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

If you have sold or transferred all your shares in AAG Energy Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, 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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**AAG Energy Holdings Limited**

**亞美能源控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2686)**

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,  
PROPOSED RENEWAL OF GENERAL MANDATES TO  
REPURCHASE SHARES AND TO ISSUE NEW SHARES,  
PROPOSED RENEWAL OF ANNUAL MANDATE TO ISSUE SHARES  
UNDER THE POST-IPO RSU SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM of AAG Energy Holdings Limited to be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Wednesday, May 13, 2020 at 9:30 a.m. set out on pages 23 to 28 of this circular. A form of proxy for use at the AGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.aagenergy.com](http://www.aagenergy.com)).

Whether or not you propose to attend and vote at the AGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 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 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM if you so desire. If you attend and vote at the AGM, the form of proxy will be revoked.

In compliance with the HKSAR Government's directive on social distancing, personal and environmental hygiene, and the guidelines issued by the Centre for Health Protection of the Department of Health on the prevention of coronavirus disease 2019 (COVID-19), the Company will implement additional precautionary measures at the AGM including, without limitation:

- compulsory body temperature screening;
- mandatory use of surgical face masks;
- mandatory health declaration — anyone subject to quarantine, has any flu-like symptoms or has travelled overseas within 14 days immediately before the AGM ("recent travel history"), or has close contact with any person under quarantine or with recent travel history will not be permitted to attend the AGM;
- anyone attending the AGM is reminded to observe good personal hygiene at all times; and
- appropriate distancing and spacing in line with the guidance from the HKSAR Government will be maintained and as such, the Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding.

In light of the continuing risks posed by the COVID-19 pandemic, the Company strongly encourages Shareholders NOT to attend the AGM in person, and advises Shareholders to appoint the Chairman of the AGM or any Director or Company Secretary of the Company as their proxy to vote according to their indicated voting instructions as an alternative to attending the AGM in person. Shareholders are advised to read the leaflet attached to this circular for further detail and monitor the development of COVID-19. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

April 8, 2020

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## DEFINITIONS

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

“2019 AGM”	the annual general meeting of the Company held on May 10, 2019
“AGM”	an annual general meeting of the Company to be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong at 9:30 a.m. on Wednesday, May 13, 2020, to consider and, if desirable, to approve the proposed resolutions as set out in the notice of such meeting which is set out on pages 23 to 28 of this circular, or any adjournment thereof
“Annual Mandate”	a specific and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to grant RSUs pursuant to the Post-IPO RSU Scheme in respect of underlying Shares not exceeding 2.0% of the Shares in issue as at the date of passing the proposed ordinary resolution No. 8 as set out in the notice of the AGM
“Applicable Period”	the period from the date of passing the resolution granting the Annual Mandate, to the earliest of (a) the conclusion of the next annual general meeting of the Company; (b) the end of the period within which the Company is required by any applicable laws or by the Articles to hold the next annual general meeting of the Company; and (c) the date on which the Annual Mandate is varied or revoked by an ordinary resolution of the Shareholders in a general meeting of the Company
“Articles of Association” or “Articles”	the articles of association of the Company, as amended from time to time
“associates”	has the same meaning as ascribed to it under the Listing Rules
“Board”	board of Directors
“BVI”	British Virgin Islands
“CBM”	coalbed methane
“Chairman”	chairman of the Board
“China” or “PRC”	People’s Republic of China, except where the context requires otherwise, excluding Hong Kong, Macau Special Administrative Region and Taiwan

## DEFINITIONS

“close associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Company”	AAG Energy Holdings Limited (previously known as AAG Energy Inc.), a company incorporated in the Cayman Islands with limited liability on December 23, 2014, with its Shares listed on the Main Board of the Stock Exchange (Stock Code: 2686)
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“core connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Person(s)”	person(s) eligible to receive awards under the Post-IPO RSU Scheme, who could be existing employees, Directors or officers of the Company, or other companies of the Group, or any other person selected by the Board or the remuneration committee of the Board at its sole discretion from time to time
“Group”	the Company and its subsidiaries
“HK\$”	the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to exercise all powers of the Company to allot, issue and deal with any Shares or securities convertible to Shares and to make an offer or agreement or grant an option (including but not limited to warrants, options, bonds, notes, securities and debentures conferring any rights to subscribe for or otherwise receive Shares) which would or might require the exercise of such power, during the period as set out in the proposed ordinary resolution No. 6 as set out in the notice of the AGM not exceeding 20% of the total number of issued shares of the Company as at the date of passing of proposed ordinary resolution No. 6 as set out in the notice of the AGM
“Latest Practicable Date”	April 2, 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular

## DEFINITIONS

“Listing Committee”	has the same meaning as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange. For the avoidance of doubt, the Main Board excludes the GEM
“Option(s)”	an option or right to purchase Shares under the Pre-IPO Share Option Scheme
“Post-IPO RSU Scheme”	the post-IPO restricted share unit scheme adopted by the Company on June 5, 2015, which took effect on June 23, 2015. Details of the Post-IPO RSU Scheme and RSUs granted thereunder are set out in the section headed “Appendix V — Statutory and General Information — E. Post-IPO RSU Scheme” in the Prospectus
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme adopted by the Board on March 31, 2015 and effective on the same date, under which Options are awarded to eligible participants. Details of Pre-IPO Share Option Scheme and Options granted thereunder are set out in the section headed “Appendix V — Statutory and General Information — D. Pre-IPO Share Option Scheme” in the Prospectus
“Prospectus”	the prospectus of the Company published on June 11, 2015
“RMB”	Renminbi, the lawful currency of China
“RSU(s)”	restricted share unit(s), being a contingent right to receive Shares which is granted under the Post-IPO RSU Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	ordinary share(s) of US\$0.0001 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company

## DEFINITIONS

“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution No. 5 as set out in the notice of the AGM
“Shareholders(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning as ascribed to it under the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended from time to time
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“%”	per cent

*References to time and dates in this circular are to Hong Kong time and dates.*

LETTER FROM THE BOARD



AAG

**AAG Energy Holdings Limited**

**亞美能源控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2686)**

*Executive Director:*

Mr. Ming Zaiyuan (*Chairman*)  
Mr. Yan Danhua (*President*)  
Mr. Zhang Jianbing (*Vice President*)

*Non-executive Directors:*

Dr. Cui Guiyong  
Ms. Gu Ren  
Mr. Huang Min

*Independent Non-executive Directors:*

Mr. Tai Kwok Leung Alexander  
Dr. Liu Xiaofeng  
Dr. Yang Ruizhao

*Registered Office:*

P.O. Box 31119  
Grand Pavilion, Hibiscus Way  
802 West Bay Road  
Grand Cayman  
KY1-1205  
Cayman Islands

*Head Office and Principal Place of  
Business in Hong Kong:*

Unit 2109–10, 21st Floor  
China Merchants Tower  
Shun Tak Centre  
No. 168–200 Connaught Road Central  
Hong Kong

*Principal Place of Business in China:*

Guobei Village  
Jiafeng Town  
Qinshui County  
Jincheng City  
Shanxi Province, 048204  
PRC  
Panzhuang Management Center

April 8, 2020

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,  
PROPOSED RENEWAL OF GENERAL MANDATES TO  
REPURCHASE SHARES AND TO ISSUE NEW SHARES,  
PROPOSED RENEWAL OF ANNUAL MANDATE TO ISSUE SHARES  
UNDER THE POST-IPO RSU SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of the ordinary resolutions to be proposed at the AGM to be held on Wednesday, May 13, 2020.

## LETTER FROM THE BOARD

### 2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with articles 84(1) and 84(2) of the Articles, Mr. ZHANG Jianbing, Mr. TAI Kwok Leung Alexander and Dr. YANG Ruizhao will retire as Directors by rotation at the AGM and, being eligible, they will offer themselves for re-election at the same meeting. In accordance with articles 83(3) and 84(2) of the Articles, Mr. HUANG Min, who has been appointed by the Board as Director on March, 27, 2020, will retire as Directors at the AGM and, being eligible, will offer themselves for re-election at the same meeting.

The nomination committee of the Company (the “**Nomination Committee**”) assists the Board in the selection and nomination process for the above retiring Directors. The nomination was made in accordance with the nomination procedures adopted by the Board and took into account the Board’s composition as well as the various diversity aspects as set out in the board diversity policy adopted by the Board (the “**Board Diversity Policy**”).

The Nomination Committee has evaluated the retiring Directors based on criteria including but not limited to their character and integrity, professional qualifications, skills, knowledge, experience and willingness and ability to devote adequate time to discharge duties as members of the Board and is of the view that the retiring Directors will bring to the Board perspectives, skills and experience as further described in their particulars below.

Based on the Board Diversity Policy, the Nomination Committee considers that the retiring Directors can contribute to the diversity of the Board. The Board comprises nine members, including one female non-executive Director. The Directors also have a balanced mix of knowledge, skills and experience, including overall management, information technology and investment etc. They obtained degrees in various majors including economics, business administration, commerce, engineering and petroleum geology. The Board has three independent non-executive Directors with different industry backgrounds, representing more than one-third of the Board members. The Board has a wide range of age, ranging from 37 years old to 62 years old. The Company has taken and will continue to take steps to promote gender diversity at all levels of the Group, including but without limitation at the Board and senior management levels. The Directors consider that the composition of the Board satisfies the Board Diversity Policy.

The Nomination Committee has also assessed and reviewed the written confirmations of independence of Dr. Yang who has offered himself for re-election at the AGM based on the independence criteria as set out in Rule 3.13 of the Listing Rules and is satisfied that he remains independent in accordance with Rule 3.13 of the Listing Rules.

The Board, with the recommendation of the Nomination Committee, believes that the valuable knowledge and experience of the retiring Directors in the businesses of the Group and their general business acumen continue to generate significant contribution to the Company and the Shareholders as a whole and supports their re-elections as Directors at the AGM.

Pursuant to the Listing Rules, the particulars of the retiring Directors offering themselves for re-election at the AGM, being Mr. ZHANG Jianbing, Mr. HUANG Min, Mr. TAI Kwok Leung Alexander and Dr. YANG Ruizhao, are set out in Appendix I to this circular.



## LETTER FROM THE BOARD

### 3. PROPOSED RENEWAL OF GENERAL MANDATE TO REPURCHASE SHARES

At the 2019 AGM, a general mandate was granted to the Directors to exercise all powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the AGM.

In order to give the Company the flexibility to repurchase Shares where appropriate, an ordinary resolution will be proposed at the AGM to approve the renewal of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the number of issued Shares as at the date of passing the proposed ordinary resolution No. 5 as set out in the notice of the AGM. If the Company conducts a share consolidation or subdivision after the Share Repurchase Mandate is granted, the maximum number of Shares that may be repurchased under the Share Repurchase Mandate as a percentage of the total number of issued Shares as the date immediately before and after such consolidation or subdivision shall be the same.

As at the Latest Practicable Date, the issued share capital of the Company of 3,393,582,395 Shares have been fully paid. Subject to the passing of the proposed ordinary resolution No. 5 approving the Share Repurchase Mandate and assuming that the number of issued Shares remained unchanged following the Latest Practicable Date and prior to the date of the AGM, the maximum number of Shares which may be repurchased pursuant to the Share Repurchase Mandate as at the date of passing the ordinary resolution No. 5 in the notice of AGM will be 339,358,239 Shares. The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

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 renewal of the Share Repurchase Mandate is set out in Appendix II to this circular.

## LETTER FROM THE BOARD

### 4. PROPOSED RENEWAL OF GENERAL MANDATE TO ISSUE SHARES

At the 2019 AGM, a general mandate was granted to the Directors to exercise all powers of the Company to allot, issue and deal with the Shares or securities convertible into Shares and to make or grant offers, agreements or options (including but not limited to any warrants, bonds, notes and debentures conferring any rights to subscribe for or otherwise receive Shares) which would or might require the exercise of such power. Such mandate will lapse at the conclusion of the AGM.

In order to give the Company the flexibility to issue Shares where appropriate, an ordinary resolution will be proposed at the AGM to approve the renewal of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares or securities convertible into Shares and to make or grant offers, agreements or options (including but not limited to any warrants, bonds, notes and debentures conferring any rights to subscribe for or otherwise receive Shares) which would or might require the exercise of such power, during the period as set out in the ordinary resolution No. 6 in the notice of AGM of not exceeding 20% of the number of issued Shares as at the date of passing of the resolution in relation to the Issuance Mandate.

As at the Latest Practicable Date, the issued share capital of the Company of 3,393,582,395 Shares have been fully paid. Subject to the passing of the proposed ordinary resolution approving the Issuance Mandate and assuming that the number of issued Shares remains unchanged following the Latest Practicable Date and prior to the date of the AGM, the Directors will be authorized to issue a maximum of 678,716,479 Shares under the Issuance Mandate.

In addition, subject to a separate approval of the ordinary resolution No. 7, the number of Shares repurchased by the Company under ordinary resolution No. 5 will also be added to extend the 20% limit of the Issuance Mandate as mentioned in ordinary resolution No. 6 provided that such additional amount shall not exceed 10% of the number of issued Shares as at the date of passing the resolutions in relation to the Issuance Mandate and Share Repurchase Mandate. If the Company conducts a share consolidation or subdivision after the Issuance Mandate is granted, the maximum number of Shares that may be issued under the Issuance Mandate as a percentage of the total number of issued Shares as the date immediately before and after such consolidation or subdivision shall be the same.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

## LETTER FROM THE BOARD

### 5. PROPOSED RENEWAL OF ANNUAL MANDATE TO ISSUE SHARES UNDER THE POST-IPO RSU SCHEME

At the 2019 AGM, a specific mandate was granted to the Directors to exercise all the powers of the Company to grant RSUs pursuant to the Post-IPO RSU Scheme in respect of the underlying Shares not exceeding 2.0% of the Shares in issue as at the date of the 2019 AGM (“**2019 Annual Mandate**”) during the period from the date of approving the 2019 Annual Mandate up to the conclusion of the AGM.

Pursuant to Clause 4.2 of the Post-IPO RSU Scheme, the Directors propose to refresh the scheme mandate limit by an ordinary resolution at the AGM which gives the Directors a specific mandate (the “**Annual Mandate**”) to exercise all the powers of the Company to grant RSUs in respect of underlying Shares not exceeding 2.0% of the Shares in issue as at the date of passing such mandate, and to allot, issue and deal with the Shares underlying the RSUs granted pursuant to the Post-IPO RSU Scheme during the Applicable Period as and when such RSUs vest. Subject to the passing of the relevant resolution to approve the Annual Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Directors would be authorized to exercise the powers of the Company to grant RSUs in respect of a maximum number of 67,871,647 underlying Shares.

If the Company conducts a share consolidation or subdivision after the refreshment of the Annual Mandate has been approved in the AGM, the maximum number of Shares that may be issued upon exercise of all options to be granted under the Post-IPO RSU Scheme under the 2.0% limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

As at the Latest Practicable Date, no eligible person has been proposed or identified by the Board to be granted any RSUs under the Annual Mandate. Therefore, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries as at the Latest Practicable Date, no other Shareholder has a material interest in the transactions contemplated under the Annual Mandate and is required to abstain from voting on the ordinary resolution at the AGM to approve the Annual Mandate.

Further information in connection with the Annual Mandate is set out in Appendix III to this circular.

### 6. RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the proposed re-election of the retiring Directors and the renewal of the Share Repurchase Mandate and the Issuance Mandate and the renewal of the Annual Mandate to issue Shares pursuant to the Post-IPO RSU Scheme are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

## LETTER FROM THE BOARD

### 7. 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.

### 8. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 23 to 28 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 of such meeting, in good faith, decides to allow a resolution relating purely to a procedural or administrative matter to be voted on by a show of hands pursuant to the Listing Rules. An announcement on the poll vote results 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 the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.aagenergy.com](http://www.aagenergy.com)). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 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 AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

Yours faithfully,  
For and on behalf of the Board  
**AAG Energy Holdings Limited**  
**Ming Zaiyuan**  
*Chairman and Executive Director*

*The following are the particulars (as required by the Listing Rules) of the Directors proposed to be re-elected at the AGM.*

**(1) Mr. ZHANG Jianbing**

*Position and experience*

Mr. ZHANG Jianbing, aged 56, was appointed as the executive Director, the authorized representative, the vice president of the Company and a member of the Remuneration Committee on August 24, 2018, August 25, 2018, September 7, 2018 and March 21, 2019, respectively. He has worked in government departments and enterprises for over 35 years. Mr. Zhang has management experience in industrial economy, finance, safety production management and other perspectives. Since April 2015, Mr. Zhang has worked as a director of the general manager's office of Xinjiang Xintian Natural Gas Co., Ltd. (新疆鑫泰天然氣股份有限公司) ("XTRQ"), a company listed on Shanghai Stock Exchange (stock code: 603393), a general manager of Fukang Xintai Gas Co., Ltd. (阜康市鑫泰燃氣有限責任公司), the head of investment management department and a general manager's assistant of XTRQ, respectively. From 2010 to 2015, Mr. Zhang served as a deputy director of Deyang Municipal Committee of Economic and Information Technology (德陽市經信委). From 2006 to 2010, he was a director of Deyang Information & Technology Office (德陽市信息化辦公室). From 1999 to 2006, Mr. Zhang worked in Deyang Municipal Government Office (德陽市政府辦) as a deputy chief of the administrative department and the deputy director of the supervision and inspection office. From 1990 to 1999, Mr. Zhang served as a deputy chief of the industrial transport department in Deyang Economic Restructuring Committee (德陽市經濟體制改革委員會).

Mr. Zhang graduated from the correspondence college of Party College of Sichuan Province Committee of the Communist Party of China (中共四川省委黨校函授學院) in 2000, majoring in law. Mr. Zhang obtained the Certificate of Secretary from the Shanghai Stock Exchange in 2018.

Saved as disclosed above, Mr. Zhang does not hold any directorship in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position within the Group.

*Length of service and emoluments*

Mr. Zhang has entered into a service contract with the Company on September 7, 2018 in relation to his appointment as an executive Director on August 24, 2018 for a term of 3 years. His appointment shall be subject to retirement by rotation and re-election in accordance with the Articles of Association. The annual remuneration of Mr. Zhang is RMB1.0 million which have been reviewed by the Remuneration Committee and determined with reference to his respective duties and responsibilities with the Company, the Company's performance and the prevailing market condition.

*Relationships*

Mr. Zhang does not have any other relationship with any Directors or senior management of the Company or substantial Shareholders or controlling Shareholders.

*Interest in Shares*

As at the Latest Practicable Date, Mr. Zhang did not have any interest in any Shares or underlying Shares pursuant to Part XV of the SFO.

*Matters that need to be brought to the attention of the Shareholders*

Saved as disclosed above, there are no other matters concerning Mr. Zhang that need to be brought to the attention of the Shareholders and there is no other information relating to Mr. Zhang that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

**(2) Mr. HUANG Min***Position and experience*

Mr. Huang, aged 56, was appointed as the non-executive Director on March 27, 2020. He has extensive experience and knowledge in the natural gas energy industry. Mr. Huang is currently serving as the chairman of the supervisory board of XTRQ. Prior to that, from December 1979 to March 2000, Mr. Huang served as an accountant, an cashier and subsequently response for credit, credit card business and deposit business at the Agricultural Bank of China (Deyang City Jingyang District Branch). From March 2000 to March 2002, Mr. Huang served as the general manager of Miquan LPG Company (米泉液化氣公司). From March 2002 to February 2003, Mr. Huang served as the head of the Shexian County City Natural Gas Transmission and Distribution Project Preparation Department (焉耆縣城市天然氣輸配項目籌建處). From March 2003 to February 2004, Mr. Huang served as the head of Fukang City Natural Gas Transmission and Distribution Project Preparation Board (阜康市城市天然氣輸配項目籌建處). From March 2004 to December 2012, Mr. Huang served as the general manager of the business operations division of Xinjiang Xintai Investment (Group) Co., Ltd. and since January 2013, he has been serving as the chairman of the supervisory board of XTRQ. Mr. Huang graduated from Deyang Municipal College of CPC (中共德陽市委黨校) in 1987, majoring in Law.

*Length of service and emoluments*

Mr. Huang has entered into a letter of appointment with the Company on in relation to his appointment as a non-executive Director for a fix term of 3 years commencing from March 27, 2020. His appointment shall be subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Article of Association. There is no annual salary payable to Mr. Huang by the Company and Mr. Huang shall be entitled to reimbursements of all reasonable expenses incurred by him in the performance of duties.

*Relationship*

Mr. Huang does not have any other relationship with any Directors or senior management of the Company or substantial Shareholders or controlling Shareholders.

*Interest in Shares*

As at the Latest Practicable Date, Mr. Huang did not have any interest in any Shares or underlying Shares pursuant of Part XV of the SFO.

*Matters that need to be brought to the attention of the Shareholders*

Save as disclosed above, there are no other matters concerning Mr. Huang that need to be brought to the attention of the Shareholders and there is no other information relating to Mr. Huang is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

**(3) Mr. TAI Kwok Leung Alexander***Position and experience*

Mr. TAI Kwok Leung Alexander, aged 62, was appointed as the independent non-executive Director and a member of the Audit Committee and Remuneration Committee on August 24, 2018; and redesignated as the chairman of the Audit Committee and appointed as a member of the Nomination Committee and Strategic Development Committee on September 7, 2018. He is currently a partner and officer in charge of corporate finance department of VMS Securities Limited. Mr. Tai currently also serves as an independent non-executive director of Luk Fook Holdings (International) Limited (Stock Code: 590), Jiayuan International Group Limited (Stock Code: 2768) and G&M Holdings Limited (Stock Code: 6038) and Shengjing Bank Co., Ltd. (Stock Code: 2066). He ceased to be an independent non-executive director of Anhui Conch Cement Company Limited (Stock Code: 914) on May 30, 2019. All of which are companies listed on the Main Board of the Stock Exchange. Mr. Tai was elected as a member of the 12th session of Shandong Committee of Chinese People's Political Consultative Conference in January 2018.

Mr. Tai is a member of the Hong Kong Institute of Certified Public Accountants, CPA Australia and New Zealand Institute of Chartered Accountants. He has extensive experience in accounting, corporate finance and investment in Hong Kong and overseas. Mr. Tai received a bachelor degree in commerce and administration from Victoria University of Wellington, New Zealand in 1982.

Saved as disclosed above, Mr. Tai does not hold any directorship in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position within the Group.



*Length of service and emoluments*

Mr. Tai has entered into a service contract with the Company in relation to his appointment as an independent non-executive Director of the Company for a term of 3 years. His appointment shall be subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Tai is entitled to an annual remuneration of HK\$350,000, which was determined with reference to the duties and responsibilities of Mr. Tai with the Company, the Company's performance and the prevailing market condition.

*Relationships*

Mr. Tai does not have any other relationship with any Directors or senior management of the Company or substantial Shareholders or controlling Shareholders.

*Interest in Shares*

As at the Latest Practicable Date, Mr. Tai did not have any interest in any Shares or underlying Shares pursuant to Part XV of the SFO.

*Matters that need to be brought to the attention of the Shareholders*

Saved as disclosed above, there are no other matters concerning Mr. Tai that need to be brought to the attention of the Shareholders and there is no other information relating to Mr. Tai that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

**(4) Dr. YANG Ruizhao***Position and experience*

Dr. YANG Ruizhao, aged 54, was appointed as the independent non-executive Director and the chairman of the Strategic Development Committee on November 9, 2018. Dr. Yang worked as a geological engineer in the Institute of Petroleum Geology at the Department of Geology and Minerals (地礦部石油地質研究所) from July 1986 to April 1995. Dr. Yang then served as a senior geological engineer in the Institute of Petroleum at China New Star Petroleum Co. (新星石油公司研究院) from April 1995 to July 1996. From May 2000 to July 2002, Dr. Yang joined the post-doctoral program and conducted research work in areas of geological resources and geological engineering at the China University of Mining and Technology (Beijing branch). In December 2002, Dr. Yang started working as a senior geological engineer and an associate professor at the China University of Mining and Technology (Beijing branch) and was later promoted as a professor in July 2017. He has been working as a senior geological engineer and a professor at the China University of Mining and Technology (Beijing branch) since then.



Dr. Yang has received several awards including a special award from the China Coal Industry Association (中國煤炭工業協會) and a second prize award from the State Council of the PRC. Dr. Yang was also appointed as a member of the Mine Geophysical Committee of the Chinese Geophysical Society (中國地球物理學會礦山地球物理專業委員會) for a term of 4 years from 2013 to 2017.

Dr. Yang obtained a bachelor's degree of petroleum geology from the Chengdu College of Geology (成都地質學院) in the PRC in July 1986 and a doctoral degree in earth exploration and information technology from the China University of Geosciences (中國地質大學) in the PRC in December 1999.

Saved as disclosed above, Dr. Yang does not hold any directorship in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position within the Group.

*Length of service and emoluments*

Dr. Yang has entered into letter of appointment with the Company in relation to his appointment as an independent non-executive Director for a fixed term of 3 years commencing from November 9, 2019. His appointment shall be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Dr. Yang is entitled to an annual remuneration of HK\$350,000, which was determined with reference to Dr. Yang's duties, experience and responsibilities in the Company, the Company's performance and the prevailing market conditions.

*Relationships*

Dr. Yang does not have any other relationship with any Directors or senior management of the Company or substantial Shareholders or controlling Shareholders.

*Interest in Shares*

As at the Latest Practicable Date, Dr. Yang did not have any interest in any Shares or underlying Shares pursuant to Part XV of the SFO.

*Matters that need to be brought to the attention of the Shareholders*

Saved as disclosed above, there are no other matters concerning Dr. Yang that need to be brought to the attention of the Shareholders and there is no other information relating to Dr. Yang that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

The following is an explanatory statement providing all Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the proposed ordinary resolution No. 5 as set out in the notice of AGM in relation to the Share Repurchase Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company of 3,393,582,395 Shares have been fully paid. As at the same date, there were outstanding Options granted under the Pre-IPO Share Option Scheme to subscribe for 1,734,440 Shares. There were no outstanding RSUs granted under the Post-IPO RSU Scheme.

Subject to the passing of ordinary resolution No. 5 as set out in the notice of AGM in respect of the approving the renewal of the Share Repurchase Mandate and on the basis that the number of issued Shares remains unchanged before the AGM, i.e. being 3,393,582,395 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, a maximum of 339,358,239 Shares, representing 10.0% of the number of Shares in issue as at the date of the AGM (assuming the number of issued Shares remains unchanged following the Latest Practicable Date and prior to the date of the AGM).

The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

### **2. REASONS FOR SHARE REPURCHASE**

The Directors believe it is in the best interests of the Company and the Shareholders as a whole to have a general authority from the Shareholders to enable the Company to repurchase Shares on the market. Such repurchases 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 repurchases will benefit the Company and the Shareholders.

### **3. FUNDING OF REPURCHASE**

The Company is empowered by its Articles to repurchase Shares. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its 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 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 December 31, 2019) 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 which in the opinion of the Directors is from time to time appropriate for the Company.

## 5. TAKEOVERS CODE IMPLICATIONS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Repurchase Mandate in accordance with the Listing Rules, the Articles and any other applicable laws of Cayman Islands and Hong Kong.

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 (as defined in 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.

The Listing Rules prohibit a company from making a repurchase on the Stock Exchange if the result of such repurchase would be less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the total number of issued Shares would be publicly held. The Directors do not intend to repurchase Shares to the extent that, after the consummation of any such repurchase, less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the total number of issued Shares would be publicly held.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, the following Shareholders have interests representing 5% or more of the issued share capital of the Company within the meaning of Part XV of the SFO:

Name of Shareholders	Number of Shares held	Percentage of Shareholding in the Company	
		As at the Latest Practicable Date	Exercise in full of the Share Repurchase Mandate
Ming Zaiyuan <sup>(1)</sup>	1,694,895,886	49.94%	55.49%
Warburg Pincus & Co. <sup>(2)</sup>	326,318,660	9.62%	10.68%
Salata Jean Eric <sup>(3)</sup>	266,139,719	7.84%	8.71%
Chongqing Three Gorges Gas (Group) Company Limited <sup>(4)</sup>	180,833,000	5.33%	5.92%

*Notes:*

- (1) As at the Latest Practicable Date, Liming Holding Limited beneficially owned 1,692,871,886 Shares and is the wholly owned subsidiary of Sichuan Liming Energy Development Co., Ltd, the wholly owned subsidiary of Xinjiang Xintai Natural Gas Co., Ltd. Ming Zaiyuan held 35.78% equity interest of Xinjiang Xintai Natural Gas Co., Ltd., in addition, Mr. Ming is deemed to be interested in 2,024,000 shares held by his spouse for the purposes of the SFO. Therefore, Ming Zaiyuan was deemed to be interested in 1,694,895,886 Shares.
- (2) As at the Latest Practicable Date, WP China CBM Investment Holdings Limited beneficially owned 326,318,660 Shares. Asia X Investment I LLC held 100% equity interest in WP China CBM Investment Holdings Limited. Warburg Pincus Private Equity X, L.P. controlled 96.90% equity interest in Asia X Investment I LLC. Warburg Pincus Private Equity X, L.P. is 100% controlled by Warburg Pincus X, L.P., which in turn was 100% controlled by Warburg Pincus X GP L.P., which in turn was 100% controlled by WPP GP LLC, which in turn was 100% controlled by Warburg Pincus Partners, L.P., which in turn was 100% controlled by Warburg Pincus Partners GP LLC, which in turn was 100% controlled by Warburg Pincus & Co.. Therefore, Warburg Pincus & Co. was deemed to be interested in 326,318,660 Shares.
- (3) Baring Private Equity Asia IV Holding (4) Limited beneficially owned 266,139,719 Shares. The Baring Asia Private Equity Fund IV L.P. held 99.26% equity interest in Baring Private Equity Asia IV Holding (4) Limited. The Baring Asia Private Equity Fund IV L.P. was 100% controlled by Baring Private Equity Asia GP IV L.P., which in turn was 100% controlled by Baring Private Equity Asia GP IV Limited, which in turn was wholly-owned by Jean Eric Salata. Therefore, Jean Eric Salata was deemed to be interested in 266,139,719 Shares.
- (4) Shenzhen Tong Yu Energy Investment Co., Ltd beneficially owns 180,833,000 Shares. Chongqing Three Gorges Energy Co., Ltd holds 100% equity interest in Shenzhen Tong Yu Energy Investment Co., Ltd. Chongqing Three Gorges Gas (Group) Company Limited controls 37.68% equity interest in Chongqing Three Gorges Energy Co., Ltd. Therefore, Chongqing Three Gorges Gas (Group) Company Limited is deemed to be interested in 180,833,000 Shares.

In the event that the Share Repurchase Mandate is exercised in full and given that the Share Repurchase Mandate has been approved by the Shareholders, the interests of the above Shareholders will be increased to approximately the respective percentages shown in the last column above. As the interests deemed to be held by Mr. Ming would be increased from approximately 49.94% to approximately 55.49% upon exercise in full of the Share Repurchase Mandate, such increase will give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Share Repurchase Mandate to such an extent as would result in takeover obligations.

Save as aforesaid, the Directors are not aware of any consequences of any purchases under the Share Repurchase Mandate which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors have no intention to exercise the Share Repurchase Mandate to such an extent which will result in the aggregate number of Shares held by the public shareholders falling below the minimum requirement of public float by the Stock Exchange.

**6. REPURCHASE OF SHARES MADE BY THE COMPANY**

The Company has not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

**7. INTENTION OF DIRECTORS AND CORE CONNECTED PERSONS TO SELL  
SHARES**

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

The Company has not been notified by any core connected persons 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 granting 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, the Articles and the applicable laws of the Cayman Islands.

**8. MARKET PRICES OF SHARES**

During the period from the 12 months preceding the Latest Practicable Date, the highest and lowest traded prices for Shares recorded on the website of the Stock Exchange were as follows:

<b>Month</b>	<b>Highest Price</b>	<b>Lowest Price</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2019</b>		
April	1.61	1.46
May	1.60	1.36
June	1.50	1.38
July	1.46	1.35
August	1.44	1.23
September	1.40	1.27
October	1.55	1.26
November	1.42	1.34
December	1.40	1.19
<b>2020</b>		
January	1.40	1.20
February	1.38	1.21
March	1.37	1.04
April (up to the Latest Practicable Date)	1.24	1.18

The following is to provide Shareholders with information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution No. 8 as set out in the notice of AGM in respect of the approval of the Annual Mandate.

### **THE POST-IPO RSU SCHEME**

At the 2019 AGM, a specific mandate was granted to the Directors to exercise all the powers of the Company to grant RSUs pursuant to the Post-IPO RSU Scheme in respect of the underlying Shares not exceeding 2% of the Shares in issue as at the date of the 2019 AGM (“**2019 Annual Mandate**”) during the period from the date of approving the 2019 Annual Mandate up to the conclusion of the AGM (the “**2019 Annual Mandate Applicable Period**”).

The Post-IPO RSU Scheme is the only share-based incentive scheme that the Company has in place to incentivize its employees after the Listing. Given that the Company is the leading independent CBM producer in China while such industry is becoming increasingly competitive in attracting talents and the base of the Company’s own talent pools continues to grow, there is a pressing need for the Company to grant RSUs to incentivize its Directors, senior management team and employees and to align their interest with that of the Company. The Post-IPO RSU Scheme may also assist the Company in retaining the management of potential targets in case of any mergers and acquisitions situations.

### **THE 2019 ANNUAL MANDATE**

Pursuant to the 2019 Annual Mandate, the Directors were authorized to grant awards of RSUs pursuant to the Post-IPO RSU Scheme in respect of 67,871,647 Shares, which represents 2.0% of the Shares in issue on the date of the 2019 AGM (without taking into account any Shares to be allotted and issued upon the exercise of the options granted under the Pre-IPO Share Option Scheme).

#### **Utilization**

Assuming no RSUs will be granted from the Latest Practicable Date to the conclusion of the AGM, there were no RSUs granted under the Post-IPO RSU Scheme pursuant to the 2019 Annual Mandate during the 2019 Annual Mandate Applicable Period as at the date of the 2019 AGM.

The 2019 Annual Mandate will lapse at the conclusion of the AGM.

**THE ANNUAL MANDATE TO BE SOUGHT AT THE AGM****Reason for renewal of the Annual Mandate**

The purpose of the Post-IPO RSU Scheme is to enable the Company to grant RSUs to Eligible Persons (as defined under the Post-IPO RSU Scheme) as incentives and/or rewards for their contribution to the Group, to better reward the personnel who have contributed to the development and success of the Group, to incentivize them to remain with the Group, to motivate them to strive for the future development and expansion of the Group, and to attract skilled and experienced personnel for the further development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company. As such, the renewal of the Annual Mandate will benefit the Group's future success by way of retention of capable talents and continuity of the experienced senior management team.

**The Annual Mandate**

As set out in the notice of AGM, a resolution will be proposed at the AGM to give the Directors a specific mandate to exercise all powers of the Company to grant RSUs in respect of a maximum number of the underlying Shares not exceeding 2.0% of the Shares in issue as at the date of passing such mandate, and to allot, issue and deal with the Shares underlying the RSUs granted pursuant to the Post-IPO RSU Scheme during the Applicable Period as and when such RSUs vest.

Subject to the passing of the proposed ordinary resolution No. 8 to approve the Annual Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Directors would be authorized to exercise the powers of the Company to grant RSUs in respect of a maximum number of 67,871,647 underlying Shares.

As at the Latest Practicable Date, no eligible person has been proposed or identified by the Board to be granted any RSUs under the Annual Mandate. Therefore, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries as at the Latest Practicable Date, no other Shareholder has a material interest in the transactions contemplated under the Annual Mandate and is required to abstain from voting on the ordinary resolution at the AGM to approve the Annual Mandate.

**Cost of Granting RSUs**

The cost attributable to the grant of any RSUs under the Post-IPO RSU Scheme will be accounted for by reference to the market value of the Shares at the time of grant, adjusted to take into account the terms and conditions upon which Shares were granted.



The Directors consider that it is not appropriate or helpful to the Shareholders to state the value of all RSUs that can be granted under the Post-IPO RSU Scheme or the Annual Mandate being sought as if they had been granted on the Latest Practicable Date. The Directors believe that any statement regarding the value of all RSUs as at the Latest Practicable Date will not be meaningful to the Shareholders, since the RSUs to be granted shall not be assignable, and no holder of the RSUs shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favor of any third party over or in relation to any RSUs.

In addition, the calculation of the value of the RSUs is based on a number of variables such as vesting period and other relevant variables. The Directors believe that any calculation of the value of the RSUs as at the Latest Practicable Date based on a great number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

The Company will give due consideration to any financial impact arising from the grant of the RSUs under the Post-IPO RSU Scheme before exercising the Annual Mandate.

**Listing Approval**

An application will be made by the Company as soon as practicable to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the new Shares which may be allotted and issued to satisfy the RSUs which may be granted under the Post-IPO RSU Scheme pursuant to the Annual Mandate.



## NOTICE OF ANNUAL GENERAL MEETING



**AAG**

**AAG Energy Holdings Limited**

**亞美能源控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2686)**

## NOTICE OF ANNUAL GENERAL MEETING

**Notice is hereby given that** an annual general meeting (the “**AGM**”) of AAG Energy Holdings Limited (the “**Company**”) will be held at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong at 9:30 a.m. on Wednesday, May 13, 2020 for the purposes of considering and, if thought fit, passing (with or without amendments) the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company and its subsidiaries for the year ended December 31, 2019 and the reports of the directors of the Company (the “**Directors**”) and the independent auditor of the Company (the “**Auditor**”).
2. To declare a final dividend for the year ended December 31, 2019.
3. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
  - (a) to re-elect Mr. Zhang Jianbing as an executive Director;
  - (b) to re-elect Mr. Huang Min as a non-executive Director;
  - (c) to re-elect Mr. Tai Kwok Leung Alexander as an independent non-executive Director;
  - (d) to re-elect Dr. Yang Ruizhao as an independent non-executive Director; and
  - (e) to authorize the board of Directors (the “**Board**”) to fix the remuneration of Directors.
4. To re-appoint PricewaterhouseCoopers as the Auditor for the year ending December 31, 2020 and to authorize the Board to fix its remuneration.

## NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, to pass, with or without modification, the following resolutions as ordinary resolutions:

**“THAT:**

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to purchase its shares of US\$0.0001 each in the share capital of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for this purpose in accordance with all applicable laws, rules and regulations;
- (b) the total number of Shares to be purchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the number of issued Shares as at the date of passing of this resolution, subject to adjustments according to any subsequent consolidation or subdivision of shares; 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 (the “**Articles**”) 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 of the Company in general meeting.”
6. To consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolution:

**“THAT:**

- (a) subject to paragraph (c) of this resolution, a general mandate be and is hereby generally and unconditionally given to the Directors during the Relevant Period (as defined below) to allot, issue and deal with additional Shares, to grant rights to subscribe for, or convert any securities into, Shares (including the issue of any securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares) 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) of this resolution shall authorize the Directors 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 number of Shares allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the mandate in paragraph (a) of this resolution, otherwise than pursuant to:
  - (i) a Rights Issue (as defined below);
  - (ii) the exercise of options under a share option scheme or a restricted share units scheme of the Company, including without limitation to the pre-IPO share option plan approved and adopted by the Company on March 31, 2015;
  - (iii) the exercise of rights of the subscription or conversion under the terms of any warrants to be issued by the Company or any securities which are convertible into Shares; and
  - (iv) 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 in accordance with the Articles,

shall not exceed 20% of the total number of issued Shares on the date of passing of this resolution, subject to adjustments according to any subsequent consolidation or subdivision of Shares; 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 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.

**“Rights Issue”** means an offer of Shares in the capital of the Company, or offer or issue of warrants, options or other securities giving the right to subscribe for Shares open for a period fixed by the Directors to holders of Shares 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

## NOTICE OF ANNUAL GENERAL MEETING

relation to fractional entitlements 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).”

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

“**THAT** conditional upon the passing of the resolutions No. 5 and 6 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution No. 6 of the Notice be and is hereby extended by the addition to the total number 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 the total number of Shares repurchased by the Company pursuant to the general mandate referred to in the resolution No. 5 of the Notice, provided that such amount shall not exceeding 10% of the total number of issued Shares as at the date of passing of this resolution.”

8. To consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolution:

“**THAT** the exercise by the Directors of all powers of the Company to grant restricted share units (the “**RSUs**”) pursuant to the Post-IPO RSU Scheme, in respect of underlying Shares not exceeding 2.0% of the Shares in issue as at the date of passing this resolution, and during the period from the date of passing this resolution until the earlier of (a) the conclusion of the Company’s next annual general meeting, (b) the end of the period within which the Company is required by any applicable law or the Articles to hold the next annual general meeting and (c) the date on which this resolution is varied or revoked by an ordinary resolution of the Company’s shareholders in general meeting (the “**Applicable Period**”) to allot, issue and deal with Shares underlying the RSUs to be granted pursuant to the Post-IPO RSU Scheme during the Applicable Period as and when such RSUs vest, be and is hereby generally and unconditionally approved.”

By Order of the Board  
**AAG Energy Holdings Limited**  
**Ming Zaiyuan**  
*Chairman and Executive Director*

Hong Kong, April 8, 2020

## NOTICE OF ANNUAL GENERAL MEETING

### *Notes:*

1. All resolutions at the AGM will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Listing Rules. The results of the poll will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.aagenergy.com](http://www.aagenergy.com)) in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at AGM is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a shareholder 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 the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. 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 share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the AGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, May 8, 2020 to Wednesday, May 13, 2020, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of Shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, May 7, 2020.
6. For determining the entitlement to the proposed final dividend which is subject to the approval of the Shareholders at the meeting, the register of members of the Company will be closed from Tuesday, May 19, 2020 to Thursday, May 21, 2020, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, unregistered holders of Shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, May 18, 2020.
7. **In compliance with the HKSAR Government's directive on social distancing, personal and environmental hygiene, and the guidelines issued by the Centre for Health Protection of the Department of Health on the prevention of coronavirus disease 2019 (COVID-19), the Company will implement additional precautionary measures at the AGM including, without limitation:**
  - **compulsory body temperature screening;**
  - **mandatory use of surgical face masks;**
  - **mandatory health declaration — anyone subject to quarantine, has any flu-like symptoms or has travelled overseas within 14 days immediately before the AGM ("recent travel history"), or has close contact with any person under quarantine or with recent travel history will not be permitted to attend the AGM;**
  - **anyone attending the AGM is reminded to observe good personal hygiene at all times; and**

## NOTICE OF ANNUAL GENERAL MEETING

- appropriate distancing and spacing in line with the guidance from the HKSAR Government will be maintained and as such, the Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding.
8. In light of the continuing risks posed by the COVID-19 pandemic, the Company strongly encourages Shareholders **NOT to attend the AGM in person**, and advises Shareholders to appoint the Chairman of the AGM or any Director or Company Secretary of the Company as their proxy to vote according to their indicated voting instructions as an alternative to attending the AGM in person.
  9. Shareholders are advised to read the leaflet attached to this notice for further detail and monitor the development of COVID-19. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.
  10. In the event of inconsistency, the English text of this notice shall prevail over the Chinese text.
  11. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning is in effect any time after 7:00 a.m. on the date of the meeting, the meeting will be postponed. The Company will post an announcement on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.aagenergy.com](http://www.aagenergy.com)) to notify Shareholders of the date, time and venue of the rescheduled meeting.



AAG

## AAG Energy Holdings Limited

亞美能源控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2686)**

### **PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING (“AGM”)**

In compliance with the HKSAR Government’s directive on social distancing, personal and environmental hygiene, and the guidelines issued by the Centre for Health Protection (CHP) of the Department of Health on the prevention of coronavirus disease 2019 (COVID-19), AAG Energy Holdings Limited (the “**Company**”) will implement additional precautionary measures at the AGM in the interests of the health and safety of our shareholders, investors, directors, staff and other participants of the AGM (the “**Stakeholders**”) which include without limitation:

1. All attendees will be required to **wear surgical face masks** before they are permitted to attend, and during their attendance of, the AGM. Attendees are advised to maintain appropriate social distance with each other at all times when attending the AGM.
2. There will be **compulsory body temperature screening** for all persons before entering the AGM venue. Any person with a body temperature of 37.8 degrees Celsius or above will not be given access to the AGM venue. Denied entry to AGM venue also means the person will not be allowed to attend the AGM.
3. Attendees may be asked if (i) he/she has travelled outside of Hong Kong within 14 days immediately before the AGM (“**recent travel history**”); (ii) he/she is subject to any HKSAR Government prescribed quarantine requirement; and (iii) he/she has any flu-like symptoms or close contact with any person under quarantine or with recent travel history. Any person who responds positively to any of these questions will be denied entry into the AGM venue or be required to promptly leave the AGM venue.
4. Anyone who has recent travel history, is subject to quarantine, or has any flu-like symptoms or close contact with any person under quarantine or with recent travel history will not be permitted to attend the AGM.
5. Anyone attending the AGM is reminded to observe good personal hygiene at all times.
6. Appropriate distancing and spacing in line with the guidance from the HKSAR Government will be maintained and as such, the Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding.
7. In light of the continuing risks posed by the COVID-19 pandemic, and in the interests of protecting the Stakeholders, the Company is supportive of the precautionary measures being adopted and strongly encourages shareholders **NOT to attend the AGM in person** and advises shareholders to appoint the Chairman of the AGM or any Director or Company Secretary of the Company as their proxy to vote according to their indicated voting instructions as an alternative to attending the AGM in person.
8. **Shareholders are advised to read this leaflet carefully and monitor the development of COVID-19. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.**
9. Health education materials and up-to-date development on COVID-19 can be found on the CHP website ([www.chp.gov.hk](http://www.chp.gov.hk)) and the website of the HKSAR Government on COVID-19 ([www.coronavirus.gov.hk](http://www.coronavirus.gov.hk)).