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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 a licensed securities dealer, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Huarong Energy Company Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CHINA HUARONG ENERGY COMPANY LIMITED

中國華榮能源股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01101)

**PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES AND
REPURCHASE SHARES
AND
NOTICE OF THE 2022 ANNUAL GENERAL MEETING**

Resolutions will be proposed at the 2022 AGM (as defined on page 1 of this circular) of China Huarong Energy Company Limited to be held at 43/F, Shanghai Sunglow Riverfront Centre, No. 899 Rui Ning Road, Xuhui District, Shanghai, the PRC on Wednesday, 8 June 2022 at 9:30 a.m. to approve the matters referred to in this circular.

A notice convening the 2022 AGM is set out on pages 13 to 18 of this circular. A form of proxy for the 2022 AGM is also published on the respective websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.huarongenergy.com.hk>). Whether or not you intend to attend the 2022 AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch 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 practicable, and in any event not less than 48 hours before the time appointed for holding the 2022 AGM or at any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2022 AGM or at any adjourned meeting (as the case may be) should you so wish.

22 April 2022

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DEFINITIONS

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

“2022 AGM”	the annual general meeting of the Company to be held at 43/F, Shanghai Sunghow Riverfront Centre, No. 899 Rui Ning Road, Xuhui District, Shanghai, the PRC on Wednesday, 8 June 2022 at 9:30 a.m. or any adjournment thereof
“Articles of Association”	the amended and restated articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Companies Law”	the Companies Law, Cap. 22 (2010 Revision) of the Cayman Islands and any amendments or other statutory modifications thereof
“Company”	China Huarong Energy Company Limited (中國華榮能源股份有限公司), an exempted limited liability company incorporated in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 01101)
“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”	19 April 2022, being the latest practicable date for ascertaining certain information referred to in this circular prior to its publication
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“PRC”	the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Proposed Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the 2022 AGM to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the Share Repurchase Resolution
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of HK\$0.50 each in the share capital of the Company
“Share Repurchase Resolution”	the ordinary resolution referred to in item 5B of the notice of the 2022 AGM
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buybacks of the Securities and Futures Commission of Hong Kong as amended, supplemented or otherwise modified from time to time
“%”	per cent

LETTER FROM THE BOARD

CHINA HUARONG ENERGY COMPANY LIMITED
中國華榮能源股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01101)

Executive Directors:

Mr. CHEN Qiang *(Chairman and Chief Executive Officer)*

Mr. HONG Liang *(Chief Operating Officer)*

Ms. ZHU Wen Hua

Mr. NIU Jianmin

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Independent Non-executive Directors:

Mr. WANG Jin Lian

Ms. ZHOU Zhan

Mr. Lam Cheung Mau

Principal Place of Business in

Hong Kong:

Suites 1508–10

15/F, Shui On Centre

6–8 Harbour Road

Wanchai, Hong Kong

22 April 2022

To the Shareholders

Dear Sir or Madam,

PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES AND
REPURCHASE SHARES
AND
NOTICE OF THE 2022 ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of the 2022 AGM and more information regarding certain ordinary resolutions to be proposed at the 2022 AGM, including but not limited to (a) the proposed re-election of the retiring Directors; and (b) the grant to the Directors of the proposed general mandate to issue new Shares and the Proposed Share Repurchase Mandate.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Mr. Hong Liang, Mr. Niu Jianmin and Mr. Wang Jin Lian are due to retire from the Board by rotation at the 2022 AGM in accordance with Article 16.18 of the Articles of Association.

All the retiring Directors, being eligible, offer themselves for re-election. Particulars of the retiring Directors proposed to be re-elected at the 2022 AGM which are required to be disclosed pursuant to Rule 13.74 of the Listing Rules are set out in Appendix I to this circular. The re-election of the retiring Directors has been reviewed by the nomination committee of the Company which recommended to the Board that the re-election be proposed for Shareholders' approval at the 2022 AGM. The nomination committee has also assessed the independence of all the independent non-executive Directors. All the independent non-executive Directors of the Company satisfy the Independence Guidelines set out in Rule 3.13 of the Listing Rules and have provided to the Company an annual written confirmation of his or her independence. The nomination committee had also considered a range of diversity factors including age, education and cultural background, professional expertise, industry experience, skills, knowledge and length of service, as set out in the board diversity policy of the Company. The relevant resolution regarding the proposed re-election of the retiring Directors who offer themselves for re-election are set out as proposed resolution no. 2 in the notice of the 2022 AGM.

3. PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

An ordinary resolution will be proposed at the 2022 AGM to grant a general mandate to the Directors to allot, issue and deal with additional Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing such resolution which will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in the proposed resolution no. 5A in the notice of the 2022 AGM. In addition, an ordinary resolution to extend such general mandate by adding to it the number of Shares repurchased by the Company under the Proposed Share Repurchase Mandate will be proposed at the 2022 AGM as referred to in proposed resolution no. 5C in the notice of the 2022 AGM.

4. PROPOSED SHARE REPURCHASE MANDATE

An ordinary resolution will be proposed at the 2022 AGM to approve the grant of the Proposed Share Repurchase Mandate to the Directors to repurchase Shares representing up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the Share Repurchase Resolution. The Proposed Share Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date

LETTER FROM THE BOARD

as referred to in the proposed resolution no. 5B of the notice of the 2022 AGM. Shareholders should refer to the explanatory statement contained in Appendix II to this circular, which sets out further information in relation to the Proposed Share Repurchase Mandate.

5. VOTING BY POLL

All the resolutions set out in the notice of the 2022 AGM will be decided by poll in accordance with the Listing Rules and the Articles of Association. The chairman of the 2022 AGM will explain the detailed procedures for conducting a poll at the commencement of the 2022 AGM.

The poll results will be published on the Company's website at www.huarongenergy.com.hk and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the conclusion of the 2022 AGM.

6. 2022 AGM

The notice of the 2022 AGM is set out on pages 13 to 18 of this circular. At the 2022 AGM, resolutions will be proposed to approve, inter alia, the re-election of the retiring Directors who offer themselves for re-election, the proposed general mandate to issue new Shares and the Proposed Share Repurchase Mandate.

A form of proxy for use at the 2022 AGM is accompanied with this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to Computershare Hong Kong Investor Services Limited, the Company's branch share registrar in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as practicable and in any event, not less than 48 hours before the time appointed for holding the 2022 AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2022 AGM should you so wish. In view of the ongoing COVID-19 pandemic, you are strongly encouraged to appoint the chairman of the 2022 AGM as proxy to attend and vote on behalf at the 2022 AGM or any adjourned meeting.

LETTER FROM THE BOARD

7. RECOMMENDATION

The Directors consider that the proposed resolutions regarding, inter alia, the proposed re-election of the retiring Directors who offer themselves for re-election, the grant to the Director of the general mandate to issue new Shares and the Proposed Share Repurchase Mandate as set out in the notice of the 2022 AGM, are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of such resolutions to be proposed at the 2022 AGM.

Yours faithfully,
For and on behalf of
China Huarong Energy Company Limited
CHEN Qiang
Chairman

The following are the biographical details of the retiring Directors proposed to be re-elected at the 2022 AGM:

(1) **Mr. HONG Liang (洪樑)**

Executive Director and Chief Operating Officer

Mr. Hong Liang (“**Mr. Hong**”), aged 50, is an executive Director and chief operating officer of the Company. Mr. Hong joined the Group in 2006 and was appointed as an executive Director on 24 October 2010. He is a member of the finance and investment committee of the Company. He is also a director of certain subsidiaries of the Group. Mr. Hong is primarily responsible for investment and financing, capital as well as cost and budget management. Mr. Hong obtained his bachelor’s degree in accounting from Shanghai University (上海大學) in 1994. He obtained the Master of Executive Professional Accountancy (EMPAcc) from Shanghai National Accounting Institute and The Chinese University of Hong Kong in August 2010. He also completed the Rongsheng Global Leaders Program of the Wharton School of the University of Pennsylvania in October 2011. Mr. Hong has over 20 years of experience in corporate finance and strategic investment gained from his service at investment banks. Mr. Hong worked at Shenyin and Wanguo Securities (申銀萬國證券公司) as an assistant manager of division two of the Shanghai investment banking department from 1994 to 1997, the deputy general manager of the Shanghai investment banking division of CITIC Securities Limited (中信證券有限責任公司), the general manager of the investment banking division of United Securities Company Limited (聯合證券股份公司) from 1998 to 1999, the deputy manager of the investment banking division of CITIC Securities Limited (中信證券股份公司) from 1999 to 2002, the general manager of the investment and development division of Shanghai Sun Glow Investment Co., Ltd. (上海陽光投資集團有限公司) from 2002 to 2004, and the deputy general manager of the strategic investment division of Shanghai Dasheng Holdings Limited (上海大盛資產公司) from 2004 to 2005.

As at the Latest Practicable Date, Mr. Hong held a personal interest in options to subscribe for 2,800,000 Shares, representing approximately 0.06% of the total issued share capital of the Company. Mr. Hong has entered into a service contract with the Company for a term of three years commencing on 24 October 2019. He received remuneration of RMB1,115,000 for the financial year ended 31 December 2021. His remuneration was determined by the Board on recommendation of the remuneration committee of the Company and by reference to his experience, qualifications, duties and responsibilities in the Company as well as the current market conditions.

(2) Mr. Niu Jianmin*Executive Director*

Mr. Niu Jianmin (“**Mr. Niu**”) aged 55, is an executive Director of the Company. He is currently the president of К ы р г ы з ж е р Н е ф т е г а з (Kyrgyzier Neftegaz Limited Liability Company), an indirect non-wholly owned subsidiary of the Company, since March 2018. He is also a director of certain subsidiaries of the Group. Mr. Niu was graduated from the Russian major of Kunlun Vocational College in Xinjiang (新疆崑崙職業大學) in 1991 and graduated from the Russian language and literature of Tashkent Normal University (塔什幹師範大學) in 1995. In 2018, he entered the Kyrgyz Humanities University (吉爾吉斯人文大學) and studied for a master’s degree in economic management. Mr. Niu has over 30 years of experience in oil and energy industry. Prior to joining the Company, he served as the deputy general manager of Xinjiang Yaxin International Economic and Trade Co., Ltd. (新疆亞鑫國際經貿股份有限公司) from 1991 to 2002. He was also the general manager of Xinjiang Lishida Aluminum International Trade Co., Ltd. (新疆力士達鋁業國貿公司) from 2002 to 2009. From 2009 to 2018, he was employed in several oil and energy related companies, mainly responsible for acquisition, exploration and development of Kazakhstan oilfield projects.

As at the Latest Practicable Date, Mr. Niu did not have any interest in the Shares within the meaning of Part XV at the SFO. Mr. Niu entered into an appointment letter with Company as an executive Director for a term of three years commencing from the date of the appointment on 1 March 2020. He received remuneration of RMB1,622,000 for the financial year ended 31 December 2021. His remuneration was determined by the Board on recommendation of the remuneration committee of the Company and by reference to his experience, qualifications, duties and responsibilities in the Company as well as the current market conditions.

(3) Mr. WANG Jin Lian (王錦連)*Independent Non-executive Director*

Mr. Wang Jin Lian (“**Mr. Wang**”), aged 76, is an independent non-executive Director. He was appointed as an independent non-executive Director on 31 July 2013. He is the chairman of each of our corporate governance committee and nomination committee and a member of each of our audit committee, finance and investment committee and remuneration committee. Mr. Wang was the secretary general of China Association of the National Shipbuilding Industry from May 2006 to August 2015. Mr. Wang has over 40 years of experience in shipbuilding industry. He previously held various senior positions, including deputy director general of the international bureau of China State Shipbuilding Corporation (中國船舶工業總公司), director general of the planning and development department of China State Shipbuilding Corporation (中國船舶工業集團公司), vice chairman of Shanghai Waigaoqiao Shipbuilding Co., Ltd. (上海外高橋造船有限公司) and vice

chairman of Hudong Heavy Machinery Co., Ltd. (滬東重機股份有限公司). He is currently an independent director of Shanghai CSR Hange Shipping Engineering Co., Ltd. (上海南車漢格船舶工程有限公司). Mr. Wang holds the senior engineer (researcher level) qualification in China. He graduated from Beijing Institute of Aeronautics (currently named as Beihang University) (北京航空學院，現為北京航空航天大學) in 1969.

As at the Latest Practicable Date, Mr. Wang did not have any interest in the Shares within the meaning of Part XV at the SFO. Mr. Wang entered into an appointment letter with Company as an independent non-executive Director for a term of one year commencing from the date of the appointment on 31 July 2021. He received remuneration of RMB275,000 for the financial year ended 31 December 2021. His remuneration was determined by the Board on recommendation of the remuneration committee of the Company and by reference to her experience, qualifications, duties and responsibilities in the Company as well as the current market conditions.

The total amount of the directors' emoluments for the year ended 31 December 2021 received by each of the above Directors who stand for re-election at the 2022 AGM are set out in note 26 to the consolidated financial statements of the Company's annual report for the year ended 31 December 2021.

Save as disclosed above, as at the Latest Practicable Date, each of the Directors who stands for re-election at the 2022 AGM did not hold any directorships or major appointments in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years, did not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO and did not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Each of Mr. Hong, Mr. Niu and Mr. Wang has confirmed that there is no other information required to be disclosed pursuant to rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders pursuant to rule 13.51(2) of the Listing Rules.

The following is the explanatory statement required to be sent to the Shareholders under Rule 10.06(1)(b) of the Listing Rules to enable them to make an informed decision on whether to vote for or against the Share Repurchase Resolution to be proposed at the 2022 AGM.

1. SHARE REPURCHASE PROPOSAL

As at the Latest Practicable Date, the issued ordinary share capital of the Company comprised 4,770,491,507 fully paid-up Shares. It is proposed that up to a maximum of 10 per cent. of the fully paid-up Shares in issue at the date of passing of the Share Repurchase Resolution may be repurchased by the Directors under the Proposed Share Repurchase Mandate. Subject to the passing of the Share Repurchase Resolution and on the basis that no further Shares are issued prior to the 2022 AGM, the Company would be allowed under the Proposed Share Repurchase Mandate to repurchase up to a maximum of 477,049,150 fully paid-up Shares during the proposed repurchase period.

2. REASONS FOR REPURCHASES

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

3. FUNDING OF REPURCHASES

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association, the Companies Law and the applicable laws of the Cayman Islands. The Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Shares are repurchased in the manner provided for in the Companies Law.

The Directors propose that such repurchases of Shares would be appropriately financed by the Company's internal resources and/or available banking facilities. In the event that the Proposed Share Repurchase Mandate were to be exercised in full at any time during the proposed repurchase period, there might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements

contained in the annual report of the Company for the year ended 31 December 2021 and taking into account the financial position of the Company as at the Latest Practicable Date. However, the Directors do not propose to exercise the Proposed Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

4. DIRECTORS' UNDERTAKING AND CONNECTED PERSONS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, the exercise of the power of the Company to make repurchases pursuant to the Proposed Share Repurchase Mandate will be in accordance with the Listing Rules, the Companies Law and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) have a present intention, in the event that the Share Repurchase Resolution is approved by Shareholders, to sell Shares to the Company.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell any Shares held by them to the Company, or have undertaken not to do so, in the event that Share Repurchase Resolution is approved by the Shareholders.

5. EFFECT OF TAKEOVERS CODE AND PUBLIC FLOAT REQUIREMENTS

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of a repurchase of Shares, any such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholders' interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Action Phoenix Limited and Castle Giant Investments Limited, being the wholly owned subsidiaries of Skyline Asia International Limited, the single largest beneficial shareholder of the Company, held 1,150,000,000 Shares and 270,120,000 Shares, respectively, representing in aggregate 1,420,120,000 Shares or approximately 29.77% of the voting rights attaching to the issued share capital of the Company.

Based on such interests in the Shares and in the event that the Directors exercise in full the power to repurchase Shares under the Proposed Share Repurchase Mandate and assuming that no further Shares are issued or repurchased prior to the 2022 AGM, the interests of Skyline Asia International Limited, together with the parties acting in concert with it will be increased to approximately 33.08% of the total number of Shares in issue. On the basis of the current shareholding of the Company, an exercise of the Proposed Share Repurchase Mandate in full will result in Skyline Asia International Limited becoming obliged to make a mandatory offer under Rule 26 of the Code. The Directors have no intention to exercise the Proposed Share Repurchase Mandate to such extent that would give rise an obligation to them to make a mandatory offer under Rule 26 of the Code or result in the amount of Shares held by the public being reduced to less than 25%.

6. SHARE REPURCHASES MADE BY THE COMPANY

There was no repurchase of Shares made by the Company or any of its subsidiaries during the six months immediately preceding the Latest Practicable Date.

7. MARKET PRICES

The monthly highest and lowest prices at which the Shares were traded on the Stock Exchange during the twelve months preceding the Latest Practicable Date were as follows:

Year	Month	Highest Price	Lowest Price
		(per Share) HK\$	(per Share) HK\$
2021	April	0.144	0.111
	May	0.134	0.114
	June	0.118	0.100
	July	0.115	0.096
	August	0.109	0.095
	September	0.120	0.098
	October	0.127	0.104
	November	0.125	0.109
	December	0.123	0.095
2022	January	0.104	0.092
	February	0.100	0.089
	March	0.099	0.065
	April (from 1 April up to Latest Practicable Date)	0.089	0.073

NOTICE OF THE 2022 AGM

CHINA HUARONG ENERGY COMPANY LIMITED 中國華榮能源股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01101)

NOTICE IS HEREBY GIVEN that the 2022 annual general meeting (the “**2022 AGM**”) of China Huarong Energy Company Limited (the “**Company**”) will be held at 43/F, Shanghai Sunglow Riverfront Centre, No. 899 Rui Ning Road, Xuhui District, Shanghai, the PRC on Wednesday, 8 June 2022 at 9:30 a.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the reports of the directors of the Company and the auditor of the Company for the year ended 31 December 2021.
2. To re-elect the following retiring directors:
 - (a) Mr. Hong Liang as an executive director of the Company;
 - (b) Mr. Niu Jianmin as an executive director of the Company; and
 - (c) Mr. Wang Jin Lian as an independent non-executive director of the Company.
3. To authorise the board of directors of the Company to fix the remuneration of all directors of the Company.
4. To re-appoint Crowe (HK) CPA Limited as the auditor of the Company and to authorise the board of directors of the Company to fix its remuneration.
5. To consider as special business, and if thought fit, pass the following resolutions as ordinary resolutions with or without amendments:

ORDINARY RESOLUTIONS

A. “**THAT:**

- (a) subject to paragraph (c) below and in substitution for all previous authorities, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or

NOTICE OF THE 2022 AGM

grant offers, agreements, options and other rights, or issue warrants and other securities including bonds, debentures and notes convertible into shares of the Company, which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and other rights, or issue warrants and other securities, which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company during the Relevant Period (as hereinafter defined) pursuant to the approval in paragraph (a) above, otherwise than pursuant to or in consequence of:
 - (i) a Rights Issue (as hereinafter defined); or
 - (ii) the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to option holders of shares in the Company; or
 - (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company; or
 - (iv) any adjustment, after the date of grant or issue of any options, rights to subscribe or other securities referred to above, in the price at which shares in the Company shall be subscribed, and/or in the number of shares in the Company which shall be subscribed, on exercise of relevant rights under such options, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, rights to subscribe or other securities; or

NOTICE OF THE 2022 AGM

(v) a specified authority granted by the shareholders of the Company in general meeting,

shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles of Association of the Company to be held; or
- (iii) the revocation, variation or renewal of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares in the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares in the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject in all cases to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

NOTICE OF THE 2022 AGM

B. “THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to make repurchase of its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised 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 the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other stock exchange (as the case may be) and the Code on Takeovers and Mergers of the Securities and Futures Commission of Hong Kong be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution and the authority pursuant to paragraph (a) above shall be limited accordingly; and
- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles of Association of the Company to be held; or
- (iii) the revocation, variation or renewal of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF THE 2022 AGM

- C. “**THAT** conditional upon the passing of resolution nos. 5A and 5B, the general mandate granted to the directors of the Company and for the time being in force to exercise the powers of the Company to allot shares be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted by the resolution set out as resolution no. 5B, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution.”

By Order of the Board
China Huarong Energy Company Limited
Chen Qiang
Chairman

Hong Kong, 22 April 2022

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Principal Place of Business

in Hong Kong:
Suites 1508–10
15/F, Shui On Centre
6–8 Harbour Road
Wanchai, Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the 2022 AGM is entitled to appoint one or more than one proxy to attend and vote on his behalf. A proxy need not be a member of the Company.
2. Where there are joint holders of shares, any one of such persons may vote at the 2022 AGM either personally or by proxy, in respect of such share(s) as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, 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(s) will alone be entitled to vote in respect thereof.
3. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of that power of attorney or authority), must be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for the holding of the 2022 AGM (or at any adjournment thereof).

NOTICE OF THE 2022 AGM

4. The register of members of the Company will be closed from Thursday, 2 June 2022 to Wednesday, 8 June 2022 (both days inclusive), during which no transfers of shares will be effected. In order to be eligible to attend and vote at the 2022 AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 1 June 2022.
5. All the proposed resolutions set out in this notice shall be decided by poll.

As at the date of hereof, the executive directors of the Company are Mr. CHEN Qiang (Chairman), Mr. HONG Liang, Ms. ZHU Wen Hua and Mr. NIU Jianmin; and the independent non-executive directors of the Company are Mr. WANG Jin Lian, Ms. ZHOU Zhan and Mr. LAM Cheung Mau.