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

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

**If you have sold or transferred** all your shares in Kaisun Energy Group Limited, 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, registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**KAISUN ENERGY GROUP LIMITED**

**凱順能源集團有限公司\***

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

**(Stock Code: 8203)**

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

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A notice convening the annual general meeting of Kaisun Energy Group Limited to be held at 21/F Chun Wo Commercial Centre, 23–29 Wing Wo Street, Central, Hong Kong on Monday, 19 May 2014 at 10:30 a.m. is set out on pages 14 to 17 of this circular. Whether or not you intend to attend the meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude shareholders from attending and voting at the meeting, or any adjourned meeting, should they so wish.

*This circular will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for at least 7 days from the day of its posting.*

\* For identification purposes only

14 April 2014

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## CHARACTERISTICS OF GEM

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**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 21/F Chun Wo Commercial Centre, 23–29 Wing Wo Street, Central, Hong Kong on Monday, 19 May 2014 at 10:30 a.m.
“Articles”	the articles of association of the Company
“Board”	the board of Directors
“Company”	Kaisun Energy Group Limited, an exempted company incorporated in the Cayman Islands with limited liability under the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, the Shares of which are listed on GEM
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general and unconditional mandate to the Directors to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the resolution approving the Issue Mandate
“Latest Practicable Date”	9 April 2014, being the latest practicable date of ascertaining certain information contained in this circular prior to its publication
“Notice of AGM”	the notice of the AGM as set out on pages 14 to 17 of this circular
“Repurchase Mandate”	the general and unconditional mandate to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the resolution approving the Repurchase Mandate

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance, Cap.571 of the Laws of Hong Kong
“Shareholder(s)”	registered holder(s) of Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Repurchases
“HK\$”	Hong Kong dollars, the lawfully currency of Hong Kong
“%”	per cent.



**KAISUN ENERGY GROUP LIMITED**

**凱順能源集團有限公司\***

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

**(Stock Code: 8203)**

*Executive Directors:*

Mr. CHAN Nap Kee, Joseph  
*(Chairman and Acting Chief Executive Officer)*  
Dr. CHOW Pok Yu, Augustine  
Mr. YANG Yongcheng

*Registered Office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Independent Non-executive Directors:*

Mr. LIEW Swee Yean  
Mr. SIU Siu Ling, Robert  
Dr. WONG Yun Kuen  
Mr. ANDERSON Brian Ralph

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

21/F Chun Wo Commercial Centre  
23–29 Wing Wo Street  
Central  
Hong Kong

14 April 2014

*To the Shareholders*

Dear Sir or Madam,

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

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding the proposals for the Issue Mandate, the Repurchase Mandate, the Extension Mandate and the re-election of the retiring Directors, to seek your approval at the AGM in connection with, inter alia, such matters.

\* For identification purposes only

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## LETTER FROM THE BOARD

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### ISSUE MANDATE AND EXTENSION MANDATE

At the annual general meeting held on 28 June 2013, the Shareholders of the Company passed an ordinary resolution to grant a new general mandate to the Directors to allot, issue and deal with Shares. Such new general mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew such general mandate at the AGM.

Ordinary resolutions will be proposed at the AGM to grant to the Directors the Issue Mandate and the Extension Mandate. The Issue Mandate will expire at 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 Articles or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Issue Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first. Details of the Issue Mandate and the Extension Mandate are set out in ordinary resolutions number 4 and 6 respectively in the Notice of AGM.

As at the Latest Practicable Date, a total of 2,617,005,700 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 523,401,140 Shares.

### REPURCHASE MANDATE

Also at the annual general meeting held on 28 June 2013, the Shareholders passed an ordinary resolution to grant a new general mandate to the Directors to exercise the powers of the Company to repurchase Shares. Such new general mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew such general mandate at the AGM.

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in ordinary resolution number 5 in the Notice of AGM. The Repurchase Mandate will expire at 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 Articles or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting.

An explanatory statement as required under the GEM Listing Rules, giving certain information regarding the Repurchase Mandate, is set out in Appendix I to this circular.

### RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of seven Directors, Mr. CHAN Nap Kee Joseph, Dr. CHOW Pok Yu Augustine, Mr. YANG Yongcheng, Mr. LIEW Swee Yean, Mr. SIU Siu Ling Robert, Dr. WONG Yun Kuen and Mr. ANDERSON Brian Ralph.

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## LETTER FROM THE BOARD

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Mr. Yang Yongcheng, Mr. Liew Swee Yean and Dr. Wong Yun Kuen shall retire from office by rotation at the AGM, and being eligible, offer themselves for re-election.

According to Code provisions A.4.3 of Appendix 15 Corporate Governance Code and Corporate Governance Report of the GEM Listing Rules, if an independent non-executive director serves more than 9 years, his further appointment should be subject to a separate resolution to be approved by shareholders.

As Dr. Wong Yun Kuen served for more than 9 years in year 2014. Accordingly, his further appointment should be subject to a separate resolution to be approved by shareholders. Being eligible, Dr. Wong offer himself for re-election.

Brief biographical details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### **AGM**

The notice convening the AGM, which contains, inter alia, ordinary resolutions to approve the Issue Mandate, the Repurchase Mandate, the Extension Mandate and the re-election of the retiring Directors are set out on pages 14 to 17 of this circular.

### **ACTION TO BE TAKEN**

The Notice of AGM is set out on pages 14 to 17 of this circular. A proxy form for use at the AGM is enclosed herein. Whether or not you intend to attend the AGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude Shareholders from attending and voting at the AGM, or any adjourned meeting, should they so wish.

### **VOTING BY POLL**

Under Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the ordinary resolutions proposed at the AGM will also be taken by poll. A poll results announcement will be made by the Company after the AGM in accordance with Rule 17.47(5) of the GEM Listing Rules.



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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Directors believe that the granting of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the re-election of the retiring Directors are in the best interests of the Company as well as to the Shareholders. Accordingly, the Directors recommend that all the Shareholders should vote in favour of all the resolutions set out in the Notice of AGM.

By order of the Board  
**Kaisun Energy Group Limited**  
**CHAN Nap Kee, Joseph**  
*Chairman*

This appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide you with requisite information for your consideration of the Repurchase Mandate.

### **1. GEM LISTING RULES RELATING TO REPURCHASE OF SHARES**

The GEM Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the GEM Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

### **2. EXERCISE OF THE REPURCHASE MANDATE**

Subject to the passing of the resolution granting the Repurchase Mandate and assuming that no further Shares are issued or repurchased prior to the AGM, exercise in full of the Repurchase Mandate, on the basis of 2,617,005,700 Shares in issue at the Latest Practicable Date, could result in up to 261,700,570 Shares being repurchased by the Company during the period up to (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 Articles or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

### **3. REASONS FOR REPURCHASES**

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share.

### **4. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and the applicable laws of the Cayman Islands. The law of the Cayman Islands provides that the amount to be repaid in connection with a share repurchase may be paid from the profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the repurchase or out of capital, if the Company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business. 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. The Company may not purchase securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

## 5. GENERAL

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the Company's latest published unaudited financial statements for the first quarter ended 31 March 2014) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

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

None of the Directors and, to the best of their knowledge, having made all reasonable enquiries, none of their respective associates (as defined in the GEM Listing Rules), have any present intention, if the Repurchase Mandate is exercised, to sell Shares to the Company or its subsidiaries.

No connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company or has undertaken not to sell any Shares held by him to the Company in the event that the Repurchase Mandate is granted.

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date the Substantial Shareholders (as defined in the GEM Listing Rules) and their respective interests in the issued share:

Name of Shareholders	Number of Shares held	Approximate percentage of existing shareholding	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
<i>Substantial shareholders</i>			
Zhang Zhi Ping ( <i>Note 1</i> )	218,490,000	8.35%	9.28%
Zhang Gaobo ( <i>Note 1</i> )	218,490,000	8.35%	9.28%
Oriental Patron Financial Group Limited (“OPFGL”) ( <i>Note 1</i> )	218,490,000	8.35%	9.28%
Ottness Investments Limited (“OIL”) ( <i>Note 1</i> )	132,110,000	5.05%	5.61%
OP Financial Investments Limited (“OPFIL”) ( <i>Note 1</i> )	132,110,000	5.05%	5.61%
Profit Raider Investments Limited (“PRIL”) ( <i>Note 1</i> )	132,110,000	5.05%	5.61%

*Notes:*

- OPFGL holds 218,490,000 Shares. OPFGL is 51% owned by Zhang Zhi Ping and is 49% owned by Zhang Gaobo.

Of these 218,490,000 Shares, 86,380,000 Shares are held by Pacific Top Holding Limited (“PTHL”). PTHL is wholly owned by Oriental Patron Financial Services Group Limited (“OPFSGL”), OPFSGL is 95% held by OPFGL. Zhang Zhi Ping, Zhang Gaobo, OPFGL and OPFSGL are deemed to be interested in the interests held by PTHL under the SFO.

Of these 218,490,000 Shares, 132,110,000 Shares are held by PRIL. PRIL is wholly owned by OPFIL, OPFIL is 35.05% held by OIL. Zhang Zhi Ping, Zhang Gaobo, OPFGL, OIL and OPFIL are deemed to be interested in the interests held by PRIL under the SFO.

Save as disclosed above, the Directors were not aware of any other person (other than the directors and the chief executives of the Company) who, as at latest practicable date, had, or was deemed to have, interests or short positions in the Shares or underlying Shares, which would fall to be disclosed to the Company and the Stock Exchange under provisions of Divisions 2 & 3 of Part XV of the SFO.

On the above basis, the exercise of the Repurchase Mandate in full would not trigger any general offer obligation under Rule 26 of the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

## 6. SHARE REPURCHASES BY THE COMPANY

The Company has not repurchased any of its Shares (whether on GEM or otherwise) in the six months preceding the Latest Practicable Date.

## 7. SHARE PRICES

The table below is a summary of the highest and lowest prices at which Shares are traded on the Stock Exchange in each of the previous twelve calendar months prior to the Latest Practicable Date.

	<b>Highest Traded Price</b> <i>HK\$</i>	<b>Lowest Traded Price</b> <i>HK\$</i>
<b>2013</b>		
April	0.168	0.145
May	0.161	0.142
June	0.170	0.126
July	0.154	0.135
August	0.160	0.137
September	0.150	0.135
October	0.145	0.115
November	0.129	0.115
December	0.132	0.119
<b>2014</b>		
January	0.129	0.105
February	0.140	0.110
March	0.138	0.115
1–9 April	0.134	0.116

The following are the particulars of the Directors proposed to be re-elected at the AGM:

**EXECUTIVE DIRECTOR****Mr. Yang Yongcheng**

**Mr. Yang Yongcheng**, aged 45. He was appointed as an executive director in February 2009. He graduated from the Yikezhao League School of Finance (伊盟財經學校) in Inner Mongolia of the PRC and the China Central Radio & TV University, majoring in financial accounting. He holds an EMBA from the Zhongnan University of Economics and Law.

Mr. Yang was appointed as the chief of the finance division of Inner Mongolia Hangjinqi Materials Company (內蒙古杭錦旗物資公司) in September 1989; a manager of Eqianqi Coke-oven Plant of Inner Mongolia Yimei Group (內蒙古伊煤集團鄂前旗焦化廠) in January 2001; a deputy general manager of Inner Mongolia Mengxi Building Materials Company (內蒙古蒙西建材公司) in July 2003; the chairman of Inner Mongolia Mengxi Kaolin Co., Ltd. in August 2005; and the chairman and general manager of Inner Mongolia Mengxi Coal Limited (內蒙古蒙西煤炭有限公司) in January 2008. He has been serving as a director of the joint venture Inner Mongolia Mengxi Minerals Co., Limited since the joint venture was established in September 2008.

Mr. Yang has been involved in senior positions for corporate management for a long period of time, has profound knowledge of the human and economic development environment in the Mengxi region of Inner Mongolia of the PRC, and possesses extensive experience in corporate investment, product and market development as well as operation of minerals enterprises.

No service contract has been entered into between the Company and Mr. Yang and there is no proposed length of service of Mr. Yang with the Company. He is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. He is not entitled to receive any director's fee from the Company. He received an annual salary of RMB820,383 from the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Yang did not have other major appointments and professional qualifications and did not have any directorships held in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, Mr. Yang did not have any relationship with any directors, senior management, management shareholders or substantial or controlling shareholders of the Company as at the Latest Practicable Date. As at the Latest Practicable Date, Mr. Yang was interested in 100,000 Shares, representing approximately 0.01% of the issued share capital of the Company. Save as disclosed above, as at the Latest Practicable Date, Mr. Yang did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Liew Swee Yean**, aged 51, is independent non-executive director, chairman of audit committee and member of nomination and corporate governance committee of the Board.

Mr. Liew has over 20 years of experience in finance and general management, and is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Liew holds a Master of Business Administration (Executive) Degree from the City University of Hong Kong.

Mr. Liew is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. Mr. Liew's director's fee is fixed at HK\$108,000 per annum, which is commensurate with his duties and responsibilities as an independent non-executive director of the Company and the prevailing market situation and subject to Shareholders' approval. Save as disclosed above, Mr. Liew did not hold any position within the Group as at the Latest Practicable Date. Save as disclosed above, he did not have any relationships with any directors, senior management, management shareholders or substantial or controlling shareholders of the Company as at the date of this report.

Save as disclosed above, as at the latest practicable date, Mr. Liew did not have other major appointments and professional qualifications and did not have any directorships held in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the latest practicable date, Mr. Liew was interested in 540,000 shares, representing approximately 0.02% of the issued share capital of the Company. Save as disclosed above, as at the latest practicable date, Mr. Liew did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Liew is not aware of any matters that are required to be disclosed pursuant to Rules 17.50(2)(h) to 17.50(2)(v) of the Listing rules and there are no other matters in relation to Mr. Liew that need to be brought to the attention to the Shareholders.

**Dr. Wong Yun Kuen**, aged 57, is independent non-executive director, Chairman of Remuneration Committee and member of Audit Committee.

He received two B.S. degrees in Geology and Mathematics from University of Wyoming, and Master and Ph.D. degree in Geophysics from Harvard University, and was "Distinguished Visiting Scholar" in finance at Wharton School of the University of Pennsylvania. Dr. Wong has worked in financial industries in the United States and Hong Kong for many years, and has considerable experience in corporate finance, investment and derivative products. He is an Adjunct Professor of Syracuse University, USA, and a member of Hong Kong Securities Institute and a life member of American Geophysical Union.

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## APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED

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He is executive director of UBA Investments Limited, and independent non-executive director of Bauhaus International (Holdings) Limited, China Sandi Holdings Limited, Climax International Company Limited, Kingston Financial Group Limited, Harmony Asset Limited, Guocang Group Limited, Kong Sun Holdings Limited, China Yunnan Tin Minerals Group Company Limited, New Island Development Holdings Limited and Sincere Watch (Hong Kong) Limited.

Dr. Wong is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. Mr. Wong's director's fee is fixed at HK\$108,000 per annum, which is commensurate with his duties and responsibilities as an independent non-executive director of the Company and the prevailing market situation and subject to shareholders' approval. Save as disclosed above, Dr. Wong did not hold any position within the Group as at the date of this report. Save as disclosed above, he did not have any relationships with any directors, senior management, management shareholders or substantial or controlling shareholders of the Company as at the date of this report.

Save as disclosed above, as at the date of this report, Dr. Wong did not have other major appointments and professional qualifications and did not have any directorships held in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the latest practicable date, Dr. Wong was interested in 2,000,000 Shares, representing approximately 0.08% of the issued share capital of the Company. Save as disclosed above, as at the date of this report, Dr. Wong did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Dr. Wong is not aware of any matters that are required to be disclosed pursuant to Rules 17.50(2)(h) to 17.50(2)(v) of the Listing rules and there are no other matters in relation to Dr. Wong that need to be brought to the attention to the Shareholders.

Dr. Wong has been serving the Company as an independent non-executive director for more than 9 years. In the process of assessing his independence, each of factors referred to in Rule 5.09(1) to(8) of the GEM Listing Rules has been confirmed. In line with this, the Company recognizes the continued independence of Dr. Wong under Rule 5.09 of the GEM Listing Rules. Serving as an independent non-executive director, Dr. Wong has provided high standard of recommendation in relation to Remuneration packages to the Directors and senior management of Company. Being the chairman of Remuneration Committee, Dr. Wong has always reviewed the formal and transparent procedure for developing remuneration policy. Being familiar with the corporate value of the Group, the presence of Dr Wong has enhanced the corporate values of the Company by his sustained development of a strong relationship with the management. The Board, therefore, believes that Dr. Wong should be re-elected to continue his role to achieve an independent true and balanced assessment and maintain a high level of compliance mandatory reporting regulations and also to secure the interest of all shareholders.





**KAISUN ENERGY GROUP LIMITED**

**凱順能源集團有限公司\***

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

**(Stock Code: 8203)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of the Company will be held at 21/F, Chun Wo Commercial Centre, 23–29 Wing Wo Street, Central, Hong Kong on Monday, 19 May 2014 at 10:30 a.m. for the following purposes:

1. To receive and consider the financial statements and the report of the directors and independent auditor's report for the year ended 31 December 2013.
2. To re-elect the retiring directors and to authorize the board of directors to fix the remuneration of the directors.
3. To re-appoint the auditors and to authorize the board of directors to fix the remuneration of the auditors.

**ORDINARY RESOLUTIONS**

4. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

**“THAT:**

- (a) subject to paragraph (c) below, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), 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 HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

\* For identification purposes only

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## NOTICE OF AGM

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(c) the aggregate nominal amount of share capital 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) above, otherwise than (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares of the Company under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; or (iv) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing 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 law or the articles of association of the Company to be held; or
- (iii) the date on which the authority set out in this Resolution 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 of the Company on the register on 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 recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

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5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

**“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognized 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 GEM Listing Rules (as defined in ordinary resolution in item 4 of the notice convening the meeting) or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution; and the said approval shall be limited accordingly; and
- (c) for the purposes 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 law or the articles of association of the Company to be held; or
  - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
6. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

**“THAT** subject to the passing of Resolutions in items 4 and 5 of the notice convening the meeting, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares pursuant to Resolution in item 4 of the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the

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authority granted pursuant to Resolution in item 5 of the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution.”

By Order of the Board  
**CHAN Nap Kee, Joseph**  
*Chairman*

Dated 14 April 2014

**Notes:**

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be deposited with the Hong Kong branch share registrars of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. With regard to item no. 2 in this notice, the board of directors of the Company proposes that the retiring Directors, namely, Mr. YANG Yongcheng, Mr. LIEW Swee Yean and Dr. WONG Yun Kuen be re-elected as directors of the Company. Biographical details of these directors are set out in Appendix II to the Company’s circular dated 14 April 2014.
4. An explanatory statement as required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited in connection with the proposed repurchase mandate as ordinary resolution in item 5 above is set out in Appendix I to the Company’s circular dated 14 April 2014.
5. The 2013 Annual Report containing, inter alia, the financial statements and the report of the directors and independent auditor’s report for the year ended 31 December 2013 has been despatched to shareholders of the Company on or about 31 March 2014. The 2013 Annual Report is available for download on the website of the Company at [www.kaisunenergy.com](http://www.kaisunenergy.com).
6. As at the date of this notice, the board of directors of the Company comprises three executive directors, namely, Mr. CHAN Nap Kee Joseph, Dr. CHOW Pok Yu Augustine and Mr. YANG Yongcheng and four independent non-executive directors, namely, Mr. LIEW Swee Yean, Mr. SIU Siu Ling Robert, Dr. WONG Yun Kuen and Mr. ANDERSON Brian Ralph.