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HANS ENERGY COMPANY LIMITED

漢思能源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00554)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Directors**”) of Hans Energy Company Limited (the “**Company**”) hereby announces that on 14 April 2021, share options (the “**Options**”) carrying the rights to subscribe for a total of 395,663,800 ordinary shares (the “**Shares**”) of the Company were granted to Mr. David An (“**Mr. An**”), the chairman of the Board, an executive Director and a substantial shareholder of the Company, and Mr. Woo King Hang (“**Mr. Woo**”), an independent non-executive Director (collectively, the “**Grantees**”) under the share option scheme adopted by the Company on 28 December 2012 (the “**Share Option Scheme**”). Among the Options granted, Options carrying the rights to subscribe for 392,663,800 Shares were granted to Mr. An and Options carrying the rights to subscribe for 3,000,000 Shares were granted to Mr. Woo. The grant of Options is subject to acceptance of the Grantees and the grant of Options to Mr. An is also subject to the approval by the shareholders of the Company (the “**Shareholders**”) at the forthcoming annual general meeting (the “**AGM**”).

Details of the Options granted are as follows:

Date of grant	: 14 April 2021 (the “ Date of Grant ”)
Exercise price of Options granted	: HK\$0.340 per Share, which is the higher of: (1) the closing price of HK\$0.340 per Share as stated in the daily quotation sheet issued by the Stock Exchange on the Date of Grant; (2) the average closing price of HK\$0.340 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant; and (3) the nominal value of HK\$0.10 per Share
Number of Shares issuable under the Options granted	: 395,663,800 Shares

- Closing price of the Shares on the date of grant : HK\$0.340 per Share
- Validity period of the Options : In respect of the Options granted to Mr. An, from the date upon obtaining the independent Shareholders' approval at the AGM to 13 April 2027 (both dates inclusive).
- In respect of the Options granted to Mr. Woo, 6 years from 14 April 2021 to 13 April 2027 (both dates inclusive)
- Exercise period of the Options : In respect of the Options granted to Mr. An and Mr. Woo, the Options shall be vested and exercisable from 14 April 2022 (i.e. one year after the Date of Grant) to 13 April 2027 (both dates inclusive).
- Additional terms : The number of Options to be exercised by the Grantees for each year shall not exceed one-third of the number of Options granted to them in a particular grant under the Share Option Scheme (the “**One-third Limit**”), except for (i) approval by the Board to waive the One-third Limit to the Grantees; (ii) subject to the compliance of the applicable laws, rules and regulations, repurchase of the Shares by the Company from the Grantees at market price upon exercise by the Grantees of the Options granted; and (iii) exercise of Options within the first anniversary of the death of the Grantees or within three months after the Grantees cease to be an employee in the circumstances as set out in the rules of the Share Option Scheme.
- If either Mr. An or Mr. Woo attains the age of 65-year old or above and any of them is no longer a Director, he shall tender his resignation from his position with the Group when he delivers the notice to exercise the Options to the Company except that he has already resigned from his position with the Group before he delivers the notice to exercise the Options to the Company.
- In respect of the Options granted to Mr. An, the Options may be exercised by Mr. An if such exercise will not result in the Company not in compliance with the public float requirement under the Listing Rules.

The grant of Options to Mr. An has been approved by all independent non-executive Directors and the grant of Options to Mr. Woo has been approved by the other two independent non-executive Directors (namely Mr. Li Wai Keung and Mr. Chan Chun Wai, Tony) in accordance with Rule 17.04(1) of the Listing Rules.

Pursuant to Rule 17.03(4) of the Listing Rules and the Share Option Scheme, where the total number of Shares issued and to be issued upon exercise of the Options granted to a person (including exercised and outstanding Options) in any 12-month period exceed 1% of the relevant class of Shares in issue, such grant must be approved by shareholders in general meeting. The grantee and his associates must abstain from voting at the general meeting.

In addition, pursuant to Rule 17.04(1) of the Listing Rules and the Share Option Scheme, any grant of Options to a substantial shareholder or an independent non-executive director of the Company would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) under the Share Option Scheme or any other schemes of the Company to such person in the 12-month period up to and including the date of such grant (i) representing in aggregate over 0.1% of the Shares in issue; and (ii) having an aggregate value, based on the closing price of the Shares of the Company at the date of each grant, in excess of HK\$5 million, such further grant of options must be approved by the Shareholders in general meeting. The grantee, his associates and all core connected persons of the listed issuer must abstain from voting in favour at such general meeting.

As (i) the total number of Shares issued and to be issued upon exercise of the Options proposed to be granted to Mr. An would in a 12-month period exceed 1% of the Shares in issue, and (ii) such grant would in a 12-month period represent over 0.1% of the Shares in issue, and has an aggregate value, based on the closing price of the Shares on 14 April 2021, in excess of HK\$5 million, the proposed grant of the Options carrying the rights to subscribe for 392,663,800 Shares to Mr. An is subject to the approval by the independent Shareholders where Mr. An and his associates and all core connected persons of the Company shall abstain from voting in favour of such resolution at the AGM pursuant to the Listing Rules. The proposed grant of the Options to Mr. An shall not take effect or be exercisable until such approval is obtained.

Upon completion of the grant of Options to and acceptance thereof by the Grantees, the Company will utilise 100% of the existing maximum number of Shares which may be allotted and issued upon exercise of all share options granted and to be granted under the Share Option Scheme (the “**Share Option Scheme Mandate Limit**”) and will seek the Shareholders’ approval to refresh the Share Option Scheme Mandate Limit at the AGM.

The AGM will be convened and held for the Shareholders to, among other things, consider and, if thought fit, approve the grant of the Options to Mr. An and the refreshment of the Share Option Scheme Mandate Limit. A circular containing, among other things, the grant of the Options to Mr. An, the refreshment of the Share Option Scheme Mandate Limit and the notice of the AGM, will be despatched to the Shareholders as soon as practicable.

By Order of the Board
Hans Energy Company Limited
David An
Chairman

Hong Kong, 14 April 2021

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. David An (Chairman), Mr. Yang Dong, Ms. Liu Zhijun and Mr. Zhang Lei, and three independent non-executive Directors, namely, Mr. Li Wai Keung, Mr. Chan Chun Wai, Tony and Mr. Woo King Hang.