**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Asia Energy Logistics Group Limited** (the "**Company**"), you should at once hand this circular and the accompanying form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



亞洲能源物流
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# ASIA ENERGY LOGISTICS GROUP LIMITED
# 亞洲能源物流集團有限公司

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 351)**

# PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME, PROPOSED GRANT OF OPTIONS AND NOTICE OF GENERAL MEETING

A notice convening the general meeting of the Company to be held at Holiday Inn Express Hong Kong Soho, 38/F., No. 83 Jervois Street, Sheung Wan, Hong Kong on Monday, 20 August 2018 at 11:30 a.m. (the "**GM**") or any adjournment thereof is set out on pages N-1 to N-3 of this circular.

Whether or not you propose to attend the GM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Secretaries Limited, at Level 22, 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 of the GM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the GM or any adjournment thereof (as the case may be) should you so wish.

1 August 2018

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

| | |
|---|---|
| "Adoption Date" | 20 August 2018, the date on which the New Share Option Scheme is conditionally adopted by the Company at the GM |
| "Associates" | has the meaning ascribed thereto in the Listing Rules |
| "Board" | the board of Directors of the Company or a duly authorized committee thereof |
| "Business Day" | a day (other than Saturday, Sunday or public holiday or any day on which a tropical cyclone warning No. 8 or above or a "black rainstorm warning signal" is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open in Hong Kong for general banking business |
| "Chairman" | the chairman of the Company |
| "Company" | Asia Energy Logistics Group Limited, a company incorporated in Hong Kong with limited liability and having its issued Shares listed on the Main Board (stock code: 351) |
| "Conditional Grantees" | Mr. Fu, Mr. Siu, Mr. Liang, Mr. Yu and Mr. Lin, the grant of Options to each of whom is subject to the Independent Shareholders passing an ordinary resolution at the GM |
| "Connected Person" | has the meaning ascribed to it under the Listing Rules |
| "Date of Grant" | the date on which the 247,987,622 Options under the New Share Option Scheme are to be granted, upon fulfilment of the conditions of the Proposed Grant |
| "Director(s)" | the director(s) of the Company |
| "Eligible Participant" | (a) any employee (whether full time or part time, including any executive directors but excluding any non-executive director) of the Company, or of any of its Subsidiaries or Invested Entity in which any member of the Group holds any equity interest;<br>(b) any non-executive director (including independent non-executive director) of the Company, any of its Subsidiaries or any Invested Entity;<br>(c) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity; |

| | |
|---|---|
| | (d) any other entity (including any consultant, adviser, distributor, contractor, supplier, agent, customer, business partner, joint venture business partner, promoter or service provider of any member of the Group) whom the Board considers, in its sole discretion, has contributed or will contribute to the Group; or |
| | (e) any other person (including any individual staff member of any consultant, adviser, distributor, contractor, supplier, agent, customer, business partner, joint venture business partner, promoter or service provider of any member of the Group) whom the Board considers, in its sole discretion, has contributed or will contribute to the Group; |
| "GM" | the general meeting of the Company to be held at Holiday Inn Express Hong Kong Soho, 38/F., No. 83 Jervois Street, Sheung Wan, Hong Kong on Monday, 20 August 2018 at 11:30 a.m. |
| "Grantee" | any Eligible Participant who accepts the offer of the grant of any Option in accordance with the terms of the New Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Grantee |
| "Group" | the Company and its Subsidiaries from time to time |
| "Hong Kong" | the Hong Kong Special Administrative Region of the People's Republic of China |
| "Independent Shareholders" | Shareholders other than Conditional Grantees and their Associates |
| "Invested Entity" | any entity in which the Group holds any equity interest |
| "Latest Practicable Date" | 27 July 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein |
| "Listing Committee" | the listing committee of the Stock Exchange |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Main Board (as amended from time to time) |
| "Main Board" | the Main Board of the Stock Exchange |
| "Mr. Fu" | Mr. Fu Yongyuan, being an executive Director |
| "Mr. Liang" | Mr. Liang Jun, being an executive Director |

| | |
|---|---|
| "Mr. Lin" | Mr. Lin Hoi Kwong, being the general manager of the Company |
| "Mr. Siu" | Mr. Siu Miu Man, being an executive Director |
| "Mr. Yu" | Mr. Yu Baodong, being the non-executive Director and the Chairman |
| "New Share Option Scheme" | the share option scheme proposed to be adopted by the Company at the GM, a summary of the principal terms of which is set out in the Appendix to this circular |
| "Offer Date" | the date on which any Option is offered to such Eligible Participant under the New Share Option Scheme |
| "Option(s)" | option(s) to subscribe for Shares granted pursuant to the New Share Option Scheme |
| "Option Period" | in respect of any particular Option (subject as otherwise provided under the terms of the New Share Option Scheme, including without limitation paragraph 17 in the Appendix to this circular), such period during which the Option is exercisable as set out in the offer of the Option, which shall, at the discretion of the Directors, commence at any time on or after the date of the offer of the Option and expire no later than the tenth anniversary of the date of such offer, and in case the Option is offered on different occasions, the option period shall commence at any time on or after the date of the first offer |
| "Previous Share Option Scheme" | the share option scheme of the Company adopted on 20 August 2008, the scheme mandate limit of which was refreshed on 3 June 2010 |
| "Proposed Grant" | the proposed grant of 247,987,622 Options to subscribe for an aggregate of 247,987,622 Shares to Conditional Grantees and 28 other individuals, which is subject to fulfillment of the conditions precedent that (i) the Shareholders having passed ordinary resolutions to approve the proposed adoption of the New Share Option Scheme and termination of the Previous Share Option Scheme at the GM, and (ii) for the proposed grant to the Conditional Grantees, the Independent Shareholders having passed ordinary resolutions to approve the said proposed grant at the GM |
| "Shares" | ordinary shares (or such shares as shall result from any division, sub-division, consolidation, re-classification or re-construction of the ordinary shares or any portfolio thereof from time to time) in the Company |

| | |
|---|---|
| "Shareholders" | holders of the Shares from time to time |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Subscription Price" | the price per Share at which a Grantee may subscribe for certain portfolio of the Shares on the exercise of an Option |
| "Subsidiary" | a company which is for the time being and/or from time to time a subsidiary of the Company |
| "Substantial Shareholder" | has the meaning ascribed thereto under the Listing Rules |
| "HK$" | Hong Kong dollars, the lawful currency of Hong Kong |
| "%" | per cent. |

亞洲能源物流
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# ASIA ENERGY LOGISTICS GROUP LIMITED
# 亞洲能源物流集團有限公司

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 351)**

*Executive Directors:*
Mr. Liang Jun
Mr. Fu Yongyuan
Mr. Lin Wenqing
Mr. Siu Miu Man

*Non-executive Director:*
Mr. Yu Baodong *(Chairman)*

*Independent Non-executive Directors:*
Mr. Chan Chi Yuen
Mr. Wong Cheuk Bun
Mr. Wong Yin Shun

*Registered Office:*
Room 2404, 24/F
Wing On Centre
111 Connaught Road Central
Hong Kong

1 August 2018

*To the Shareholders and, for information only, convertible bonds holders and holders of options of the Company*

Dear Sir or Madam,

## PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME, PROPOSED GRANT OF OPTIONS AND NOTICE OF GENERAL MEETING

### 1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the ordinary resolutions to be proposed at the GM on adoption of the New Share Option Scheme, termination of the Previous Share Option Scheme and the Proposed Grant to enable you to make an informed decision on whether to vote for or against the resolutions and to give you notice of the GM at which the ordinary resolutions as set out in the notice of GM will be proposed.

## 2. ADOPTION OF THE NEW SHARE OPTION SCHEME

The Previous Share Option Scheme, which became effective on 20 August 2008 and will expire on 19 August 2018, was adopted by the Group for the purpose to attract, retain and motivate talented participants to strive for future developments and expansion of the Group. Under the Previous Share Option Scheme, 31,320,000 options (adjusted after share consolidation) were granted on 21 April 2011, among which 100,000 options were not accepted, 2,890,000 options were exercised, 13,130,000 options lapsed and 15,200,000 options were outstanding as at the Latest Practicable Date. 97,250,271 options were granted on 16 April 2018 and accepted, all of which were outstanding as at the Latest Practicable Date. In total, options previously granted but unexercised which as at the Latest Practicable Date, entitled the option holders to subscribe for an aggregate of 112,450,271 Shares upon the exercise in full of the options and represented approximately 4.53% of the total issued Shares, will remain valid and exercisable in accordance with the terms of the Previous Share Option Scheme and their respective terms of issue.

### Terms of options granted under the Previous Share Option Scheme

Under the Previous Share Option Scheme, 31,320,000 options (adjusted after share consolidation) were granted at an exercise price of HK$1.680 per share (adjusted after share consolidation) on 21 April 2011, which are exercisable during a period of 10 years commencing from the date of grant of the options subject to the following vesting schedule: (i) up to 40% of the total number of options will be vested from the date of grant of the options; (ii) an additional 30% of the total number of options will be vested upon the first anniversary of the date of grant of the options; and (iii) the remaining 30% of the total number of options will be vested upon the second anniversary of the date of grant of the options. 97,250,271 options were granted at an exercise price of HK$0.1432 per share on 16 April 2018, which are exercisable during a period of 10 years commencing from the date of grant of the options.

In view of (i) assuming there is no refreshment of the scheme mandate limit, the scheme mandate limit of the Previous Share Option Scheme has been reached; and (ii) the Previous Share Option Scheme is going to expire in less than one month, the Board recommends the Shareholders to adopt the New Share Option Scheme and terminate the Previous Share Option Scheme subject to and upon adoption of the New Share Option Scheme so that the Company may grant Options to selected Eligible Participants as incentives or rewards for their contribution to the Group (or any member of the Group) and/or to enable the Group (or any member of the Group) to recruit and retain high caliber employees and attract human resources that are valuable to the Group (or any member of the Group) and/or to any Invested Entity. According to the terms of the Previous Share Option Scheme, the Company may by ordinary resolution in general meeting terminate or the Board may at any time terminate the operation of the Previous Share Option Scheme and in such event no further options will be offered but in all other respects the provisions of the Previous Share Option Scheme in relation to any outstanding options shall remain in full force and effect.

Under the New Share Option Scheme, the Board has the authority to set the terms and conditions in the grant of the Options (e.g. in relation to the minimum period of the Options to be held, the performance targets to be achieved before such Options can be exercised and to determine the Subscription Price). The Directors consider that the aforesaid terms of the New Share Option Scheme will provide the Board with more flexibility in imposing appropriate conditions in light of the circumstances of each grant and help to achieve the purpose of the New Share Option Scheme.

The New Share Option Scheme shall take effect conditional upon:

(a) the passing of the resolution of Shareholders to adopt the New Share Option Scheme; and

(b) the Listing Committee granting the listing of, and permission to deal in, the Shares falling to be issued pursuant to the exercise of Option under the New Share Option Scheme.

Under the New Share Option Scheme, the aggregate number of Shares in respect of which Options (including both exercised and outstanding Options) may be granted under the New Share Option Scheme and any other share option scheme(s) of the Company shall not, in aggregate exceed 10% of the total number of Shares in issue on the Adoption Date. Further, the maximum number of Shares which may be issued upon exercise of all outstanding Options granted under the New Share Option Scheme and any other share option scheme(s) of the Company must not exceed 30% of the total number of Shares in issue from time to time.

None of the Director is a trustee of the New Share Option Scheme or has a direct or indirect interest in the trustee of the New Share Option Scheme, if any.

As at the Latest Practicable Date, the Company has 2,479,876,223 Shares in issue. Assuming that there is no change in the issued Shares between the period from the Latest Practicable Date to the Adoption Date of the New Share Option Scheme, the number of Shares issuable pursuant to the New Share Option Scheme and any other share option scheme(s) of the Company on the Adoption Date will be 247,987,622 Shares, representing 10% of the total number of Shares in issue. If all 112,450,271 outstanding options granted under the Previous Share Option Scheme are exercised in full prior to the Adoption Date, the issued Shares would be increased to 2,592,326,494 Shares. The number of Shares issuable pursuant to the New Share Option Scheme and any other share option scheme(s) of the Company on the Adoption Date will be 259,232,649 Shares, representing 10% of the then total number of Shares in issue.

An application will be made to the Listing Committee for approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any Options that may be granted under the New Share Option Scheme.

The Directors consider that it is not appropriate to state the value of all Options that can be granted pursuant to the New Share Option Scheme as if they had been granted at the Latest Practicable Date. The Directors believe that any statement regarding the value of the

Options as at the Latest Practicable Date will not be meaningful to the Shareholders, taking into account the number of variables which are crucial for the calculation of the value of the Options which have not been determined. Such variables include the Subscription Price, Option Period, any lock-up period, any performance targets set and other relevant variables. However, Shareholders should note that, in compliance with the Listing Rules, estimated valuations of Options granted during any financial period will be provided based on the Black-Scholes option pricing model, binomial model or a comparable generally accepted methodology as at the end of the relevant financial period for the interim and final results of the Company.

An ordinary resolution to approve and adopt the New Share Option Scheme will be proposed at the GM. A summary of the principal terms of the New Share Option Scheme is given in the Appendix to this circular.

Copy of the New Share Option Scheme will be available for inspection during normal business hours (Saturdays and public holidays excepted) at the registered office of the Company at Room 2404, 24/F, Wing On Centre, 111 Connaught Road Central, Hong Kong, from the date of this circular until the date of the GM.

## 3. PROPOSED GRANT OF OPTIONS

Subject to the New Share Option Scheme becoming effective, the Board proposed that an aggregate of 247,987,622 Options be granted to Conditional Grantees (conditional upon the approval by the Independent Shareholders) and 28 other individuals respectively, representing approximately 10% of the total number of Shares in issue as at the Latest Practicable Date.

The distribution of Options to be granted under the New Share Option Scheme would be as follows:

| Name | Position in/relationship with the Company | Number of options granted under the Previous Share Option Scheme in the past 12 months | Number of Options proposed to be granted under the New Share Option Scheme | Approximate percentage to total number of Shares in issue |
|---|---|---|---|---|
| Mr. Fu | Executive Director | 24,510,071 | 47,000,000 | 2.88% |
| Mr. Siu | Executive Director | 24,510,050 | 46,000,000 | 2.84% |
| Mr. Liang | Executive Director | 4,510,050 | 21,000,000 | 1.03% |
| Mr. Yu | Chairman and Non-Executive Director | 4,510,050 | 45,000,000 | 2.00% |
| Mr. Lin | General Manager | 24,510,050 | 37,000,000 | 2.48% |
| 28 individuals | Other Eligible Participants | 14,700,000 Note 1 | 51,987,622 | 2.69% |
| **Total** | | 97,250,271 Note 2 | 247,987,622 | 13.92% |

*Notes:*

1. As at the Latest Practicable Date, options under the Previous Share Option Scheme were only granted to 25 individuals besides the Conditional Grantees in the past 12 months.

2. For the terms of these options, please refer to the second paragraph on page 6.

As resolved by the Board at the Board meeting on 16 July 2018, the Proposed Grant was approved by the Board and the exercise price for these Options is set at HK$0.0976 per Share, representing the higher of the closing price on the date of the Board meeting and the average closing price for the five Business Days immediately preceding the date of the Board meeting. The Options are exercisable during the Option Period.

The Company will publish an announcement as required by rule 17.06A of the Listing Rules as soon as possible upon the Proposed Grant becoming effective.

**Reasons for the Proposed Grant**

The Company considers that the Proposed Grant gives recognition for the contributions of Conditional Grantees and 28 other individuals to the development of the Group and provides them incentives to align their interests with the financial performance of the Company. Mr. Fu was appointed as an executive Director with effect from 6 July 2016 with his responsibilities ranging from management of freight to vessel chartering operations for the shipping and logistics business of the Group. He monitors the shipping market from time to time and explores opportunities to expand the Group's business. Given Mr. Fu's respective expertise and management, the Group's shipping and logistics business has improved significantly, which changed from a segment loss in 2016 (loss of approximately HK$1,225,000) to a segment gain in 2017 (gain of approximately HK$19,523,000) that recovers the Group's shipping market to a level which justifies the further acquisition. Mr. Fu has over 40 years of experience in shipping and freight management, his continued contribution to the Group will be of critical importance to the development and growth of the Group.

Mr. Siu joined the Company on 15 August 2016 as an independent non-executive Director and was re-designated as an executive Director with effect from 24 March 2018. He holds a Master of Science Degree in Electronic Commerce from the Hong Kong Polytechnic University and he is a Registered Professional Engineer, a Registered Professional Surveyor and an Authorized Person by qualification under the Building Ordinance (Chapter 123 of the Laws of Hong Kong). In addition, Mr. Siu is a corporate member of the Chartered Institute of Arbitrators, the Royal Institution of Chartered Surveyors, the Hong Kong Institute of Surveyors and the Hong Kong Institution of Engineers. He has the overall responsibility for determining the long-term business strategy of the Group as a whole. He also has extensive engineering experience in construction business and real estate development, and plays vital roles in, and participates in, the railway planning in the railway construction and operations business. Mr. Siu is equipped with expertise to put forward any possible solutions in relation to the outstanding railway sections to the Company and the relevant authorities to expedite the construction progress. He has also established networks which may introduce potential projects for the Group's future expansion and bring synergy to the Group to facilitate its development and growth. Now serving as an executive Director, Mr. Siu continues to guide the Group in strategic planning and business development as well as leading the management in implementing the business strategies of the Group.

Mr. Liang has been an executive Director for a term of twelve years since 12 June 2006 and is a member of the remuneration committee of the Company. Previously, he was the Chairman until he resigned from such position on 26 January 2010. He graduated from Tong Ji University (previously known as Tie Dao University of Shanghai) with a bachelor degree in Telecommunications Engineering. Mr. Liang has over 20 years of experience in business development in China and participates in the negotiation and execution process of various potential investment projects for expansion of the Group's business and identifying new business opportunities in the region which are in line with the Group's strategy.

Mr. Yu has been a non-executive Director since 31 March 2009 and the Chairman since 26 January 2010. Mr. Yu is also the chairman of the nomination committee of the Company. He holds a master degree in Economics from the People's University of China and a doctorate degree in Economics from the Wuhan University and has over 10 years of experience in project investment and corporate management. He has taken up the role as Chairman, being responsible for activating and coordinating the Group's resources to support development of strategy and process of the Group and its business. He also has extensive experience in the power industry and has experience in handling corporate finance projects. Mr. Yu was an executive director of GCL-Poly Energy Holdings Limited (Stock Code: 3800) from November 2006 to September 2014 and a non-executive director of GCL New Energy Holdings Limited (Stock Code: 451) from May 2014 to February 2015.

Mr. Lin joined the Company on 1 April 2018 and has been in the position of the general manager of the Company. Mr. Lin holds a Bachelor Degree in Business Administration from the Thames Valley University, United Kingdom and a Master of Science Degree in Marketing from The National University of Ireland. He has experiences in areas of corporate development and business strategy for over 20 years. Before joining the Group, he worked as a manager for several listed companies, as well as a director which was responsible for China affairs in China Fortune Foundation Limited and Value Convergence Holdings Limited. Mr. Lin, having extensive experiences and strong network in regards to China affairs, is responsible for the further development and coordination of the Group's business. He will offer great help in the Group's existing businesses and other possible investments in the future, when opportunities arise.

In view of the above, the Board believes that the Proposed Grant is in the interests of the Company and the Shareholders as a whole.

**Conditions of the Proposed Grant**

The Proposed Grant is conditional upon:

(a) the Shareholders passing ordinary resolutions to approve the proposed adoption of the New Share Option Scheme and termination of the Previous Share Option Scheme at the GM; and

(b) the Independent Shareholders passing ordinary resolutions to approve the Proposed Grant at the GM.

## 4. LISTING RULES IMPLICATIONS

The New Share Option Scheme constitutes a share option scheme pursuant to Chapter 17 of the Listing Rules. Pursuant to Rule 17.03(4) of the Listing Rules and the New Share Option Scheme, where any further grant of Options to an Eligible Participant, if exercised in full, would result in the total number of Shares already issued or to be issued upon exercise of all Options granted and to be granted to such Eligible Participant (including exercised, cancelled and outstanding Options) in any 12-month period up to and including the date of such further grant exceeding 1% of the total number of Shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his Associates abstaining from voting. The Company must send a circular to the Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the Options to be granted and Options previously granted to such Eligible Participant and the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules. The number and terms (including the Subscription Price) of the Options to be granted to such Eligible Participant must be fixed before the Shareholders' approval and the date of the meeting of the Board for proposing such further grant of Option should be taken as the Offer Date for the purpose of calculating the Subscription Price.

As at 16 July 2018, i.e. the date of the Board meeting for approving the Proposed Grant, the Proposed Grant will result in the Shares to be issued upon exercise of all the options granted and Options to be granted to Conditional Grantees in any 12-month period being more than 1% of the Shares in issue. Accordingly, such grant shall be subject to approval by the Independent Shareholders at the GM. As at the Latest Practicable Date, the Conditional Grantees hold outstanding options as to Mr. Fu (24,510,071 options), Mr. Siu (24,510,050 options), Mr. Liang (4,510,050 options), Mr. Yu (4,510,050 options) and Mr. Lin (24,510,050 options) respectively, amounting to an aggregate of 82,550,271 outstanding options of the Company granted under the Previous Share Option Scheme in the past 12 months.

Pursuant to Rule 17.04(1) of the Listing Rules and the New Share Option Scheme, each grant of Options to a Director, chief executive (other than a proposed Director or a proposed chief executive of the Company) or Substantial Shareholder, or any of their respective Associates, under the New Share Option Scheme or any other share option scheme of the Company or any of its subsidiaries shall comply with the requirements of Rule 17.04 of the Listing Rules and shall be subject to approval by the independent non-executive Directors (excluding independent non-executive Director who is a Grantee of the Options).The proposed grant of the Options to each of the above Directors and chief executive has been approved by the independent non-executive Directors.

In addition, Conditional Grantees and their Associates are required to abstain from voting on the resolutions for considering and approving the Proposed Grant as they have material interests therein. As at the Latest Practicable Date, none of the Conditional Grantees has any shareholding in the Company. Save for the aforesaid, none of the Shareholders has a material interest in the resolutions approving the adoption of the New Share Option Scheme, termination of the Previous Share Option Scheme and the Proposed Grant.

## 5. GM

The Company will convene the GM for the Shareholders to consider and, if thought fit, approve by way of poll, the adoption of New Share Option Scheme, termination of the Previous Share Option Scheme and the Proposed Grant. A notice convening the GM to be held at Holiday Inn Express Hong Kong Soho, 38/F., No. 83 Jervois Street, Sheung Wan, Hong Kong on Monday, 20 August 2018 at 11:30 a.m. is set out on pages N-1 to N-3 of this circular.

In order to ascertain the right to attend the GM, the register of members of the Company will be closed from Wednesday, 15 August 2018 to Monday, 20 August 2018 (both days inclusive) during which period no transfer of Shares will be registered. In order to be qualified for attending and voting at the GM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by not later than 4:30 p.m. on Tuesday, 14 August 2018.

Whether or not you propose to attend the GM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Secretaries Limited, at Level 22, 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 GM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the GM or any adjournment thereof (as the case may be) should you so wish.

## 6. RECOMMENDATION

Having considered the reasons set out herein, the Board is of the view that the adoption of New Share Option Scheme, termination of Previous Share Option Scheme and the Proposed Grant are in the interests of the Company and the Shareholders as a whole. The Board hereby recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the GM to approve the adoption of the New Share Option Scheme, termination of the Previous Share Option Scheme and the Proposed Grant.

## 7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By Order of the Board
**Asia Energy Logistics Group Limited**
**Liang Jun**
*Executive Director*

*The following summarises the principal terms of the New Share Option Scheme to be proposed for conditional approval by the Shareholders at the GM.*

## 1. PURPOSE OF THE NEW SHARE OPTION SCHEME

The purpose of the New Share Option Scheme is to enable the Company to grant Options to selected Eligible Participants as incentives or rewards for their contribution to the Group (or any member of the Group) and/or to enable the Group (or any member of the Group) to recruit and retain high caliber employees and attract human resources that are valuable to the Group (or any member of the Group) and/or to any Invested Entity.

## 2. WHO MAY JOIN

The basis of eligibility of any of the class of Eligible Participants to the grant of any Options shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group and any Invested Entity. For avoidance of any doubt,

(a) the grant of any option by the Company for the subscription of Shares or other securities of the Group to any person who fall within any of the classes of Eligible Participants shall not, by itself, unless the Board otherwise determined, be construed as a grant of Option under the New Share Option Scheme; and

(b) no person shall be an Eligible Participant only because of his, her or its being an eligible participant under any previous option scheme adopted by the Company whether or not such previous option scheme shall have lapsed by the date on which the conditions set out on page 7 of this circular are satisfied.

An Eligible Participant means: (a) any employee (whether full time or part time, including any executive directors but excluding any non-executive director) of the Company, or of any of its Subsidiaries or Invested Entity in which any member of the Group holds any equity interest; (b) any non-executive director (including independent non-executive director) of the Company, any of its Subsidiaries or any Invested Entity; (c) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity; (d) any other entity (including any consultant, adviser, distributor, contractor, supplier, agent, customer, business partner, joint venture business partner, promoter or service provider of any member of the Group) whom the Board considers, in its sole discretion, has contributed or will contribute to the Group; or (e) any other person (including any individual staff member of any consultant, adviser, distributor, contractor, supplier, agent, customer, business partner, joint venture business partner, promoter or service provider of any member of the Group) whom the Board considers, in its sole discretion, has contributed or will contribute to the Group.

## 3. SUBSCRIPTION PRICE OF SHARES

The Subscription Price in respect of any Option shall be such price as determined by the Board in its absolute discretion at the time of the grant of the relevant Option (and shall be stated in the letter containing the offer of the grant of the Option) but in any case the Subscription Price shall not be lower than the higher of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the Offer Date, which must be a Business Day; and (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 consecutive trading days immediately preceding the Offer Date.

## 4. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

(i) With respect to the number of Shares available for subscription under the New Share Option Scheme,

(a) The aggregate number of Shares in respect of which Options (including both exercised and outstanding Options) may be granted under the New Share Option Scheme and in respect of which any other share option scheme(s) of the Company may be granted shall not, subject to terms relating to effects of alterations of capital structure under the New Share Option Scheme, in aggregate exceed 10% of the total number of Shares in issue on the Adoption Date unless the Company seeks the approval of the Shareholders in general meeting for refreshing the 10% limit under the New Share Option Scheme provided that Options lapsed in accordance with the terms of the New Share Option Scheme or any other share option scheme(s) of the Company will not be counted for the purpose of calculation of the 10% limit under this sub-paragraph;

(b) The Company may seek approval of the Shareholders in general meeting for refreshing the 10% limit such that total number of Shares in respect of which Options may be granted under the New Share Option Scheme and any other share option scheme(s) of the Company as "refreshed" shall not exceed 10% of the total number of Shares in issue as at the date of the approval of the Shareholders provided that Options previously granted under the New Share Option Scheme or any other share option scheme(s) of the Company (including Options outstanding, cancelled, lapsed or exercised in accordance with the terms of the New Share Option Scheme or any other share option scheme(s) of the Company) will not be counted for the purpose of calculating the limit as "refreshed";

(c) For the purpose of seeking the approval of Shareholders under sub-paragraph 4(i)(d), a circular containing the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules must be sent to the Shareholders;

(d) The Company may seek separate approval by the Shareholders in general meeting for granting Options beyond the 10% limit provided that the Grantee(s) of such Option(s) must be specifically identified by the Company before such approval is sought. For the purpose of seeking the approval of the Shareholders under this sub-paragraph, the Company must issue a circular to the Shareholders containing a generic description of the specified Grantees who may be granted such Options, the number and terms of the Options to be granted, the purpose of granting such Options to the Grantees with an explanation as to how the terms of Options serve such purpose and the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer as required under Rule 17.02(4) of the Listing Rules; and

(e) Notwithstanding anything to the contrary in the New Share Option Scheme, the maximum number of Shares which may be issued upon exercise of all outstanding Options granted under the New Share Option Scheme and any other share option scheme(s) of the Company must not exceed 30% of the total number of Shares in issue from time to time. No Option may be granted under the New Share Option Scheme or any other share option scheme(s) of the Company if this will result in the limit set out in this sub-paragraph being exceeded.

(ii) Further to sub-paragraph 4(i),

(a) Subject to sub-paragraph 4(ii)(b), no Eligible Participant shall be granted an Option if exercised in full, would result in the total number of Shares issued and to be issued upon exercise of the Options granted to such Eligible Participant (including both exercised and outstanding Options) in any 12-month period exceeding 1% of the total number of Shares in issue; and

(b) Where any further grant of Options to an Eligible Participant, if exercised in full, would result in the total number of Shares already issued or to be issued upon exercise of all Options granted and to be granted to such Eligible Participant (including exercised, cancelled and outstanding Options) in any 12-month period up to and including the date of such further grant exceeding 1% of the total number of Shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his Associates abstaining from voting. The Company must send a circular to the Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the Options to be granted and Options previously granted to such Eligible Participant and the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules. The number and terms (including the Subscription Price) of the Options to be granted to such Eligible Participant must be fixed before the Shareholders' approval and the date of the meeting of the Board for proposing such further grant of Option should be taken as the Offer Date for the purpose of calculating the Subscription Price.

## 5. GRANT OF OPTIONS TO CONNECTED PERSONS OR ANY OF THEIR ASSOCIATES

Each grant of Options to a Director, chief executive (other than a proposed Director or a proposed chief executive of the Company) or Substantial Shareholder, or any of their respective Associates, under the New Share Option Scheme or any other share option scheme(s) of the Company or any of its subsidiaries shall comply with the requirements of Rule 17.04 of the Listing Rules and shall be subject to approval by the independent non-executive Directors (excluding independent non-executive Director who is a Grantee of the Options).

In case of any change in the terms of Options granted to a Substantial Shareholder or an independent non-executive Director, or any of their respective Associates; or where any grant of Options to a Substantial Shareholder or an independent non-executive Director, or any of their respective Associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12 months' period up to and including the date of such grant: (a) representing in aggregate over 0.1% of the relevant class of Shares in issue; and (b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK$5,000,000, such further grant of Options must be approved by the Shareholders. The Company shall issue a circular to all Shareholders in accordance with Rule 17.04(3) of the Listing Rules, which must contain the information as required. All Connected Persons of the Company must abstain from voting in favour at such general meeting, except that any Connected Person may vote against the relevant resolution at the general meeting provided that his or her or its intention to do so has been stated in the circular in accordance with the Listing Rules. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll.

## 6. TIME OF ACCEPTANCE AND EXERCISE OF OPTION

An offer of the grant of an Option shall be made to an Eligible Participant by letter in such form as the Board may from time to time determine requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the New Share Option Scheme and shall remain open for acceptance by the Eligible Participant concerned for a period of 7 days from the date upon which it is made provided that no such offer shall be open for acceptance after the tenth anniversary of the Adoption Date or after the New Share Option Scheme has been terminated.

An Option shall be deemed to have been granted and accepted (with retrospective effect from the Offer Date) when the duplicate letter comprising acceptance of the Option duly signed by the Grantee with the number of Shares in respect of which Offer is accepted clearly stated therein, together with a remittance in favour of the Company of HK$1.00 by way of consideration for the grant thereof is received by the Company. Such remittance shall in no circumstances be refundable.

Any Offer of the grant of an Option may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted on respect of such number of Shares as representing a board lot for the time being for the purposes of trading on the Stock Exchange or an integral multiple thereof. To the extent that the offer or the grant of an Option is not accepted within 7 days from the date upon which it is made in the manner indicated in the above paragraph, it will be deemed to have been irrevocably declined and lapsed automatically.

## 7. MINIMUM PERIOD TO BE HELD AND PERFORMANCE TARGET

There is no specific minimum period for which the Options or any part thereof shall be held, or performance target that has to be achieved before the exercise of any Option except as otherwise imposed by the Board pursuant to the New Share Option Scheme.

## 8. RIGHTS ARE PERSONAL TO GRANTEE

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Grantee.

## 9. RIGHTS ON CEASING EMPLOYMENT

If the Grantee is under employment with the Company and/or any of the Subsidiaries or the Invested Entity, in the event of the Grantee ceasing to be an Eligible Participant for the reason of such Grantee's resignation from the employment of the Company or of any of the Subsidiaries or the Invested Entity or the termination of his or her employment by the Company or the relevant Subsidiary or Invested Entity or the expiry of his or her employment with the Company or the relevant Subsidiary or Invested Entity other than the termination of his or her employment on one or more of the grounds specified in sub-paragraph 17(h) the Grantee may, exercise the Option up to his or her entitlement at such date of cessation (to the extent not already exercised) on or before the date of such cessation, which date shall be the last actual working day on which the Grantee was at work with the Company, or the relevant Subsidiary or Invested Entity, on which salary is paid whether in lieu of notice or not, or such longer period as the Board may determine.

## 10. RIGHTS ON ILL-HEALTH OR RETIREMENT/DEATH

If the Grantee is under employment with the Company and/or any of the Subsidiaries or the Invested Entity, in the event of the Grantee ceasing to be an Eligible Participant for the reason of his or her ill-health or retirement, the Grantee may, subject to sub-paragraph 17(a), exercise the Option up to his or her entitlement at such date of cessation (to the extent not already exercised) within the period of 12 months following the date of such cessation, which date shall be the last actual working day on which the Grantee was at work with the Company, or the relevant Subsidiary or Invested Entity, on which salary is paid whether in *lieu* of notice or not, or such longer period as the Board may determine.

If the Grantee is under employment with the Company and/or any of the Subsidiaries or the Invested Entity, in the event of the Grantee ceasing to be an Eligible Participant for the reason of his or her death, the legal personal representative(s) of the Grantee may, notwithstanding sub-paragraph 17(a), exercise the Option up to the Grantee's entitlement at such date of cessation (to the extent not already exercised) within the period of 12 months following the date of such cessation, which date shall be the last actual working day on which the Grantee was at work with the Company, or the relevant Subsidiary or Invested Entity, on which salary is paid whether in *lieu* of notice or not, or such longer period as the Board may determine.

## 11. EFFECT OF ALTERATIONS OF CAPITAL STRUCTURE

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalisation issue, rights issue, sub-division or consolidation of Shares or reduction of share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), such corresponding alterations (if any) shall be made in: (a) the number of Shares subject to the Option so far as unexercised; and/or (b) the Subscription Price; and/or (c) the method of exercise of the Option; and/or (d) the maximum number of Shares referred to in paragraph 4, as the Company's independent financial adviser or auditors of the Company shall certify in writing to the Board to be in their opinion appropriate, fair and reasonable, provided that any alteration shall be made on the basis that the proportion of the issued share capital of the Company to which a Grantee is entitled after such alteration shall remain the same as that to which he or she or it was entitled before such alteration and that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, but so that no such adjustment will be required in circumstances where there is an issue of Shares or other securities of the Group as consideration in a transaction.

## 12. RIGHTS ON A GENERAL OR PARTIAL OFFER

In the event of a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holder other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, *mutatis mutandis*, and assuming that they will become, by the exercise in full of the Options granted to them, shareholders of the Company. If such offer becomes or is declared unconditional, a Grantee shall be entitled to exercise his or her or its Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in exercise of his or her or its Option at any time before the close of such offer (or any revised offer).

## 13. RIGHTS ON WINDING-UP

In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date or as soon as possible after it despatches such notice to each member of the Company give notice thereof to all Grantees (together with a notice of the existence of the provisions of this paragraph) and thereupon, each Grantee (or where permitted under paragraph 12 his or her legal personal representative(s) shall be entitled to exercise all or any of his or her or its Options (to the extent which has become exercisable and not already exercised) at any time not later than 2 Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid, which Shares shall rank *pari passu* with all other Shares in issue on the date prior to the passing of the resolution to wind-up the Company to participate in the distribution of assets of the Company available in liquidation.

## 14. RIGHTS ON A COMPROMISE OR ARRANGEMENT

In the event of a compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and its members (or any class of them), in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same day as it gives notice of the meeting to its members or creditors to consider such a scheme or arrangement, and thereupon any Grantee (or where permitted under the 2nd sub-paragraph of paragraph 10 his or her legal personal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of the date falling 2 calendar months thereafter and the date on which such compromise or arrangement is sanctioned by Court be entitled to exercise his or her or its Option (to the extent which has become exercisable and not already exercised), but the exercise of the Option shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective. The Company may thereafter require such Grantee to transfer or otherwise deal with the Shares issued as a result of such exercise of his or her or its Option so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement.

## 15. RANKING OF SHARES

No dividends will be payable and no voting rights will be exerciseable in relation to an Option that has not been exercised. The Shares to be issued and allotted upon the exercise of an Option will be subject to all the provisions of the Articles of Association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment of the Shares (on exercise of the Option) (the

"**Allotment Date**") and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the Allotment Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the Allotment Date, provided always that when the Allotment Date falls on a day upon which the register of members of the Company is closed then the allotment upon the exercise of the Option shall become effective on the first Business Day on which the register of members of the Company is re-opened. A Share allotted upon the exercise of an Option shall not carry any dividend right and voting rights until the completion of the registration of the Grantee as the holder thereof.

## 16. PERIOD OF THE NEW SHARE OPTION SCHEME

Subject to paragraph 20, the New Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date on which the conditions set out on page 7 of this circular are satisfied.

## 17. LAPSE OF OPTION

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

(a) the expiry of the Option Period;

(b) the expiry of any of the periods referred to in paragraphs 9 or 10;

(c) the date on which the offer (or as the case may be, revised offer) referred to in paragraph 12, which has become or is declared unconditional, closes;

(d) the date of the commencement of the winding-up of the Company referred to in paragraph 13;

(e) if the Grantee is under employment with the Company and/or any of the Subsidiaries or the Invested Entity, the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of his or her employment on any one or more of the grounds that he or she voluntarily resigns, or has been guilty of misconduct or has found to have breached the terms of employment during his or her employment (regardless of whether such employment contract has already been terminated) leading to a material loss or damage to the Group, or his or her employment has terminated by reason of the failure of such employment to pass the annual evaluation, or has become bankrupt or insolvent or has made any arrangement or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his or her employment at law or pursuant to any applicable laws or under the Grantee's service contract with the Company or the relevant Subsidiary or the relevant Invested Entity. A resolution of the Board or the board of directors of the relevant Subsidiary or the board of directors of the relevant

Invested Entity to the effect that employment of a Grantee has or has not been terminated on one or more of the grounds specified in this sub-paragraph shall be conclusive and binding on the Grantee;

(f) the date when the proposed compromise or arrangement becomes effective referred to in paragraph 14;

(g) the date on which the Grantee commits a breach of paragraph 8 or the Options are cancelled in accordance with terms relating to cancellation of options under the New Share Option Scheme; or

(h) if the Directors at their absolute discretion determine that the Grantee (other than an Eligible Participant) or his or her or its Associate has committed any breach of any contract entered into between the Grantee or his or her or its Associate on the one part and any member of the Group or any Invested Entity on the other part or that the Grantee has become bankrupt or insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his or her or its creditors generally, the Directors shall determine that the outstanding Options granted to the Grantee (whether exercisable or not) shall lapse and in such event, his or her or its Options will lapse automatically and will not in any event be exercisable on or after the date on which the Directors have so determined.

## 18. ALTERATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme may be altered in any respect by resolution of the Board except that: (a) any changes to the definitions of "Eligible Participant", "Grantee" and "Option Period"; (b) any alteration to the terms and conditions of the New Share Option Scheme which are of a material nature; (c) any change to the terms of Options granted (except where the alterations take effect pursuant to the terms of the New Share Option Scheme); (d) any change to the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme; (e) any change to the provisions of the New Share Option Scheme in relation to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantee; and (f) any alteration to the termination provisions of the New Share Option Scheme, must be approved by a resolution of the Shareholders in general meeting at which any persons to whom or for whose benefit the Shares may be issued under the New Share Option Scheme and their respective Associates shall abstain from voting provided that the amended terms of the New Share Option Scheme or the Options shall remain in compliance with the requirements of Chapter 17 of the Listing Rules and that no such alteration shall operate to adversely affect the terms of issue of any Option granted or agreed to be granted prior to such alteration or to reduce the proportion of the equity capital to which any person was entitled pursuant to such Option prior to such alteration except with the consent or sanction in writing of such number of Grantees as shall together hold Options in respect of not less than three-fourths in nominal value of all Shares then subject to Options granted under the New Share Option Scheme and provided further that any alteration to the terms and conditions of the New Share Option Scheme which are of a material nature shall first be approved by the Stock Exchange.

## 19. CANCELLATION OF OPTIONS

The Company may cancel an Option granted but not exercised with the approval of the Grantee of such Option. Where the Company cancels Options granted to an Eligible Participant, the Company may, in place thereof, grant new options to the same Eligible Participant, provided that there are available unissued Options (excluding the cancelled Options) within the limit approved by the Shareholders as mentioned in paragraph 4(i).

## 20. TERMINATION

The Company, by resolution in general meeting, or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Option will be offered but the provisions of the New Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of the Options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provision of the New Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

亞洲能源物流
ASIAENERGY
Logistics

# ASIA ENERGY LOGISTICS GROUP LIMITED
# 亞洲能源物流集團有限公司

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 351)**

## NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an general meeting (the "**GM**") of Asia Energy Logistics Group Limited (the "**Company**") will be held at Holiday Inn Express Hong Kong Soho, 38/F., No. 83 Jervois Street, Sheung Wan, Hong Kong on Monday, 20 August 2018 at 11:30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

### ORDINARY RESOLUTIONS

1. "**THAT** conditional upon The Stock Exchange of Hong Kong Limited granting approval of the listing of and permission to deal in the shares falling to be issued pursuant to the exercise of any options granted under the new share option scheme of the Company, the terms of which are contained in the document produced to the GM marked "A" and initialed by the chairman of the GM for the purpose of identification (the "**New Share Option Scheme**"), the New Share Option Scheme be approved and adopted as the New Share Option Scheme and that the directors of the Company be authorized to grant options thereunder and to allot and issue shares pursuant to the New Share Option Scheme and take all such steps as may be necessary or desirable to implement the New Share Option Scheme."

2. "**THAT** the previous share option scheme adopted by the Company on 20 August 2008 (the "**Previous Share Option Scheme**") be terminated upon the New Share Option Scheme becoming unconditional such that thereafter no further options shall be offered under and/or pursuant to the Previous Share Option Scheme but in all other respects the provisions of the Previous Share Option Scheme shall remain in full force and effect and options granted thereunder prior to such termination shall continue to be valid and exercisable in accordance with their terms of issue."

3. "**THAT** subject to and conditional upon the passing of resolutions 1 and 2 above, the grant of options to Mr. Liang Jun pursuant to the New Share Option Scheme, details of which are set out in the circular of the Company dated 1 August 2018, be and is hereby confirmed, approved and ratified."

4. "**THAT** subject to and conditional upon the passing of resolutions 1 and 2 above, the grant of options to Mr. Fu Yongyuan pursuant to the New Share Option Scheme, details of which are set out in the circular of the Company dated 1 August 2018, be and is hereby confirmed, approved and ratified."

5. "**THAT** subject to and conditional upon the passing of resolutions 1 and 2 above, the grant of options to Mr. Siu Miu Man pursuant to the New Share Option Scheme, details of which are set out in the circular of the Company dated 1 August 2018, be and is hereby confirmed, approved and ratified."

6. "**THAT** subject to and conditional upon the passing of resolutions 1 and 2 above, the grant of options to Mr. Yu Baodong pursuant to the New Share Option Scheme, details of which are set out in the circular of the Company dated 1 August 2018, be and is hereby confirmed, approved and ratified."

7. "**THAT** subject to and conditional upon the passing of resolutions 1 and 2 above, the grant of options to Mr. Lin Hoi Kwong pursuant to the New Share Option Scheme, details of which are set out in the circular of the Company dated 1 August 2018, be and is hereby confirmed, approved and ratified."

By Order of the Board
**Asia Energy Logistics Group Limited**
**Liang Jun**
*Executive Director*

1 August 2018

*Registered Office:*
Room 2404, 24/F
Wing On Centre
111 Connaught Road Central
Hong Kong

*Notes:*

(1) A member of the Company entitled to attend and vote at the GM is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares in the Company may appoint more than one proxy. A proxy need not be a member of the Company.

(2) To be valid, the form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited with the Company's share registrar, Tricor Secretaries Limited at Level 22, 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 GM or any adjournment thereof (as the case may be).

(3) Where there are joint holders in any share of the Company, any one of such joint holders may vote at the GM, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the GM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

(4) For the purpose of determining the entitlement to attend and vote at the GM, the register of members of the Company will be closed from Wednesday, 15 August 2018 to Monday, 20 August 2018 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be qualified for attending and voting at the GM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar at the address stated in note (2) above for registration by not later than 4:30 p.m. on Tuesday, 14 August 2018.

*As at the date of this notice, the executive directors of the Company are Mr. Liang Jun, Mr. Fu Yongyuan, Mr. Lin Wenqing and Mr. Siu Miu Man; the non-executive director of the Company is Mr. Yu Baodong (Chairman); and the independent non-executive directors of the Company are Mr. Chan Chi Yuen, Mr. Wong Cheuk Bun and Mr. Wong Yin Shun.*