

---

**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 you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Kunlun Energy Company Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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

---



**KUNLUN ENERGY COMPANY LIMITED**  
*(incorporated in Bermuda with limited liability)*  
**昆 侖 能 源 有 限 公 司**

**(Stock Code: 00135.HK)**

**RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES AND  
NOTICE OF ANNUAL GENERAL MEETING**

---

A notice of annual general meeting of the Company to be held at Meeting Room 316, Mingren Building, No. 101 Anli Road, Chaoyang District, Beijing, PRC on Wednesday, 25 May 2022 at 10: 00 a.m. is set out on pages 16 to 20 of this circular. A proxy form for use by the shareholders of the Company at the Annual General Meeting is enclosed with this circular. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the proxy form enclosed in accordance with the instructions printed thereon and return it to the principal office of the Company at 39th Floor, 118 Connaught Road West, Hong Kong or the Company's Branch Registrar in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event not later than 48 hours before the time for holding the Annual General Meeting or adjourned meeting (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting should you so wish.

**PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

Please see page 1 of this circular for measures being taken to prevent and control the spread of the COVID-19 at the Annual General Meeting, including:

- compulsory body temperature checks and health declarations;
- wearing of surgical face masks; and
- no distribution of souvenir, small gift and refreshment.

Any person who does not comply with the precautionary measures may be denied entry into the meeting venue. The Company encourages attendees to wear surgical face masks and reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the Annual General Meeting as an alternative to attending the Annual General Meeting in person.

---

## CONTENTS

---

	<i>Page</i>
<b>Precaution Measures for the Annual General Meeting</b> .....	1
<b>Definitions</b> .....	2
<b>Letter from the Board</b>	
1. Introduction .....	4
2. Re-election of Directors .....	5
3. General Mandate to Issue Shares .....	5
4. General Mandate to Repurchase Shares .....	6
5. Proposed Final Dividend .....	6
6. Closure of Shareholders Register .....	7
7. Proxy .....	8
8. Recommendation .....	8
<b>Appendix I — Explanatory Statement on Repurchase of Shares</b> .....	9
<b>Appendix II — Details (Including Biographies) of Directors</b>	
<b>Offering Themselves for Re-election</b> .....	13
<b>Notice of Annual General Meeting</b> .....	16

---

## PRECAUTION MEASURES FOR THE ANNUAL GENERAL MEETING

---

The health of our Shareholders, staff and stakeholders is of paramount importance to us. In view of the ongoing COVID-19 pandemic, the Company will implement the following precautionary measures at the Annual General Meeting to protect attending Shareholders, staff and stakeholders from the risk of infection:

- (i) Compulsory body temperature check will be performed for every Shareholder or proxy at the entrance of the venue and anyone with a body temperature of more than 37.2 degrees Celsius will not be given access to the venue;
- (ii) Every Shareholder or proxy is required to wear surgical face mask before they are permitted to attend, and during their attendance at the Annual General Meeting;
- (iii) No refreshment will be served; and
- (iv) No souvenir and small gift will be distributed

In the interest of all stakeholders' health and safety and in accordance with recent guidelines for prevention and control of the spread of the COVID-19, the Company reminds all Shareholders that physical attendance in person at the Annual General Meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the Annual General Meeting instead of attending the Annual General Meeting in person, by completing and returning the form of proxy attached to this circular.

If any Shareholder chooses not to attend the Annual General Meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing to our principal place of business in Hong Kong or to our email at [info@kunlun.com.hk](mailto:info@kunlun.com.hk). If any Shareholder has any question relating to the Annual General Meeting, please contact Tricor Secretaries Limited, the branch share registrar and transfer office of the Company in Hong Kong as follows:

**Tricor Secretaries Limited**  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong  
Tel: (852) 2980 1333  
Email: [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)

---

## DEFINITIONS

---

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Meeting Room 316, Mingren Building, No. 101 Anli Road, Chaoyang District, Beijing, PRC on Wednesday, 25 May 2022 at 10: 00 a.m.
“Board”	the board of directors of the Company
“Bye-laws”	the Bye-laws of the Company as amended, supplemented or modified from time to time
“CNPC”	中國石油天然氣集團有限公司 (China National Petroleum Corporation*), a state-owned enterprise established under the laws of the PRC
“Company”	Kunlun Energy Company Limited, a company incorporated with limited liability in Bermuda and the shares of which are listed on the Main Board of the Stock Exchange
“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
“Latest Practicable Date”	12 April 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the The Stock Exchange of Hong Kong Limited
“Notice”	the notice dated 20 April 2022 for convening the Annual General Meeting as set out on pages 16 to 20 of this circular
“PetroChina”	PetroChina Company Limited, a joint stock limited company incorporated in the PRC, which shares are listed on the Shanghai Stock Exchange and the Stock Exchange with its American Depositary Receipts listed on the New York Stock Exchange. PetroChina is a non-wholly owned subsidiary of CNPC and the controlling shareholder of the Company holding approximately 54.38% of the total issued share capital of the Company as at the Latest Practicable Date

---

## DEFINITIONS

---

“PRC”	the People’s Republic of China (for the purposes of this circular only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan)
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to repurchase Shares of up to maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Issue Mandate”	the proposed general mandate to be granted to the Directors to allot, issue and otherwise deal with Shares of up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Shareholders”	shareholders of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

\* *For identification purpose only*

---

## LETTER FROM THE BOARD

---



**KUNLUN ENERGY COMPANY LIMITED**  
*(incorporated in Bermuda with limited liability)*  
**昆 侖 能 源 有 限 公 司**

**(Stock Code: 00135.HK)**

*Directors:*

*Executive Directors*

Mr. Fu Bin (*Chairman*)  
Mr. Qian Zhijia (*Chief Executive Officer*)  
Mr. Zhou Yuanhong  
Mr. Miao Yong (*Chief Financial Officer*)

*Independent Non-Executive Directors*

Dr. Liu Xiao Feng  
Mr. Sun Patrick  
Mr. Tsang Yok Sing Jasper

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

*Principal office in Hong Kong:*

39th Floor  
118 Connaught Road West  
Hong Kong

20 April 2022

*To the Shareholders*

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

At the previous annual general meeting of the Company held on 26 May 2021, general mandates were granted to the Directors to exercise the powers of the Company to issue Shares and to repurchase Shares. Under the terms of the Listing Rules, these general mandates will lapse at the conclusion of the Annual General Meeting unless renewed at that meeting.

The purpose of this circular is to provide you with information relating to the proposals to (i) re-elect Directors; (ii) grant the general mandates to repurchase shares and issue shares with effect from the date of the Annual General Meeting to be held on Wednesday, 25 May 2022; and (iii) the proposed payment of final dividends.

---

## LETTER FROM THE BOARD

---

### 2. RE-ELECTION OF DIRECTORS

In accordance with Article 97 of the Company's Bye-laws and pursuant to code provision A.4.2 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, Dr. Liu Xiao Feng ("Dr. Liu") and Mr. Sun Patrick ("Mr. Sun") will retire at the forthcoming Annual General Meeting. Dr. Liu and Mr. Sun are eligible and will offer themselves for re-election at the Annual General Meeting.

Biographical details of Dr. Liu and Mr. Sun as required by Rule 13.51(2) of the Listing Rules are set out in Appendix II to this circular to enable the Shareholders to make informed decision on the re-election of Directors.

Pursuant to the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, serving more than 9 years could be relevant to the determination of a non-executive director's independence. If an independent non-executive director serves more than 9 years, his further appointment will be subject to a separate resolution to be approved by shareholders.

The retiring independent non-executive Director, Dr. Liu, has served the Company for more than 9 years. He has provided his annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Board, with reference to the recommendation of the Nomination Committee, has reviewed and assessed the independence of Dr. Liu and is satisfied that he continues to remain independent due to his ability to exercise his professional and independent judgment. The Board, with reference to the recommendation of the Nomination Committee, also believes that his extensive knowledge, expertise and experience in corporate finance and his other particulars as stated in his biography (as set out in Appendix II to this circular) not only enable him to provide valuable advices on the business and development of the Group, but also contribute to the diversity of the Board. Separate resolution will be proposed for his re-election at the Annual General Meeting.

Resolution nos. 3(A) and 3(B), as set out in the Notice will be proposed to re-elect Dr. Liu and Mr. Sun as independent non-executive Directors respectively at the Annual General Meeting.

Dr. Liu and Mr. Sun have different cultural, educational and professional background and have abundant experiences in their respective areas of expertise. The Board believes that Dr. Liu and Mr. Sun have brought, and will continue to bring, their respective valuable experiences, skills and perspectives to the Board with a view of contributing to the diversity of the Board.

### 3. GENERAL MANDATE TO ISSUE SHARES

It will be proposed at the Annual General Meeting two ordinary resolutions respectively granting the Directors general mandate to allot, issue and otherwise deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the resolution (excluding Shares that may be issued pursuant to the exercise of any share option scheme adopted by the Company) and adding to such general mandate so granted to the Directors any Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the general mandate to repurchase up to 10% of the issued share capital of the Company at the date of passing the relevant ordinary resolutions. As at the Latest Practicable Date, the issued share capital comprised of 8,658,801,708 Shares. Subject to the passing of the relevant ordinary resolution at the Annual General Meeting, the Company will be allowed under the Share

---

## LETTER FROM THE BOARD

---

Issue Mandate to issue a maximum of 1,731,760,341 Shares. The granting of the Share Issue Mandate will ensure flexibility and discretion of the Directors in the event it becomes desirable to issue any shares of the Company. Resolution nos. 6 and 8 as set out in the Notice will be proposed at the Annual General Meeting as ordinary resolutions to grant to the Directors the Share Issue Mandate and as extended by adding the amount of any Shares repurchased by the Company under the Repurchase Mandate.

#### **4. GENERAL MANDATE TO REPURCHASE SHARES**

An ordinary resolution will also be proposed at the Annual General Meeting to grant the Directors a general mandate to exercise the powers to repurchase the Shares up to 10% of the issued and fully paid-up share capital of the Company as at the date of passing such resolution. An explanatory statement in relation to the Repurchase Mandate, as required by the Listing Rules, is set out in Appendix I to this circular. The explanatory statement contains all the information reasonably necessary to enable you as Shareholder to make an informed decision on whether or not to vote for or against the ordinary resolution to grant the Repurchase Mandate to the Directors at the Annual General Meeting. Resolution no. 7 as set out in the Notice will be proposed at the Annual General Meeting as an ordinary resolution to grant to the Directors the Repurchase Mandate.

#### **5. PROPOSED FINAL DIVIDEND**

As stated in the announcement issued by the Company dated 29 March 2022 relating to the annual results of the Group for the year ended 31 December 2021, and with reference to the Group's results in operation, capital expenditures and cash flow in 2021, the Board recommended the payment of a final dividend ("2021 Final Dividend") of RMB20.78 cents per share (equivalent to HK25.22 cents per share) to Shareholders whose names appear on the Company's register of members (the "Shareholders Register") on 2 June 2022 (Thursday). The payment of the 2021 Final Dividend is subject to the approval of the Shareholders at the Annual General Meeting. The payment is expected to be made on 14 July 2022 (Thursday). Accordingly, the proposed 2021 Final Dividend attributable to owners of the Company is RMB1,799 million in total.

The proposed 2021 Final Dividend will be payable in cash to each shareholder in HK\$ unless an election is made to receive the same in RMB.

Shareholders will be given the option to elect to receive all (but not part, save in the case of HKSCC Nominees Limited, which may elect to receive part of its entitlement in RMB) of the 2021 Final Dividend in RMB. If shareholders elect to receive all (but not part) of the 2021 Final Dividend in RMB, shareholders should complete a dividend currency election form, which is expected to be despatched to shareholders in early June 2022 as soon as practicable after the record date of 2 June 2022 (Thursday) to determine shareholders' entitlement to the proposed 2021 Final Dividend.

If an election is made by a Shareholder to receive the 2021 Final Dividend in RMB in respect of all (but not part) of that shareholder's entitlement, the RMB dividend will be paid by cheques which are expected to be posted to the relevant shareholders by ordinary post on 14 July 2022 (Thursday) at the shareholders' own risk.

---

## LETTER FROM THE BOARD

---

Shareholders who are minded to elect to receive the 2021 Final Dividend in RMB should note that (i) they should ensure that they have an appropriate bank account to which the RMB cheques for the 2021 Final Dividend can be presented for payment; and (ii) there is no assurance that the RMB cheques can be cleared without handling charges or delay in Hong Kong or that the RMB cheques will be honoured for payment upon presentation outside Hong Kong.

If any beneficial owners of Shares which are registered in the name of a nominee (e.g. HKSCC Nominees Limited), trustee or registered holder in any other capacity elect to receive all (but not part) of the 2021 Final Dividend in RMB, they should make appropriate arrangements with such nominees, trustees or registered holders in order to effect the receipt of the 2021 Final Dividend in RMB. The Company shall not be responsible for any costs, taxes or duties associated therewith or arising therefrom and such costs will be borne solely by the beneficial owners of such Shares. If no such arrangements are in place, such beneficial owners of Shares (despite having elected to receive the 2021 Final Dividend in RMB) shall receive the 2021 Final Dividend in HK\$.

If shareholders wish to receive the 2021 Final Dividend in HK\$ in the usual way, no additional action is required.

Shareholders should seek professional advice with their own tax advisors regarding any possible tax implications of the proposed dividend payment.

### 6. CLOSURE OF SHAREHOLDERS REGISTER

For the purposes of determining Shareholders' eligibility to attend and vote at the Annual General Meeting, and entitlement to the 2021 Final Dividend, the Shareholders Register will be closed. Details of such closures are set out below:

**(i) For determining eligibility to attend and vote at the Annual General Meeting:**

Latest time to lodge transfer documents for registration	4: 00 p.m. on 19 May 2022 (Thursday)
Closure of Shareholders Register	from 20 May 2022 (Friday) to 25 May 2022 (Wednesday) (both dates inclusive)
Record date	25 May 2022 (Wednesday)

**(ii) For determining entitlement to the 2021 Final Dividend:**

Latest time to lodge transfer documents for registration	4: 00 p.m. on 31 May 2022 (Tuesday)
Closure of Shareholders Register	from 1 June 2022 (Wednesday) to 2 June 2022 (Thursday) (both dates inclusive)
Record date	2 June 2022 (Thursday)

---

## LETTER FROM THE BOARD

---

During the above closure periods, no transfer of Shares will be registered. To be eligible to attend and vote at the Annual General Meeting, and to qualify for the 2021 Final Dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Branch Registrar in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than the aforementioned latest time.

### 7. PROXY

A proxy form for use at the Annual General Meeting is enclosed with this circular. If you intend to appoint proxy to attend the Annual General Meeting, you are requested to complete the proxy form and return it to the Company's principal office at 39th Floor, 118 Connaught Road West, Hong Kong or the Company's Branch Registrar in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or adjourned meeting (as the case may be). Completion and return of the proxy form will not prevent you from attending and voting at the Annual General Meeting if you so wish.

The Company would like to inform Shareholders that the Listing Rules require any vote of the Shareholders (attending in person or by proxy) at a general meeting must be taken by poll and the Chairman of the Annual General Meeting will, pursuant to the Bye-laws, demand a poll vote on all the resolutions to be proposed at the Annual General Meeting accordingly. On a poll, every Shareholder who is present in person or by proxy shall have one vote for every Share of which he is a holder.

### 8. RECOMMENDATION

The Board is pleased to recommend the re-election of the Directors whose biographical details are respectively set out in Appendix II to this circular for Shareholders' consideration. The Board also considers that the proposed Repurchase Mandate, the proposed Share Issue Mandate, the proposed extension of the Share Issue Mandate by the number of shares repurchased under the Repurchase Mandate and the proposed payment of final dividend are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of all the resolutions set out in the Notice.

Yours faithfully,  
On behalf of the Board of  
**Kunlun Energy Company Limited**  
**Fu Bin**  
*Chairman*

*This Appendix serves as an explanatory statement given to the Shareholders, as required under the Listing Rules in connection with the proposed Repurchase Mandate.*

**REASONS FOR REPURCHASES**

The Directors believe that the flexibility afforded by the Repurchase Mandate would be in the best interests of the Company and the Shareholders. Such repurchase of Shares may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the Company, its assets and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

**SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised of 8,658,801,708 Shares.

Subject to the passing of the ordinary resolution no. 7 as set out in the Notice at the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 865,880,170 Shares, representing 10% of the issued share capital of the Company on the date of passing the resolution, subject to adjustment of any further Shares issued or cancelled on repurchases after the Latest Practicable Date and up to the date of the Annual General Meeting.

**FUNDING OF REPURCHASES**

The Directors propose that repurchases of Shares under the Repurchase Mandate would be financed by the Company's internal resources and/or existing banking facilities. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum of Association and Bye-laws of the Company, laws of Bermuda and the Listing Rules.

There might be 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 for the year ended 31 December 2021) in the event that the proposed share repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

**SHARE PRICES**

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous 12 months before the Latest Practicable Date were as follows:

	<b>Share Prices</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2021</b>		
March	8.56	7.15
April	8.88	8.08
May	9.30	5.73
June	7.40	5.82
July	7.24	6.48
August	8.24	6.54
September	9.00	7.68
October	8.15	6.53
November	7.45	6.60
December	7.75	7.03
<b>2022</b>		
January	8.10	7.14
February	8.60	7.02
March	7.88	5.17
April (up to and including the Latest Practicable Date)	6.98	6.48

**DISCLOSURE OF INTERESTS**

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate in accordance with the Listing Rules and the laws of Bermuda and in accordance with the regulations set out in the Memorandum of Association and the Bye-laws of the Company.

If as a result of repurchase of Shares by the Company pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert (within the meaning under the Takeovers Code), could, depending on the level of increase in the Shareholders' interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the register of substantial Shareholders maintained under section 336 of the SFO showed that the Company has been notified of the following interests, being 5% or more of the Company's issued share capital.

Name	Number of Shares <sup>(3)</sup>		Percentage of the total number of Shares in issue
	Direct interest	Indirect interest	
PetroChina Hong Kong Ltd. ("PetroChina Hong Kong") <sup>(1)</sup>	4,708,302,133 (L)	—	54.38%
PetroChina <sup>(1)</sup>	—	4,708,302,133 (L)	54.38%
Fairy King Investments Ltd. <sup>(2)</sup>	277,432,000 (L)	—	3.20%
CNPC International Ltd. ("CNPCI") <sup>(2)</sup>	—	277,432,000 (L)	3.20%
China National Oil and Gas Exploration and Development Corporation ("CNODC") <sup>(2)</sup>	—	277,432,000 (L)	3.20%
CNPC <sup>(1)(2)</sup>	—	4,985,734,133 (L)	57.58%

Notes:

- (1) PetroChina Hong Kong is wholly-owned by PetroChina, which is in turn owned as to 80.80% by CNPC. Accordingly, CNPC is deemed to have interest in the 4,708,302,133 (L) shares held by PetroChina Hong Kong.
- (2) Fairy King Investments Ltd. is a wholly-owned subsidiary of CNPCI, which is in turn wholly-owned by CNODC, which is in turn owned as to 100.00% by CNPC. Accordingly, CNPC is deemed to have interest in the 277,432,000 (L) shares held by Fairy King Investments Ltd.
- (3) (L) indicates a long position.

In the event that the Directors exercise in full the Repurchase Mandate to be granted pursuant to the ordinary resolution to be proposed at the Annual General Meeting, the shareholding of the substantial shareholders of the Company will be as follows:

- (i) the shareholding of each of PetroChina Hong Kong and PetroChina in the Company would be increased to approximately 60.42%;
- (ii) the shareholding of each of Fairy King Investments Ltd., CNPCI and CNODC in the Company would be increased to approximately 3.56%; and
- (iii) the shareholding of CNPC in the Company would be increased to approximately 63.98%.

The Directors consider that such repurchase would not give rise to an obligation for the above Shareholders to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no intention to exercise the Repurchase Mandate to such extent that the number of Shares held by the public would be reduced to below 25% of the issued share capital of the Company.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) presently intend to sell Shares to the Company under the Repurchase Mandate in the event that the 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, or that they have undertaken not to sell any Shares held by them to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

#### **SHARE PURCHASES MADE BY THE COMPANY**

During the previous six months' period ended prior to the Latest Practicable Date, neither the Company nor any of its subsidiaries has purchased or redeemed any of the Shares.

---

## APPENDIX II      DETAILS (INCLUDING BIOGRAPHIES) OF DIRECTORS OFFERING THEMSELVES FOR RE-ELECTION

---

The following are the particulars of the Directors proposed to be re-elected at the Annual General Meeting.

### **Dr. Liu Xiao Feng**

Dr. Liu, aged 59, was appointed as an independent non-executive Director of the Company on 16 April 2004. He is also the chairman of the Remuneration Committee of the Company, and a member of the Audit Committee, Nomination Committee and Sustainability Committee of the Company.

Dr. Liu has more than 23 years of experience in corporate finance and has worked in various international financial institutions since 1993, including N.M. Rothschild & Sons, NM Rothschild & Sons (Hong Kong) Limited, JP Morgan Chase, DBS Asia Capital Limited, China Resources Capital Holdings Company Limited. He was an independent non-executive director of Haier Electronics Group Company Limited (stock code: 1169) since June 2007 up to June 2014, an independent non-executive director of Hisense Home Appliances Group Company Limited (stock code: 921) since September 2017 up to August 2018, an independent non-executive director of Honghua Group Limited (stock code: 196) since January 2008 to November 2021, an independent non-executive director of Cinda International Holdings Limited (stock code: 111) since July 2016, the independent non-executive director of Sunfonda Group Holdings Limited (stock code: 1771) since May 2017 and the independent non-executive director of AAG Energy Holdings Limited (stock code: 2686) since August 2018, the issued shares of all of which are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). He is also currently an independent director of UBS Securities Co., Ltd. Dr. Liu obtained a master’s degree and a Ph.D. from the Faculty of Economics, University of Cambridge in 1988 and 1994 respectively, a Master of Science degree in Development Studies from the University of Bath, England, in 1987, and a Bachelor of Economics degree from Southwest University of Finance and Economics, China (previously known as Sichuan Institute of Finance and Economics, China) in 1983.

Save as disclosed above, Dr. Liu (i) does not hold any other position with the Company and other members of the Group; (ii) has not held any other directorship in 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 major appointment and professional qualification; and (iii) does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

Dr. Liu does not, and is not deemed to, have any interest or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

The Company will enter into a formal letter of appointment as an independent non-executive Director with Dr. Liu for a term of three years commencing from the day of the conclusion of the Annual General Meeting, subject to retirement by rotation and re-election in accordance with the Byelaws of the Company and the Listing Rules. Dr. Liu is entitled to a director’s fee of HK\$300,000 per annum. He is not entitled to any bonus payments (whether fixed or discretionary in nature). His emoluments were determined by the Board with reference to his duties and responsibilities, the Company’s performance and the prevailing market conditions and trends.

---

## APPENDIX II      DETAILS (INCLUDING BIOGRAPHIES) OF DIRECTORS OFFERING THEMSELVES FOR RE-ELECTION

---

Save as disclosed above, there is no other information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters relating to Dr. Liu's re-election that need to be brought to the attention of the Shareholders.

### **Mr. Sun Patrick**

Mr. Sun aged 63, was appointed as an independent non-executive Director of the Company on 18 February 2016. He is also the chairman of the Audit Committee of the Company and a member of the Nomination Committee and Remuneration Committee of the Company.

Mr. Sun is currently an independent non-executive director of Sihuan Pharmaceutical Holdings Group Ltd., which is listed on the Stock Exchange. He is also an independent non-executive director of Ferretti S.p.A., which is listed on the Stock Exchange.

Mr. Sun was an independent non-executive director of China Railway Signal & Communication Corporation Limited (2015–2018), Trinity Limited (2008–2020), China NT Pharma Group Co., Ltd. (2010–2019), all of which are listed companies in Hong Kong, and Chairman of the Chamber of Hong Kong Listed Companies (2013–2015). He was also an independent non-executive director of CRRC Corporation Limited (2015–2021) and China Railway Construction Corporation Limited, (2014–2021) both of which are listed on the Stock Exchange and the Shanghai Stock Exchange. Before that, he was the senior country officer and head of investment banking for Hong Kong of JP Morgan Chase, group executive director and head of investment banking for Greater China at Jardine Fleming Holdings Limited. He was a member of the Takeovers & Mergers Panel and the Takeovers Appeal Committee of the Securities and Futures Commission, deputy convenor of the Listing Committee of the Stock Exchange and a council member of the Stock Exchange.

Mr. Sun graduated from the Wharton School of the University of Pennsylvania, the United States, with a Bachelor of Science degree in Economics in 1981. Mr. Sun also completed the Stanford Executive Program of Stanford Business School, the United States, in 2000. Mr. Sun is a fellow of the Association of Chartered Certified Accountants, the United Kingdom, and a fellow of the Hong Kong Institute of Certified Public Accountants.

Save as disclosed above, Mr. Sun (i) does not hold any other position with the Company and other members of the Group; (ii) has not held any other directorship in 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 major appointment and professional qualification; and (iii) does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

Mr. Sun does not, and is not deemed to, have any interest or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

---

## **APPENDIX II      DETAILS (INCLUDING BIOGRAPHIES) OF DIRECTORS OFFERING THEMSELVES FOR RE-ELECTION**

---

The Company will enter into a formal letter of appointment as an independent non-executive Director with Mr. Sun for a term of three years commencing from the day of the conclusion of the Annual General Meeting, subject to retirement by rotation and re-election in accordance with the Byelaws of the Company and the Listing Rules. Mr. Sun is entitled to a director's fee of HK\$300,000 per annum. He is not entitled to any bonus payments (whether fixed or discretionary in nature). His emoluments were determined by the Board with reference to his duties and responsibilities, the Company's performance and the prevailing market conditions and trends.

Save as disclosed above, there is no other information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters relating to Mr. Sun's re-election that need to be brought to the attention of the Shareholders.

---

## NOTICE OF ANNUAL GENERAL MEETING

---



KUNLUN ENERGY COMPANY LIMITED  
*(incorporated in Bermuda with limited liability)*  
昆 侖 能 源 有 限 公 司

**(Stock Code: 00135.HK)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held at Meeting Room 316, Mingren Building, No. 101 Anli Road, Chaoyang District, Beijing, PRC on Wednesday, 25 May 2022 at 10: 00 a.m. for the following purposes:

1. To receive, consider and adopt the audited Financial Statements and the Reports of Directors and of the Auditors for the year ended 31 December 2021;
2. To declare and pay a final dividend of RMB20.78 cents per ordinary share of the Company for the year ended 31 December 2021;
3. (A) To re-elect Dr. Liu Xiao Feng as an independent non-executive Director;  
  
(B) To re-elect Mr. Sun Patrick as an independent non-executive Director;
4. To authorise the Directors to fix the remuneration of the Directors for the year ending 31 December 2022;
5. To re-appoint PricewaterhouseCoopers as the auditor of the Company for the ensuing year and to authorise the directors of the Company to fix their remuneration;
6. To consider and, if thought fit, pass with or without amendment, the following resolution as ordinary resolution by way of special business:

**“THAT** there be granted to the Directors an unconditional general mandate to allot, issue and deal with additional shares in the capital of the Company, and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:

- (a) such mandate shall not extend beyond the Relevant Period (as defined in paragraph (d) of this resolution) save that the Directors may during the Relevant Period make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (b) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors otherwise than any shares that may be issued pursuant to (i) a Rights Issue (as defined in this resolution); or (ii) the exercise of any share option scheme adopted by the Company for the purpose of granting or issuing shares or rights to acquire shares of the Company to the Directors, officers and/or employees of the Company and/or any of its subsidiaries; or (iii) any scrip dividend or similar

---

## NOTICE OF ANNUAL GENERAL MEETING

---

arrangement pursuant to the Bye-laws from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution and the said mandate shall be limited accordingly;

- (c) such mandate shall be additional to the authority to be given to the Directors to grant options under any share option scheme adopted by the Company and, at any time, to allot and issue additional shares in the capital of the Company arising from the exercise of subscription rights under such options; and
- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until the earlier 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 Bye-laws or any applicable laws of Bermuda to be held; or
  - (iii) the date on which the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.

“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of shares open for a period fixed by the Directors made to holders of shares on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restriction or obligation under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, or in any territory outside, Hong Kong and Bermuda).”;

---

## NOTICE OF ANNUAL GENERAL MEETING

---

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

**“THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) of this resolution) of all the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares may be listed or traded and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
  - (b) the aggregate nominal amount of the shares of the Company to be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of the passing of this resolution, and the said approval shall be limited accordingly; and
  - (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until the earlier 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 Bye-laws of the Company or any applicable laws of Bermuda to be held; or
    - (iii) the date on which the revocation or variation of this resolution by an ordinary resolution of the Shareholders in general meeting.”; and
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution by way of special business:

**“THAT** conditional upon the passing of resolution nos. 6 and 7 set out in the notice convening this meeting, the general mandate granted under resolution no. 6 be and is hereby extended by adding the aggregate nominal amount of shares repurchased by the Company pursuant to resolution no. 7 to the aggregate nominal amount of shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors under resolution no. 6.”

---

## NOTICE OF ANNUAL GENERAL MEETING

---

### CLOSURE OF SHAREHOLDERS REGISTER

For the purposes of determining shareholders' eligibility to attend and vote at the Annual General Meeting, and entitlement to the final dividend, the Company's register of members (the "Shareholders Register") will be closed. Details of such closures are set out below:

**(iii) For determining eligibility to attend and vote at the Annual General Meeting:**

Latest time to lodge transfer documents for registration 4: 00 p.m. on 19 May 2022 (Thursday)

Closure of Shareholders Register from 20 May 2022 (Friday) to 25 May 2022 (Wednesday) (both dates inclusive)

Record date 25 May 2022 (Wednesday)

**(iv) For determining entitlement to the final dividend:**

Latest time to lodge transfer documents for registration 4: 00 p.m. on 31 May 2022 (Tuesday)

Closure of Shareholders Register from 1 June 2022 (Wednesday) to 2 June 2022 (Thursday) (both dates inclusive)

Record date 2 June 2022 (Thursday)

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the Annual General Meeting, and to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Branch Registrar in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than the aforementioned latest time.

By Order of the Board  
**Kunlun Energy Company Limited**  
**Xie Mao**  
*Company Secretary*

Hong Kong, 20 April 2022

---

## NOTICE OF ANNUAL GENERAL MEETING

---

*Notes:*

1. Unless otherwise defined, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 20 April 2022.
2. At the Annual General Meeting, the Chairman of the meeting will put each of the above resolutions to the vote by way of a poll. On a poll, every shareholder who is present in person or by proxy shall have one vote for every share of which he is the holder.
3. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. **Completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting or any adjourned meeting should be so wish.**
4. To be valid, the form of proxy, together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority, must be deposited at the Company's principal office at 39th Floor, 118 Connaught Road West, Hong Kong or the Company's Branch Registrar in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be). The form of proxy must be completed strictly in accordance with the instructions set out therein.
5. Concerning item 3 above, in accordance with Article 97 of the Company's Bye-laws, Dr. Liu Xiao Feng and Mr. Sun Patrick will retire at the closing of the Annual General Meeting, and being eligible offer themselves for re-election at the Annual General Meeting.
6. Concerning resolution no. 6 above, approval is being sought from the shareholders of the Company for a general mandate to issue shares to be granted to the Directors.
7. Concerning resolution no. 7 above, approval is being sought from the shareholders of the Company for a general mandate to repurchase shares to be granted to the Directors.
8. Concerning resolution no. 8, approval is being sought from the shareholders of the Company for an extension of the general mandate to be granted to the Directors pursuant to resolution no. 6 to allot shares by adding to it the number of shares repurchased by the Company under the authority granted to the Directors pursuant to resolution no. 7.

*As at the date of this notice, the Board comprises Mr. Fu Bin as the Chairman and Executive Director, Mr. Qian Zhijia as the Chief Executive Officer and Executive Director, Mr. Zhou Yuanhong as Executive Director, Mr. Miao Yong as Chief Financial Officer and Executive Director, and Dr. Liu Xiao Feng, Mr. Sun Patrick and Mr. Tsang Yok Sing Jasper as Independent Non-Executive Directors.*