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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in doubt** about this circular, you should consult your stockbroker, other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold** or transferred all your shares in Hans Energy Company Limited, you should at once hand this circular together with the accompanying 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.

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

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**HANS ENERGY COMPANY LIMITED**  
**漢思能源有限公司**

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

(Stock Code: 554)

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

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A notice convening the 2007 annual general meeting of Hans Energy Company Limited (the "Company") is set out in Appendix II to this circular. Whether or not you intend to attend the meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrars in Hong Kong, Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible but in any event not later than 4:00 p.m. on Tuesday, 8th May, 2007. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting and at any adjournment thereof if you so wish.

10th April, 2007

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## DEFINITIONS

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

“AGM”	the 2007 Annual General Meeting of the Company
“Articles”	the existing articles of association of the Company
“Board”	the board of Directors
“Company”	Han Energy Company Limited, a company incorporated in the Cayman Islands with limited liability
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Issue Mandate”	a general and unconditional mandate to be granted to the Directors to allot, issue, and deal with Shares up to a maximum of 20 per cent of the issued share capital of the Company as at the date of passing of the relevant resolution
“Latest Practicable Date”	30th March, 2007, being the latest practicable date prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general and unconditional mandate to be granted to the Directors to exercise all powers of the Company to repurchase on the Stock Exchange, or any other stock exchange on which the Shares of the Company may be listed, Shares up to a maximum of 10 per cent of the issued share capital of the Company as at the date of passing of the relevant resolution
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“Takeovers Code” the Codes on Takeovers and Mergers and Share Repurchases issued by the Hong Kong Securities and Futures Commission

“HK\$” Hong Kong dollar(s)

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## LETTER FROM THE BOARD

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# HANS ENERGY COMPANY LIMITED 漢思能源有限公司

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

(Stock Code: 554)

*Executive Directors:*

Mr. David An (*Chairman*)  
Ms. Feng Ya Lei  
Mr. Zhou Nan Zheng  
Mr. Fung Chi Kwan, Nicholas  
Ms. Liu Zhijun

*Registered Office:*

P.O. Box 309, Uglund House  
South Church Street  
George Town, Grand Cayman  
Cayman Islands  
British West Indies

*Independent Non-Executive Directors:*

Mr. Li Wai Keung  
Mr. Liu Jian  
Mr. Chan Chun Wai, Tony

*Principal Place of Business  
in Hong Kong:*

Room 2708-12, 27th Floor  
Office Tower, Convention Plaza  
1 Harbour Road  
Wanchai  
Hong Kong

10th April, 2007

*To the Shareholders*

Dear Sir or Madam,

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

### INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM to be held on Thursday, 10th May, 2007. These include i) ordinary resolutions relating to the granting to the Directors the Issue Mandate and the Repurchase Mandate; and ii) ordinary resolutions relating to the re-election of the retiring Directors.

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## LETTER FROM THE BOARD

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### **THE REPURCHASE MANDATE**

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Repurchase Mandate to exercise all powers of the Company to repurchase on the Stock Exchange, or on any other stock exchange on which the Shares of the Company may be listed, Shares up to a maximum of 10 per cent of the issued share capital of the Company as at the date of passing of the relevant resolution.

### **THE ISSUE MANDATE**

An ordinary resolution will also be proposed that the Directors be granted the Issue Mandate to allot, issue, and deal with Shares up to a maximum of 20 per cent of the issued share capital of the Company as at the date of passing of the relevant resolution.

As at the Latest Practicable Date, there was a total of 2,462,638,000 Shares in issue. Subject to the passing of the resolution granting the Issue Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to issue a maximum of 492,527,600 Shares.

In addition, an ordinary resolution will be proposed at the AGM adding any Shares repurchased under the Repurchase Mandate to the Issue Mandate. The Repurchase Mandate and the Issue Mandate would continue in force until the conclusion of the next annual general meeting of the Company unless it is renewed at such meeting or until revoked or varied by ordinary resolutions of the Shareholders in a general meeting held prior to the next annual general meeting of the Company.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions at the AGM.

### **NOTICE OF ANNUAL GENERAL MEETING**

Notice of the AGM is set out in Appendix II to this circular. A proxy form for appointing proxy is despatched with this circular and published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)). Whether or not you intend to attend the AGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrars in Hong Kong, Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM or the adjourned meeting. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM and at any adjournment thereof if you so wish.

### **RE-ELECTION OF RETIRING DIRECTORS**

In relation to Resolution 2 as set out in the notice of the AGM, Mr. Zhou Nan Zheng, Mr. Li Wai Keung and Mr. Liu Jian will retire from office as Directors at the AGM pursuant to Article 116 of the Articles while Ms. Feng Ya Lei will retire as Director at the AGM pursuant to her term of service with the Company. They, being eligible, will offer themselves for re-election as Directors at the AGM.

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## LETTER FROM THE BOARD

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Biographical details of the above retiring Directors, which are required to be disclosed pursuant to the Listing Rules, are set out in Appendix III to this circular.

### **PROCEDURE FOR DEMANDING A POLL**

Pursuant to Article 80 of the Articles, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded by:–

- (a) the Chairman of the meeting; or
- (b) at least five members present in person or by proxy and entitled to vote; or
- (c) any member or members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
- (d) any member or members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

### **RECOMMENDATION**

The Directors consider that the proposed granting of the Repurchase Mandate and Issue Mandate to the Directors and the re-election of the retiring Directors are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM.

Yours faithfully,  
For and on behalf of the Board  
**David An**  
*Chairman of the Board*

*This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide certain information to you for your consideration of the Repurchase Mandate.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, there was a total of 2,462,638,000 Shares in issue.

Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 246,263,800 Shares, being 10 per cent of the issued capital of the Company as at the date of passing of the relevant resolution for granting the Repurchase Mandate.

## **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

## **3. FUNDING OF REPURCHASES**

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum and articles of association and the applicable laws of the Cayman Islands.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the Annual Report for the year ended 31st December, 2006) in the event that the Repurchase Mandate 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 requirements of the Company or the gearing levels of the Company.

#### 4. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the 12 months preceding the Latest Practicable Date:–

Month	Share Prices Per Share	
	Highest HK\$	Lowest HK\$
<b>2006</b>		
April	0.500	0.390
May	0.510	0.390
June	0.420	0.320
July	0.460	0.385
August	0.445	0.355
September	0.445	0.370
October	0.430	0.385
November	0.500	0.425
December	0.560	0.435
<b>2007</b>		
January	0.520	0.480
February	0.660	0.490
March (up to and including the Latest Practicable Date)	0.650	0.490

#### 5. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and articles of association of the Company.

The Company has not been notified by any connected person that such a person has a present intention to sell, or has undertaken not to sell, any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

If, as a result of a repurchase of Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a shareholder, or a group of shareholders acting in concert, depending on the level of increase of 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.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Extreme Wise Investments Limited and Vand Petro-Chemicals (BVI) Company Ltd., companies wholly owned by Mr. David An, Chairman of the Company, held 209,773,980 Shares and 1,433,886,000 Shares respectively representing approximately a total of 66.74 per cent of the issued share capital of the Company. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the shareholdings of Extreme Wise Investments Limited and Vand Petro-Chemicals (BVI) Company Ltd. in the Company would be increased to approximately 74.16 per cent of the issued share capital of the Company. Such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code nor reduce the percentage of Shares held by the public to less than 25 per cent.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate.

The Company had repurchased Shares, whether on the Stock Exchange or otherwise, in the last six months preceding the Latest Practicable Date and the details of the repurchase are as follows:–

Dates	Number of Shares repurchased	Shares Prices	per Share
		Highest HK\$	Lowest HK\$
10th October, 2006	4,136,000	0.405	0.395
11th October, 2006	3,464,000	0.405	0.400
12th October, 2006	1,480,000	0.400	0.400
13th October, 2006	2,618,000	0.405	0.405
16th October, 2006	1,000,000	0.405	0.405
19th October, 2006	2,628,000	0.425	0.405
20th October, 2006	3,582,000	0.425	0.420
23rd October, 2006	1,712,000	0.425	0.425
24th October, 2006	3,350,000	0.425	0.420
31st October, 2006	3,302,000	0.420	0.405
1st November, 2006	13,140,000	0.425	0.425
2nd November, 2006	1,960,000	0.425	0.425
8th November, 2006	1,990,000	0.475	0.465
9th November, 2006	4,600,000	0.485	0.475
6th December, 2006	806,000	0.465	0.460

Dates	Number of Shares repurchased	Shares Prices	per Share
		Highest HK\$	Lowest HK\$
8th December, 2006	146,600	0.470	0.470
12th December, 2006	5,570,000	0.485	0.485
13th December, 2006	3,318,000	0.495	0.495
18th December, 2006	4,404,000	0.500	0.495
27th December, 2006	3,438,000	0.500	0.495
28th December, 2006	12,414,000	0.500	0.485
29th December, 2006	7,564,000	0.500	0.495
2nd January, 2007	722,000	0.500	0.500
4th January, 2007	1,452,000	0.500	0.500
5th January, 2007	2,000,000	0.500	0.500
5th February, 2007	3,154,000	0.520	0.520
9th February, 2007	7,180,000	0.550	0.530

At the annual general meeting of the Company held on 25th May, 2006, the Directors were granted a general mandate to repurchase a maximum of 262,000,000 Shares. The Company had repurchased a total of 157,362,000 Shares since the last annual general meeting up to the Latest Practicable Date.



**HANS ENERGY COMPANY LIMITED**  
**漢思能源有限公司**

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

(Stock Code: 554)

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 2007 Annual General Meeting (the “Meeting”) of Hans Energy Company Limited (the “Company”) will be held at Concord Room 3, 8 Floor, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 10th May, 2007 at 4:00 p.m. for the following purposes:–

1. To consider and adopt the audited financial statements and the reports of the directors and of the auditors for the year ended 31st December, 2006.
2. To re-elect the retiring directors.
3. To authorize the Board of Directors to fix the remuneration of the directors.
4. To re-appoint auditors and to authorize the Board of Directors to fix their remuneration.
5. To consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:–

**“THAT**

- (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which might require the exercise of such powers after the end of the Relevant Period;

- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) any Share Option Scheme (as hereinafter defined) of the Company; (iii) the exercise of rights of conversion under the terms of any securities which are convertible into shares of the Company or warrants to subscribe for shares of the Company; (iv) any scrip dividend or other similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the articles of association of the Company; or (v) a specific authority granted or to be granted by the shareholders in general meeting, shall not exceed 20 per cent of the existing issued share capital of the Company as at the date of passing of this resolution; and
- (d) for the purpose 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 revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in a general meeting; and
  - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company on the register of members 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 restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange applicable to the Company); and

“Share Option Scheme” means a share option scheme or similar arrangement for the time being, as varied from time to time, adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible person of shares or rights to acquire shares of the Company.”

6. To consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:–

**“THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by The Securities and Futures Commission of Hong Kong (“the Securities and Futures Commission”) and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the share capital of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution; and
- (c) for the purpose 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 revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in a general meeting; and
  - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”.

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 Ordinary Resolutions 5 and 6 as set out in the notice convening this Meeting, the general mandate granted to the Directors to allot, issue and deal with additional shares in the capital of the Company pursuant to Ordinary Resolution 5 set out in the notice convening this Meeting be and is hereby extended by the addition thereto the aggregate nominal amount of share capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution 6 set out in the notice convening this Meeting provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”.

By order of the Board  
**Fung Chi Kwan, Nicholas**  
*Company Secretary*

10th April, 2007

*Notes:*

- (a) A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
- (b) 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 notarially certified copy thereof, must be deposited at the Company’s Branch Share Registrars in Hong Kong, Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time fixed for holding the Meeting or adjournment thereof.
- (c) The register of members of the Company will be closed from Monday, 7th May, 2007 to Thursday, 10th May, 2007 both days inclusive during which period no transfer of shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrars in Hong Kong, Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Friday, 4th May, 2007.

*The directors of the Company as at the date of this notice are Mr. David An, Chairman, Ms. Feng Ya Lei, Mr. Zhou Nan Zheng, Mr. Fung Chi Kwan, Nicholas and Ms. Liu Zhijun being the Executive Directors and Mr. Li Wai Keung, Mr. Liu Jian and Mr. Chan Chun Wai, Tony being the Independent Non-Executive Directors.*

*The following are the biographical details of the Directors proposed for re-election at the AGM:*

#### 1. MR. ZHOU NAN ZHENG

**Mr. Zhou Nan Zheng**, aged 58, joined the Company as executive director in 2002. Mr. Zhou had his college education in The People's Republic of China. He had worked for China Ocean and Aviation Company Limited from 1985 to 1991 and also San Jiu Commercial Limited, which is one of the branch company of San Jiu Group from 1993 to 2002. He has over 18 years of experiences in management and trading.

Mr. Zhou has no service contract with the Company and is not appointed for any specific length of service but is subject to retirement by rotation and re-election in accordance with the Articles. Mr. Zhou received director's emoluments of HK\$597,000 for the financial year ended 31st December, 2006 which was determined by the Board with reference to his job responsibilities, the prevailing market conditions and the Company's performance and profitability.

Mr. Zhou does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company. He does not at present, nor in the past three years, hold any directorships in any other listed public company. He does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matters concerning Mr. Zhou that need to be brought to the attention of the Shareholders.

#### 2. MR. LI WAI KEUNG

**Mr. Li Wai Keung**, aged 50, joined the Company as independent non-executive director in 2002. He is the chairman of the Audit Committee and a member of the Nomination Committee and the Remuneration Committee. Mr. Li graduated from Hong Kong Polytechnic and holds a Master's degree in Business Administration from the University of East Asia. He is also a fellow member of The Association of Chartered Certified Accountants and Hong Kong Institute of Certified Public Accountants. Mr. Li has held a number of positions with companies including Sino Land Company Limited and Henderson Land Development Company Limited. Mr. Li is now a director and financial controller of GDH Limited, and also a director and chief financial officer of Guangdong Investment Limited and an independent non-executive director of Shenzhen Investment Limited.

Mr. Li has no service contract with the Company and is not appointed for any specific length of service but is subject to retirement by rotation and re-election in accordance with the Articles. Mr. Li received a director's fee of HK\$120,000 for the financial year ended 31st December, 2006 and this amount was determined by the Board with reference to his duties and responsibilities with the Company.

Mr. Li does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company nor does he hold any positions in the Company or its Group. He does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matters concerning Mr. Li that need to be brought to the attention of the Shareholders.

### 3. MR. LIU JIAN

**Mr. Liu Jian**, aged 53, joined the Company as independent non-executive director in 2002. He is the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee. Mr. Liu is currently a managing director of CITIC Securities (HK) Ltd. Mr. Liu previously worked for China state-owned enterprises including China Resources Holdings Company Limited and Ministry of Foreign Trade and Economic Cooperation, The People's Republic of China. He was also the independent non-executive director of Long Far Pharmaceutical Holdings Limited. Mr. Liu has over 10 years of investment banking experience and over 18 years of experience in China business management. He graduated from Jiaotong University, Shanghai.

Mr. Liu has no service contract with the Company and is not appointed for any specific length of service but is subject to retirement by rotation and re-election in accordance with the Articles. Mr. Liu received a director's fee of HK\$120,000 for the financial year ended 31st December, 2006 and this amount was determined by the Board with reference to his duties and responsibilities with the Company.

Mr. Liu does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company nor does he hold any positions in the Company or its Group. He does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matters concerning Mr. Liu that need to be brought to the attention of the Shareholders.

### 4. MS. FENG YA LEI

**Ms. Feng Ya Lei**, aged 53, joined the Company as executive director in 2002. She is also a director of Guangdong Petro-Chemicals Company Limited and Guangdong (Panyu) Petrochemical Storage & Transportation Ltd., both being subsidiaries of the Company. She has 16 years of experience in relation to human resources field. From 1987 to 1993, she was the supervisor of human resources for China International Culture Exchange Centre and then she worked as the supervisor of human resources for Beijing Hotel from 1993 to 1999.

Ms. Feng has no service contract with the Company but is appointed for a term of one year and is subject to retirement by rotation and re-election in accordance with the Articles. Ms. Feng received director's emoluments of HK\$1,085,000 for the financial year ended 31st December, 2006 which was determined by the Board with reference to her job responsibilities, the prevailing market conditions and the Company's performance and profitability.

Ms. Feng does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company. She does not at present, nor in the past three years, hold any directorships in any other listed public company. She does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was she involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matters concerning Ms. Feng that need to be brought to the attention of the Shareholders.