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If you have sold or transferred all your shares in Perennial Energy Holdings Limited, you should at once pass this circular, together with the enclosed form of proxy, to the purchaser or the 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 the transferee.

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## **Perennial Energy Holdings Limited**

**久泰邦達能源控股有限公司**

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

**(Stock Code: 2798)**

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

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A notice convening the annual general meeting of Perennial Energy Holdings Limited to be held at Unit 1003, 10th Floor, Tower 2, Lippo Centre, 89 Queensway, Hong Kong on Wednesday, 10 June 2020 at 10:00 a.m. is set out on pages 16 to 20 of this circular. Whether or not you are able to attend the annual general meeting in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof (as the case may be) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Unit 1003, 10th Floor, Tower 2, Lippo Centre, 89 Queensway, Hong Kong on Wednesday, 10 June 2020 at 10:00 a.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associated corporation”	has the same meaning as defined in the SFO
“Board”	the board of Directors
“Cayman Companies Law”	the Companies Law, Cap. 22 of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“close associate(s)”	has the same meaning as defined in the Listing Rules
“Company”	Perennial Energy Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“controlling shareholder(s)”	has the same meaning as defined in the Listing Rules
“core connected person(s)”	has the same meaning as defined in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	20 April 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time

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## DEFINITIONS

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“Proposed Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to repurchase Shares not exceeding 10 per cent of the number of Shares in issue as at the date of passing of the resolution granting the Proposed Repurchase Mandate
“RMB”	Renminbi yuan, the lawful currency of the People’s Republic of China
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Spring Snow”	Spring Snow Management Limited, a limited liability company incorporated in the British Virgin Islands on 9 May 2016
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC, as amended, supplemented or otherwise modified from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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LETTER FROM THE BOARD

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**Perennial Energy Holdings Limited**

**久泰邦達能源控股有限公司**

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

**(Stock Code: 2798)**

*Executive Directors:*

Mr. Yu Bangping (*Chairman and  
Chief Executive Officer*)

Mr. Sun Dawei

Mr. Wang Shize

Mr. Li Xuezhong

Mr. Lam Chik Shun, Marcus

Mr. Yu Zhilong

Mr. Yu Xiao

*Independent non-executive Directors:*

Mr. Fong Wai Ho

Mr. Punnya Niraan De Silva

Ms. Cheung Suet Ting, Samantha

Mr. Wang Xiufeng

*Registered Office:*

P.O. Box 309, Ugland House  
Grand Cayman KY1-1104  
Cayman Islands

*Principal Place of*

*Business in Hong Kong:*

Unit 1003, 10th Floor  
Tower 2, Lippo Centre  
89 Queensway  
Hong Kong

24 April 2020

*To the Shareholders*

Dear Sir or Madam,

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

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with the notice of AGM and the relevant ordinary resolutions to be proposed at the AGM relating to, among others, (i) final dividend, (ii) the re-election of retiring Directors, and (iii) the granting to the Directors of general mandates to issue and repurchase Shares.

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## LETTER FROM THE BOARD

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### 2. FINAL DIVIDEND

The Board has recommended the distribution of a final dividend of HK2.5 cents per Share for the year ended 31 December 2019 to the Shareholders whose names appear on the Company's register of members on Friday, 19 June 2020, subject to the Shareholders' approval at the AGM. The final dividend, if approved, will be paid to the eligible Shareholders on 6 July 2020.

### 3. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining Shareholders' eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 5 June 2020 to Wednesday, 10 June 2020 (both dates inclusive). During the closure period, no transfer of Shares will be registered. To be eligible to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Thursday, 4 June 2020.

For the purpose of ascertaining Shareholders' entitlement to the proposed final dividend for the year ended 31 December 2019, the register of members of the Company will be closed from Wednesday, 17 June 2020 to Friday, 19 June 2020 (both dates inclusive). During the closure period, no transfer of Shares will be registered. In order to qualify for the proposed final dividend to be approved at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Tuesday, 16 June 2020.

### 4. RE-ELECTION OF DIRECTORS

In accordance with Article 16.19 of the Articles of Association, Mr. Yu Bangping, Mr. Li Xuezhong and Mr. Lam Chik Shun, Marcus shall retire from office by rotation at the AGM. Pursuant to Article 16.2 of the Articles of Association, Mr. Yu Zhilong, Mr. Yu Xiao and Mr. Wang Xiufeng, who were appointed as Directors on 1 September 2019, shall hold office until the AGM. All of the above Directors, being eligible, have offered themselves for re-election at the AGM.

The nomination committee of the Company (the "**Nomination Committee**"), having reviewed the Board's composition, nominated Mr. Yu Bangping, Mr. Li Xuezhong, Mr. Lam Chik Shun, Marcus, Mr. Yu Zhilong, Mr. Yu Xiao and Mr. Wang Xiufeng to the Board for it to recommend to Shareholders for re-election at the AGM.

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## LETTER FROM THE BOARD

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The nominations were made in accordance with the nomination policy of the Company and the diversity aspects (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service), as set out under the board diversity policy of the Company. The Nomination Committee and the Board had also taken into account their respective contributions to the Board and their commitment to their roles. The Nomination Committee has assessed the independence of Mr. Wang Xiufeng based on reviewing his annual written confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules and confirmed that he remains independent. The Company has considered that Mr. Wang Xiufeng's extensive experience in coal mining industry and his working profile and factors as set out in Appendix I to this circular and is satisfied that Mr. Wang Xiufeng not only provides valuable and independent guidance to the Group's business, but also has the required character, integrity and experience to continuously fulfil his role as an independent non-executive Director effectively.

Information relating to each of the above retiring Directors proposed to be re-elected at the AGM as required to be disclosed under the Listing Rules is set out in Appendix I to this circular.

### **5. GENERAL MANDATE TO ISSUE SHARES**

At the annual general meeting of the Company held on 20 June 2019, a general mandate was given by the Shareholders to the Directors to exercise the powers of the Company to allot, issue and deal with Shares of not exceeding 20% of the total number of Shares in issue as at the date of the passing of the ordinary resolution and such general mandate was extended by adding to it the aggregate number of any Shares repurchased by the Company under the authority to repurchase Shares granted on that date. Such general mandate will lapse at the conclusion of the AGM.

In order to ensure greater flexibility for the Company to issue new Shares, an ordinary resolution no. 5 will be proposed at the AGM to grant to the Directors a general and unconditional mandate to exercise the powers of the Company to allot and issue new Shares of up to 20 per cent of the total number of Shares in issue as at the date of the passing of the ordinary resolution in relation to such general mandate. As at the Latest Practicable Date, the issued share capital of the Company comprised 1,600,000,000 Shares. Subject to the passing of ordinary resolution no. 5 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 320,000,000 Shares. In addition, subject to a separate approval of the ordinary resolution no. 7, the number of Shares purchased by the Company under ordinary resolution no. 6 will also be added to the 20 per cent general mandate as mentioned in the ordinary resolution no. 5. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to such general mandate.

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## LETTER FROM THE BOARD

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### 6. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 20 June 2019, a general mandate was given by the Shareholders to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the AGM.

An ordinary resolution will be proposed at the AGM to approve the Proposed Repurchase Mandate granted to the Directors to exercise the powers of the Company to repurchase Shares of not exceeding 10 per cent of the total number of Shares in issue as at the date of the passing of the ordinary resolution in relation to the Proposed Repurchase Mandate.

An explanatory statement, as required by the Listing Rules 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 ordinary resolution at the AGM.

### 7. ANNUAL GENERAL MEETING

The notice of the AGM is set out on pages 16 to 20 of this circular.

A form of proxy is enclosed for use at the AGM. Such form of proxy is also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the AGM or any adjournment thereof (as the case may be). Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM or any adjournment thereof (as the case may be) if they so wish and in such event, the form of proxy will be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the AGM shall therefore demand voting on all resolutions set out in the notice of AGM be taken by way of poll pursuant to Article 13.5 of the Articles of Association.



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## LETTER FROM THE BOARD

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### 8. 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 Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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.

### 9. RECOMMENDATION

The Directors consider that the above proposals, including but not limited to the proposed ordinary resolutions for the final dividend, the granting to the Directors of the general mandate to issue Shares, the Proposed Repurchase Mandate and 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 ordinary resolutions to be proposed at the AGM.

Yours faithfully,  
For and on behalf of the Board  
**Perennial Energy Holdings Limited**  
**Yu Bangping**  
*Chairman and Executive Director*

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the AGM.

**Mr. Yu Bangping**, aged 51, the Chairman, Chief Executive Officer and executive Director of the Company. Mr. Yu joined the Group in 1990 and is a founder of the Group. Mr. Yu is also the chairman of the Nomination Committee. He is also a director of 貴州久泰邦達能源開發有限公司 (Jiutai Bangda Energy Development Co., Ltd\*) (“**Jiutai Bangda**”), a wholly-owned subsidiary of the Company. He is responsible for the overall management and strategic planning and development of the Group, including day-to-day business management, overseeing sales and marketing matters as well as managing external relationships with business partners.

Mr. Yu has more than 28 years of experience in the coal mining industry. He has acted as the legal representative of both Hongguo Mine and Baogushan Mine since the acquisition of such mines.

Apart from Mr. Yu’s contributions to the Group, he was appointed as the vice president of the township enterprises association in Liupanshui in 2004, appointed as a deputy of the National People’s Congress of Pan county in March 2005, recognized as a “Model Labourer” by the Liupanshui township in April 2005, recognized as the 2008 outstanding private entrepreneur in Guizhou Province, recognized as one of the top 10 influential entrepreneurs in 2009, recognized as the “Guizhou Star of Entrepreneurship” in 2010 and recognized as a “Model Labourer” in Guizhou in April 2010. Mr. Yu has also been recognized for his social contributions to his community. He was recognized for his individual support of social welfare in April 2007, recognized for his outstanding contributions for disaster relief in April 2008 and recognized as the “Moral Model” for helping others in Liupanshui in November 2010.

Mr. Yu graduated from 貴州省普通中等專業學校 (Guizhou Province Professional Secondary School\*) majoring in underground mining. He is the father of Mr. Yu Zhilong, an executive Director.

As at the Latest Practicable Date, Mr. Yu owned the entire issued share capital of Lucky Street Limited which owned approximately 48.27% of the issued share capital of Spring Snow. Spring Snow was interested in 1,080,000,000 Shares. Mr. Yu was deemed to be interested in the 1,080,000,000 Shares representing approximately 67.5% of the entire issued share capital of the Company held by Spring Snow for the purpose of the SFO. Save as disclosed above, Mr. Yu did not have any interest in the shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Mr. Yu entered into an executive director service agreement and its supplemental agreement on 15 November 2018 and 24 January 2020 respectively with the Company for a term of three years commencing from 12 March 2018 until terminated by either party by giving the other not less than one month’s notice. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. He also entered into a remuneration agreement with a subsidiary

\* For identification purpose only

of the Company on 1 February 2020. Pursuant to these agreements, Mr. Yu is entitled to receive a director's remuneration of HK\$120,000 per annum (exclusive of commission, bonus, housing reimbursement and allowance and inclusive of Director's fee) from the Company and a salary of RMB892,000 per annum from a subsidiary of the Company, both of which are subject to adjustment with reference to his experience, responsibilities, performance and the time devoted to the Group's business.

**Mr. Li Xuezhong**, aged 51, joined the Group in 2018 and was appointed as executive Director and the Chief Operating Officer of the Group in March 2018 and April 2019 respectively. Mr. Li assists the Chief Executive Officer in handling daily business operations especially on legal matters and administrative management. He has taken senior management roles in different enterprises in China and possesses years of experience in corporate management. Mr. Li holds a bachelor's degree in economics awarded by Shaanxi Institute of Finance and Economics. He obtained his accountant qualification from Ministry of Personnel of People's Republic of China.

As at the Latest Practicable Date, Mr. Li did not have any interest in the shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Mr. Li entered into an executive director's service agreement and a supplemental agreement on 15 November 2018 and 24 January 2020 respectively with the Company for a term of three years commencing from 28 March 2018 until terminated by either party by giving the other not less than one month's notice. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. He also entered into an employment contract with a subsidiary of the Company on 1 April 2019 for the position of Chief Operating Officer of the Group. Pursuant to these agreements and contract, Mr. Li is entitled to receive a director's remuneration of HK\$120,000 per annum (exclusive of commission, bonus, housing reimbursement and allowances and inclusive of Director's fee) from the Company and a salary of HK\$1,248,000 per annum from a subsidiary of the Company, both of which are subject to adjustment with reference to his experience, responsibilities, performance and the time devoted to the Group's business.

**Mr. Lam Chik Shun, Marcus**, aged 42, joined the Group in 2017 and was appointed as executive Director and the Chief Strategy Officer of the Group in March 2018 and April 2019 respectively. He is also a member of the remuneration committee of the Company. He works closely with the Chairman of the Board and the Chief Executive Officer as well as the Board to develop corporate strategies and to guide the business of the Group through detailed strategic planning procedures. He also focuses on strengthening the Group's core competency and identifying future growth organically and externally. Mr. Lam has over 19 years of experience working in the financial industry, focusing on financial management and investment. Mr. Lam holds a bachelor's degree in commerce awarded by the University of British Columbia and a master of business administration degree awarded by Warwick Business School. He is a Chartered Financial Analyst charter holder. Mr. Lam is currently an independent non-executive director of Great Wall Belt & Road Holdings Limited (stock code: 524), the shares of which are listed on the Stock Exchange.

As at the Latest Practicable Date, Mr. Lam did not have any interest in the shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Mr. Lam entered into an executive director service agreement and a supplemental agreement on 15 November 2018 and 24 January 2020 respectively with the Company for a term of three years commencing from 12 March 2018 until terminated by either party by giving the other not less than one month's notice. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. He also entered into an employment contract with a subsidiary of the Company on 1 April 2019 for the position of Chief Strategy Officer of the Group. Pursuant to these agreements and contract, Mr. Lam is entitled to receive a director's remuneration of HK\$120,000 per annum (exclusive of commission, bonus, housing reimbursement and allowances, and inclusive of Director's fee) from the Company and a salary of HK\$2,620,800 per annum from a subsidiary of the Company, both of which are subject to adjustment with reference to his experience, responsibilities, performance and the time devoted to the Group's business.

**Mr. Yu Zhilong**, aged 32, was appointed as executive Director in September 2019. He acted as the deputy manager of 貴州邦達能源開發有限公司 (Guizhou Bangda Energy Development Co., Ltd.\*) ("**Guizhou Bangda**") from August 2011 to April 2016. Mr. Yu Zhilong was appointed as the manager of 貴州久泰邦達能源開發有限公司機電分公司 (Guizhou Jiutai Bangda Energy Development Co., Ltd. Electricity and Machinery Branch\*), the branch office of an indirect wholly-owned subsidiary of the Company, in July 2016. He was also appointed as the legal representative of 貴州富邦達諮詢服務有限公司 (Guizhou Fu Bangda Consultancy Services Co., Ltd.\*), an indirect wholly-owned subsidiary of the Company, in June 2017. Mr. Yu Zhilong graduated from Guizhou University and holds a bachelor's degree in business management. He is the son of Mr. Yu Bangping, the chairman of the Company.

As at the Latest Practicable Date, Mr. Yu Zhilong did not have any interest in the shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Mr. Yu Zhilong entered into an executive director service agreement and a supplemental agreement on 29 August 2019 and 24 January 2020 respectively with the Company for a term of three years commencing from 1 September 2019 until terminated by either party by giving the other not less than one month's notice. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. He also entered into a remuneration agreement with a subsidiary of the Company on 1 February 2020. Pursuant to these agreements, Mr. Yu Zhilong is entitled to receive a director's remuneration of HK\$120,000 per annum (exclusive of commission, bonus, housing reimbursement and allowances, and inclusive of Director's fee) from the Company and a salary of RMB392,000 per annum from a subsidiary of the Company, both of which are subject to adjustment with reference to his experience, responsibilities, performance and the time devoted to the Group's business.

\* For identification purpose only

**Mr. Yu Xiao**, aged 37, was appointed as executive Director in September 2019. He acted as the deputy general manager of Guizhou Bangda from March 2017 to February 2019. He was appointed as the chief executive officer of Jiutai Bangda, an indirect wholly-owned subsidiary of the Company, in March 2019. Mr. Yu Xiao was appointed to certain posts including accounting clerk, account manager and chief accountant in finance department of 貴州黔桂天能焦化有限責任公司 (Guizhou Qiangui Tianneng Coking Co., Ltd.\*) from September 2006 to February 2017. He graduated from Guizhou University and holds a bachelor degree in management.

As at the Latest Practicable Date, Mr. Yu Xiao did not have any interest in the shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Mr. Yu Xiao entered into an executive director service agreement and a supplemental agreement on 29 August 2019 and 24 January 2020 respectively with the Company for a term of three years commencing from 1 September 2019 until terminated by either party by giving the other not less than one month's notice. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. He also entered into a remuneration agreement with a subsidiary of the Company on 1 February 2020. Pursuant to these agreements, Mr. Yu Xiao is entitled to receive a director's remuneration of HK\$120,000 per annum (exclusive of commission, bonus, housing reimbursement and allowances, and inclusive of Director's fee) from the Company and a salary of RMB392,000 per annum from a subsidiary of the Company, both of which are subject to adjustment with reference to his experience, responsibilities, performance and the time devoted to the Group's business.

**Mr. Wang Xiufeng**, aged 62, was appointed as an independent non-executive Director in September 2019. He has over 30 years' experience in coal mining industry. He had worked in 貴州省煤礦設計研究院 (Guizhou Coal Mine Design and Research Institute\*) ("**Guizhou Coal Mine Institute**") and has been the mine design project leader in various coal mines. Mr. Wang was the chairman of the board of directors and legal representative of 貴州煤設地質工程有限責任公司 (Guizhou Coal Mine Geological Engineering Co., Ltd.\*) from December 2012 to April 2018. He was also the vice president of Guizhou Coal Mine Institute from March 2003 to April 2018. Mr. Wang was the senior engineer of Guizhou Coal Mine Institute from March 1997 to April 2018. He obtained a certificate of Registered Mining/Mineral Exploration & Design Engineer from the Ministry of Construction of the People's Republic of China.

Mr. Wang is currently an independent non-executive director of Feishang Anthracite Resources Limited (stock code: 1738) which is listed on the Main Board of the Stock Exchange. He graduated from Chongqing University and holds a bachelor's degree in underground coal mining.

\* For identification purpose only

As at the Latest Practicable Date, Mr. Wang did not have any interest in the shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Mr. Wang entered into a letter of appointment with the Company for a term of three years commencing from 1 September 2019 until terminated by either party by giving the other not less than three months' notice. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Wang is entitled to receive a Director's fee of RMB200,000 per annum, which is subject to adjustment with reference to his experience, responsibilities, performance and the time devoted to the Group's business.

### **GENERAL INFORMATION**

Save as disclosed above, (i) each of the abovementioned Directors did not hold any directorship in public companies, the securities of which are listed on any securities market in Hong Kong and overseas in the last three years, nor he does not have any relationship with any Directors, senior management or substantial or controlling shareholders; (ii) each of the abovementioned Directors does not hold any other positions with the Company or other members of the Group; and (iii) each of the abovementioned Directors has confirmed that there is no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matters that need to be brought to the attention of the Shareholders in connection with his re-election as Director.

*This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the Proposed Repurchase Mandate.*

## SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,600,000,000 Shares of nominal value of HK\$0.01 each. Subject to the passing of the ordinary resolution granting the Proposed 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 160,000,000 Shares, which represent 10 per cent of the issued Shares as at the date of passing the relevant ordinary resolution, during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the Articles of Association or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company, whichever of these three events occurs first.

## SOURCE OF FUNDS

Repurchases must be paid out of funds legally available for the purpose in accordance with the Articles of Association and the Cayman Companies Law. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Cayman Islands laws, any repurchases by the Company may be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if so authorised by the Articles of Association and subject to the provisions of the Cayman Companies Law, out of capital.

Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles of Association and subject to the provisions of the Cayman Companies Law, out of capital.

## REASONS FOR REPURCHASES

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



**IMPACT OF REPURCHASES**

On the basis of the current financial position of the Group as disclosed in the audited consolidated financial statements of the Company as at 31 December 2019, being the date to which the latest published audited consolidated financial statements of the Company were made up, the Directors consider that, if the Proposed Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with the position disclosed in the audited consolidated financial statements of the Company as at 31 December 2019. However, the Directors do not propose to exercise the Proposed Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

**GENERAL**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Proposed Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) currently intends to sell any Shares to the Company or its subsidiaries in the event that the Proposed Repurchase Mandate is approved by the Shareholders.

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

As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of the SFO, Spring Snow held and controlled 1,080,000,000 Shares, representing approximately 67.5% of the entire issued share capital of the Company. If the Proposed Repurchase Mandate is exercised in full, the controlling interests of Spring Snow in the Company will increase to 75% of the Shares in issue.

Save as aforesaid and based on the information available to the Directors as at the Latest Practicable Date, the Directors are not aware of any consequences or implications which would arise to an obligation to make a mandatory offer under the Takeovers Code as a result of exercising the power to repurchase Shares pursuant to the Proposed Repurchase Mandate. The Directors have no present intention of exercising the Proposed Repurchase Mandate.



The Directors are also aware that 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 number of Shares in issue would be in the hands of the public. The Directors have no present intention to exercise the Proposed Repurchase Mandate to such an extent that would result in the Company failing to comply with the public float requirements under Rule 8.08 of the Listing Rules.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so if the Proposed Repurchase Mandate is exercised.

### SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on the Stock Exchange or otherwise) have been made by the Company during the six months immediately preceding from the Latest Practicable Date.

### SHARE PRICES

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

	Trading price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2019</b>		
April	0.93	0.80
May	1.43	0.83
June	1.35	1.16
July	1.88	1.34
August	2.06	1.31
September	2.60	1.98
October	2.18	1.95
November	2.60	1.99
December	2.56	2.03
<b>2020</b>		
January	2.17	1.90
February	2.00	1.46
March	1.80	1.36
April (up to the Latest Practicable Date)	1.78	1.58

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## NOTICE OF ANNUAL GENERAL MEETING

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# Perennial Energy Holdings Limited 久泰邦達能源控股有限公司

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

**(Stock Code: 2798)**

**NOTICE IS HEREBY GIVEN** that an annual general meeting of Perennial Energy Holdings Limited (the “**Company**”) will be held at Unit 1003, 10th Floor, Tower 2, Lippo Centre, 89 Queensway, Hong Kong on Wednesday, 10 June 2020 at 10:00 a.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the reports of the Directors and the independent auditor of the Company for the year ended 31 December 2019.
2. To declare a final dividend of HK2.5 cents per share for the year ended 31 December 2019.
3. (a) To re-elect the following retiring Directors:
  - (i) Mr. Yu Bangping
  - (ii) Mr. Li Xuezhong
  - (iii) Mr. Lam Chik Shun, Marcus
  - (iv) Mr. Yu Zhilong
  - (v) Mr. Yu Xiao
  - (vi) Mr. Wang Xiufeng
- (b) To authorise the Board of Directors to fix the Directors’ remuneration.
4. To re-appoint Deloitte Touche Tohmatsu as the independent auditor of the Company and to authorise the Board to fix its remuneration.
5. To consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the

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## NOTICE OF ANNUAL GENERAL MEETING

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capital of the Company 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 convertible into shares of the Company) 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 and shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors 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 arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company 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 per cent of the number of shares of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly;
- (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 law or the articles of association of the Company to be held; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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; and
  - (b) “Rights Issue” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors 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 (subject to such exclusion 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, 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).”
- 6. To consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:

**“THAT:**

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase issued Shares in the capital 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 and the Stock Exchange and, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) shall be in addition to any other authorization given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to purchase its Shares at a price determined by the Directors;
- (iii) the number of shares of the Company which are authorised to be purchased by the Directors pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the number of shares of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly;

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## NOTICE OF ANNUAL GENERAL MEETING

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(iv) subject to the passing of each of the paragraphs (i) to (iii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) to (iii) of this resolution which had been granted to the directors and which are still in effect be and are hereby revoked; and

(v) for the purpose of this resolution:

“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 law or the articles of association of the Company to be held; and
- (3) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

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

“**THAT** conditional upon the resolutions numbered 5 and 6 set out in the notice convening this meeting 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 additional 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 5 set out in the notice convening this meeting be and is hereby extended by the addition to the number of shares of the Company which may be allotted by the Directors pursuant to such general mandate the number of shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 6 set out in the notice convening this meeting, provided that such number shall not exceed 10 per cent of the number of shares of the Company in issue at the date of passing of the said resolutions.”

By Order of the Board  
**Perennial Energy Holdings Limited**  
**Yu Bangping**  
*Chairman and Executive Director*

Hong Kong, 24 April 2020

*Registered office:*  
P.O. Box 309, Uglan House  
Grand Cayman, KY1-1104  
Cayman Islands

*Principal place of business in Hong Kong:*  
Unit 1003, 10th Floor  
Tower 2, Lippo Centre  
89 Queensway  
Hong Kong

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

- (i) Any shareholder entitled to attend and vote at the above meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
- (ii) In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notorially certified copy thereof, shall be deposited at the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the above meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person if he is subsequently able to be present.
- (iii) A form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be either executed under seal or under the hand of an officer or attorney duly authorised to sign the same.
- (iv) In the case of joint holders of any shares, any one of such joint holders may vote at the above meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto. However, if more than one of such joint holders is present at the meeting, either personally or by proxy, the joint holder whose name stands first in the Register of Shareholders will alone be entitled to vote in respect of such shares.
- (v) On a poll, every shareholder present at the meeting shall be entitled to one vote for every fully paid-up share of which he is the holder. The result of such poll shall be deemed to be the resolution of the meeting at which the poll was so required or demanded.
- (vi) For the purposes of determining Shareholders' eligibility to attend and vote at the AGM, the Register of Members of the Company will be closed from Friday, 5 June 2020 to Wednesday, 10 June 2020 (both dates inclusive). During the closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Thursday, 4 June 2020.
- (vii) In respect of the ordinary resolution numbered 5 above, the Directors wish to state that they have no immediate plans to issue any new shares of the Company pursuant to such general mandate. Approval is being sought from the shareholders as a general mandate for the purposes of the Listing Rules.
- (viii) In respect of ordinary resolution numbered 6 above, the Directors 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.
- (ix) If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or at any time after 7:00 a.m. on the date of the meeting, the meeting will be postponed or adjourned. The Company will post an announcement on the Company's website ([www.perennialenergy.hk](http://www.perennialenergy.hk)) and the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) to notify shareholders of the date, time and place of the adjourned meeting.
- (x) The Chinese translation of this notice is for reference only, and in case of any inconsistency, the English version shall prevail.
- (xi) As of the date of this notice, the executive Directors are Mr. Yu Bangping, Mr. Sun Dawei, Mr. Wang Shize, Mr. Li Xuezhong, Mr. Lam Chik Shun, Marcus, Mr. Yu Zhilong and Mr. Yu Xiao; and the independent non-executive Directors are Mr. Fong Wai Ho, Mr. Punnya Niraan De Silva, Ms. Cheung Suet Ting, Samantha and Mr. Wang Xiufeng.

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### Special note

To facilitate the ongoing prevention and control of the COVID-19 pandemic and to safeguard the health and safety of shareholders and persons helping with the meeting, the Company would like to inform shareholders that there will be no distribution of corporate gift or serving of refreshment in the meeting in order to reduce person-to-person contact.

The Company also recommends shareholders to appoint the chairman of the meeting as their proxy to vote on relevant resolutions, instead of attending the meeting in person.

Shareholders attending the meeting in person are required to wear surgical face mask and to undertake a temperature check before they enter the meeting venue. Any person who does not comply with the precautionary measures to be taken at the meeting may be denied entry into the meeting venue.