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If you are in any doubt about this supplemental 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 supplemental 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.

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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)

**SUPPLEMENTAL CIRCULAR TO THE CIRCULAR DATED
27 APRIL 2018 IN RELATION TO
(1) REFRESHMENT OF SCHEME MANDATE LIMIT
AND
(2) INCREASE IN AUTHORISED SHARE CAPITAL
AND
SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING**

This supplemental circular should be read together with the circular to Shareholders dated 27 April 2018 (the “**Circular**”) and the notice convening the annual general meeting of the Company (the “**Annual General Meeting**”) to be held at Monaco Room, Basement 1, Regal Hong Kong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Tuesday, 12 June 2018 at 10:00 a.m. as set out on pages 12 to 16 of the Circular. A Supplemental Proxy Form is enclosed with this supplemental circular for use at the Annual General Meeting.

Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the enclosed Supplemental Proxy Form in accordance with the instructions printed thereon as soon as possible, but in any event not later than 48 hours before the time appointed for the Annual General Meeting or any adjourned meeting (as the case may be) to the office of the share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong. The completion and return of the Supplemental Proxy Form will not preclude you from subsequently attending and voting in person at the Annual General Meeting or any adjourned meeting should you so wish.

* *for identification purpose only*

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DEFINITIONS

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

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|---------------------------|---|
| “Annual General Meeting” | the annual general meeting of the Company to be held at Monaco Room, Basement 1, Regal Hong Kong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on 12 June 2018 (Tuesday) at 10:00 a.m., or any adjournment thereof |
| “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 |
| “Convertible Bonds” | the outstanding convertible bonds issued by the Company on 7 August 2012, in aggregate principal amount of US\$15,000,000 at HK\$1.65 (which has been adjusted to HK\$1.63 on 18 June 2013, HK\$1.60 on 18 June 2014 and HK\$1.69 on 12 June 2015) per conversion share pursuant to the subscription agreement dated 7 August 2012, details of which are set out in the announcement of the Company dated 7 August 2012, 31 December 2012, 5 June 2013 and 5 June 2014 and 12 June 2015 and the circular of the Company dated 18 January 2013, respectively |
| “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 |
| “Latest Practicable Date” | 16 May 2018, being the latest practicable date prior to the printing of this supplemental circular for the purpose of ascertaining certain information contained in this supplemental circular |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time |

DEFINITIONS

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|------------------------|---|
| “PRC” | The People’s Republic of China, and for the purpose of this supplemental circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Scheme Mandate Limit” | the maximum number of Shares which may be allotted and issued upon exercise of all share options to be granted under the Share Option Scheme and other such schemes of the Company which initially shall not in aggregate exceed 10% of the Shares in issue as at the date of adoption of the Scheme Mandate Limit by Shareholders and thereafter, if refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders |
| “Share(s)” | ordinary share(s) of nominal value of US\$0.0001 each in the capital of the Company |
| “Share Option Scheme” | the Share Option Scheme adopted by the Company on 1 December 2011 |
| “Shareholder(s)” | the holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “%” | 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 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

To the Shareholders

Dear Sir or Madam

**SUPPLEMENTAL CIRCULAR TO THE CIRCULAR DATED
27 APRIL 2018 IN RELATION TO
(1) REFRESHMENT OF SCHEME MANDATE LIMIT
AND
(2) INCREASE IN AUTHORISED SHARE CAPITAL
AND
SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

This supplemental circular should be read together with the circular of the Company dated 27 April 2018 (the “**Circular**”).

* *for identification purpose only*

LETTER FROM THE BOARD

The purpose of this supplemental circular is to give you the supplemental notice of Annual General Meeting (the “**Supplemental AGM Notice**”) and the proposal in relation to (i) the proposed refreshment of the Scheme Mandate Limit and (ii) the proposed increase in the Company’s authorised share capital to be put forward at the Annual General Meeting in addition to the proposals set out in the Circular.

REFRESHMENT OF SCHEME MANDATE LIMIT

The Share Option Scheme was adopted by the Company on 1 December 2011. The purpose of the Share Option Scheme is to enable the Company to grant rights to subscribe for Shares pursuant to the terms of the Share Option Scheme as incentives or rewards to the Directors and employees of the Company for their contribution to the Group and/or to enable the Group to recruit and retain high caliber employees and attract human resources that are valuable to the Group and any entity which the Group holds any equity interest. Apart from the Share Option Scheme, the Company has no other share option schemes currently in force.

Pursuant to the terms of the Share Option Scheme and in compliance with Chapter 17 of the Listing Rules, the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of Shares in issue as at the date of approval and adoption of the Share Option Scheme. The Company may seek approval of Shareholders in general meeting for refreshing the 10% limit such that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company under the limit as refreshed shall not exceed 10% of the total number of Shares in issue as at the date of approval to refresh such limit. Options previously granted under the Share Option Scheme and any other share option schemes (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or any such other share option schemes or exercised options) will not be counted for the purpose of calculating such limit as refreshed.

The Company previously obtained Shareholders’ approval at the annual general meeting held on 10 June 2015 for the refreshment of the Scheme Mandate Limit, pursuant to which the Company may issue up to 153,479,033 share options, representing 10% of the total number of issued Shares on 10 June 2015.

During the period from 10 June 2015 to the Latest Practicable Date, (i) a total of 130,000,000 share options were granted to the eligible participants under the Share Option Scheme; (ii) 1,379,333 share options were exercised; (iii) no share options were cancelled; and (iv) 18,649,001 share options were lapsed.

As at the Latest Practicable Date, a total of 187,890,001 outstanding share options entitle the holders thereof to subscribe for 187,890,001 Shares, representing approximately 10.2% of the issued share capital of the Company. Unless the Scheme Mandate Limit is refreshed, the Company may only grant share options to subscribe for up to 23,479,033 Shares, pursuant to the Share Option Scheme.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were totally 1,843,127,665 Shares in issue. Accordingly it is expected that, upon the approval of the refreshment of the Scheme Mandate Limit at the Annual General Meeting, and on the assumption that (i) all remaining Convertible Bonds convertible into 69,230,769 Shares are converted in full prior to the Annual General Meeting; (ii) all outstanding 187,890,001 options are fully exercised; and (iii) that no further Shares will otherwise be issued or repurchased by the Company from the Latest Practicable Date to the Annual General Meeting, the number of Shares in issue as at the date of passing of the ordinary resolution granting the refreshment of the Scheme Mandate Limit will be 2,100,248,435 and therefore, the refreshed Scheme Mandate Limit under the Annual General Meeting would be 210,024,843 Shares, representing 10% of the number of shares in issue at the time of passing the ordinary resolution. Assuming (iii) above while (i) and (ii) do not take place before the Annual General Meeting, the refreshed Scheme Mandate Limit would be 184,312,766 Shares. The 23,479,033 share options allowed to be granted but not previously granted under the Share Option Scheme will be superseded by the refreshed Scheme Mandate Limit upon Shareholders' approval of the proposed refreshment of the Scheme Mandate Limit at the Annual General Meeting.

Pursuant to the terms of the Share Option Scheme and in compliance with Chapter 17 of the Listing Rules, the maximum number of the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of Shares in issue from time to time. As at the Latest Practicable Date, such number of Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme does not exceed 552,938,299 Shares, being 30% of the Shares in issue.

The Board considers that it is in the interest of the Company to refresh the Scheme Mandate Limit under the Share Option Scheme so that the Company has greater flexibility to provide incentives and rewards to the eligible participants for their contribution or potential contribution to the Group.

The refreshment of the Scheme Mandate Limit is conditional upon:

- (i) the passing of an ordinary resolution to approve the refreshment of Scheme Mandate Limit at the Annual General Meeting; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares (representing a maximum of 10% of the Shares in issue as at the date of passing the resolution of the refreshment of the Scheme Mandate Limit at the Annual General Meeting) which may fall to be issued upon the exercise of the share options to be granted under the Share Option Scheme.

LETTER FROM THE BOARD

Application will be made to the Stock Exchange for the listing of, and permission to deal in the Shares, representing 10% of the Shares in issue at as the date of the Annual General Meeting, which may fall to be issued upon the exercise of the share options that may be granted under the refreshed Scheme Mandate Limit.

INCREASE IN AUTHORISED SHARE CAPITAL

As at the Latest Practicable Date, the Company's authorised share capital was US\$200,000 divided into 2,000,000,000 Shares of which 1,843,127,665 Shares were in issue. In order to accommodate the future expansion and growth of the Group (including the issue of new shares pursuant to options that may be granted under the refreshed Scheme Mandate Limit), the Board proposed to increase the authorised share capital of the Company from US\$200,000 divided into 2,000,000,000 Shares to US\$500,000 divided into 5,000,000,000 Shares, by the creation of an additional 3,000,000,000 new Shares. The new Shares shall rank *pari passu* with the existing Shares upon issue (the "**Increase in Authorised Share Capital**"). The Board considers that the Increase in Authorised Share Capital will provide the Company with the flexibility to issue additional Shares whether for fund-raising or project acquisition purposes, although no binding agreement has yet been made by the Company regarding any such fund-raising or acquisition exercises.

The Increase in Authorised Share Capital is subject to the passing of an ordinary resolution by the Shareholders at the Annual General Meeting, and no Shareholder is required to abstain from voting on such resolution.

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

Set out on the pages 9 to 10 of this supplemental circular is the supplemental notice of the Annual General Meeting containing, *inter alia*, (i) an ordinary resolution in relation to the refreshment of the Scheme Mandate Limit and (ii) an ordinary resolution in relation to the Increase in Authorised Share Capital, in addition to the ordinary resolutions set out in the notice of Annual General Meeting dated 27 April 2018 (the "**Original AGM Notice**").

FORM OF PROXY

The additional ordinary resolutions proposed to be considered at the Annual General Meeting are set out in the Supplemental AGM Notice.

Since the proxy form (the "**Original Proxy Form**") issued along with the Circular did not set out the additional resolutions as set out in the Supplemental AGM Notice, a new proxy form (the "**Supplemental Proxy Form**") is despatched together with this supplemental circular.

Shareholders who have not lodged the Original Proxy Form in accordance with the instructions set out in the Original AGM Notice are requested to lodge a Supplemental Proxy Form, if he/she intends to appoint a proxy to attend the Annual General Meeting on his/her behalf. Under such circumstance, the Shareholder should not lodge the Original Proxy Form.

LETTER FROM THE BOARD

In order to be valid, the Supplemental Proxy Form 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 Supplemental Proxy Form 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.

Shareholders who have lodged the Original Proxy Forms in accordance with the instructions set out in the Original AGM Notice should note that:

- (i) if no Supplemental Proxy Form is lodged, the Original Proxy Form will be treated as a valid proxy form lodged by the Shareholder if duly completed. The proxy appointed under the Original Proxy Form will also be entitled to vote at the Annual General Meeting in accordance with the instructions previously given by the Shareholder or at his/her discretion (if no such instructions are given) on the resolutions proposed in the Original AGM Notice, and vote at his/her discretion on the additional resolutions set out in the Supplemental AGM Notice; and
- (ii) if the Supplemental Proxy Form is lodged before the deadline set out in the Original AGM Notice, the Supplemental Proxy Form will be treated as a valid proxy form lodged by the Shareholder if duly completed and the Original Proxy Form will be revoked. The proxy appointed under the Supplemental Proxy Form will be entitled to vote in accordance with the instructions previously given by the Shareholder or at his/her discretion (if no such instructions are given) on any resolution properly put to the Annual General Meeting, including the additional resolutions as set out in the Supplemental AGM Notice.

Completion and return of the Original Proxy Form and/or the Supplemental Proxy Form will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

For the details of other resolutions to be proposed at the Annual General Meeting for approval, the qualification to attend the Annual General Meeting, the appointment of proxies, the registration procedures and closure of the register of Shareholders and other issues, please refer to the Original AGM Notice.

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.

LETTER FROM THE BOARD

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.

RESPONSIBILITY STATEMENT

This supplemental circular, for which the Directors of the issuer 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 supplemental circular misleading.

RECOMMENDATION

The Board considers that the proposed resolutions for the refreshment of the Scheme Mandate Limit and the Increase in Authorised Share Capital as set out in this supplemental circular are in the interests of the Company and the Shareholders as a whole. The Board therefore recommends the Shareholders to vote in favour of all the resolutions as set out in the Supplemental AGM Notice to be proposed at the Annual General Meeting.

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

25 May 2018

SUPPLEMENTAL 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)

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

THIS NOTICE is supplemental to the notice of the annual general meeting (the “**Original AGM Notice**”) dated 27 April 2018 issued by SPT Energy Group Inc. (the “**Company**”) to convene the annual general meeting of the Company (the “**Annual General Meeting**”) at Monaco Room, Basement 1, Regal Hong Kong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Tuesday, 12 June 2018 at 10:00 a.m.

Details of the proposed resolutions to be considered at the Annual General Meeting are set out in the Original AGM Notice. Unless otherwise stated, terms defined herein shall have the same meanings as those defined in the circular of the Company dated 27 April 2018.

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the Annual General Meeting will be held at the aforesaid date and time for the purpose of considering and, if thought fit, passing the following resolutions in addition to the resolutions set out in the Original AGM Notice:

ORDINARY RESOLUTIONS

5. “**THAT** subject to the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of options which may be granted under the Scheme Mandate Limit (as hereinafter defined) and pursuant to the share option scheme of the Company adopted on 1 December 2011 (the “**Share Option Scheme**”), approval be and is hereby generally and unconditionally granted for refreshing and renewing the Scheme Mandate Limit (as hereinafter defined) under the Share Option Scheme provided that (i) the total number of Shares which may be allotted and issued upon the exercise of the share options to be granted under the Share Option Scheme and other share option schemes of the Company shall not exceed 10% of the total number of Shares in issue as at the date of passing of this resolution (the “**Scheme Mandate Limit**”) and that the Directors be and are hereby authorised, in their absolute discretion, to grant share options under the Share Option Scheme up to the Scheme Mandate Limit and to exercise all the powers of the Company to allot, issue and deal with the Shares pursuant to the exercise of such share options.”

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT:**

- (a) the authorised share capital of the Company be and is hereby increased from US\$200,000 divided into 2,000,000,000 shares of US\$0.0001 each (“**Share(s)**”) in the share capital of the Company to US\$500,000 divided into 5,000,000,000 Share by the creation of an additional 3,000,000,000 new Shares (the “**Increase in Authorised Share Capital**”); and
- (b) any one of the directors of the Company be and is hereby authorised to do all such acts and things and execute all such documents which he/she consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Increase in Authorised Share Capital.”

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

Hong Kong, 25 May 2018

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

Notes:

- (i) 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.
- (ii) 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.
- (iii) 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.
- (iv) The transfer books and register of members of the Company will be closed from 7 June 2018 (Thursday) to 12 June 2018 (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 6 June 2018 (Wednesday).