasonable and on normal commercial terms, and the Subscription is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in relation to the Subscription is less than 25% but more than 5%, the Subscription constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Additional Closing Date”	A subsequent closing held within 12 months after the Initial Closing Date (or such later date as the General Partner may approve in its absolute discretion), when the General Partner is authorized to raise additional commitments through subsequent closings of the sale of limited partnership interest in the Limited Partnership;
“Board”	the board of Directors;
“Company”	Hans Energy Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange;
“Creative Apex”	Creative Apex International Holding Limited, a company incorporated in the British Virgin Islands and a direct wholly-owned subsidiary of the Company;
“Director(s)”	directors of the Company;
“Founding Limited Partners”	Vader Enterprises Limited and Investec Investments (UK) Limited, or their respective successor, transferee or assignees from time to time;
“General Partner”	Templewater I, G.P., being the general partner of the Limited Partnership;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	A party which is not a connected person(s) of the Company as defined under the Listing Rules;
“Initial Closing Date”	31 March 2019, or such other date as determined by the General Partner in its absolute discretion;
“Limited Partner(s)”	the limited partners of the Limited Partnership;

“Limited Partnership”	Templewater I, L.P., is an exempted limited partnership registered under the Exempted Limited Partnership Law (Revised) of the Cayman Islands with number 99019;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“percentage ratios”	the meaning ascribed to it in the Listing Rules;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company;
“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	the meaning ascribed to it in the Listing Rules;
“Subscription”	the subscription of limited partnership interest in the Limited Partnership by Creative Apex pursuant to the Subscription Agreement;
“Subscription Agreement”	the subscription agreement dated 26 March 2019 entered into between Creative Apex and the General Partner in relation to the Subscription;
“US\$”	the lawful currency of United States of America; and
“%”	per cent.

By order of the Board
Hans Energy Company Limited
漢思能源有限公司
Yang Dong
Chief Executive Officer and Executive Director

Hong Kong, 12 April 2019

As at the date of this announcement, 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.