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HANS ENERGY COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 554)

DISCLOSEABLE TRANSACTION CONSTRUCTION OF JETTY TERMINAL AT HUMEN PORT, DONGGUAN, GUANGDONG

The Board is pleased to announce that Dongguan Storage Co, a subsidiary of the Company, has entered into the Construction Agreement with the Contractor pursuant to which the Contractor shall construct a jetty terminal at Humen Port, Dongguan, Guangdong at a consideration of RMB64,200,000 (equivalent to approximately HK\$69,032,000).

The Construction Agreement and the transactions contemplated thereunder constitute a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules. A circular containing, among other things, details of the Construction Agreement will be despatched to the Shareholders for information as soon as practicable.

INTRODUCTION

The Board is pleased to announce that Dongguan Storage Co, a subsidiary of the Company, has entered into the Construction Agreement with the Contractor pursuant to which the Contractor shall construct a jetty terminal at Humen Port, Dongguan, Guangdong at a consideration of RMB64,200,000 (equivalent to approximately HK\$69,032,000).

THE AGREEMENT

Date: 9 November 2007

Parties:

- Dongguan Storage Co, a subsidiary of the Company
- the Contractor

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Contractor and its ultimate beneficial owner(s) are third parties independent of the Group and connected persons (as defined in the Listing Rules) of the Company.

Subject matter:

The construction of a jetty terminal at Humen Port, Dongguan, Guangdong in accordance with the construction plans and hydrographic surveys provided by the Dongguan Storage Co, which includes works on the foundation, the structures and the pipeline network of the terminal, works on the foundation, the structures and the renovation of the control centre, and the installation of various supporting facilities for the terminal and the control centre.

Consideration and payment terms:

The consideration of the Construction Agreement is RMB64,200,000 (equivalent to approximately HK\$69,032,000) and was arrived at and determined after arm's length negotiations between the parties, having considered the scope of work involved and the facilities to be constructed under the Construction Agreement.

The consideration shall be satisfied in cash in the following manner:

- 5% of the consideration (i.e. RMB3,210,000) shall be paid within seven (7) working days of the Construction Agreement (the "**Down Payment**").
- A monthly payment during conduct of the construction work shall be made to the Contractor for 85% of the value of work completed in that month (the "**Instalments**").
- When the total amounts of Instalments paid reaches 30% of the total consideration, the Down Payment shall be applied to the credit of the next three Instalments.
- Upon completion of the construction works, the Project Company shall pay all the outstanding consideration to the Contractor, save and except that 5% of the total consideration shall be retained (the "**Retention Money**"). Such Retention Money shall be released to the Contractor one year after the completion of the construction works, having deducted losses suffered by the Dongguan Storage Co as a result of any work defects.

The Contractor would be entitled to a bonus of up to 5% of the total consideration if the construction works were completed ahead of schedule in accordance with the agreed qualitative and quantitative standards.

INFORMATION ON THE GROUP AND THE CONTRACTOR

The Group is principally engaged in the provision of specialised integrated terminalling, storage and logistics facilities and services for oil, gas and petrochemical products.

The Contractor is principally engaged in the construction of ports, roads, bridges, airports and the supply of construction materials.

REASONS FOR ENTERING INTO THE CONSTRUCTION AGREEMENT

The construction of the jetty terminal pursuant to the Construction Agreement is part of the Project as defined in the announcement of the Company dated 28 April 2006, namely the building of a new oil, gas and liquid petrochemical storage facility (for storage facilities operation) including jetty terminal (for port operation) in Dongguan Humen Port. The jetty terminal will be constructed at the harbour area adjacent to the Land and the Coastal Line and, upon completion of the construction, the Group can provide docking services at the jetty terminal to its clients in return for service fees. It is currently expected that the operation of jetty terminal, or generally known as port operation, will generate revenue for the Group by virtue of the port charge and transshipment service charge. If storage facilities are to be constructed on the Land, such storage facilities operation will generate revenue for the Group by virtue of the storage service charge. Save for the construction of the jetty terminal pursuant to the Construction Agreement, the Group does not have any other current developments in relation to the Project. It is currently anticipated that the construction of the jetty terminal pursuant to the Construction Agreement will be completed in February 2009.

With the construction of the Jetty terminal in accordance with the current designs, it is currently expected that the Group's annual docking capacity will increase by approximately 166% (from 7,210,000 metric tons to 19,210,000 metric tons per annum).

The Directors are of the view that the terms of the Construction Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL

The Construction Agreement and the transactions contemplated thereunder constitute a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules. A circular containing, among other things, details of the Agreement will be despatched to the Shareholders for information as soon as practicable.

DISCLOSURE REQUIREMENTS UNDER THE LISTING RULES

Under Rule 14.34 of the Listing Rules, disclosure of the subject transaction by way of announcement must be made as soon as possible after the terms of the transaction have been finalized. Due to inadvertent oversight, such announcement was not made within the stipulated time. In its announcement dated 28 April 2006, the Company has disclosed on its acquisition of land use right of the Land and the Coastal Line and details of the Project, namely the building of a new matter oil, gas and liquid petrochemical

storage facility including jetty terminal in Dongguan Humen port. The subject transaction under the Construction Agreement, namely the construction of the jetty terminal, has already been disclosed in the Company's previous announcements and hence the Board considers that the impact of such delay in disclosure is limited, as the subject transaction does not involve major and undisclosed new developments of the Company and is not expected to significantly change the Group's business operation. More importantly, the subject transaction does not in the Board's view constitute material price sensitive information of the Company and is not subject to Shareholders' approval under the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors;
“Coastal Line”	the coastal line of 650 metres in Dongguan Humen Port Lisha Island Area (虎門港立沙島作業區);
“Company”	Hans Energy Company Limited, a limited company incorporated in the Cayman Islands with limited liability, whose shares are listed on The Stock Exchange of Hong Kong Limited;
“Construction Agreement”	the agreement dated 9 November 2007 entered into between the Project Company and the Contractor in relation to the construction of a jetty terminal at Humen Port, Dongguan, Guangdong;
“Contractor”	中交第三航務工程局有限公司 (CCCC Third Harbor Engineering Co, Ltd*);
“Director(s)”	the director(s) (including the independent non-executive Directors) of the Company;
“Dongguan Storage Co”	東莞市東洲國際石化倉儲有限公司 (Dongguan Dongzhou International Petrochemical Storage Company Limited*), a limited liability company established in the PRC and a subsidiary of the Company;
“Group”	the Company and its subsidiaries;
“Land”	a piece of land adjacent to the Coastal Line with a total area of approximately 653.39 mou (equivalent to approximately 455,459 square metres) in Dongguan Humen Port Shatian Harbour Area (東莞虎門港沙田港區);
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC; and
“Shareholder(s)”	the shareholder(s) of the Company.

By order of the Board
Hans Energy Company Limited
David An
Chairman

** For identification purpose only*

For the purposes of this announcement, an exchange rate of RMB0.93 : HK\$1.00 has been adopted.

As at the date of this announcement, the Board comprises four executive directors, namely Mr. David An (Chairman), Mr. Fung Chi Kwan, Nicholas, Ms. Liu Zhijun and Mr. Zhang Lei and three independent non-executive directors, namely Mr. Li Wai Keung, Mr. Liu Jian and Mr. Chan Chun Wai, Tony.

Hong Kong, 17 January 2008