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If you have sold or transferred all your shares in **Yanchang Petroleum International Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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延長石油國際有限公司

YANCHANG PETROLEUM INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00346)

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

A letter from the board of directors of the Company is set out on pages 3 to 6 of this circular. A notice convening the annual general meeting (the “AGM”) of the Company to be held at Room Tianshan and Lushan, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 28 May 2021 at 3:30 p.m. is set out on pages 17 to 20 of this circular. Whether or not you are able to attend the AGM, you are requested to 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 Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE AGM

Please refer to page 21 of this circular for precautionary measures being taken to prevent and control the spread of COVID-19 at the AGM, including:

1. compulsory wearing of surgical mask;
2. compulsory body temperature check; and
3. no refreshments or drinks will be served.

Any person who does not comply with the precautionary measures may be denied entry into the venue of the AGM. The Company also encourages the Shareholders to consider appointing the chairman of the AGM as his/her proxy to vote on the resolution at the AGM as an alternative to attending in person.

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DEFINITIONS

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 convened and held at Room Tianshan and Lushan, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 28 May 2021 at 3:30 p.m., notice of which is set out on pages 17 to 20
“associates”	has the meaning as defined under the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company adopted on 26 March 2001 and may be amended from time to time
“Company”	Yanchang Petroleum International Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“COVID-19”	an infectious disease caused by a newly discovered coronavirus since December 2019, namely, severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) which has spread globally and resulted in a pandemic
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with new Shares of up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the relevant resolution granting such mandate and adding thereto any Shares representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to the authority granted under the Repurchase Mandate

DEFINITIONS

“Latest Practicable Date”	15 April 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purpose of this circular
“Repurchase Mandate”	the general unconditional mandate proposed to be granted to the Directors at the AGM to repurchase such number of issued and fully paid Shares of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the relevant resolution granting such mandate
“SFO”	Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.02 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers and Share Repurchases
“Yanchang Petroleum Group”	Shaanxi Yanchang Petroleum (Group) Co., Limited (陝西延長石油(集團)有限責任公司), a state-owned corporation registered in the PRC with limited liability, being a substantial Shareholder beneficially holding 12,686,203,231 Shares, representing approximately 69.19% of the existing issued share capital of the Company as at the Latest Practicable Date
“%”	per cent.



延長石油國際有限公司

YANCHANG PETROLEUM INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00346)

Executive Directors:

Mr. Feng Yinguo (*Chairman*)

Mr. Zhang Jianmin

Mr. Ding Jiasheng

Registered Office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

Independent non-executive Directors:

Mr. Ng Wing Ka

Mr. Leung Ting Yuk

Mr. Sun Liming

Dr. Mu Guodong

*Head Office and Principal Place of
Business in Hong Kong:*

Room 3403, 34/F

Lee Garden One

33 Hysan Avenue

Causeway Bay

Hong Kong

23 April 2021

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to, inter alia, provide you with the information on:

- (a) the proposed grant of the Issue Mandate and the Repurchase Mandate and the extension of the Issue Mandate;
- (b) the Directors proposed to be re-elected at the AGM; and
- (c) the notice of the AGM, for consideration on the related resolutions to be put forward at the AGM.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

Two ordinary resolutions, as set out in the notice of the AGM, will be proposed for the following purpose:

Ordinary resolution no. 4 is to grant to the Directors a general mandate to issue new Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution; and

Ordinary resolution no. 6 is to increase the aggregate nominal amount of share capital of the Company which the Directors may issue under the general mandate if given in the ordinary resolution no. 4 by the aggregate nominal amount of share capital of the Company repurchased under the general mandate if given in the ordinary resolution no. 5.

The Company had in issue an aggregate of 18,335,046,733 Shares of HK\$0.02 each as at the Latest Practicable Date. Subject to the passing of the aforesaid ordinary resolution no. 4 and in accordance with the terms therein, the Company would be allowed to issue additional Shares up to the aggregate nominal amount of a maximum of 3,667,009,346 Shares on the basis that no further Shares will be issued or repurchased prior to and including the date of the AGM.

GENERAL MANDATE TO REPURCHASE SHARES

The ordinary resolution no. 5 as set out in the notice of the AGM will be proposed to grant to the Directors a general mandate to exercise the powers of the Company to repurchase the Company's fully paid up Shares representing up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution.

The Listing Rules contain provisions to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange.

In accordance with the Listing Rules, Appendix I to this circular serves as the explanatory statement to provide the Shareholders with the requisite information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution for granting of the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

Pursuant to bye-law 86(2) of the Bye-laws, Mr. Feng Yinguo, Mr. Zhang Jianmin and Mr. Ding Jiasheng are subject to re-election at the AGM of the Company.

Pursuant to bye-law 87 of the Bye-laws, Mr. Ng Wing Ka, Mr. Sun Liming and Dr. Mu Guodong shall retire by rotation and, being eligible, offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

Biographical details of the above-mentioned Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

In accordance with the Code Provision A.4.3 of the Corporate Governance Code contained in Appendix 14 of the Listing Rules which states that if an independent non-executive director has served more than 9 years, his further appointment should be subject to a separate resolution to be approved by the Shareholders. Mr. Ng Wing Ka (“Mr. Ng”) has been appointed as the independent non-executive Director since 7 January 2005 and is subject to be appointed in a separate resolution by the Shareholders at the AGM. The Board considers that Mr. Ng meets the independence guidelines set out in Rule 3.13 of the Listing Rules and the Company has received his annual written independence confirmation. In particular, the Board is satisfied that Mr. Ng, who shall retire from office at the AGM, and being eligible, offer himself for re-election, remains independent and further considers that he should be re-elected in view of his skills, experience and knowledge of the Group’s businesses and his ability to exercise independence of judgment in relation to the Company’s affairs, which continue to be of significant benefit to the Company.

In accordance with the Code Provision A.4.3 of the Corporate Governance Code contained in Appendix 14 of the Listing Rules which states that if an independent non-executive director has served more than 9 years, his further appointment should be subject to a separate resolution to be approved by the Shareholders. Mr. Sun Liming (“Mr. Sun”) has been appointed as the independent non-executive Director since 1 April 2012 and is subject to be appointed in a separate resolution by the Shareholders at the AGM. The Board considers that Mr. Sun meets the independence guidelines set out in Rule 3.13 of the Listing Rules and the Company has received his annual written independence confirmation. In particular, the Board is satisfied that Mr. Sun, who shall retire from office at the AGM, and being eligible, offer himself for re-election, remains independent and further considers that he should be re-elected in view of his skills, experience and knowledge of the Group’s businesses and his ability to exercise independence of judgment in relation to the Company’s affairs, which continue to be of significant benefit to the Company.

AGM

Set out on pages 17 to 20 of this circular is a notice convening the AGM to consider and, if appropriate, to approve the ordinary resolutions relating to the proposals for the general mandates to issue Shares and to repurchase Shares and the re-election of Directors.

A form of proxy for use at the AGM is enclosed herewith. If you are not able to attend and/or vote at the AGM in person, you are requested to complete the form of proxy and return it to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

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, 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. As such, all the resolutions set out in the notice of the AGM will be voted by poll.

RECOMMENDATION

The Board, to the extent having made all reasonable enquires, is not aware that any Shareholder is required to abstain from voting on the proposals to be put forward at the AGM.

The Board considers that the ordinary resolutions in relation to the Issue Mandate, the Repurchase Mandate and the re-election of Directors to be proposed at the AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of such resolutions at the AGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and believe 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.

GENERAL

Your attention is also drawn to the appendices to this circular.

The English text of this circular shall prevail over the Chinese text in case of any inconsistency.

By Order of the Board
Yanchang Petroleum International Limited
Feng Yinguo
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with the requisite information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate.

This explanatory statement contains all the information required pursuant to Rule 10.06 of the Listing Rules which is set out as follows:

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was 18,335,046,733 Shares.

Subject to the passing of the ordinary resolution no. 5 as set out in the notice of AGM and in accordance with the terms therein, the Company would be allowed under the Repurchase Mandate to repurchase fully paid shares up to the aggregate nominal amount of a maximum of 1,833,504,673 Shares, representing 10% of the existing issued Shares, on the basis of no further Shares will be issued or repurchased up to and including the date of the AGM.

3. REASONS FOR SHARE REPURCHASE

Although the Directors have no present intention of repurchasing any Shares of the Company, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and its Shareholders. Trading conditions on the Stock Exchange have sometimes been volatile. At any time in the future when Shares trading at a discount to their underlying value, the ability of the Company to repurchase Shares will be beneficial to those Shareholders who retain their investment in the Company since their interests in the assets of the Company would increase in proportion to the number of Shares repurchased by the Company and thereby resulting in an increase in net asset value and/or earning per share of the Company. Such repurchases will only be made when the Directors believe that the repurchases will benefit the Company and its Shareholders as a whole.

4. FUNDING OF REPURCHASES

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Bye-laws and the applicable laws and regulations of Bermuda and the Listing Rules.

Any repurchase of securities of the Company would be funded entirely from the cash flow or working capital facilities available to the Company, and will, in any event be made out of funds legally available for the purpose in accordance with the Bye-laws and the applicable laws of Bermuda and the Listing Rules. Such funds include, but are not limited to, profits available for distribution. Purchases may only be made out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Bye-laws and subject to the applicable laws of Bermuda, out of capital. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by the Bye-laws and subject to the applicable laws of Bermuda, out of capital.

5. SHARE PRICES

During each of the twelve months preceding the Latest Practicable Date, the highest and lowest prices at which the Shares had been traded were as follows:

	Price per share of the Company	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2020		
April	0.045	0.036
May	0.065	0.038
June	0.067	0.050
July	0.069	0.053
August	0.056	0.047
September	0.055	0.044
October	0.050	0.023
November	0.038	0.030
December	0.041	0.031
2021		
January	0.043	0.033
February	0.135	0.037
March	0.115	0.072
April (up to the Latest Practicable Date)	0.095	0.081

6. REPURCHASE MADE BY THE COMPANY

Neither the Company nor any of its subsidiaries has purchased any of the Shares during the six months immediately preceding the Latest Practicable Date.

7. POSSIBLE MATERIAL ADVERSE IMPACT

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements for the year ended 31 December 2020) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not proposed to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the Company's working capital requirement or the gearing level. The number of shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

8. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate pursuant to the proposed resolution in accordance with the Listing Rules and the applicable laws of Bermuda.

9. EFFECT OF THE TAKEOVERS CODE

If on exercise of the powers of repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date and to the best of knowledge and belief of the Company, the following Shareholders were directly or indirectly interested in 5% or more of the nominal value of the issued Shares that carry a right to vote in all circumstances at general meeting of the Company and were interested and/or were deemed to be interested under the SFO in the Shares in issue:

Name	Number of the Shares held	Approximate percentage of the total issued share capital of the Company as at the Latest Practicable Date
Yanchang Petroleum Group (<i>Note</i>)	12,686,203,231	69.19%
Yanchang Petroleum Group (Hong Kong) Co., Limited ("Yanchang Petroleum HK") (<i>Note</i>)	12,686,203,231	69.19%

Note: Yanchang Petroleum Group beneficially held these 12,686,203,231 Shares through its direct wholly-owned subsidiary, Yanchang Petroleum HK.

In the event that the Directors shall exercise the Repurchase Mandate in full to repurchase Shares in accordance with the ordinary resolution no. 5 to be proposed at the AGM and assuming that no further Shares is issued, allotted or repurchased by the Company prior to and including the date of the AGM, the respective shareholdings of Yanchang Petroleum Group and Yanchang Petroleum HK would be increased to approximately 76.88%, respectively. Pursuant to Rule 32 of the Takeovers Code, the said resultant increase in shareholdings for Yanchang Petroleum Group and Yanchang Petroleum HK would trigger an obligation for them to make a mandatory general offer under Rule 26 of the Takeovers Code.

Save as the aforesaid and based on information known to date, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate. The Directors have no present intention to exercise the Repurchase Mandate to such extent as would, in the circumstances, trigger off any potential consequences under the Takeovers Code.

Assuming that there is no alteration to the issued share capital of the Company between the Latest Practicable Date and the date of the AGM, the exercise of the Repurchase Mandate whether in whole or in part may result in less than 25% of the issued share capital of the Company being held by the public as required by Rule 8.08 of the Listing Rules. The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than such prescribed percentage.

10. DIRECTORS' DEALINGS

None of the Directors, to the best of their knowledge having made all reasonable enquiries, nor their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate in the event that such mandate as proposed in the ordinary resolution no. 5 is approved by the Shareholders.

11. CONNECTED PERSON

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate as proposed in the ordinary resolution no. 5 is approved by the Shareholders.

The following set out the details of the Directors who shall retire by rotation and, being eligible, offer themselves for re-election at the AGM pursuant to Bye-laws 86(2) and 87 of the Bye-laws.

Mr. Feng Yinguo, aged 55, an executive Director and chairman of the Board

Mr. Feng, was appointed as an executive Director on 9 June 2020 and appointed as the chairman of the Board on 1 April 2021. He was also appointed as a member of each of the remuneration committee and the nomination committee of the Company on 1 April 2021. Mr. Feng is currently the executive director and the deputy secretary of the Party Committee of Shaanxi Yanchang Petroleum International Exploration and Development Engineering Co., Limited under Yanchang Petroleum Group. Mr. Feng joined Yanchang Petroleum Management Bureau under Yanchang Petroleum Group in December 1983. He was mainly responsible for oil mine management, exploration and development, and was promoted from technician to deputy officer. From December 2017 to March 2020, he served in Oil And Gas Exploration Company under Yanchang Petroleum Group and was promoted to deputy general manager. Mr. Feng obtained a master's degree in Executive Master of Business Administration at Shannxi Master of Business Administration College, and is also a senior petroleum engineer. Mr. Feng has been engaged in oil and gas exploration, development and management for a long time, and has extensive experience in integrated oil and gas management and business leadership. Save as aforesaid, Mr. Feng did not hold any directorship in other listed companies during the past three years.

Mr. Feng has entered into a service contract with the Company on 9 June 2020 for a term of three years commencing from 9 June 2020. He is subject to retirement by rotation and re-election at the annual general meeting of the company at least once in every three years in accordance with the Bye-laws. Mr. Feng is entitled to an annual remuneration of HK\$249,600, which is determined by the Board with reference to his duties and responsibilities, the prevailing market conditions and the recommendation of the remuneration committee of the Company.

As at the Latest Practicable Date, Mr. Feng does not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Feng does not have any relationship with any Directors, senior management, substantial shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Mr. Zhang Jianmin, aged 55, an executive Director

Mr. Zhang, was appointed as an executive Director on 1 April 2021. Mr. Zhang is currently the deputy chief accountant, deputy supervisor of the finance center and a member of the Party Committee of Yanchang Petroleum Group. At the same time, he is also the director and general manager of Yanchang Petroleum Group (Hong Kong) Co., Limited. Mr. Zhang joined the finance department of Yanchang Petroleum Management Bureau under Yanchang Petroleum Group in July 1987. Since August 2011, he has served as the deputy supervisor of the finance center of Yanchang Petroleum Group, and is mainly responsible for the financial control and accounting and formulating of the Company's financial works. He obtained a master's degree in economic management from the Party School of the Shaanxi Provincial Party Committee of the Communist Party of the PRC, and is a semi-senior accountant. Mr. Zhang has been engaged in financial management in the petroleum industry for a long period of time and has many years of solid experience in finance and financial management, as well as petroleum operation governance. Save as aforesaid, Mr. Zhang did not hold any directorship in other listed companies during the past three years.

Mr. Zhang has entered into a service contract with the Company on 1 April 2021 for a term of three years commencing from 1 April 2021. He is subject to retirement by rotation and re-election at the annual general meeting of the company at least once in every three years in accordance with the Bye-laws. Mr. Zhang is entitled to an annual remuneration of HK\$249,600, which is determined by the Board with reference to his duties and responsibilities, the prevailing market conditions and the recommendation of the remuneration committee of the Company.

As at the Latest Practicable Date, Mr. Zhang does not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Zhang does not have any relationship with any Directors, senior management, substantial shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Mr. Ding Jiasheng, aged 33, an executive Director

Mr. Ding, was appointed as an executive Director on 1 April 2021. Mr. Ding is currently the vice president of Novus Energy Inc. ("Novus"), an indirect wholly-owned subsidiary of the Company in Canada. Mr. Ding joined Novus in May 2014 and has served as the production engineer, exploration and development engineer and vice president of Novus. He has extensive technical and management experience. He holds a bachelor's degree in petroleum engineering from the University of Alberta in Canada and a master's degree in Earth and Environment from the Columbia University in U.S.A., and is a registered professional engineer in Canada. Save as aforesaid, Mr. Ding did not hold any directorship in other listed companies during the past three years.

Mr. Ding has entered into a service contract with the Company on 1 April 2021 for a term of three years commencing from 1 April 2021. He is subject to retirement by rotation and re-election at the annual general meeting of the company at least once in every three years in accordance with the Bye-laws. Mr. Ding is entitled to an annual remuneration of HK\$249,600, which is determined by the Board with reference to his duties and responsibilities, the prevailing market conditions and the recommendation of the remuneration committee of the Company.

As at the Latest Practicable Date, Mr. Ding does not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Ding does not have any relationship with any Directors, senior management, substantial shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Mr. Ng Wing Ka, aged 51, an independent non-executive Director

Mr. Ng, was appointed as an independent non-executive Director on 7 January 2005. Mr. Ng is also the chairman of the nomination committee and a member of the audit committee of the Company. Mr. Ng graduated with a Bachelor of Laws degree and a Post-graduated Certificate in Laws from The University of Hong Kong. He is the partner of Tung, Ng, Tse & Lam, Solicitors. Mr. Ng has been elected as a member of Court of the University of Hong Kong. Mr. Ng is also a Council Member of the Hong Kong Polytechnic University, a director of the Hong Kong Science & Technology Parks Corporation, a chairman of the Hong Kong Taiwan Business Co-operation Committee, a chairman of HKSAR Passports Appeal Board, a vice chairman of Independent Police Complaint Council, a non-executive director of Mandatory Provident Fund Schemes Authority, a member of Competition Commission and a member of the Chinese People's Political Consultative Conference of Chongqing City, the PRC. Mr. Ng has been appointed as an independent non-executive director of MTR Corporation Limited (a company listed on the Stock Exchange) since May 2019. Mr. Ng has also been appointed as an independent non-executive director of Glorious Sun Enterprises Limited (a company listed on the Stock Exchange) since June 2019. He has been elected as a member of the Legislative Council (Industrial (Second) Functional Constituency) on 4 September 2016. He had been acted as an independent non-executive director of China Weaving Materials Holdings Limited (a company listed on the Stock Exchange) from 3 December 2011 to 30 December 2019. Save as the aforesaid, Mr. Ng did not hold any directorship in other listed companies in the past three years.

Mr. Ng has entered into a new service contract with the Company on 4 January 2019 for a term of three years commencing from 4 January 2019. He is subject to retirement by rotation and re-election at the annual general meeting of the Company at least once in every three years in accordance with the Bye-laws. Mr. Ng is entitled to an annual remuneration of HK\$128,400, which is determined by the Board with reference to his duties and responsibilities, the prevailing market conditions and the recommendation of the remuneration committee of the Company.

As at the Latest Practicable Date, Mr. Ng does not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Ng does not have any relationship with any Directors, senior management, substantial shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Mr. Sun Liming, aged 67, an independent non-executive Director

Mr. Sun, was appointed as an independent non-executive Director, the chairman of the remuneration committee and a member of each of the audit committee and the nomination committee of the Company on 1 April 2012. Mr. Sun holds a bachelor's degree in management engineering from Xi'an Jiaotong University. Mr. Sun was a managing director of Lishan Company Limited in Hong Kong and a chief representative of Shaanxi Commerce Representative Office in Hong Kong for years, and he served as chief economist with 中國電子進出口陝西公司 (China Electronics Import and Export Shaanxi Company) as well as worked in stated-owned sectors for various senior economic and financial positions. Mr. Sun has extensive experience in corporate planning, and economic and financial management. Save as the aforesaid, Mr. Sun did not hold any directorship in other listed companies during the past three years.

Mr. Sun has entered into a new service contract with the Company on 4 January 2019 for a term of three years commencing from 4 January 2019. He is subject to retirement by rotation and re-election at the annual general meeting of the Company at least once in every three years in accordance with the Bye-laws. Mr. Sun is entitled to an annual remuneration of HK\$128,400, which is determined by the Board with reference to his duties and responsibilities, the prevailing market conditions and the recommendation of the remuneration committee of the Company.

As at the Latest Practicable Date, Mr. Sun is interested in 600,000 Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Sun does not have any relationship with any Directors, senior management, substantial shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Dr. Mu Guodong, aged 63, an independent non-executive Director

Dr. Mu was appointed as an independent non-executive Director on 28 December 2012. Dr. Mu was graduated from the School of Economics and Finance of Xi'an Jiaotong University (formerly known as "Shaanxi Institute of Finance & Economics") with a Master degree of Economics in 1988. He was appointed by the State Education Commission of the People's Republic of China as a visiting scholar of Macquarie University in Australia in 1993. Dr. Mu obtained the Endeavour Awards from the Australian Government to study the doctor's degree of Economics in 1995, and obtained his Doctor of Philosophy degree from The University of New England in 2001. Dr. Mu had acted as the assistant to the general manager of the business

development department of China Merchants Group Limited, the controlling shareholder of China Merchants Holdings (International) Company Limited (stock code: 144), a company listed on the Stock Exchange. Dr. Mu had acted as the general manager of 招商金葵資本管理有限責任公司 (China Merchants Jinkui Capital Management Company Limited) and had acted as the assistant to the general manager of China Merchants Capital Limited and the general manager of the Fundraising and IR Department of China Merchants Capital Management (International) Limited. Dr. Mu has extensive experience in corporate finance and management, merger and acquisition and corporate restructuring. He led and participated in numbers of large-scale merger and acquisition projects over the past ten years, which included the projects of China Merchants Group Limited in Vietnam and Sri Lanka, the project of highway merger integration and the project of Qianhai Bonded Port Area in Shenzhen. Save as the aforesaid, Dr. Mu did not hold any directorship in other listed companies during the past three years.

Dr. Mu Guodong has entered into a new service contract with the Company on 28 December 2019 for a term of three years commencing from 28 December 2019. He is subject to retirement by rotation and re-election at the annual general meeting of the Company at least once in every three years in accordance with the Bye-laws. Dr. Mu is entitled to an annual remuneration of HK\$128,400, which is determined by the Board with reference to his duties and responsibilities, the prevailing market conditions and the recommendation of the remuneration committee of the Company.

As at the Latest Practicable Date, Dr. Mu is interested in 300,000 Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Dr. Mu does not have any relationship with any Directors, senior management, substantial shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

NOTICE OF THE AGM



延長石油國際有限公司

YANCHANG PETROLEUM INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00346)

NOTICE IS HEREBY GIVEN THAT an annual general meeting (the “AGM”) of Yanchang Petroleum International Limited (the “Company”) will be held at Room Tianshan and Lushan, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 28 May 2021 at 3:30 p.m., or any adjournment thereof, for the following purposes:

AS ORDINARY BUSINESS AND ORDINARY RESOLUTIONS

1. To receive and consider the audited financial statements and the report of the directors and the independent auditor’s report of the Company and its subsidiaries for the year ended 31 December 2020.
2. To re-elect the following directors of the Company and to authorise the board of directors of the Company (the “Board”) to fix the remuneration of directors of the Company:
 - 2.1 Mr. Feng Yinguo
 - 2.2 Mr. Zhang Jianmin
 - 2.3 Mr. Ding Jiasheng
 - 2.4 Mr. Ng Wing Ka
 - 2.5 Mr. Sun Liming
 - 2.6 Dr. Mu Guodong
3. To appoint BDO Limited as auditors of the Company and to authorise the Board to fix their remuneration.

AS SPECIAL BUSINESS, to consider and, if thought fit, pass with or without amendments, the following resolutions no. 4, 5 and 6 as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

4. **“THAT:**
 - (a) subject to the following provisions of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of

NOTICE OF THE AGM

HK\$0.02 each in the share capital of the Company (the “Shares”), and to make or grant offers, agreements and options (including securities convertible into Shares) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including securities convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of the share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (iii) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company from time to time; shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law of Bermuda to be held; or
 - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of Shares open for a period fixed by the directors of the Company to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory bodies or any stock exchanges in, any territories applicable to the Company).”

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5. “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the Shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchanges on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other recognised stock exchanges as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law of Bermuda to be held; or
 - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

6. “**THAT** conditional upon resolutions no. 4 and 5 above being passed, the unconditional general mandate granted to the directors of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements, and options which might require the exercise of such powers pursuant to resolution no. 4 above be and is hereby extended by the additional thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 5 above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution.”

By Order of the Board
Yanchang Petroleum International Limited
Feng Yinguo
Chairman

Hong Kong, 23 April 2021

NOTICE OF THE AGM

Notes:

1. The register of members of the Company will be closed from 25 May 2021 to 28 May 2021 (both days inclusive), during which period no transfer of share(s) will be registered. In order to qualify for attending and voting at the AGM, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 24 May 2021.
2. A member of the Company entitled to attend and vote at the AGM is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), seniority being determined by the order in which names stand in the register of members.
4. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorised, and must be deposited with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time appointed for holding the AGM.
5. With respect to the resolution no. 2 as set out in this notice, Mr. Feng Yinguo, Mr. Zhang Jianmin, Mr. Ding Jiasheng, Mr. Ng Wing Ka, Mr. Sun Liming and Dr. Mu Guodong shall retire and, being eligible, offer themselves for re-election at the AGM. The biographical details of the said directors of the Company are set out in Appendix II to this circular.
6. Completion and return of the form of proxy will not preclude members from attending and voting at the AGM.
7. As at the date of this notice, the board of directors of the Company consists of seven directors, of which three are executive directors, namely Mr. Feng Yinguo (chairman), Mr. Zhang Jianmin and Mr. Ding Jiasheng and four are independent non-executive directors, namely Mr. Ng Wing Ka, Mr. Leung Ting Yuk, Mr. Sun Liming and Dr. Mu Guodong.

PRECAUTIONARY MEASURES FOR THE AGM

In view of the ongoing COVID-19 epidemic and recent requirements, if any, for prevention and control of its spread, the Company will implement the following preventive measures at the AGM:

- (i) compulsory wearing of surgical face masks by all attendees prior to admission to the meeting venue and throughout the AGM;
- (ii) compulsory temperature check will be conducted on every attendee, any person with a body temperature of over 37.2 degrees Celsius, or has flu-like symptoms or is otherwise unwell will not be admitted to the meeting venue;
- (iii) maintenance of a safe distance between seats, and the Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding; and
- (iv) no refreshments or drinks will be served.

To the extent permitted under the laws of Hong Kong, the Company reserves the right to deny entry into the meeting venue or require any person to leave the meeting venue in order to ensure the safety of the attendees at the AGM.

Subject to the development of the COVID-19 situation, the Company may implement additional precautionary measures as and when appropriate.

In the interest of all stakeholders' health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative to attending the AGM in person, Shareholders are encouraged to consider appointing the chairman of the AGM as their proxy to vote on the resolution at the AGM by submitting the form of proxy with voting instructions inserted.

If you are not a registered Shareholder (if your shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.