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**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)**

**DISCLOSEABLE TRANSACTIONS  
FINANCE LEASE ARRANGEMENTS**

**FINANCE LEASE ARRANGEMENTS**

The Board announces that between 30 August 2018 and 27 August 2021, the Lessees, being subsidiaries of the Company, entered into the Finance Lease Arrangements with the Lessor, the details of which are set out in this announcement.

**LISTING RULES IMPLICATIONS**

Each of the Lessee I, the Lessee II, the Lessee III and the Lessee IV is an indirect subsidiary of the Company. As one or more of the applicable percentage ratios in respect of each of the Finance Lease Arrangement VIII and Finance Lease Arrangement IX exceed 5% but are less than 25%, the abovementioned transactions contemplated thereunder each constituted a discloseable transaction of the Company and were subject to the notification and announcement requirements under Chapter 14 of the Listing Rules. According to Rule 14.22 of the Listing Rules, the Finance Lease Arrangements during any 12-month period shall be aggregated as a series of transactions. As one or more of the applicable percentage ratios in respect of each of (1) the Finance Lease Arrangements I to III, entered into during the period from 30 August 2018 to 7 December 2018; (2) the Finance Lease Arrangements I to IV, entered into during the period from 30 August 2018 to 21 June 2019; (3) the Finance Lease Arrangements IV and V, entered into during the period from 21 June 2019 to 14 February 2020; (4) the Finance Lease Arrangements IV to VI, entered into during the period from 21 June 2019 to 19 March 2020; (5) the Finance Lease Arrangements IV to VII, entered into during the period from 21 June 2019 to 4 June 2020; (6) the Finance Lease Arrangements V to VIII, entered into during the period from 14 February 2020 to 15 January 2021; and (7) the Finance Lease Arrangements VIII to IX, entered into during the period from 15 January 2021 to 27 August 2021, when aggregated, exceed 5% but are less than 25%, the abovementioned transactions contemplated thereunder each constituted a discloseable transaction of the Company and were subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## **INTRODUCTION**

The Board announces that between 30 August 2018 and 27 August 2021, the Lessees, being subsidiaries of the Company, entered into the Finance Lease Arrangements with the Lessor, the details of which are as follows.

## **FINANCE LEASE ARRANGEMENTS**

### **Finance Lease Arrangement I**

#### **1. *Finance Lease Agreement I***

On 30 August 2018, the Lessor and Lessee I, an indirect subsidiary of the Company, entered into the Finance Lease Agreement I, pursuant to which (i) the Lessee I has agreed to sell its own assets, namely, the Leased Assets I, to the Lessor, at a transfer consideration of RMB16,000,000; and (ii) the Lessor has agreed to lease back the Leased Assets I to the Lessee I for a term of 36 months. The total lease payment under the Finance Lease Agreement I was RMB17,582,607, which shall include a finance lease principal of RMB16,000,000 and a finance lease interest (inclusive of VAT) of RMB1,582,607.

The principal terms of the Finance Lease Agreement I are set out below:

#### **Date of agreement:**

30 August 2018

#### **Parties:**

The purchaser and the Lessor:	Zhongguancun Science-Tech
The seller and the Lessee I:	Shaanxi Huayou

#### **Leased Assets:**

The Leased Assets I are oil and gas drilling equipment stored in Inner Mongolia, the PRC, with a net book value of approximately RMB19,703,136 at the relevant time.

#### **Lease period:**

The lease period of the Finance Lease Agreement I is 36 months.

**Consideration and payment terms:**

The Lessor agreed to purchase the Leased Assets I from the Lessee I for RMB16,000,000. The payment of the consideration was conditional upon the fulfilment of certain conditions under the Finance Lease Agreement I, including, among others, (1) the due execution of the Finance Lease Agreement I and the underlying sale and purchase agreement of the Leased Assets I; and (2) the Lessor having received the relevant documentary proof confirming the ownership of the Leased Assets I.

Pursuant to the Finance Lease Agreement I, the lease payment comprises finance lease principal and finance lease interest (inclusive of VAT). Under the Finance Lease Agreement I, the finance lease principal is RMB16,000,000, the finance lease interest (inclusive of VAT) is expected to be RMB1,582,607 (calculated based on the interest rate of 6.2% per annum), the total lease payment is RMB17,582,607, the Lessee I shall pay the lease payment to the Lessor at the end of each quarter in instalments in accordance with the Finance Lease Agreement I during the lease period.

Each of the purchase price, the finance lease principal, the finance lease interest and other expenses under the Finance Lease Agreement I and the consultancy fee (see below) was arrived at after arm's length negotiation between the parties with reference to the net book value of the Leased Assets I and prevailing market prices of the same category of finance lease products in the PRC.

**Security Deposit:**

The Lessee I agreed to pay the security deposits for the Finance Lease Agreement I of RMB1,600,000 (bearing nil interests). On the last lease payment of the Finance Lease Agreement I, the lease payment and other payables under the final payment will automatically be deducted from the deposits, and the Lessor will refund the Lessee I the remaining amount (if any).

**Ownership of the Leased Assets:**

During the lease period, the ownership of the Leased Assets I shall be vested in the Lessor. If the Lessee I has properly and fully performed all obligations under the Finance Lease Agreement I, upon the expiry of the Finance Lease Agreement I, the Lessor will transfer the Leased Assets I to the Lessee I at the consideration of RMB100 in nominal value.

## **2. Consultancy Agreement I**

The Lessee I and the Lessor also entered into the Consultancy Agreement I on 30 August 2018 under which the Lessor agreed to provide consultancy services to the Lessee I and the Lessee I will pay a consultancy fee of RMB640,000 to the Lessor. The consultancy services cover professional advice and guidance on financial planning, policy consulting and client liaison.

## **3. Guarantee I**

The guarantee arrangements for the Finance Lease Agreement I are set out below:

- (1) SPT Energy (Hong Kong) provides joint and several liability guarantee for the debts of Lessee I under the Finance Lease Agreement I; and
- (2) Lessee III provides joint and several liability guarantee for the debts of the Lessee I under the Finance Lease Agreement I.

## **Finance Lease Arrangement II**

### **1. Finance Lease Agreement II**

On 30 August 2018, the Lessor and Lessee II, an indirect subsidiary of the Company, entered into the Finance Lease Agreement II, pursuant to which (i) the Lessee II has agreed to sell its own assets, namely, the Leased Assets II, to the Lessor, at a transfer consideration of RMB10,000,000; and (ii) the Lessor has agreed to lease back the Leased Assets II to the Lessee II for a term of 36 months. The total lease payment under the Finance Lease Agreement II was RMB10,989,129, which shall include a finance lease principal of RMB10,000,000 and a finance lease interest (inclusive of VAT) of RMB989,129.

The principal terms of the Finance Lease Agreement II are set out below:

#### **Date of agreement:**

30 August 2018

#### **Parties:**

The purchaser and the Lessor:	Zhongguancun Science-Tech
The seller and the Lessee II:	Petrotech (Xinjiang)

#### **Leased Assets:**

The Leased Assets II are oil and gas drilling equipment stored in Xinjiang, the PRC, with a net book value of approximately RMB13,626,646 at the relevant time.

**Lease period:**

The lease period of the Finance Lease Agreement II is 36 months.

**Consideration and payment terms:**

The Lessor agreed to purchase the Leased Assets II from the Lessee II for RMB10,000,000. The payment of the consideration was conditional upon the fulfilment of certain conditions under the Finance Lease Agreement II, including, among others, (1) the due execution of the Finance Lease Agreement II and the underlying sale and purchase agreement of the Leased Assets II; and (2) the Lessor having received the relevant documentary proof confirming the ownership of the Leased Assets II.

Pursuant to the Finance Lease Agreement II, the lease payment comprises finance lease principal and finance lease interest (inclusive of VAT). Under the Finance Lease Agreement II, the finance lease principal is RMB10,000,000, the finance lease interest (inclusive of VAT) is expected to be RMB989,129 (calculated based on the interest rate of 6.2% per annum), the total lease payment is RMB10,989,129, the Lessee II shall pay the lease payment to the Lessor at the end of each quarter in instalments in accordance with the Finance Lease Agreement II during the lease period.

Each of the purchase price, the finance lease principal, the finance lease interest and other expenses under the Finance Lease Agreement II and the consultancy fee (see below) was arrived at after arm's length negotiation between the parties with reference to the net book value of the Leased Assets II and prevailing market prices of the same category of finance lease products in the PRC.

**Security Deposit:**

The Lessee II agreed to pay the security deposits for the Finance Lease Agreement II of RMB1,000,000 (bearing nil interests). On the last lease payment of the Finance Lease Agreement II, the lease payment and other payables under the final payment will automatically be deducted from the deposits, and the Lessor will refund the Lessee II the remaining amount (if any).

**Ownership of the Leased Assets:**

During the lease period, the ownership of the Leased Assets II shall be vested in the Lessor. If the Lessee II has properly and fully performed all obligations under the Finance Lease Agreement II, upon the expiry of the Finance Lease Agreement II, the Lessor will transfer the Leased Assets II to the Lessee II at the consideration of RMB100 in nominal value.

## **2. Consultancy Agreement II**

The Lessee II and the Lessor also entered into the Consultancy Agreement II on 30 August 2018 under which the Lessor agreed to provide consultancy services to the Lessee II and the Lessee II will pay a consultancy fee of RMB400,000 to the Lessor. The consultancy services cover professional advice and guidance on financial planning, policy consulting and client liaison.

## **3. Guarantee II**

The guarantee arrangements for the Finance Lease Agreement II are set out below:

- (1) SPT Energy (Hong Kong) provides joint and several liability guarantee for the debts of Lessee II under the Finance Lease Agreement II; and
- (2) Lessee III provides joint and several liability guarantee for the debts of the Lessee II under the Finance Lease Agreement II.

## **Finance Lease Arrangement III**

### **1. Finance Lease Agreement III**

On 7 December 2018, the Lessor and Lessee II, an indirect subsidiary of the Company, entered into the Finance Lease Agreement III, pursuant to which (i) the Lessee II has agreed to sell its own assets, namely, the Leased Assets III, to the Lessor, at a transfer consideration of RMB19,000,000; and (ii) the Lessor has agreed to lease back the Leased Assets III to the Lessee II for a term of 36 months. The total lease payment under the Finance Lease Agreement III was RMB20,941,518, which shall include a finance lease principal of RMB19,000,000 and a finance lease interest (inclusive of VAT) of RMB1,941,518.

The principal terms of the Finance Lease Agreement III are set out below:

#### **Date of agreement:**

7 December 2018

#### **Parties:**

The purchaser and the Lessor:	Zhongguancun Science-Tech
The seller and the Lessee II:	Petrotech (Xinjiang)

#### **Leased Assets:**

The Leased Assets III are oil and gas field vehicles stored in Xinjiang, the PRC, with a net book value of approximately RMB25,229,542 at the relevant time.

**Lease period:**

The lease period of the Finance Lease Agreement III is 36 months.

**Consideration and payment terms:**

The Lessor agreed to purchase the Leased Assets III from the Lessee II for RMB19,000,000. The payment of the consideration was conditional upon the fulfilment of certain conditions under the Finance Lease Agreement III, including, among others, (1) the due execution of the Finance Lease Agreement III and the underlying sale and purchase agreement of the Leased Assets III; and (2) the Lessor having received the relevant documentary proof confirming the ownership of the Leased Assets III.

Pursuant to the Finance Lease Agreement III, the lease payment comprises finance lease principal and finance lease interest (inclusive of VAT). Under the Finance Lease Agreement III, the finance lease principal is RMB19,000,000, the finance lease interest (inclusive of VAT) is expected to be RMB1,941,518 (calculated based on the interest rate of 6.2% per annum), the total lease payment is RMB20,941,518, the Lessee II shall pay the lease payment to the Lessor at the end of each quarter in instalments in accordance with the Finance Lease Agreement III during the lease period.

Each of the purchase price, the finance lease principal, the finance lease interest and other expenses under the Finance Lease Agreement III and the consultancy fee (see below) was arrived at after arm's length negotiation between the parties with reference to the net book value of the Leased Assets III and prevailing market prices of the same category of finance lease products in the PRC.

**Security Deposit:**

The Lessee II agreed to pay the security deposits for the Finance Lease Agreement III of RMB1,900,000 (bearing nil interests). On the last lease payment of the Finance Lease Agreement III, the lease payment and other payables under the final payment will automatically be deducted from the deposits, and the Lessor will refund the Lessee II the remaining amount (if any).

**Ownership of the Leased Assets:**

During the lease period, the ownership of the Leased Assets III shall be vested in the Lessor. If the Lessee II has properly and fully performed all obligations under the Finance Lease Agreement III, upon the expiry of the Finance Lease Agreement III, the Lessor will transfer the Leased Assets III to the Lessee II at the consideration of RMB100 in nominal value.

## **2. Consultancy Agreement III**

The Lessee II and the Lessor also entered into the Consultancy Agreement III on 7 December 2018 under which the Lessor agreed to provide consultancy services to the Lessee II and the Lessee II will pay a consultancy fee of RMB760,000 to the Lessor. The consultancy services cover professional advice and guidance on financial planning, policy consulting and client liaison.

## **3. Guarantee III**

The guarantee arrangements for the Finance Lease Agreement III are set out below:

- (1) SPT Energy (Hong Kong) provides joint and several liability guarantee for the debts of Lessee II under the Finance Lease Agreement III; and
- (2) Lessee III provides joint and several liability guarantee for the debts of the Lessee II under the Finance Lease Agreement III.

## **Finance Lease Arrangement IV**

### **1. Finance Lease Agreement IV**

On 21 June 2019, the Lessor and the Lessee II, an indirect subsidiary of the Company, entered into the Finance Lease Agreement IV, pursuant to which (i) the Lessee II has agreed to sell its own assets, namely, the Leased Assets IV, to the Lessor, at a transfer consideration of RMB30,000,000; and (ii) the Lessor has agreed to lease back the Leased Assets IV to the Lessee II for a term of 36 months. The total lease payment under the Finance Lease Agreement IV was RMB33,204,208, which shall include a finance lease principal of RMB30,000,000 and a finance lease interest (inclusive of VAT) of RMB3,204,208.

The principal terms of the Finance Lease Agreement IV are set out below:

#### **Date of agreement:**

21 June 2019

#### **Parties:**

The purchaser and the Lessor:	Zhongguancun Science-Tech
The seller and the Lessee II:	Petrotech (Xinjiang)

#### **Leased Assets:**

The Leased Assets IV are oil and gas drilling equipment stored in Xinjiang, the PRC, with a net book value of approximately RMB36,910,000 at the relevant time.

**Lease period:**

The lease period of the Finance Lease Agreement IV is 36 months.

**Consideration and payment terms:**

The Lessor agreed to purchase the Leased Assets IV from the Lessee II for RMB30,000,000. The payment of the consideration was conditional upon the fulfilment of certain conditions under the Finance Lease Agreement IV, including, among others, (1) the due execution of the Finance Lease Agreement IV and the underlying sale and purchase agreement of the Leased Assets IV; and (2) the Lessor having received the relevant documentary proof confirming the ownership of the Leased Assets IV.

Pursuant to the Finance Lease Agreement IV, the lease payment comprises finance lease principal and finance lease interest (inclusive of VAT). Under the Finance Lease Agreement IV, the finance lease principal is RMB30,000,000, the finance lease interest (inclusive of VAT) is expected to be RMB3,204,208 (calculated based on the interest rate of 6.6% per annum), the total lease payment is RMB33,204,208, the Lessee II shall pay the lease payment to the Lessor at the end of each quarter in instalments in accordance with the Finance Lease Agreement IV during the lease period.

Each of the purchase price, the finance lease principal, the finance lease interest and other expenses under the Finance Lease Agreement IV and the consultancy fee (see below) was arrived at after arm's length negotiation between the parties with reference to the net book value of the Leased Assets IV and prevailing market prices of the same category of finance lease products in the PRC.

**Security Deposit:**

The Lessee II agreed to pay the security deposits for the Finance Lease Agreement IV of RMB3,000,000 (bearing nil interests). On the last lease payment of the Finance Lease Agreement IV, the lease payment and other payables under the final payment will automatically be deducted from the deposits, and the Lessor will refund the Lessee II the remaining amount (if any).

**Ownership of the Leased Assets:**

During the lease period, the ownership of the Leased Assets IV shall be vested in the Lessor. If the Lessee II has properly and fully performed all obligations under the Finance Lease Agreement IV, upon the expiry of the Finance Lease Agreement IV, the Lessor will transfer the Leased Assets IV to the Lessee II at the consideration of RMB100 in nominal value.

## **2. Consultancy Agreement IV**

The Lessee II and the Lessor also entered into the Consultancy Agreement IV on 21 June 2019 under which the Lessor agreed to provide consultancy services to the Lessee II and the Lessee II will pay a consultancy fee of RMB1,080,000 to the Lessor. The consultancy services cover professional advice and guidance on financial planning, policy consulting and client liaison.

## **3. Guarantee IV**

The guarantee arrangements for the Finance Lease Agreement IV are set out below:

- (1) SPT Energy (Hong Kong) provides joint and several liability guarantee for the debts of Lessee II under the Finance Lease Agreement IV; and
- (2) Lessee III provides joint and several liability guarantee for the debts of the Lessee II under the Finance Lease Agreement IV.

## **Finance Lease Arrangement V**

### **1. Finance Lease Agreement V**

On 14 February 2020, the Lessor and Lessee III, an indirect subsidiary of the Company, entered into the Finance Lease Agreement V, pursuant to which (i) the Lessee III has agreed to sell its own assets, namely, the Leased Assets V, to the Lessor, at a transfer consideration of RMB21,000,000; and (ii) the Lessor has agreed to lease back the Leased Assets V to the Lessee III for a term of 36 months. The total lease payment under the Finance Lease Agreement V was RMB23,259,950, which shall include a finance lease principal of RMB21,000,000 and a finance lease interest (inclusive of VAT) of RMB2,259,950.

The principal terms of the Finance Lease Agreement V are set out below:

#### **Date of agreement:**

14 February 2020

#### **Parties:**

The purchaser and the Lessor:	Zhongguancun Science-Tech
The seller and the Lessee III:	Sinopetroleum Technology

#### **Leased Assets:**

The Leased Assets V are oil and gas drilling equipment stored in Sichuan Province, the PRC, with a net book value of approximately RMB23,774,377 at the relevant time.

**Lease period:**

The lease period of the Finance Lease Agreement V is 36 months.

**Consideration and payment terms:**

The Lessor agreed to purchase the Leased Assets V from the Lessee III for RMB21,000,000. The payment of the consideration was conditional upon the fulfilment of certain conditions under the Finance Lease Agreement V, including, among others, (1) the due execution of the Finance Lease Agreement V and the underlying sale and purchase agreement of the Leased Assets V; and (2) the Lessor having received the relevant documentary proof confirming the ownership of the Leased Assets V.

Pursuant to the Finance Lease Agreement V, the lease payment comprises finance lease principal and finance lease interest (inclusive of VAT). Under the Finance Lease Agreement V, the finance lease principal is RMB21,000,000, the finance lease interest (inclusive of VAT) is expected to be RMB2,259,950 (calculated based on the interest rate of 6.6% per annum), the total lease payment is RMB23,259,950, the Lessee III shall pay the lease payment to the Lessor at the end of each quarter in instalments in accordance with the Finance Lease Agreement V during the lease period.

Each of the purchase price, the finance lease principal, the finance lease interest and other expenses under the Finance Lease Agreement V and the consultancy fee (see below) was arrived at after arm's length negotiation between the parties with reference to the net book value of the Leased Assets V and prevailing market prices of the same category of finance lease products in the PRC.

**Security Deposit:**

The Lessee III agreed to pay the security deposits for the Finance Lease Agreement V of RMB2,100,000 (bearing nil interests). On the last lease payment of the Finance Lease Agreement V, the lease payment and other payables under the final payment will automatically be deducted from the deposits, and the Lessor will refund the Lessee III the remaining amount (if any).

**Ownership of the Leased Assets:**

During the lease period, the ownership of the Leased Assets V shall be vested in the Lessor. If the Lessee III has properly and fully performed all obligations under the Finance Lease Agreement V, upon the expiry of the Finance Lease Agreement V, the Lessor will transfer the Leased Assets V to the Lessee III at the consideration of RMB100 in nominal value.

## **2. Consultancy Agreement V**

The Lessee III and the Lessor also entered into the Consultancy Agreement V on 14 February 2020 under which the Lessor agreed to provide consultancy services to the Lessee III and the Lessee III will pay a consultancy fee of RMB756,000 to the Lessor. The consultancy services cover professional advice and guidance on financial planning, policy consulting and client liaison.

## **3. Guarantee V**

The guarantee arrangements for the Finance Lease Agreement V are set out below:

SPT Energy (Hong Kong) provides joint and several liability guarantee for the debts of Lessee III under the Finance Lease Agreement V.

## **Finance Lease Arrangement VI**

### **1. Finance Lease Agreement VI**

On 19 March 2020, the Lessor and Lessee IV, an indirect subsidiary of the Company, entered into the Finance Lease Agreement VI, pursuant to which (i) the Lessee IV has agreed to sell its own assets, namely, the Leased Assets VI, to the Lessor, at a transfer consideration of RMB14,000,000; and (ii) the Lessor has agreed to lease back the Leased Assets VI to the Lessee IV for a term of 36 months. The total lease payment under the Finance Lease Agreement VI was RMB15,499,575, which shall include a finance lease principal of RMB14,000,000 and a finance lease interest (inclusive of VAT) of RMB1,499,575.

The principal terms of the Finance Lease Agreement VI are set out below:

#### **Date of agreement:**

19 March 2020

#### **Parties:**

The purchaser and the Lessor:	Zhongguancun Science-Tech
The seller and the Lessee IV:	Xinjiang SPT

#### **Leased Assets:**

The Leased Assets VI are oil and gas field operation equipment stored in Xinjiang, the PRC, with a net book value of approximately RMB15,280,587 at the relevant time.

**Lease period:**

The lease period of the Finance Lease Agreement VI is 36 months.

**Consideration and payment terms:**

The Lessor agreed to purchase the Leased Assets VI from the Lessee IV for RMB14,000,000. The payment of the consideration was conditional upon the fulfilment of certain conditions under the Finance Lease Agreement VI, including, among others, (1) the due execution of the Finance Lease Agreement VI and the underlying sale and purchase agreement of the Leased Assets VI; and (2) the Lessor having received the relevant documentary proof confirming the ownership of the Leased Assets VI.

Pursuant to the Finance Lease Agreement VI, the lease payment comprises finance lease principal and finance lease interest (inclusive of VAT). Under the Finance Lease Agreement VI, the finance lease principal is RMB14,000,000, the finance lease interest (inclusive of VAT) is expected to be RMB1,499,575 (calculated based on the interest rate of 6.6% per annum), the total lease payment is RMB15,499,575, the Lessee IV shall pay the lease payment to the Lessor at the end of each quarter in instalments in accordance with the Finance Lease Agreement VI during the lease period.

Each of the purchase price, the finance lease principal, the finance lease interest and other expenses under the Finance Lease Agreement VI and the consultancy fee (see below) was arrived at after arm's length negotiation between the parties with reference to the net book value of the Leased Assets VI and prevailing market prices of the same category of finance lease products in the PRC.

**Security Deposit:**

The Lessee IV agreed to pay the security deposits for the Finance Lease Agreement VI of RMB1,400,000 (bearing nil interests). On the last lease payment of the Finance Lease Agreement VI, the lease payment and other payables under the final payment will automatically be deducted from the deposits, and the Lessor will refund the Lessee IV the remaining amount (if any).

**Ownership of the Leased Assets:**

During the lease period, the ownership of the Leased Assets VI shall be vested in the Lessor. If the Lessee IV has properly and fully performed all obligations under the Finance Lease Agreement VI, upon the expiry of the Finance Lease Agreement VI, the Lessor will transfer the Leased Assets VI to the Lessee IV at the consideration of RMB100 in nominal value.

## **2. Consultancy Agreement VI**

The Lessee IV and the Lessor also entered into the Consultancy Agreement VI on 19 March 2020 under which the Lessor agreed to provide consultancy services to the Lessee IV and the Lessee IV will pay a consultancy fee of RMB504,000 to the Lessor. The consultancy services cover professional advice and guidance on financial planning, policy consulting and client liaison.

## **3. Guarantee VI**

The guarantee arrangements for the Finance Lease Agreement VI are set out below:

- (1) SPT Energy (Hong Kong) provides joint and several liability guarantee for the debts of Lessee IV under the Finance Lease Agreement VI; and
- (2) Lessee III provides joint and several liability guarantee for the debts of the Lessee IV under the Finance Lease Agreement VI.

## **Finance Lease Arrangement VII**

### **1. Finance Lease Agreement VII**

On 4 June 2020, the Lessor and Lessee III, an indirect subsidiary of the Company, entered into the Finance Lease Agreement VII, pursuant to which (i) the Lessee III has agreed to sell its own assets, namely, the Leased Assets VII, to the Lessor, at a transfer consideration of RMB20,000,000; and (ii) the Lessor has agreed to lease back the Leased Assets VII to the Lessee III for a term of 36 months. The total lease payment under the Finance Lease Agreement VII was RMB22,160,047, which shall include a finance lease principal of RMB20,000,000 and a finance lease interest (inclusive of VAT) of RMB2,160,047.

The principal terms of the Finance Lease Agreement VII are set out below:

#### **Date of agreement:**

4 June 2020

#### **Parties:**

The purchaser and the Lessor:	Zhongguancun Science-Tech
The seller and the Lessee III:	Sinopetroleum Technology

**Leased Assets:**

The Leased Assets VII are oil and gas drilling equipment stored in Sichuan Province, the PRC, with a net book value of approximately RMB23,878,834 at the relevant time.

**Lease period:**

The lease period of the Finance Lease Agreement VII is 36 months.

**Consideration and payment terms:**

The Lessor agreed to purchase the Leased Assets VII from the Lessee III for RMB20,000,000. The payment of the consideration was conditional upon the fulfilment of certain conditions under the Finance Lease Agreement VII, including, among others, (1) the due execution of the Finance Lease Agreement VII and the underlying sale and purchase agreement of the Leased Assets VII; and (2) the Lessor having received the relevant documentary proof confirming the ownership of the Leased Assets VII.

Pursuant to the Finance Lease Agreement VII, the lease payment comprises finance lease principal and finance lease interest (inclusive of VAT). Under the Finance Lease Agreement VII, the finance lease principal is RMB20,000,000, the finance lease interest (inclusive of VAT) is expected to be RMB2,160,047 (calculated based on the interest rate of 6.5% per annum), the total lease payment is RMB22,160,047, the Lessee III shall pay the lease payment to the Lessor at the end of each quarter in instalments in accordance with the Finance Lease Agreement VII during the lease period.

Each of the purchase price, the finance lease principal, the finance lease interest and other expenses under the Finance Lease Agreement VII and the consultancy fee (see below) was arrived at after arm's length negotiation between the parties with reference to the net book value of the Leased Assets VII and prevailing market prices of the same category of finance lease products in the PRC.

**Security Deposit:**

The Lessee III agreed to pay the security deposits for the Finance Lease Agreement VII of RMB2,000,000 (bearing nil interests). On the last lease payment of the Finance Lease Agreement VII, the lease payment and other payables under the final payment will automatically be deducted from the deposits, and the Lessor will refund the Lessee III the remaining amount (if any).

**Ownership of the Leased Assets:**

During the lease period, the ownership of the Leased Assets VII shall be vested in the Lessor. If the Lessee III has properly and fully performed all obligations under the Finance Lease Agreement VII, upon the expiry of the Finance Lease Agreement VII, the Lessor will transfer the Leased Assets VII to the Lessee III at the consideration of RMB100 in nominal value.

## **2. Consultancy Agreement VII**

The Lessee III and the Lessor also entered into the Consultancy Agreement VII on 4 June 2020 under which the Lessor agreed to provide consultancy services to the Lessee III and the Lessee III will pay a consultancy fee of RMB720,000 to the Lessor. The consultancy services cover professional advice and guidance on financial planning, policy consulting and client liaison.

## **3. Guarantee VII**

The guarantee arrangements for the Finance Lease Agreement VII are set out below:

SPT Energy (Hong Kong) provides joint and several liability guarantee for the debts of Lessee III under the Finance Lease Agreement VII.

## **Finance Lease Arrangement VIII**

### **1. Finance Lease Agreement VIII**

On 15 January 2021, the Lessor and Lessee III, an indirect subsidiary of the Company, entered into the Finance Lease Agreement VIII, pursuant to which (i) the Lessee III has agreed to sell its own assets, namely, the Leased Assets VIII, to the Lessor, at a transfer consideration of RMB25,000,000; and (ii) the Lessor has agreed to lease back the Leased Assets VIII to the Lessee III for a term of 36 months. The total lease payment under the Finance Lease Agreement VIII was RMB27,645,516, which shall include a finance lease principal of RMB25,000,000 and a finance lease interest (inclusive of VAT) of RMB2,645,516.

The principal terms of the Finance Lease Agreement VIII are set out below:

#### **Date of agreement:**

15 January 2021

#### **Parties:**

The purchaser and the Lessor:	Zhongguancun Science-Tech
The seller and the Lessee III:	Sinopetroleum Technology

#### **Leased Assets:**

The Leased Assets VIII are oil and gas drilling equipment stored in the PRC, with a net book value of approximately RMB29,975,292 at the relevant time.

**Lease period:**

The lease period of the Finance Lease Agreement VIII is 36 months.

**Consideration and payment terms:**

The Lessor agreed to purchase the Leased Assets VIII from the Lessee III for RMB25,000,000. The payment of the consideration was conditional upon the fulfilment of certain conditions under the Finance Lease Agreement VIII, including, among others, (1) the due execution of the Finance Lease Agreement VIII and the underlying sale and purchase agreement of the Leased Assets VIII; and (2) the Lessor having received the relevant documentary proof confirming the ownership of the Leased Assets VIII.

Pursuant to the Finance Lease Agreement VIII, the lease payment comprises finance lease principal and finance lease interest (inclusive of VAT). Under the Finance Lease Agreement VIII, the finance lease principal is RMB25,000,000, the finance lease interest (inclusive of VAT) is expected to be RMB2,645,516 (calculated based on the interest rate of 6.5% per annum), the total lease payment is RMB27,645,516, the Lessee III shall pay the lease payment to the Lessor at the end of each quarter in instalments in accordance with the Finance Lease Agreement VIII during the lease period.

Each of the purchase price, the finance lease principal, the finance lease interest and other expenses under the Finance Lease Agreement VIII and the consultancy fee (see below) was arrived at after arm's length negotiation between the parties with reference to the net book value of the Leased Assets VIII and prevailing market prices of the same category of finance lease products in the PRC.

**Security Deposit:**

The Lessee III agreed to pay the security deposits for the Finance Lease Agreement VIII of RMB2,500,000 (bearing nil interests). On the last lease payment of the Finance Lease Agreement VIII, the lease payment and other payables under the final payment will automatically be deducted from the deposits, and the Lessor will refund the Lessee III the remaining amount (if any).

**Ownership of the Leased Assets:**

During the lease period, the ownership of the Leased Assets VIII shall be vested in the Lessor. If the Lessee III has properly and fully performed all obligations under the Finance Lease Agreement VIII, upon the expiry of the Finance Lease Agreement VIII, the Lessor will transfer the Leased Assets VIII to the Lessee III at the consideration of RMB100 in nominal value.

## **2. Consultancy Agreement VIII**

The Lessee III and the Lessor also entered into the Consultancy Agreement VIII on 15 January 2021 under which the Lessor agreed to provide consultancy services to the Lessee III and the Lessee III will pay a consultancy fee of RMB900,000 to the Lessor. The consultancy services cover professional advice and guidance on financial planning, policy consulting and client liaison.

## **3. Guarantee VIII**

The guarantee arrangements for the Finance Lease Agreement VIII are set out below:

SPT Energy (Hong Kong) provides joint and several liability guarantee for the debts of Lessee III under the Finance Lease Agreement VIII.

## **Finance Lease Arrangement IX**

### **1. Finance Lease Agreement IX**

On 27 August 2021, Lessor and Lessee II, an indirect subsidiary of the Company, entered into the Finance Lease Agreement IX, pursuant to which (i) the Lessee II has agreed to sell its own assets, namely, the Leased Assets IX, to the Lessor, at a transfer consideration of RMB30,000,000; and (ii) the Lessor has agreed to lease back the Leased Assets IX to the Lessee II for a term of 36 months. The total lease payment under the Finance Lease Agreement IX was RMB33,125,868, which shall include a finance lease principal of RMB30,000,000 and a finance lease interest (inclusive of VAT) of RMB3,125,868.

The principal terms of the Finance Lease Agreement IX are set out below:

#### **Date of agreement:**

27 August 2021

#### **Parties:**

The purchaser and the Lessor:	Zhongguancun Science-Tech
The seller and the Lessee II:	Petrotech (Xinjiang)

#### **Leased Assets:**

The Leased Assets IX are oil and gas field operation equipment stored in Xinjiang, the PRC, with a net book value of approximately RMB36,766,781 at the relevant time.

**Lease period:**

The lease period of the Finance Lease Agreement IX is 36 months.

**Consideration and payment terms:**

The Lessor agreed to purchase the Leased Assets IX from the Lessee II for RMB30,000,000. The payment of the consideration was conditional upon the fulfilment of certain conditions under the Finance Lease Agreement IX, including, among others, (1) the due execution of the Finance Lease Agreement IX and the underlying sale and purchase agreement of the Leased Assets IX; and (2) the Lessor having received the relevant documentary proof confirming the ownership of the Leased Assets IX.

Pursuant to the Finance Lease Agreement IX, the lease payment comprises finance lease principal and finance lease interest (inclusive of VAT).

Under the Finance Lease Agreement IX, the finance lease principal is RMB30,000,000, the finance lease interest (inclusive of VAT) is expected to be RMB3,125,868 (calculated based on the interest rate of 6.5% per annum), the total lease payment is RMB33,125,868, the Lessee II shall pay the lease payment to the Lessor at the end of each quarter in instalments in accordance with the Finance Lease Agreement IX during the lease period.

Each of the purchase price, the finance lease principal, the finance lease interest and other expenses under the Finance Lease Agreement IX and the consultancy fee (see below) was arrived at after arm's length negotiation between the parties with reference to the net book value of the Leased Assets IX and prevailing market prices of the same category of finance lease products in the PRC.

**Security Deposit:**

The Lessee II agreed to pay the security deposits for the Finance Lease Agreement IX of RMB3,000,000 (bearing nil interests). On the last lease payment of the Finance Lease Agreement IX, the lease payment and other payables under the final payment will automatically be deducted from the deposits, and the Lessor will refund the Lessee II the remaining amount (if any).

**Ownership of the Leased Assets:**

During the lease period, the ownership of the Leased Assets IX shall be vested in the Lessor. If the Lessee II has properly and fully performed all obligations under the Finance Lease Agreement IX, upon the expiry of the Finance Lease Agreement IX, the Lessor will transfer the Leased Assets IX to the Lessee II at the consideration of RMB100 in nominal value.

## **2. *Consultancy Agreement IX***

The Lessee II and the Lessor also entered into the Consultancy Agreement IX on 27 August 2021 under which the Lessor agreed to provide consultancy services to the Lessee II and the Lessee II will pay a consultancy fee of RMB1,080,000 to the Lessor. The consultancy services cover professional advice and guidance on financial planning, policy consulting and client liaison.

## **3. *Guarantee IX***

The guarantee arrangements for the Finance Lease Agreement IX are set out below:

- (1) SPT Energy (Hong Kong) provides joint and several liability guarantee for the debts of Lessee II under the Finance Lease Agreement IX; and
- (2) Lessee III provides joint and several liability guarantee for the debts of the Lessee II under the Finance Lease Agreement IX.

## **REASONS FOR AND BENEFITS OF THE FINANCE LEASE ARRANGEMENTS**

The Directors consider that the entry of the Finance Lease Arrangements will enhance the working capital position of each of the Lessees to optimise its asset and debt structure by increasing the liquidity position of the Lessees and to support their business and operational activities. The proceeds from the Finance Lease Arrangements have been applied towards repaying bank loans, purchasing equipment and increasing the general working capital requirements of the Group.

The Directors are of the view that the Finance Lease Arrangements are on normal commercial terms and in the ordinary and usual course of business of the Group and such terms are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

## **FINANCIAL EFFECT OF THE FINANCE LEASE ARRANGEMENTS**

There will not be any gain or loss accrued to the Company when initially entered into the sale of the Leased Assets under the Finance Lease Arrangements, and interest expenses will be incurred over the relevant period.

## **GENERAL INFORMATION**

### **The Group**

The Group is principally engaged in the provision of integrated oilfield services and the manufacturing and sale of oilfield services related products.

### **Shaanxi Huayou**

Shaanxi Huayou is an indirect subsidiary of the Company and is principally engaged in the provision of oil and gas field engineering technical services.

### **Petrotech (Xinjiang)**

Petrotech (Xinjiang) is an indirect subsidiary of the Company and is principally engaged in the provision of oilfield engineering services.

### **Sinopetroleum Technology**

Sinopetroleum Technology is an indirect subsidiary of the Company and is principally engaged in the provision of oil and gas technology development service.

### **Xinjiang SPT**

Xinjiang SPT is an indirect subsidiary of the Company and is principally engaged in the provision of petroleum engineering technical services.

### **SPT Energy (Hong Kong)**

SPT Energy (Hong Kong) is a direct subsidiary of the Company and is principally engaged in investment holding.

### **Zhongguancun Science-Tech**

Zhongguancun Science-Tech is a company incorporated in the PRC, the H shares of which are listed on the Stock Exchange (stock code: 1601). It is principally engaged in the provision of finance leases to technology and new economy companies in China.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Zhongguancun Science-Tech and its ultimate beneficial owners are Independent Third Parties.

## **LISTING RULES IMPLICATIONS**

Each of the Lessee I, the Lessee II, Lessee III and the Lessee IV is an indirect subsidiary of the Company. As one or more of the applicable percentage ratios in respect of each of the Finance Lease Arrangement VIII and Finance Lease Arrangement IX exceed 5% but are less than 25%, the abovementioned transactions contemplated thereunder each constituted a discloseable transaction of the Company and were subject to the notification and announcement requirements under Chapter 14 of the Listing Rules. According to Rule 14.22 of the Listing Rules, the Finance Lease Arrangements during any 12-month period shall be aggregated as a series of transactions. As one or more of the applicable percentage ratios in respect of each of (1) the Finance Lease Arrangement I to III, entered into during the period from 30 August 2018 to 7 December 2018; (2) the Finance Lease Arrangements I to IV, entered into during the period from 30 August 2018 to 21 June 2019; (3) the Finance Lease Arrangements IV and V, entered into during the period from 21 June 2019 to 14 February 2020; (4) the Finance Lease Arrangements IV to VI, entered into during the period from 21 June 2019 to 19 March 2020; (5) the Finance Lease Arrangements IV to VII, entered into during the period from 21 June 2019 to 4 June 2020; (6) the Finance Lease Arrangements V to VIII, entered into during the period from 14 February 2020 to 15 January 2021; and (7) the Finance Lease Arrangements VIII to IX, entered into during the period from 15 January 2021 to 27 August 2021, when aggregated, exceed 5% but are less than 25%, the abovementioned transactions contemplated thereunder each constituted a discloseable transaction of the Company and were subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

The Company was under the honest but mistaken belief that the Finance Lease Arrangements did not constitute transactions under Chapter 14 of the Listing Rules, and therefore did not make any announcement under Chapter 14 of the Listing Rules at the relevant times.

## **REMEDIAL ACTIONS**

To prevent a recurrence of a similar incident, the Company will adopt the following measures and actions:

1. the Company has published this announcement to inform the Shareholders of the details of the Finance Lease Arrangements;
2. the Company will engage a legal advisor to provide training to the Directors and senior management on, inter alia, compliance with the Listing Rules and other applicable laws and regulations;
3. the Company will engage a legal advisor on an annual basis to ensure that the Company complies with the relevant Listing Rules; and
4. the Company is also in the process of designating an employee to oversee the secretarial and compliance matters of the Group.

## DEFINITIONS

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

“Board”	the board of Directors
“Company”	SPT Energy Group Inc. (華油能源集團有限公司*), a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consultancy Agreement I”	the consultancy agreement entered into between the Lessor and the Lessee I on 30 August 2018
“Consultancy Agreement II”	the consultancy agreement entered into between the Lessor and the Lessee II on 30 August 2018
“Consultancy Agreement III”	the consultancy agreement entered into between the Lessor and the Lessee II on 7 December 2018
“Consultancy Agreement IV”	the consultancy agreement entered into between the Lessor and the Lessee II on 21 June 2019
“Consultancy Agreement V”	the consultancy agreement entered into between the Lessor and the Lessee III on 14 February 2020
“Consultancy Agreement VI”	the consultancy agreement entered into between the Lessor and the Lessee IV on 19 March 2020
“Consultancy Agreement VII”	the consultancy agreement entered into between the Lessor and the Lessee III on 4 June 2020
“Consultancy Agreement VIII”	the consultancy agreement entered into between the Lessor and the Lessee III on 15 January 2021
“Consultancy Agreement IX”	the consultancy agreement entered into between the Lessor and the Lessee II on 27 August 2021
“Directors”	the directors of the Company

“Finance Lease Agreement I”	the finance lease agreement entered into between the Lessor and the Lessee I on 30 August 2018
“Finance Lease Agreement II”	the finance lease agreement entered into between the Lessor and the Lessee II on 30 August 2018
“Finance Lease Agreement III”	the finance lease agreement entered into between the Lessor and the Lessee II on 7 December 2018
“Finance Lease Agreement IV”	the finance lease agreement entered into between the Lessor and the Lessee II on 21 June 2019
“Finance Lease Agreement V”	the finance lease agreement entered into between the Lessor and the Lessee III on 14 February 2020
“Finance Lease Agreement VI”	the finance lease agreement entered into between the Lessor and the Lessee IV on 19 March 2020
“Finance Lease Agreement VII”	the finance lease agreement entered into between the Lessor and the Lessee III on 4 June 2020
“Finance Lease Agreement VIII”	the finance lease agreement entered into between the Lessor and the Lessee III on 15 January 2021
“Finance Lease Agreement IX”	the finance lease agreement entered into between the Lessor and the Lessee II on 27 August 2021
“Finance Lease Arrangements”	the Finance Lease Arrangement I, the Finance Lease Arrangement II, the Finance Lease Arrangement III, the Finance Lease Arrangement IV, the Finance Lease Arrangement V, the Finance Lease Arrangement VI, the Finance Lease Arrangement VII, the Finance Lease Arrangement VIII and the Finance Lease Arrangement IX
“Finance Lease Arrangement I”	the transactions contemplated thereunder the Finance Lease Agreement I, the Guarantee I and the Consultancy Agreement I
“Finance Lease Arrangement II”	the transactions contemplated thereunder the Finance Lease Agreement II, the Guarantee II and the Consultancy Agreement II
“Finance Lease Arrangement III”	the transactions contemplated thereunder the Finance Lease Agreement III, the Guarantee III and the Consultancy Agreement III

“Finance Lease Arrangement IV”	the transactions contemplated thereunder the Finance Lease Agreement IV, the Guarantee IV and the Consultancy Agreement IV
“Finance Lease Arrangement V”	the transactions contemplated thereunder the Finance Lease Agreement V, the Guarantee V and the Consultancy Agreement V
“Finance Lease Arrangement VI”	the transactions contemplated thereunder the Finance Lease Agreement VI, the Guarantee VI and the Consultancy Agreement VI
“Finance Lease Arrangement VII”	the transactions contemplated thereunder the Finance Lease Agreement VII, the Guarantee VII and the Consultancy Agreement VII
“Finance Lease Arrangement VIII”	the transactions contemplated thereunder the Finance Lease Agreement VIII, the Guarantee VIII and the Consultancy Agreement VIII
“Finance Lease Arrangement IX”	the transactions contemplated thereunder the Finance Lease Agreement IX, the Guarantee IX and the Consultancy Agreement IX
“Group”	the Company and its subsidiaries
“Guarantee I”	the guarantees dated 30 August 2018 given by SPT Energy (Hong Kong) and Lessee III in favour of the Lessor, entered in conjunction with the Finance Lease Agreement I
“Guarantee II”	the guarantees dated 30 August 2018 given by SPT Energy (Hong Kong) and Lessee III in favour of the Lessor, entered in conjunction with the Finance Lease Agreement II
“Guarantee III”	the guarantees dated 7 December 2018 given by SPT Energy (Hong Kong) and Lessee III in favour of the Lessor, entered in conjunction with the Finance Lease Agreement III
“Guarantee IV”	the guarantees dated 21 June 2019 given by SPT Energy (Hong Kong) and Lessee III in favour of the Lessor, entered in conjunction with the Finance Lease Agreement IV
“Guarantee V”	the guarantee dated 14 February 2020 given by SPT Energy (Hong Kong) in favour of the Lessor, entered in conjunction with the Finance Lease Agreement V

“Guarantee VI”	the guarantees dated 19 March 2020 given by SPT Energy (Hong Kong) and Lessee III in favour of the Lessor, entered in conjunction with the Finance Lease Agreement VI
“Guarantee VII”	the guarantee dated 4 June 2020 given by SPT Energy (Hong Kong) in favour of the Lessor, entered in conjunction with the Finance Lease Agreement VII
“Guarantee VIII”	the guarantee dated 15 January 2021 given by SPT Energy (Hong Kong) in favour of the Lessor, entered in conjunction with the Finance Lease Agreement VIII
“Guarantee IX”	the guarantees dated 27 August 2021 given by SPT Energy (Hong Kong) and Lessee III in favour of the Lessor, entered in conjunction with the Finance Lease Agreement IX
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	a third party who is independent of the Company and its connected persons
“Leased Assets”	the Leased Assets I, the Leased Assets II, the Leased Assets III, the Leased Assets IV, the Leased Assets V, the Leased Assets VI, the Leased Assets VII, the Leased Assets VIII and the Leased Assets IX
“Leased Assets I”	oil and gas drilling equipment stored in Inner Mongolia, the PRC under the Finance Lease Agreement I
“Leased Assets II”	oil and gas drilling equipment stored in Xinjiang, the PRC under the Finance Lease Agreement II
“Leased Assets III”	oil and gas field vehicles stored in Xinjiang, the PRC under the Finance Lease Agreement III
“Leased Assets IV”	oil and gas drilling equipment stored in Xinjiang, the PRC under the Finance Lease Agreement IV
“Leased Assets V”	oil and gas drilling equipment stored in Sichuan Province, the PRC under the Finance Lease Agreement V
“Leased Assets VI”	oil and gas field operation equipment stored in Xinjiang, the PRC under the Finance Lease Agreement VI

“Leased Assets VII”	oil and gas drilling equipment stored in Sichuan Province, the PRC under the Finance Lease Agreement VII
“Leased Assets VIII”	oil and gas drilling equipment stored in the PRC under the Finance Lease Agreement VIII
“Leased Assets IX”	oil and gas drilling equipment stored in Xinjiang, the PRC under the Finance Lease Agreement IX
“Lessee(s)”	the Lessee I, the Lessee II, the Lessee III and the Lessee IV
“Lessee I” or “Shaanxi Huayou”	Shaanxi Huayou Energy Technology Services Co., Ltd.* (陝西華油能源技術服務有限公司), a company incorporated in the PRC and is an indirect subsidiary of the Company
“Lessee II” or “Petrotech (Xinjiang)”	Petrotech (Xinjiang) Engineering Co., Ltd* (新疆華油油氣工程有限公司), a company incorporated in the PRC and is an indirect subsidiary of the Company
“Lessee III” or “Sinopetroleum Technology”	Sinopetroleum Technology Inc.* (北京華油油氣技術開發有限公司), a company incorporated in the PRC and is an indirect subsidiary of the Company
“Lessee IV” or “Xinjiang SPT”	Xinjiang SPT Engineering Service Co., Ltd* (新疆華油能源工程服務有限公司), a company incorporated in the PRC and is an indirect subsidiary of the Company
“Lessor” or “Zhongguancun Science-Tech”	Zhongguancun Science-Tech Leasing Co., Ltd. (中關村科技租賃股份有限公司), a joint stock company incorporated under the laws of the PRC with limited liability, the H shares of which are listed on the Stock Exchange with stock code of 1601
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“SPT Energy (Hong Kong)”	SPT Energy (Hong Kong) Limited, a company incorporated in Hong Kong and is a direct subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“VAT”	value-added tax
“%”	per cent

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

The PRC, 10 September 2021

*As at the date of this announcement, the executive Directors are Mr. Wang Guoqiang, Mr. Ethan Wu and Mr. Li Qiang; the non-executive Directors are Mr. Wu Jiwei and Ms. Chen Chunhua; and the independent non-executive Directors are Ms. Zhang Yujuan, Mr. Wu Kwok Keung Andrew and Mr. Wan Kah Ming.*

\* *For identification purposes only*