

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



TSC Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 206)

RESIGNATION OF DIRECTOR, APPOINTMENT OF DIRECTOR AND REDESIGNATION OF DIRECTORS

The Board announces that:

- (1) Mr. Robert William Fogal Jr has resigned as an independent non-executive Director due to his health reason.
- (2) Dr. Lu Xiaoming has been appointed as an independent non-executive director.
- (3) Mr. Zhang Menggui, Morgan has been re-designated from a non-executive director to an executive director.
- (4) Mr. Wang Yong has been re-designated from a non-executive director to an executive director, and has also been appointed as the Chief Executive Officer of the Company.

This announcement is made by TSC Group Holdings Limited (“**the Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Capitalised terms in this announcement shall have meaning as defined in the Company’s announcement dated 21 June 2017, unless the context otherwise requires.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The board of directors (the “**Directors**”, collectively referred to as the “**Board**”) of the Company announces that Mr. Robert William Fogal Jr (“**Mr. Fogal**”) has resigned as a non-executive director of the Company with effect from 22 June 2017 due to his health reason.

Mr. Fogal has confirmed that he has no disagreement with the Board and there is no matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company or the Stock Exchange.

The Board would like to take this opportunity to thank Mr. Fogal for his valuable contributions to the Group during his term of office.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The Board is pleased to announce that Dr. Lu Xiaoming (“**Dr. Lu**”) has been appointed as an independent non-executive director and a member of the audit committee, remuneration committee, nomination committee of the Company, with effect from 22 June 2017.

Biography of Dr. Lu

Dr. Lu, aged 56, graduated from Peking University with a Bachelor of Sciences in Mathematics. He then went on to obtain Masters Degrees in Economic Analysis and Forecast; Economics; and a Doctor of Philosophy in Management at the People’s University of China, York University, and Queen’s University respectively.

Dr. Lu started his career as a software engineer at SINOPEC, where he worked from 1983 to 1985. He then spent three years as an assistant researcher at the State Information Center. From 1999 to 2000, Dr. Lu was a quantitative analyst in the global risk management department of Lehman Brothers. In his four years at Guotai Junan Securities (“**GJS**”) from 2000 to 2004, Dr. Lu started off as a MD in the department of international business before transferring to the research department as a senior research analyst. Dr. Lu then spent four years at the China Investment Banking division of Citigroup, where he was a coverage banker for technology, media and telecoms; real estate; and auto. He was also involved in deal executions. Since 2008, he has been a private investor and consultant he also worked part-time as a senior adviser at CSV Capital Partners.

Pursuant to the letter of appointment entered into between the Company and Dr. Lu dated 22 June 2017, the appointment of Dr. Lu is for 3 years and his appointment is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the bye-laws of the Company. Dr. Lu will be entitled to an annual remuneration of HK\$120,000. His basic remuneration was fixed with reference to his duties and responsibilities with the Company as well as the Company's remuneration policy. He may also be eligible for a discretionary bonus based on his performance and the business of the Group.

Dr. Lu has confirmed that he meets the independence criteria as set out in Rule 3.13 of the Listing Rules.

As at the date of this announcement and save as disclosed above, Dr. Lu confirms that:

1. he has not previously held any position with the Group and has not been a director in the past three years in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas, and he has no other major appointments and professional qualifications;
2. he does have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company;
3. he does not have any interests in the shares of the Company within the meaning of part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, the Board is not aware of any other information that needs to be disclosed pursuant to Rule 13.51(2) of the Listing Rules; nor any other matters concerning Dr. Lu that need to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to welcome Dr. Lu to join the Board.

REDESIGNATION OF DIRECTORS

The Board is pleased to announce that the position of Mr. Zhang Menggui, Morgan (“**Mr. Zhang**”) has been re-designated from a non-executive Director of the Company to an executive Director of the Company with effect from 22 June 2017.

Biography of Mr. Zhang

Mr. Zhang, aged 58, is a co-founder of the Group and was an executive Director. He is an authorised representative and a member of the remuneration and nomination committee and chairman of the compliance committee of the Company. On 28 April 2016, he had been re-designated from executive Director to non-executive Director of the Company to focus on the development of Qingdao TSC and the TSC OGS Group. As stated in the Company’s announcement dated 21 June 2017, Qingdao TSC was delisted from the NEEQ effective from 21 June 2017.

He obtained his bachelor’s degree majoring in drilling engineering from the China University of Petroleum (中國石油大學) in 1982 and acquired his master’s degree in petroleum engineering from the University of Alaska-Fairbanks in the U.S.A. in 1989 and he received an executive master’s in business administration (EMBA) from China Europe International Business School in 2012.

He serves as the executive chairman of TSC OGS Group on NEEQ. He was the chief executive officer and an executive Director of the TSC OGS Group. Mr. Zhang has 34 years of experience in the oil and gas industry. Prior to founding the Group, he worked for a subsidiary of the CNPC group in China and for Cook Inlet Region Inc. in Alaska. Mr. Zhang currently is a member of several oil industry associations and professional organizations including the Society of Petroleum Engineers and the American Drilling Engineers. He is the elder brother of Mr. Zhang Mengzhen, Michael, vice president of TSC OGS Group and also the president of TSC Manufacturing and Supply, LLC. (“**TSC M&S**”), a subsidiary of the Group. He is also a director of Oxford Asia Investments Limited, Richie Tunnel Corp., Classic Price Inc., Thousand Code Limited, TSC Product Development Limited, Top Sino Industrial Limited, Center Mark International Limited, TSC Manufacturing and Supply LLC., TSC Offshore Corporation, Petro Equip Leaders Limited, Star Union Investments Limited, Alliance Offshore Group Limited, TSC International Enterprises Limited, TSC Investment Corporation Limited, TSC Offshore (UK) Limited, TSC Offshore Pte. Limited, TSC United Limited, TSC Asia Investments Limited, and TSC Oil & Gas Trading & Supplies Limited all being subsidiaries of the Company.

Save as disclosed above, Mr. Zhang has not held any other position with the Company or its subsidiaries, nor has he held any other directorship in any other listed public companies in the past three years. Mr. Zhang has entered into a service agreement with the Company with effect from 22 June 2017 and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Zhang will be entitled to an annual remuneration of US\$250,000. His basic remuneration was fixed with reference to his duties and responsibilities with the Company as well as the Company's remuneration policy. He may also be eligible for a discretionary bonus based on his performance and the business of the Group. He holds 124,702,200 shares in the Company and is also deemed to be interested in the 120,046,200 shares in the Company beneficially owned by Global Energy Investors, LLC. under part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO").

As at the date of this announcement and save as disclosed above, Mr. Zhang confirms that he does have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company, and he does not have other interests in the shares of the Company within the meaning of part XV of the SFO.

Save as disclosed above, the Board is not aware of any other information that needs to be disclosed pursuant to Rule 13.51(2) of the Listing Rules; nor any other matters concerning Mr. Zhang that need to be brought to the attention of the shareholders of the Company.

The Board is also pleased to announce that the position of Mr. Wang Yong ("**Mr. Wang**") has been re-designated from a non-executive Director of the Company to an executive Director of the Company with effect from 22 June 2017. He has also been appointed as the Chief Executive Officer ("**CEO**") of the Company.

Biography of Mr. Wang

Mr. Wang, aged 55, has been a non-executive Director of the Company since 11 April 2017, and he had been the President of the Group since 28 April 2016. Mr. Wang is responsible for the daily operations and business activities of the Company.

He is also the director and chief executive officer of a joint venture company, OIM Pte. Ltd. He joined TSC in April 2012 as Senior Vice President and Chief Operating Officer of the Group. Prior to joining TSC, he was the general manager for Weatherford International China. In his 16 years with Weatherford International, he held several managerial roles including global business alignment manager and business development manager. Mr. Wang started his career in the oil industry as a drilling engineer for China National Petroleum Corporation (CNPC) after

graduating from the China Petroleum University in 1982. He also spent five years in the China Petroleum University teaching drilling engineering courses before completing his first master's degree in petroleum engineering from the Louisiana State University in 1993. He also holds an Executive Master of Business Administration (EMBA) from the China Europe International Business School.

Save as disclosed above, Mr. Wang has not held any other position with the Company or its subsidiaries, nor has he held any other directorship in any other listed public companies in the past three years. Mr. Wang has entered into an appointment letter with the Company with effect from 22 June 2017 and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the bye-laws of the Company. Mr. Wang is entitled to an annual remuneration of US\$260,000. His basic remuneration was fixed with reference to his duties and responsibilities with the Company as well as the Company's remuneration policy. He may also be eligible for a discretionary bonus based on his performance and the business of the Group. He holds 3,000,000 options in the Company.

As at the date of this announcement and save as disclosed above, Mr. Wang confirms that he does have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company, and he does not have other interests in the shares of the Company within the meaning of part XV of the SFO.

Save as disclosed above, the Board is not aware of any other information that needs to be disclosed pursuant to Rule 13.51(2) of the Listing Rules; nor any other matters concerning Mr. Wang that need to be brought to the attention of the shareholders of the Company.

By order of the Board
TSC Group Holdings Limited
Jiang Bing Hua
Executive Chairman

Hong Kong, 22 June 2017

As of the date of this announcement, Mr. Jiang Bing Hua, Mr. Zhang Menggui and Mr. Wang Yong are executive Directors; Mr. Brian Chang, Mr. Jiang Longsheng and Mr. Wang Jianzhong are non-executive Directors; and Mr. Chan Ngai Sang, Kenny, Dr. Lu Xiaoming and Mr. Guan Zhichuan are independent non-executive Directors.