
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Sino Energy International Holdings Group Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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.



Sino Energy International Holdings Group Limited **中能國際控股集團有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1096)

PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS, GRANT OF GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at Macau Jockey Club, Function Room, 1/F., China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on Friday, 25 May 2018 at 11:00 a.m. is set out on pages 14 to 18 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.sino-energyint.com.hk>).

If you are not able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting if you so wish.

24 April 2018

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Macau Jockey Club, Function Room, 1/ F., China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on Friday, 25 May 2018 at 11:00 a.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 14 to 18 of this circular, or any adjournment thereof
“Articles”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Company”	Sino Energy International Holdings Group Limited, a company incorporated in the Cayman Islands as an exempted company with limited liability under the laws of the Cayman Islands, whose shares are listed on the Main Board of the Stock Exchange (stock code: 1096)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuance Mandate”	shall have the meaning as set out in paragraph 3(b) of the Letter from the Board
“Latest Practicable Date”	16 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China, for the purpose of this circular, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Share Repurchase Mandate”	shall have the meaning as set out in paragraph 3(a) of the Letter from the Board
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong

LETTER FROM THE BOARD



Sino Energy International Holdings Group Limited 中能國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1096)

Executive Directors:

Mr. Chen Jianbao

(Chairman and Joint Chief Executive Officer)

Mr. Wang Wei *(Vice-chairman)*

Ms. Cai Xiuman

Mr. Zhang Wenbin *(Joint Chief Executive Officer)*

Mr. Wang Qingshan

Non-executive Director:

Mr. Song Pengcheng

Independent non-executive Directors:

Mr. Chen Jinzhong, Roy

Mr. Lee Ho Yiu Thomas

Mr. Gu Renliang

Mr. Wang Xianzhang

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

*Headquarters and principal place of
business in the PRC:*

Shoes Industrial Park

Baogai Town

Shishi City

Fujian Province

PRC

*Principal place of business
in Hong Kong:*

27/F, AIA Central,

Connaught Road Central,

Central, Hong Kong

24 April 2018

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS,
GRANT OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of certain resolutions to be proposed at the Annual General Meeting for (i) the re-election of the retiring Directors; and (ii) the grant to the Directors of the Share Repurchase Mandate and the Issuance Mandate.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with the Articles, at each annual general meeting, one third of the Directors for the time being shall retire from office by rotation, provided that each Director shall be subject to retirement at an annual general meeting at least once every three years. Such Directors shall be eligible for re-election. Mr. Chen Jianbao, Mr. Wang Qingshan, Mr. Lee Ho Yiu Thomas and Mr. Gu Renliang will retire at the Annual General Meeting. Mr. Lee Ho Yiu Thomas has informed the Company that he will not offer himself for re-election as he would like to devote more time to pursue other business commitments. Save as Mr. Lee Ho Yiu Thomas, the above-mentioned retiring Directors, being eligible, will offer themselves for re-election.

Hence, the Company recommends Mr. Chen Jianbao and Mr. Wang Qingshan to be re-elected as the executive Directors and Mr. Gu Renliang to be re-elected as an independent non-executive Director.

Details of the retiring Directors are set out in Appendix I to this circular.

3. SHARE REPURCHASE MANDATE AND ISSUANCE MANDATE

By the Shareholders' resolutions passed on 1 June 2017, general mandates were granted to the Directors to repurchase Shares and issue new Shares respectively. Such mandates will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares and issue new Shares if and when appropriate the following ordinary resolutions will be proposed at the Annual General Meeting to approve:

- (a) the grant of a general and unconditional mandate to the Directors to purchase Shares on the Stock Exchange of not exceeding 10% of the aggregate amount of the issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting as set out on pages 14 to 18 of this circular (i.e. an aggregate amount of 160,649,842 Shares) on the basis that the issued shares of the Company remains unchanged on the date of the Annual General Meeting);
- (b) the grant of a general and unconditional mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the aggregate amount of the issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 14 to 18 of this circular (i.e. an aggregate amount of 321,299,684 Shares) on the basis that the issued shares of the Company remains unchanged on the date of the Annual General Meeting); and

LETTER FROM THE BOARD

- (c) the extension of the Issuance Mandate by adding thereto the aggregate amount of Shares repurchased by the Company pursuant to the Share Repurchase Mandate.

The Share Repurchase Mandate and the Issuance Mandate will expire:

- at the conclusion of the next annual general meeting of the Company;
- upon the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws of the Cayman Islands to be held; or
- when varied, revoked or renewed by an ordinary resolution of the Shareholders in a general meeting,

whichever is the earliest.

With reference to the Share Repurchase Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any new Shares pursuant thereto.

An explanatory statement required by the Listing Rules to provide you with requisite information reasonably necessary for you to make an informed decision on whether to vote for or against the grant of the Share Repurchase Mandate is set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 14 to 18 of this circular.

Pursuant to the Listing Rules and the Articles, 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 to purely a procedural or administrative matter to be voted on by a show of hands in accordance with the note to Rule 13.39(4) of the Listing Rules. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

To the extent that the Directors are aware, having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on the proposed resolutions at the Annual General Meeting.

LETTER FROM THE BOARD

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.sino-energyint.com.hk>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

5. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors, grant of the Share Repurchase Mandate and Issuance Mandate and the extension of the Issuance Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
Chen Jianbao
Chairman

Pursuant to the Listing Rules, the details of the Directors, who will retire and offer themselves for re-election at the Annual General Meeting, are provided below.

(1) Mr. Chen Jianbao (“Mr. Chen”)

Position, experience and relationship

Mr. Chen Jianbao (陳建寶), aged 43, is an executive Director, the chairman and joint chief executive officer of the Group. Mr. Chen graduated from Xian Politics Institute, China where he majored in Economics and Management and holds a master degree from the School of Economics and Management of Tsinghua University, China. Since 2011, Mr. Chen has been the managing director of Beijing Bai Na Sheng Shi International Culture Company Limited. Mr. Chen has also been the managing director of Beijing Ideva Energy Management Company Limited since 2013. Before that, Mr. Chen was an officer of the media project team of News and Information Centre of Xinhua News Agency. Mr. Chen was appointed as an executive director of North Mining Shares Company Limited (北方礦業股份有限公司), a company listed on the Stock Exchange (stock code: 433), from April 2015 to August 2015. Mr. Chen has extensive experience in corporate management.

Save as disclosed above, as far as the Directors are aware, Mr. Chen does not have any relationship with other Directors, senior management, substantial Shareholders or controlling Shareholders.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Chen is the beneficial owner of 34.57% of the entire issued share capital of Huarong Energy Investment Company Limited, and is therefore deemed to be interested in 722,267,408 Shares held by Huarong Energy Investment Company Limited, which are required to be disclosed pursuant to Part XV of the SFO.

Length of service and Director's emoluments

With respect to his directorship with the Company, Mr. Chen is appointed for a term of 1 year commencing from 28 June 2017. He is entitled to an annual remuneration of HK\$1,000,000 without discretionary bonus. The remuneration is determined by the remuneration committee of the Company with reference to the remuneration policy, his duties and the prevailing market level of remuneration for executives of similar positions.

(2) Mr. Wang Qingshan (“Mr. Wang”)*Position, experience and relationship*

Mr. Wang Qingshan (王慶三), aged 78, is an executive Director. Mr. Wang was appointed as a Director on 14 April 2016. Mr. Wang obtained a degree in Refinery and Chemical Engineering from Xi'an Shiyou Institute (now known as Xi'an Shiyou University). Following graduation, Mr. Wang joined Fushun Petroleum Institute under the Ministry of Petroleum Industry (石油工業部撫順石油學院) which is currently subordinated to Petro Factory I of PetroChina Fushun Petrochemical Company (中石油撫順石化公司石油一廠) and had taken up positions of factory director and chief engineer. Later, he joined Shenzhen Nanyou (Holdings) Ltd. (深圳南油集團公司) in 1989 and had served as chairman and general manager of Nanyou Petroleum & Chemicals Co., Ltd. (南油石化公司). From 2001 to 2005, Mr. Wang worked in Geomaxima Holdings Company Limited, a company listed in the Stock Exchange as vice general manager. During 2006, Mr. Wang was chief engineer and consultant of Dongguan Yelian Petroleum Bitumen Co., Ltd (東莞市擘聯改性道路瀝青有限公司). Mr. Wang has gained extensive experience in aspect of operation and management within petrochemical enterprises (including production, storage and transportation), early stage preparation and construction for petrochemical engineering (refinery, petrochemical and storage), as well as construction and management for railway lines and petrochemical terminals dedicated for transportation of hazardous articles.

Save as disclosed above, as far as the Directors are aware, Mr. Wang does not have any relationship with other Directors, senior management, substantial Shareholders or controlling Shareholders.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Wang does not have any interests in the securities of the Company which are required to be disclosed pursuant to Part XV of the SFO.

Length of service and Director's emoluments

With respect to his directorship, Mr. Wang is appointed for a term of one year commencing from 28 June 2017. He is entitled to an annual remuneration of HK\$120,000 without discretionary bonus. The remuneration is determined by the remuneration committee of the Company with reference to the remuneration policy, his duties and the prevailing market level of remuneration for executives of similar positions.

(3) Mr. Gu Renliang (“Mr. Gu”)

Position, experience and relationship

Mr. Gu Renliang (顧人樑), aged 61, is an independent non-executive Director, a member of each of the audit committee, the remuneration committee and the nomination committee of the Company. He graduated from the Shanghai University with a bachelor degree in engineering in 1981, the California State University, Northridge with a master degree in mathematics in 1984 and the Drexel University with a master degree in computer science in 1986. In 1991, Mr. Gu worked in the headquarters of the World Bank in Washington, D.C. and in 1993, he was promoted as a consultant to the Ministry of Finance, the Government of Saudi Arabia in Riyadh. In 1999, he established Palm International in Dubai, which assisted various Chinese corporations and government entities to develop projects in the Gulf Country. In 2006, Mr. Gu was appointed as the Chief Representative of Al Obayya Group in Beijing. From 2006 to 2007, Mr. Gu was also appointed as a consultant to SAMA Dubai. In March 2015, Mr. Gu was appointed as the Director's Assistant for Middle East and Africa of Renewable Energy Center of China Investment Association.

As far as the Directors are aware, Mr. Gu does not have any relationship with other Directors, senior management, substantial Shareholders or controlling Shareholders.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Gu does not have any interests in the securities of the Company which are required to be disclosed pursuant to Part XV of the SFO.

Length of service and Director's emoluments

With respect to his directorship with the Company, Mr. Gu is appointed for a term of 1 year commencing from 28 June 2017. He is entitled to an annual remuneration of HK\$120,000 without discretionary bonus. The remuneration is determined by the Board with reference to the remuneration policy, his duties and the prevailing market level of remuneration for executives of similar positions.

(4) General

Save as disclosed above, there are no other matters relating to the re-election of the retiring Directors that are required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules and no other matters need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the grant of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,606,498,422 Shares.

Subject to the passing of the ordinary resolution set out in item 3 of the notice of the Annual General Meeting in respect of the grant of the Share Repurchase Mandate and on the basis that the issued shares of the Company remains unchanged on the date of the Annual General Meeting i.e. being 1,606,498,422 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase (during the period in which the Share Repurchase Mandate remains in force) an aggregate amount of 160,649,842 Shares, representing 10% of the aggregate amount of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR REPURCHASE OF SHARES

The Directors believe that the grant of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association of the Company and the Articles, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF REPURCHASE

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 accounts contained in the annual report of the Company for the year ended 31 December 2017) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2017		
April	0.530	0.480
May	0.490	0.375
June	0.415	0.295
July	0.440	0.345
August	0.400	0.355
September	0.360	0.305
October	0.335	0.295
November	0.335	0.295
December	0.335	0.300
2018		
January	0.310	0.295
February	0.315	0.280
March	0.300	0.280
April (up to the Latest Practicable Date)	0.270	0.249

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the grant of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the grant of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes 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 thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Directors, as at the Latest Practicable Date, Huarong Energy Investment Company Limited are interested in 465,884,543 Shares representing approximately 29.0% of the total issued shares of the Company. In the event that the Directors exercise the proposed Share Repurchase Mandate in full, the interest or deemed interest in shareholding of Huarong Energy Investment Company Limited would be increased to approximately 32.2% of the total issued shares of the Company and may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. REPURCHASE OF SHARES MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



Sino Energy International Holdings Group Limited 中能國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1096)

Notice is hereby given that the annual general meeting (the “**Annual General Meeting**”) of Sino Energy International Holdings Group Limited (the “**Company**”) will be held at Macau Jockey Club, Function Room, 1/F., China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on Friday, 25 May 2018 at 11:00 a.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 December 2017.
2. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
 - (a) to re-elect Mr. Chen Jianbao as an executive director;
 - (b) to re-elect Mr. Wang Qingshan as an executive director;
 - (c) to re-elect Mr. Gu Renliang as an independent non-executive director; and
 - (d) to authorize the board of directors to fix the directors’ remuneration.
3. To re-appoint ZHONGHUI ANDA CPA Limited as auditor of the Company and to authorize the board of directors of the Company to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

4. **“THAT:**

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to purchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total amount of shares of the Company to be purchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the aggregate amount of the issued shares of the Company as at the date of passing of this resolution and the said mandate shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) 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; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

5. **“THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the mandate in paragraph (a) above shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate amount of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company;
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the aggregate amount of the issued shares of the Company on the date of the passing of this resolution and the said mandate shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) 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; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlement or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

6. “**THAT** conditional upon the passing of resolutions set out in items 4 and 5 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of an amount representing the aggregate amount of shares purchased by the Company pursuant to the mandate referred to in resolution set out in item 4 of the Notice, provided that such amount shall not exceed 10% of aggregate amount of the issued shares of the Company on the date of the passing of this resolution.”

By Order of the Board
Chen Jianbao
Chairman

Hong Kong, 24 April 2018

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 to purely a procedural or administrative matter to be voted on by a show of hands in accordance with 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 the Company in accordance with the Listing Rules.
2. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy (or more than one proxy if he is the holder of two or more shares) to attend and vote instead of him. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.

NOTICE OF ANNUAL GENERAL MEETING

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 certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting 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 instrument appointing a proxy shall be deemed to be revoked.
4. In order to determine the entitlement to attend the Annual General Meeting for the year ended 31 December 2017, the register of members of the Company will be closed from Friday, 18 May 2018 to Friday, 25 May 2018 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for attending the Annual General Meeting, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration by not later than 4:30 p.m. on Thursday, 17 May 2018.
5. As at the date of this notice, the executive directors of the Company are Mr. Chen Jianbao, Mr. Wang Wei, Ms. Cai Xiuman, Mr. Zhang Wenbin and Mr. Wang Qingshan; the non-executive director of the Company is Mr. Song Pengcheng; and the independent non-executive directors of the Company are Mr. Chen Jinzhong, Roy, Mr. Lee Ho Yiu Thomas, Mr. Gu Renliang and Mr. Wang Xianzhang.