
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in SPT Energy Group Inc., you should at once hand this circular, together with 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.

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 howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

SPT

SPT Energy Group Inc.

華油能源集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1251)

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

A notice convening the annual general meeting of SPT Energy Group Inc. to be held at Plaza 1&2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Tuesday, 6 June 2017 at 10:00 a.m. is set out on pages 13 to 17 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.spt.cn. Whether or not you intend to attend the annual general meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and deliver it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude a shareholder from attending and voting in person at the annual general meeting if they so wish and in such event, the form of proxy shall be deemed to be revoked.

* *for identification purpose only*

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
APPENDIX I - DETAILS OF DIRECTORS	7
APPENDIX II - EXPLANATORY STATEMENT	10
NOTICE OF ANNUAL GENERAL MEETING	13

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Plaza 1&2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on 6 June 2017 (Tuesday) at 10:00 a.m., or any adjournment thereof and notice of which is set out on pages 13 to 17 of this circular
“Articles of Association”	the articles of association of the Company adopted and became effective on 1 December 2011, and as amended from time to time
“Board”	board of Directors
“Company”	SPT Energy Group Inc., an exempted company incorporated on 12 June 2008 in the Cayman Islands with limited liability, with its Shares listed on the main board of the Stock Exchange
“Companies Law”	the Companies Law (2011 Revision) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“Controlling Shareholders”	has the meaning ascribed thereto under the Listing Rules and, unless the context require otherwise, refers to Mr. Wang Guoqiang, Mr. Ethan Wu, Elegant Eagle Investments Limited, Red Velvet Holdings Limited, Best Harvest Far East Limited, Widescope Holdings Limited, True Harmony Limited, Truepath Limited and their respective associates, who together control the exercise of approximately 42.42% of the voting rights in general meetings of the Company as at the Latest Practicable Date
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the legal currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting the Issue Mandate
“Latest Practicable Date”	19 April 2017, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	23 December 2011, the date on which dealings in the Shares first commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC”	The People’s Republic of China, and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the legal currency of the PRC
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting 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 relevant resolution granting the Repurchase Mandate
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Share(s)”	ordinary share(s) of nominal value of US\$0.0001 each in the capital of the Company
“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, as amended from time to time
“%”	per cent

LETTER FROM THE BOARD

SPT

SPT Energy Group Inc.
華油能源集團有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1251)

Executive Directors:

Mr. Wang Guoqiang
Mr. Ethan Wu
Mr. Liu Ruoyan
Mr. Li Qiang

Non-executive Directors:

Mr. Lin Yang
Ms. Chen Chunhua

Independent non-executive Directors:

Mr. Wu Kwok Keung Andrew
Mr. Wan Kah Ming
Ms. Zhang Yujuan

Registered office:

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

Corporate headquarters:

5/F, Hongmao Commercial Building
Jia No. 8 Hongjun Ying East Road
Chaoyang District
Beijing
PRC

Principal place of business in Hong Kong:

33/F, Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

To the Shareholders

Dear Sir or Madam

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

INTRODUCTION

The purpose of this circular is to give you the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: a) the grant to the Directors of the Issue Mandate and the Repurchase Mandate; and b) the re-election of the retiring Directors.

* for identification purpose only

LETTER FROM THE BOARD

ISSUE MANDATE

In order to ensure flexibility and give discretion to the Directors, in the event that it becomes desirable for the Company to issue any new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the Issue Mandate. At the Annual General Meeting, an ordinary resolution no. 4(A) will be proposed to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares in the share capital of the Company up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation to the Issue Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,534,790,332 Shares. Subject to the passing of the ordinary resolution no. 4(A) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to issue a maximum of 306,958,066 Shares.

In addition, subject to a separate approval of the ordinary resolutions no. 4(B) and 4(C), the number of Shares repurchased by the Company under ordinary resolution no. 4(B) will also be added to extend the Issue Mandate as mentioned in the ordinary resolution no. 4(A) provided that such additional 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 the resolutions in relation to the Issue Mandate and Repurchase Mandate. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Issue Mandate.

REPURCHASE MANDATE

An ordinary resolution will also be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation to the Repurchase Mandate.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This 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 resolution at the Annual General Meeting.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with articles 108 and 112 of the Articles of Association, Mr. Wang Guoqiang, Mr. Ethan Wu, Mr. Liu Ruoyan and Mr. Li Qiang will retire by rotation, and being eligible, have offered themselves for re-election as Directors at the Annual General Meeting of the Company.

Details of the above retiring Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING

Set out on the pages 13 to 17 of this circular is the notice of the Annual General Meeting containing, inter alia, ordinary resolutions in relation to, among others, granting the Directors the Issue Mandate and the Repurchase Mandate and approving the re-election of the retiring Directors.

FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.spt.cn. Whether or not you intend to attend the Annual General Meeting, you are required to complete the form of proxy in accordance with the instructions printed thereon and deliver it to the Company's Hong Kong share registrar, 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 fixed for the holding of the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the Annual General Meeting if they so wish and in such event, the form of proxy shall be deemed to be revoked.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. The chairman of the Annual General Meeting shall therefore demand voting on all resolutions set out in the notice of Annual General Meeting be taken by way of poll pursuant to Article 72 of the Articles of Association.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the Issue Mandate and the Repurchase Mandate and approving the re-election of the retiring Directors are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully
By order of the Board
SPT Energy Group Inc.
Mr. Wang Guoqiang
Chairman

27 April 2017

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting:

As at the Latest Practicable Date, each of the following Directors, save as disclosed herein, did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, no Director holds any other major appointments, any position with the Company or any other member of the Group, nor has any directorships in other listed companies in the past three years.

In addition, save as disclosed therein, no Director has any relationship with any other Directors, senior management personnel, substantial Shareholders or Controlling Shareholders of the Company.

Save as disclosed herein, there is no other matter relating to the re-election of the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

DIRECTORS CANDIDATES

Executive Directors

Wang Guoqiang (王國強), aged 54, is an executive Director and chairman of the Board. He has been the chief executive officer of the Company during the period from 1 December 2011 to 31 August 2016. He is also the chairman of the Nomination Committee and a member of the Remuneration Committee of the Company. He is responsible for the overall operation and management of the Group. Mr. Wang has over 32 years of experience in the petroleum industry. Mr. Wang has been a Director of the Company since June 2008. Prior to joining the Group, he served as an engineer of Huabei Petroleum Testing Company (華北石油測試公司), a subsidiary of China National Petroleum Corporation (“CNPC”), from July 1984 to August 1993. Mr. Wang obtained a diploma in field machinery from North China University of Petroleum Employees (華北石油職工大學) (currently known as Beijing Institute of Economic Management (北京經濟管理職業學院) in July 1984 and a master’s degree in business administration from The National University of Singapore in April 2007.

Mr. Wang had entered into a service contract with the Company for a term of three years commencing from the Listing Date and renewed the service contract on 23 December 2014 for a term of three years. He does not receive any director’s fee but is entitled to receive emoluments of RMB610,416 per annum and a discretionary bonus from the Group as determined by the Board with reference to his responsibility, workload, time devoted, contribution to the Group, salaries paid by the comparable companies and prevailing market conditions.

As at the latest Practicable Date, Mr. Wang was deemed to be interested in a total of 651,074,000 Shares, of which 489,512,000 Shares held by Truepath Limited, 137,372,000 Shares held by Widescope Holdings Limited and 21,600,000 Shares held by True Harmony Limited respectively, and 2,590,000 underlying Shares of the Company in respect of the share option granted under the share option scheme of the Company within the meaning of Part XV of the SFO.

Ethan Wu (吳東方), aged 45, is an executive Director of the Company. He is responsible for business development of the Group. Mr. Wu has over 25 years of experience in the petroleum industry. Mr. Wu has been a Director of the Company since June 2008. Prior to joining the Group, Mr. Wu served as an assistant engineer of China Petroleum Huabei Oil Field Testing Company (中國石油華北油田測試公司) from March 1991 to November 1993. Mr. Wu obtained a bachelor's degree in electronic instrument and measuring technology from Xi'an Petroleum University (西安石油大學) in July 1991 and an executive master's degree in business administration from Tsinghua University (清華大學) of China in February 2006.

Mr. Wu had entered into a service contract with the Company for a term of three years commencing from the Listing Date and renewed the service contract on 23 December 2014 for a term of 3 years. He does not receive any director's fee but is entitled to receive emoluments of RMB605,656 per annum and a discretionary bonus from the Group as determined by the Board with reference to his responsibility, workload, time devoted, contribution to the Group, salaries paid by the comparable companies and prevailing market conditions.

As at the latest Practicable Date, Mr. Wu was deemed to be interested in a total of 651,074,000 Shares, of which 489,512,000 Shares held by Truepath Limited, 137,372,000 Shares held by Widescope Holdings Limited and 21,600,000 Shares held by True Harmony Limited respectively, and 2,590,000 underlying Shares of the Company in respect of the share option granted under the share option scheme of the Company within the meaning of Part XV of the SFO.

Liu Ruoyan (劉若岩), aged 69, is an executive Director and an executive president of the Company. He is responsible for marketing of well drilling and workover business and management of production and operation of the Group. Mr. Liu has more than 43 years of experience in the petroleum industry. Mr. Liu has been an executive Director of the Company since 1 December 2011. Prior to joining the Group, he served as the general manager of Sino-Kazakhstan Great Wall Drilling Co., Ltd. (中哈長城鑽井有限公司), a subsidiary of CNPC, in charge of marketing and project operations management involving drilling and workover business in Kazakhstan from November 1999 to December 2006. From March 1984 to October 1999, he served as a team leader and well drilling engineer and the chief commander of Jidong Front Line and the deputy general manager and the general manager of No. 2 Well Drilling Company of North China Petroleum Administrative Bureau (華北石油管理局鑽井二公司), a subsidiary of CNPC. From March 1974 to August 1984, he served as a technician of North China Petroleum Campaign Headquarters (華北石油會戰指揮部), a subsidiary of CNPC. From July 1972 to February 1974, he served as an assistant technician of the well drilling team of the Geophysical Prospecting Bureau of the Ministry of Fuel and Chemical Industry of the PRC (中華人民共和國燃料化學工業部). Mr. Liu obtained a diploma in petroleum management and engineering from Fushun Petroleum College (撫順石油學院) of China in July 1984 and a bachelor's degree in economic management from the Party School of the Central Committee of the Communist Party of China (中共中央黨校) in December 1997.

Mr. Liu had entered into a service contract with the Company for a term of three years commencing from the Listing Date and renewed the service contract on 23 December 2014 for a term of 3 years. He does not receive any director's fee but is entitled to receive emoluments of RMB309,860 per annum and a discretionary bonus from the Group as determined by the Board with reference to his responsibility, workload, time devoted, contribution to the Group, salaries paid by the comparable companies and prevailing market conditions.

As at the Latest Practicable Date, Mr. Liu has an interest in 3,890,000 underlying Shares of the Company in respect of the share options granted under the share option scheme of the Company within the meaning of Part XV of the SFO.

Li Qiang (李強), aged 42, is an executive Director, vice president and chief financial officer of the Company. He is primarily responsible for internal control affairs of the Group including planning and operations, capital operation and information disclosure. Mr. Li has more than 19 years of experience in corporate management. Mr. Li has been an executive Director of the Company since 21 March 2017. Prior to joining the Group, he served as the senior project manager of Beijing Bowei Management Consultancy Co., Ltd. (北京博維管理顧問有限公司) specialising in corporate strategies, procedure restructuring, human resources management and other consultation tasks. From August 1998 to June 2004, he worked at Beijing Chemical Company Limited (北京化二股份有限公司) as sales and marketing manager and assistant to plant general manager. Mr. Li obtain a bachelor's degree in corporate management from Beijing Wuzi University (北京物資學院) in 1998 and a master's degree in business administration from Peking University (北京大學) in 2005.

Mr. Li had entered into a service contract with the Company on 21 March 2017 for a term of 3 years. He does not receive any director's fee but is entitled to receive emoluments of RMB480,000 per annum and a discretionary bonus from the Group as determined by the Board with reference to his responsibility, workload, time devoted, contribution to the Group, salaries paid by the comparable companies and prevailing market conditions.

As at the Latest Practicable Date, Mr. Li has an interest in 11,568,000 underlying Shares of the Company in respect of the share options granted under the share option scheme of the Company within the meaning of Part XV of the SFO.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,534,790,332 Shares of nominal value of US\$0.0001 each. 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 Annual General Meeting, the Company will be allowed to repurchase a maximum of 153,479,033 Shares which represent 10% of the issued share capital of the Company during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; or (iii) the date on which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

REASONS AND FUNDING OF REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share 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 as a whole.

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association, the Listing Rules, the Companies Law and any other applicable laws. 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, the share premium account 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 or both the profits of the Company or the share premium account of the Company before or at the time the Company's Shares are repurchased, or in the manner provided for in the Companies Law.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and the Shareholders as a whole. The Directors consider that if the Repurchase Mandate was to be exercised in full, it may not have adverse impact on the working capital or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2016, being the date on which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their close associates, as defined in the Listing Rules, currently intends to sell any Shares to the Company or its subsidiaries, 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 exercise the Repurchase Mandate in accordance with the Listing Rules, the memorandum and Articles of Association and the Companies Law.

No core connected person, as defined in the Listing Rules, has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the proposed Repurchase Mandate is approved by the Shareholders.

TAKEOVERS CODE

If as a result of a repurchase of Shares 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 purposes of Rule 32 of the Takeovers Code. Accordingly, 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 Shareholder's 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 knowledge and belief of the Directors, Mr. Wang Guoqiang ("**Mr. Wang**") and Mr. Ethan Wu ("**Mr. Wu**") are parties acting in concert (the "**Concert Parties**") for the purpose of the Takeovers Code, and are deemed to be interested in a total of 651,074,000 Shares, representing approximately 42.42% of the issued share capital of the Company, of which 489,512,000 Shares held by Truepath Limited, 137,372,000 Shares held by Widescope Holdings Limited and 21,600,000 Shares held by True Harmony Limited, respectively. In the event that the Directors should exercise in full the Repurchase Mandate, the aggregate interests of the Concert Parties will be increased to approximately 47.13% of the issued share capital of the Company. To the best knowledge and belief of the Directors, such increase will give rise to an obligation to make a mandatory offer under the Takeovers Code. The Directors have no present intention to repurchase the Shares to the extent that will trigger the obligations under the Takeovers Code for the Controlling Shareholders. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on the Stock Exchange or otherwise) had been made by the Company in the six months prior to the Latest Practicable Date.

SHARE PRICES

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

Month	Highest prices	Lowest prices
	<i>HK\$</i>	<i>HK\$</i>
2016		
April	0.650	0.560
May	0.630	0.520
June	0.580	0.510
July	0.550	0.465
August	0.510	0.455
September	0.620	0.480
October	0.850	0.540
November	0.730	0.620
December	0.740	0.630
2017		
January	0.800	0.640
February	0.780	0.670
March	0.720	0.640
April (up to the Latest Practicable Date)	0.670	0.560

NOTICE OF ANNUAL GENERAL MEETING

SPT

SPT Energy Group Inc.
華油能源集團有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1251)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Annual General Meeting**”) of SPT Energy Group Inc. (the “**Company**”) will be held at Plaza 1&2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on 6 June 2017 (Tuesday) at 10:00 a.m. for the following purposes:

1. To consider, receive and adopt the audited consolidated financial statements of the Company and the reports of the directors and auditor for the year ended 31 December 2016.
2. (a) To re-elect the following retiring directors of the Company:
 - (i) Mr. Wang Guoqiang as executive director;
 - (ii) Mr. Ethan Wu as executive director;
 - (iii) Mr. Liu Ruoyan as executive director; and
 - (iv) Mr. Li Qiang as executive director;
- (b) To authorise the board of directors of the Company to fix the remuneration of the directors.
3. To re-appoint PricewaterhouseCoopers as auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorise the board of directors of the Company to fix their remuneration.
4. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:
 - (A) “**That:**
 - (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the

* *for identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

powers of the Company to allot, issue or otherwise deal with additional ordinary shares in the capital of the Company (“**Shares**”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for Shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures exchangeable or convertible into Shares) and rights of exchange or conversion which may require the exercise of such powers be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options (including bonds, warrants and debentures exchangeable or convertible into Shares) and rights of exchange or conversion which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined) or (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for Shares or rights to acquire Shares; or (3) an issue of Shares as scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (4) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of 20% of the aggregate nominal amount of share capital of the Company in issue as at the date of passing this resolution and the approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:
 - (a) “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; and

NOTICE OF ANNUAL GENERAL MEETING

(3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

(b) “**Rights Issue**” means an offer of shares in the capital of the Company, or an offer or issue 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 capital of the Company whose names appear on the register of members on a fixed record date in proportion to their holdings of shares of the Company (subject to such exclusion 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, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) “**That:**

- (i) subject to paragraph (ii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company 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 for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Code on Share Buy-Backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of the shares of the Company, which may be repurchased pursuant to the approval in paragraph (i) above 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, and the said approval shall be limited accordingly;
- (iii) subject to the passing this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the directors of the Company and which are still in effect be and are hereby revoked; and

NOTICE OF ANNUAL GENERAL MEETING

(iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; and
- (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

(C) “**That** conditional upon the resolutions numbered 4(A) and 4(B) set out in this notice being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with new shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 4(A) set out in this notice be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may 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 pursuant to ordinary resolution numbered 4(B) set out in this notice, 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 this resolutions.”

By order of the Board
SPT Energy Group Inc.
Mr. Wang Guoqiang
Chairman

Hong Kong, 27 April 2017

Registered office:

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

Corporate Headquarters:

5/F, Hongmao Commercial Building
Jia No. 8 Hongjunying East Road
Chaoyang District
Beijing
PRC

Principal place of business

in Hong Kong:
33/F, Edinburgh Tower
The Landmark
15 Queen’s Road Central
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) Ordinary resolution numbered 4(C) will be proposed to the shareholders for approval provided that ordinary resolutions numbered 4(A) and 4(B) are passed by the shareholders of the Company.
- (ii) A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A shareholder who is the holder of 2 or more Shares may appoint more than one proxy to represent him and vote on his/her behalf at the above Annual General Meeting. A proxy need not be a shareholder of the Company.
- (iii) In the case of joint holders of any Share, any one of such persons may vote at the Annual General Meeting, either personally or by proxy, in respect of such Share as if he/she were solely entitled thereto. However, if more than one of such joint holders be present at the above Annual General Meeting personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose, seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited at the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. The completion and deposit of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the Annual General Meeting (or any adjourned meeting thereof) if they so wish.
- (v) The transfer books and register of members of the Company will be closed from 1 June 2017 (Thursday) to 6 June 2017 (Tuesday), both dates inclusive, to determine the entitlement of shareholders to attend and vote at the Annual General Meeting, during which period no transfers of shares of the Company will be registered. All transfers accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company, 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 31 May 2017 (Wednesday).
- (vi) In respect of ordinary resolutions numbered 2 above, Mr. Wang Guoqiang, Mr. Ethan Wu, Mr. Liu Ruoyan and Mr. Li Qiang shall retire from office at the Annual General Meeting and be eligible to offer themselves for re-election. Details of the above retiring directors are set out in Appendix I to the accompanied circular dated 27 April 2017.
- (vii) In respect of the ordinary resolution numbered 4(A) above, the directors of the Company wish to state that they have no immediate plans to issue any new Shares of the Company. Approval is being sought from the shareholders of the Company as a general mandate for the purposes of the Rules Governing the Listing of Securities of the Stock Exchange ("Listing Rules").
- (viii) In respect of ordinary resolution numbered 4(B) above, the directors of the Company wish to state that they will exercise the powers conferred by the general mandate to repurchase Shares of the Company in circumstances which they deem appropriate for the benefits of shareholders of the Company. The explanatory statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own Shares, as required by the Listing Rules, is set out in Appendix II to the accompanied circular dated 27 April 2017.