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LIMING HOLDING LIMITED

(Incorporated in Hong Kong with limited liability)

(1) PRE-CONDITIONAL VOLUNTARY PARTIAL CASH OFFER BY

CITIGROUP GLOBAL MARKETS ASIA LIMITED

ON BEHALF OF LIMING HOLDING LIMITED

TO ACQUIRE A MAXIMUM OF 50.5% OF THE ISSUED SHARE CAPITAL OF

AAG ENERGY HOLDINGS LIMITED

AND TO CANCEL OR ACQUIRE (AS APPLICABLE) A MAXIMUM OF 50.5% OF ITS

OUTSTANDING OPTIONS AND RSUS

(2) IRREVOCABLE UNDERTAKINGS BY WP CHINA AND BARING TO ACCEPT AND

APPROVE THE PARTIAL OFFER

Financial adviser to Liming Holding Limited

Citigroup Global Markets Asia Limited



THE OFFERS

The Offeror announces that Citi, on behalf of the Offeror, will, subject to the satisfaction of the Pre-Conditions, make a voluntary conditional partial cash offer to Qualifying Shareholders to acquire a maximum of 1,692,295,936 Offer Shares (representing approximately 50.5% of the Shares in issue as at the date of this Announcement) or such higher number of Shares representing 50.5% of the Shares in issue as at the Final Closing Date (including any Shares for which a valid notice of exercise has been delivered in respect of an Option on or after the date of this Announcement and on or before the Final Closing Date) at the Share Offer Price of HK\$1.75 per Share and, pursuant to Rule 13.1 of the Takeovers Code, extend an appropriate offer to cancel or acquire (as applicable) a maximum of 100,956,224 Options and 20,444,228 RSU Shares (representing approximately 50.5% of the outstanding Options and RSU Shares, respectively, as at the date of this Announcement).

IRREVOCABLE UNDERTAKINGS

On 14 May 2018, each of WP China and Baring (each being an existing shareholder of the Company, holding approximately 25.21% and 20.56%, respectively, of the issued share capital of the Company as at the date of this Announcement) gave an irrevocable undertaking to the Offeror that it will (i) tender all the Shares held by it for acceptance of the Partial Offer and (ii) approve the Partial Offer in respect of all the Shares held by it.

VALUE OF THE OFFERS AND CONFIRMATION OF FINANCIAL RESOURCES

Assuming full acceptance of the Offers, the maximum aggregate cash consideration payable by the Offeror under the Offers will amount to (i) HK\$3,054,305,266.69 (assuming no Options are exercised) and (ii) HK\$3,173,968,679.00 (assuming all Options are exercised).

The Offeror intends to finance the cash required for the Offers from a combination of its internal cash reserves and an acquisition loan facility (which has been drawn down as at the date of this Announcement). Citi, as the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offers.

LISTING STATUS

The Offeror intends to maintain the listing status of the Company following closing of the Offers.

DESPATCH OF THE OFFER DOCUMENT

It is expected that the Offer Document, containing, among other things, the full terms and conditions of the Offers and the forms of acceptance, will be despatched to Qualifying Shareholders, Qualifying Option Holders and Qualifying RSU Holders by the earlier of (a) seven days after the satisfaction of the Pre-Conditions and (b) 7 July 2018. The Offeror has applied to the Executive for its consent under Note 2 to Rule 8.2 of the Takeovers Code to permit the Offer Document to be posted within the timeframe described above and the Executive has indicated that it is minded to grant such consent.

WARNING

Shareholders of and potential investors in the Company should note that the Pre-Conditions must be satisfied before the Offers will be made. The making of the Offers is therefore a possibility only. Further, Shareholders of and potential investors in the Company should note that the Offers will be subject to the satisfaction of the Conditions. Accordingly, the Offers may or may not become unconditional. Shareholders and potential investors are advised to exercise caution when dealing in the Shares and, if they are in any doubt about their positions, they should consult their professional advisers.

THE OFFERS

The Offeror announces that Citi, on behalf of the Offeror, will, subject to the satisfaction of the Pre-Conditions, make a voluntary conditional partial cash offer to Qualifying Shareholders to acquire a maximum of 1,692,295,936 Offer Shares (representing approximately 50.5% of the Shares in issue as at the date of this Announcement) or such higher number of Shares representing 50.5% of the Shares in issue as at the Final Closing Date (including any Shares for which a valid notice of exercise has been delivered in respect of an Option on or after the date of this Announcement and on or before the Final Closing Date) and, pursuant to Rule 13.1 of the Takeovers Code, extend an appropriate offer to cancel or acquire (as applicable) a maximum of 100,956,224 Options and 20,444,228 RSU Shares (representing approximately 50.5% of the outstanding Options and RSU Shares, respectively, as at the date of this Announcement).

The Offers are expected to be made on the following basis:

For each Offer Share HK\$1.75 in cash

For cancellation of each Option HK\$0.5647 in cash

For each RSU Share HK\$1.75 in cash

The Option Offer Price represents the difference between the Share Offer Price and the exercise price of the Options (such exercise price being US\$0.151 per Share (equivalent to approximately HK\$1.1853 per Share)).

The RSU Offer Price is the “see-through” price of each RSU (which is HK\$1.75, being equal to the Share Offer Price, as there is no exercise price for the RSUs).

Pre-Conditions

The making of the Offers will be subject to the satisfaction of the following Pre-Conditions:

- (i) consent from the Executive in respect of the Partial Offer pursuant to Rule 28.1 of the Takeovers Code; and
- (ii) approval by the shareholders of Xinjiang Xintai, in accordance with the articles of association of Xinjiang Xintai, of (a) the Offers and (b) the proposed change in the use of proceeds from Xinjiang Xintai’s initial public offering to finance part of the Offers (each approval being conditional upon the other).

The Pre-Conditions cannot be waived by the Offeror. If the Pre-Conditions are not satisfied on or before 30 June 2018, unless agreed otherwise by the Executive, the Offers will not be made.

Conditions

The Partial Offer, if made, will be subject to the following Conditions:

- (i) valid acceptances of the Partial Offer having been received (and not, where permitted, withdrawn) in respect of a minimum of 1,675,540,532 Shares (representing approximately 50.0% of Shares in issue as at the date of this Announcement plus one Share) by 4:00 p.m. on the First Closing Date (or such later time(s) and/or date(s) as the Offeror may decide and the Executive may approve), provided that the Offeror shall purchase from the Qualifying Shareholders as many Shares as are tendered by the Qualifying Shareholders up to a maximum of 1,692,295,936 Shares (representing approximately 50.5% of the Shares in issue as at the date of this Announcement) or such higher number of Shares representing 50.5% of the Shares in issue as at the Final Closing Date (including any Shares for which a valid notice of exercise has been delivered in respect of an Option on or after the date of this Announcement and on or before the Final Closing Date);
- (ii) approval of the Partial Offer pursuant to Rule 28.5 of the Takeovers Code by registered Shareholders as at the First Closing Date (unless the First Closing Date is extended in accordance with the Takeovers Code) holding over 50% of the Shares not held by the Offeror and parties acting in concert with it, signified by means of a separate box on the form of acceptance specifying the number of Shares in respect of which the Partial Offer is approved;
- (iii) no event having occurred which would make any of the Offers or the acquisition of any of the Offer Shares or RSU Shares or the cancellation of the Options under the Option Offer void, unenforceable or illegal or prohibit implementation of any of the Offers or would impose any additional material conditions or obligations with respect to any of the Offers or any part thereof;
- (iv) no relevant government, governmental, quasi-government, statutory or regulatory body, court or agency in Hong Kong or any other jurisdictions having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make any of the Offers or their implementation in accordance with their respective terms void,

unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to any of the Offers or their implementation in accordance with their respective terms); and

- (v) since the date of this Announcement, there having been no material adverse change in the business, assets, financial or trading positions or prospects or conditions (whether operational, legal or otherwise) of the Group to an extent which is material in the context of the Group taken as a whole.

The Offeror will reserve the right to waive, in whole or in part, all or any of the Conditions (other than Conditions (i) and (ii)). Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror should not invoke any of the Conditions (other than Conditions (i) and (ii)) so as to cause the Offers to lapse unless the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Offers.

In the event that valid acceptances are received:

- (i) for not less than 1,675,540,532 Shares on or before the First Closing Date, the Offeror will declare the Partial Offer unconditional as to acceptances on or before the First Closing Date; or
- (ii) for fewer than 1,675,540,532 Offer Shares by the First Closing Date, the Offers will not proceed and will lapse immediately unless the First Closing Date is extended in accordance with the Takeovers Code.

Each of the Option Offer and RSU Offer will be subject to and conditional upon the Partial Offer becoming or being declared unconditional in all respects.

Pursuant to Rule 28.4 of the Takeovers Code, if the Partial Offer has been declared unconditional as to acceptances on the First Closing Date, the Offeror cannot extend the Final Closing Date to a day beyond the 14th day after the First Closing Date.

WARNING: Shareholders of and potential investors in the Company should note that the Pre-Conditions must be satisfied before the Offers will be made. The making of the Offers is therefore a possibility only. Further, Shareholders of and potential investors in the Company should note that the Offers will be subject to the satisfaction of the Conditions. Accordingly, the Offers may or may not become unconditional. Shareholders and potential investors are advised to exercise caution when dealing in the Shares and, if they are in any doubt about their positions, they should consult their professional advisers.

OTHER TERMS OF THE OFFERS

Acceptance of the Partial Offer

Qualifying Shareholders may accept the Partial Offer in respect of some or all of the Shares held by them. Subject to the Partial Offer becoming unconditional in all respects: (i) if valid acceptances are received for not less than 1,675,540,532 Shares but not more than 1,692,295,936 Shares or such higher number of Shares representing 50.5% of the Shares in issue as at the Final Closing Date (including any Shares for which a valid notice of exercise has been delivered in respect of an Option on or after the date of this Announcement and on or before the Final Closing Date), all Shares validly accepted will be taken up; and (ii) if valid acceptances are received for more than 1,692,295,936 Shares or such higher number of Shares representing 50.5% of the Shares in issue as at the Final Closing Date (including any Shares for which a valid notice of exercise has been delivered in respect of an Option on or after the date of this Announcement and on or before the

Final Closing Date), the total number of Shares to be taken up by the Offeror from each accepting Qualifying Shareholder will be determined in accordance with the following formula:

$$\frac{A}{B} \times C$$

A: 1,692,295,936 Shares or such higher number of Shares representing 50.5% of the Shares in issue as at the Final Closing Date (including any Shares for which a valid notice of exercise has been delivered in respect of an Option on or after the date of this Announcement and on or before the Final Closing Date), being the maximum number of Shares for which the Partial Offer is made

B: the total number of Shares tendered by all Shareholders under the Partial Offer

C: the number of Shares tendered by the relevant Shareholder under the Partial Offer

Acceptance of the Option Offer and RSU Offer

The same approach will be taken for determining the number of Options and RSU Shares to be taken up by the Offeror from each accepting Qualifying Option Holder and Qualifying RSU Holder, respectively, as for determining the number of Shares to be taken up by the Offeror from each accepting Qualifying Shareholder. Further details will be set out in the Offer Document.

Implication

It is possible that, if a Qualifying Shareholder, Qualifying Option Holder or Qualifying RSU Holder (as the case may be) tenders all his/her Shares, Options or RSU Shares (as the case may be) for acceptance under the Offers, not all of such securities will be taken up. Qualifying Shareholders, Qualifying Option Holders and Qualifying RSU Holders can, however, be assured that, in the event the Offers become unconditional in all respects, a minimum of 50.5% of the Shares, Options or RSU Shares (as the case may be) tendered for acceptance under the Offers will be taken up.

Fractions of Shares, Options and RSU Shares will not be taken up under the Offers and, accordingly, the number of Shares, Options and RSUs that the Offeror will take up from each Qualifying Shareholder, Qualifying Option Holder and Qualifying RSU Holder (as the case may be) will be rounded up or down to the nearest whole number at the discretion of the Offeror.

Odd lots

Shareholders should note that acceptance of the Partial Offer may result in their holding odd lots of Shares. Accordingly, it is intended that a designated broker will be appointed by the Offeror to match sales and purchases of odd lot holdings of Shares in the market for a reasonable time period following the closing of the Partial Offer to enable such Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots. Details of such arrangement will be disclosed in the offer document.

Effect of accepting the Offers

Acceptance of the Offers by any Shareholder, Option Holder or RSU Holder will constitute a warranty by such Shareholder, Option Holder or RSU Holder to the Offeror that the Shares, Options or RSU Shares (as the case may be) sold by it to the Offeror under the Offers are fully paid, free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them as at, including (in the case of Shares) the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after, the Final Closing Date.

The Offers will be made in compliance with the Takeovers Code which is administered by the Executive. Acceptance of the Offers shall be irrevocable and shall not be capable of being withdrawn, except as permitted under the Takeovers Code.

Close of the Partial Offer

Pursuant to Rule 15.3 of the Takeovers Code, where a conditional offer becomes or is declared unconditional (whether as to acceptances or in all respects), it should remain open for acceptances for not less than 14 days thereafter. Pursuant to Rule 28.4 of the Takeovers Code, if on the First Closing Date acceptances have been received in respect of more than 1,675,540,532 Shares, subject to the application of Rule 28.5 of the Takeovers Code: (i) the Offeror must declare the Partial Offer unconditional as to acceptances and extend the Final Closing Date to the 14th day thereafter; and (ii) the Offeror cannot extend the Final Closing Date to a day beyond the 14th day after the First Closing Date. If the acceptance condition is fulfilled: (i) the Offeror may declare the Partial Offer unconditional as to acceptances before the First Closing Date provided that it then complies fully with Rule 15.3 of the Takeovers Code; and (ii) the Offeror cannot extend the Final Closing Date to a day beyond the 14th day after the First Closing Date.

Accordingly, if the Partial Offer is declared unconditional in all respects on or before the seventh day after the Despatch Date, then the First Closing Date will also be the Final Closing Date, being 21 days after the Despatch Date.

The latest time on which the Offeror can declare the Partial Offer unconditional as to acceptances is 7:00 p.m. on the 60th day after the Despatch Date (or such later date to which the Executive may consent).

Settlement of consideration

Settlement of the consideration payable by the Offeror in respect of acceptance of the Partial Offer will be made as soon as possible but in any event within seven Business Days of (as defined in the Takeovers Code) following the close of the Partial Offer. Further details regarding the timing of settlement of the consideration payable by the Offeror in respect of acceptance of the Option Offer and RSU Offer will be set out in the Offer Document.

IRREVOCABLE UNDERTAKINGS

On 14 May 2018, each of WP China and Baring (each being an existing shareholder of the Company, holding approximately 25.21% and 20.56%, respectively, of the issued share capital of the Company as at the date of this Announcement) gave an irrevocable undertaking to the Offeror that (among other things):

- (i) it will tender all the Shares held by it for acceptance of the Partial Offer by not later than the seventh business day after the dispatch of the Offer Document; and
- (ii) it will approve the Partial Offer in respect of all the Shares held by it.

The Irrevocable Undertakings will terminate if the Offers lapse or are withdrawn without having become wholly unconditional in circumstances permitted under the Takeovers Code.

As at the date of this Announcement, apart from the Irrevocable Undertakings from WP China and Baring, the Offeror has not received any indication or irrevocable commitment from any Shareholders to accept or reject the Offers.

VALUE OF THE OFFERS AND CONFIRMATION OF FINANCIAL RESOURCES

Comparison of value

The Share Offer Price of HK\$1.75 per Offer Share represents:

- (i) a premium of approximately 15.1% over the closing price of HK\$1.52 per Share as quoted on the Stock Exchange on 3 April 2018, being the last trading day immediately prior to the suspension of trading in Shares and the publication of the Rule 3.7 Announcements;
- (ii) a premium of approximately 26.4% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the last five trading days up to and including 3 April 2018, being the last trading day immediately prior to the suspension of trading in Shares and the publication of the Rule 3.7 Announcements, of approximately HK\$1.38 per Share;
- (iii) a premium of approximately 28.8% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the last ten trading days up to and including 3 April 2018, being the last trading day immediately prior to the suspension of trading in Shares and the publication of the Rule 3.7 Announcements, of approximately HK\$1.36 per Share;
- (iv) a premium of approximately 31.0% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the last thirty trading days up to and including 3 April 2018, being the last trading day immediately prior to the suspension of trading in Shares and the publication of the Rule 3.7 Announcements, of approximately HK\$1.34 per Share;
- (v) a premium of approximately 40.4% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the last sixty trading days up to and including 3 April 2018, being the last trading day immediately prior to the suspension of trading in Shares and the publication of the Rule 3.7 Announcements, of approximately HK\$1.25 per Share;
- (vi) a premium of approximately 50.7% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the last ninety trading days up to and including 3 April 2018, being the last trading day immediately prior to the suspension of trading in Shares and the publication of the Rule 3.7 Announcements, of approximately HK\$1.16 per Share;
- (vii) a premium of approximately 56.7% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the last a hundred and eighty trading days up to and including 3 April 2018, being the last trading day immediately prior to the suspension of trading in Shares and the publication of the Rule 3.7 Announcements, of approximately HK\$1.12 per Share;
- (viii) a premium of approximately 8.7% over the closing price of HK\$1.61 per Share as quoted on the Stock Exchange on the Last Trading Day.

Highest and lowest Share prices

During the six-month period preceding the date of this Announcement and up to the Last Trading Day, the highest and lowest closing prices of the Shares as quoted on the Stock Exchange were HK\$1.70 on 17 April 2018 and HK\$0.89 on 21 November 2017, respectively.

Value of the Offers

As at the date of this Announcement, based on the public information available to the Offeror, there are 3,351,081,061 Shares in issue, 199,913,314 outstanding Options granted under the Share Option Scheme entitling the Option Holders to subscribe for an aggregate of 199,913,314 Shares at an exercise price of US\$0.151 per Share (equivalent to approximately HK\$1.1853 per Share), and 40,483,618 RSUs granted under the RSU Scheme entitling RSU Holders to receive an aggregate of 40,483,618 RSU Shares (assuming the Board elects RSU Shares, instead of cash of equivalent value, to be transferred to all RSU Holders upon vesting).

On the assumption that the Partial Offer is accepted in full, the cash consideration payable by the Offeror for the relevant Offer Shares and RSU Shares under the Partial Offer is (i) HK\$2,997,295,287.00 (assuming no Options are exercised) or (ii) HK\$3,173,968,679.00 (assuming all the Options are exercised). On the assumption that no Options are exercised and the Option Offer is accepted in full, the cash consideration payable by the Offeror under the Option Offer is HK\$57,009,979.69. Accordingly, the maximum total cash consideration payable by the Offeror under the Offers will amount to not more than HK\$3,173,968,679.00.

Confirmation of financial resources

The Offeror intends to finance the cash required for the Offers from a combination of its internal cash reserves and an acquisition loan facility (which has been drawn down as at the date of this Announcement). Citi, as the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offers.

LISTING STATUS

The Offeror intends to maintain the listing status of the Company on the Stock Exchange upon the completion of the Partial Offer. The Company has a public float of approximately 35% of the Shares in issue as at the date of this Announcement. Assuming full acceptances of the Partial Offer by all the Shareholders, the Company will have a public float of approximately 23% of the Shares in issue immediately following completion of the Offers (assuming there are no changes to the issued share capital of the Company after the date of this Announcement), which falls short of the 25% minimum public float requirement under Rule 8.08 of the Listing Rules. The Offeror undertakes to the Stock Exchange that it will take appropriate actions to ensure that the minimum public float requirement is complied with following the close of the Offers.

OFFEROR'S REASONS FOR THE PARTIAL OFFER

The Offeror proposes to make the Partial Offer for the following key reasons:

- (i) Shareholders will be able to participate in the expected future growth of the Company and enjoy any resulting enhanced value and higher share price. If the Partial Offer is successful, the Offeror believes that it will be able to improve the Company's performance on the grounds that: (a) given that the Company operates in the exploration and production of coalbed methane and Xinjiang Xintai operates in the sales and distribution of natural gas, there will be strong synergies between Xinjiang Xintai and the Company to be realised from vertical integration, allowing the Company to (among other things) strengthen its supply chain, expand its business into new regions within the PRC and reduce its production costs; and (b) it will be able to leverage Xinjiang Xintai's good relationship with (among others) a number of state-owned enterprises to expand the Company's business;
- (ii) the Partial Offer will offer an opportunity to those Shareholders who wish to realise part of their investment to do so at a premium to the Share price without having to incur certain brokerage fees, transaction levies and trading fees which are customarily payable when disposing of shares in the open market; and
- (iii) it wishes to maintain the listing status of the Company.

INTENTION OF THE OFFEROR IN RESPECT OF THE GROUP

The Offeror intends to continue and expand the existing business of the Group. Notwithstanding the above, as at the date of this Announcement, no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group. The Offeror has no

intention to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business.

DESPATCH OF THE OFFER DOCUMENT

It is expected that the Offer Document, containing, among other things, the full terms and conditions of the Offers and the forms of acceptance, will be despatched to Qualifying Shareholders, Qualifying Option Holders and Qualifying RSU Holders by the earlier of (a) seven days after the satisfaction of the Pre-Conditions and (b) 7 July 2018. The Offeror has applied to the Executive for its consent under Note 2 to Rule 8.2 of the Takeovers Code to permit the Offer Document to be posted within the timeframe described above and the Executive has indicated that it is minded to grant such consent.

MISCELLANEOUS

Information about the Offeror

The Offeror is a company incorporated in Hong Kong with limited liability and is directly wholly-owned by 四川利明能源開發有限責任公司 (Sichuan Liming Energy Development Co., Ltd.*), a company incorporated in the PRC with limited liability, which is in turn directly wholly-owned by Xinjiang Xintai.

The Offeror is principally engaged in investment holding. Xinjiang Xintai is principally engaged in the distribution and sales of natural gas. Xinjiang Xintai provides natural gas sales services, including natural gas sales for civilian use and commercial use, natural gas installation services, as well as compressed natural gas transportation services. Xinjiang Xintai is a company incorporated under the laws of the PRC and its shares are listed on the Shanghai Stock Exchange (stock code: 603393). The controlling shareholder of Xinjiang Xintai is 明再遠 (Mr. Ming Zaiyuan*), holding approximately 35.78% of the total issued shares of Xinjiang Xintai as at the date of this announcement.

Information about the Group

The Company is a limited company incorporated in Cayman Islands and its shares are listed on the Main Board of the Stock Exchange. The Group is principally engaged in the coal-bed methane (“**CBM**”) exploration and development sector in the PRC. Its key operating assets, the Panzhuang and Mabi concessions, are located in the Southwestern part of the Qinshui Basin, which has the largest proved CBM geological reserves in the PRC. The Company’s Panzhuang concession is the most commercially advanced Sino-foreign CBM asset in China and the first Sino-foreign CBM cooperative project to have entered full-scale commercial development and production.

The audited consolidated net asset value of the Group as at 31 December 2017 was approximately RMB4,950 million.

The audited consolidated net asset value per Share as at 31 December 2017 was approximately RMB1.48.

The audited consolidated net (loss)/profit of the Group for the last two financial years ended 31 December 2017 and 31 December 2016 are as follows:

	For the year ended 31 December	
	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>
Net (loss)/profit before taxation	310,941	178,980

Net (loss)/profit after taxation

183,198

106,635

Overseas Shareholders, Option Holders and RSU Holders

The availability of the Offers to persons who are not residents in Hong Kong may be affected by the applicable laws of the relevant jurisdiction in which they reside. Shareholders, Option Holders and RSU Holders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements in their own jurisdictions and, where necessary, seek their own legal advice. It is the responsibility of those Shareholders, Option Holders and RSU Holders who wish to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offers (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such Shareholders, Option Holders and RSU Holders in respect of such jurisdictions).

Acceptance of any of the Offers by Shareholder, Option Holder or RSU Holder will be deemed to constitute a representation and warranty from such Shareholder, Option Holder or RSU Holder to the Offeror that the local laws and requirements have been complied with and that the Offers can be accepted by such Shareholder, Option Holder or RSU Holder lawfully under the laws of the relevant jurisdiction. Shareholders, Option Holders and RSU Holders should consult their professional advisers if in doubt.

If the despatch of the Offer Document to any overseas Shareholders, Option Holders or RSU Holders is prohibited by any relevant law or may only be effected after compliance with conditions or requirements that are unduly burdensome, subject to the Executive's waiver, the Offer Document will not be despatched to such overseas Shareholders, Option Holders or RSU Holders. The Offeror will apply for such waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

Hong Kong stamp duty

In Hong Kong, the seller's ad valorem stamp duty arising in connection with acceptance of the Partial Offer (and, as applicable, the RSU Offer) will be payable by the relevant Qualifying Shareholders (and, as applicable, Qualifying RSU Holders) at a rate of 0.1% of (i) the market value of the Offer Shares (or RSU Shares, as the case may be); or (ii) the consideration payable by the Offeror in respect of the relevant acceptance of the Partial Offer (or the RSU Offer), whichever is higher, which will be deducted from the cash amount payable by the Offeror to such Qualifying Shareholder (or Qualifying RSU Holder, as the case may be) on acceptance of the Partial Offer (where the stamp duty calculated includes a fraction of HK\$1, the stamp duty would be rounded-up to the nearest HK\$1). The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Qualifying Shareholders (or Qualifying RSU Holders, as the case may be) accepting the Partial Offer (or RSU Offer, as the case may be) and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Partial Offer (or RSU Offer, as the case may be) and the transfer of the Offer Shares (or RSU Shares, as the case may be) in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with the cancellation of the Options.

Shareholders, Option Holders and RSU Holders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the Offeror, Citi and their respective

ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Interests and other arrangements

As at the date of this Announcement:

- (i) none of the Offeror and its concert parties owns or has control or direction over any Shares or any other voting rights or rights over shares in the Company;
- (ii) save for the Irrevocable Undertakings, none of the Offeror and its concert parties has received any irrevocable commitment to accept the Offers;
- (iii) none of the Offeror and its concert parties holds any convertible securities, warrants or options in respect of Shares or any other voting rights or rights over shares in the Company;
- (iv) there are no outstanding derivatives in respect of securities in the Company which have been entered into by the Offeror or any of its concert parties;
- (v) save for the Irrevocable Undertakings, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or the Shares and which might be material to the Offers (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (vi) there is no agreement or arrangement to which the Offeror is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a Pre-Condition or a Condition; and
- (vii) none of the Offeror and its concert parties has borrowed or lent any relevant securities in the Company, save for any borrowed shares which have been either on-lent or sold.

Dealing disclosures

In accordance with Rule 3.8 of the Takeovers Code, the respective associates of the Company and the Offeror (as defined under the Takeovers Code and including but not limited to any person who owns or controls 5% or more of any class of relevant securities of the Company or the Offeror) are reminded to disclose their dealings in the relevant securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below.

“Responsibility of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

WARNING

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their own professional advisers.

DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this Announcement:

“acting in concert”	has the meaning given to it under the Takeovers Code
“Announcement”	this announcement
“associate(s)”	has the meaning given to it under the Takeovers Code
“Baring”	Baring Private Equity Asia IV Holding (4) Limited, a company incorporated in the British Virgin Islands with limited liability, and a substantial shareholder of the Company as at the date of this Announcement
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“Citi”	Citigroup Global Markets Asia Limited, a licensed corporation under the SFO to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts), type 6 (advising on corporate finance) and type 7 (providing automated trading services) regulated activities, being the financial adviser to the Offeror
“Closing Date”	the First Closing Date of the Partial Offer or any subsequent closing date of the Partial Offer as may be extended or revised in accordance with the Takeovers Code
“Company”	AAG Energy Holdings Limited, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2686)
“concert parties”	with respect to a person, parties acting in concert or presumed to acting in concert with that person for the purposes of the Takeovers Code
“Conditions”	the conditions to the Partial Offer as set out in the section entitled “The Offers – Conditions” in this Announcement
“Despatch Date”	the date of despatch of the Offer Document to the

	Shareholders as required by the Takeovers Code
“Director(s)”	director(s) of the Company for the time being
“Excluded Option Holder”	an Option Holder whose address as at the latest practicable date to be set out in the Offer Document is outside Hong Kong and located in a jurisdiction the laws of which prohibit the making of the Option Offer to such Option Holder or otherwise requires that the Option Offer may only be made after compliance with additional conditions or requirements that are unduly burdensome
“Excluded RSU Holder”	a RSU Holder whose address as at the latest practicable date to be set out in the Offer Document is outside Hong Kong and located in a jurisdiction the laws of which prohibit the making of the RSU Offer to such RSU Holder or otherwise requires that the RSU Offer may only be made after compliance with additional conditions or requirements that are unduly burdensome
“Excluded Shareholder”	a Shareholder whose address as shown on the register of members of the Company as at the latest practicable date to be set out in the Offer Document is outside Hong Kong and located in a jurisdiction the laws of which prohibit the making of the Partial Offer to such Shareholder or otherwise requires that the Partial Offer may only be made after compliance with additional conditions or requirements that are unduly burdensome
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegates of the Executive Director
“Final Closing Date”	the date which is the 14th day after (i) the date on which the Partial Offer is declared unconditional as to acceptances or (ii) the First Closing Date, whichever is the earlier, provided that the Partial Offer will be open for acceptance for at least 21 days following the Despatch Date;
“First Closing Date”	the date stated in the Offer Document as the first closing day of the Partial Offer, which shall be at least 21 days following the Despatch Date, or such later date as may be extended by the Offeror in accordance with the Takeovers Code;
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Day”	14 May 2018, being the last trading day for the Shares immediately before the publication of this Announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock

	Exchange
“Offer Document”	the offer document to be issued by the Offeror in connection with the Offers in compliance with the Takeovers Code
“Offer Shares”	the Shares subject to the Partial Offer, being a maximum of 1,692,295,936 Shares (representing approximately 50.5% of the Shares in issue as at the date of this Announcement) or such higher number of Shares representing 50.5% of the Shares in issue as at the Final Closing Date (including any Shares for which a valid notice of exercise has been delivered in respect of an Option on or after the date of this Announcement and on or before the Final Closing Date), and “Offer Share” shall be construed accordingly
“ Offeror”	Liming Holding Limited, a company incorporated in Hong Kong with limited liability
“Offers”	collectively, the Partial Offer, the Option Offer and the RSU Offer
“Option”	an outstanding share option (vested or unvested) granted under the Share Option Scheme from time to time, and “Options” shall be construed accordingly
“Option Holder”	a holder of any Options, and “Option Holders” shall be construed accordingly
“Option Offer”	the conditional voluntary partial cash offer to be made by Citi on behalf of the Offeror to Qualifying Option Holders to acquire a maximum of 100,956,224 Options (representing approximately 50.5% of all the outstanding Options as at the date of this Announcement) or such higher number of Options representing 50.5% of the Options in issue as at the Final Closing Date on the terms and conditions set out in this Announcement and to be set out in the Offer Document and in compliance with the Takeovers Code
“Option Offer Price”	HK\$0.5647 for each Option payable by the Offeror to the Qualifying Option Holders accepting the Option Offer
“Partial Offer”	the conditional voluntary partial cash offer to be made by Citi on behalf of the Offeror to Qualifying Shareholders to acquire a maximum of 1,692,295,936 Shares (representing approximately 50.5% of the Shares in issue as at the date of this Announcement) or such higher number of Shares representing 50.5% of the Shares in issue as at the Final Closing Date (including any Shares for which a valid notice of exercise has been delivered in respect of an Option on or after the date of this Announcement and on or before the Final Closing Date) on the terms and conditions set out in this Announcement and to be set out in the Offer Document and in compliance with the Takeovers Code

“Pre-Conditions”	the pre-conditions to the making of the Offers as set out in the section entitled “The Offers – Pre-Conditions” in this Announcement
“PRC”	the People’s Republic of China which, for the purpose of this Announcement, shall exclude the Hong Kong and Macao Special Administrative Regions of the People’s Republic of China and Taiwan
“Qualifying Option Holder”	each Option Holder other than an Excluded Option Holder, and “Qualifying Option Holders” shall be construed accordingly
“Qualifying RSU Holder”	each RSU Holder other than an Excluded RSU Holder, and “Qualifying RSU Holders” shall be construed accordingly
“Qualifying Shareholder”	each Shareholder other than an Excluded Shareholder, and “Qualifying Shareholders” shall be construed accordingly
“relevant securities”	has the meaning given to it under Note 4 to Rule 22 of the Takeovers Code
“rights over shares”	has the meaning given to it under the Takeovers Code
“RSU”	a restricted share unit (vested or unvested) granted under the RSU Scheme from time to time, and “RSUs” shall be construed accordingly
“RSU Holder”	a holder of any RSUs, and “RSU Holders” shall be construed accordingly
“RSU Offer”	the conditional voluntary partial cash offer to be made by Citi on behalf of the Offeror to Qualifying RSU Holders to acquire a maximum of 20,444,228 RSU Shares (representing approximately 50.5% of all the outstanding RSUs as at the date of this Announcement) or such higher number of RSU Shares representing 50.5% of the RSU Shares underlying the RSUs in issue as at the Final Closing Date on the terms and conditions set out in this Announcement and to be set out in the Offer Document and in compliance with the Takeovers Code
“RSU Offer Price”	HK\$1.75 for each RSU Share payable by the Offeror to the Qualifying RSU Holders accepting the RSU Offer
“RSU Scheme”	the post-IPO restricted share unit scheme adopted by the Company on 5 June 2015 which became effective on 23 June 2015
“RSU Shares”	the Shares to be transferred or issued (as the case may be) to RSU Holders upon vesting of the RSUs held by the RSU Holders in accordance with the RSU Scheme
“Rule 3.7 Announcements”	the announcements dated 9 April 2018 published by each of the Company and the Offeror pursuant to Rule 3.7 of the

	Takeovers Code
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share”	an ordinary share of par value US\$0.0001 in the share capital of the Company, and “Shares” shall be construed accordingly
“Share Offer Price”	HK\$1.75 for each Offer Share payable by the Offeror to the Qualifying Shareholders accepting the Partial Offer
“Share Option Scheme”	the pre-IPO share option scheme adopted by the Company on 31 March 2015
“Shareholder”	a holder of any Shares, and “Shareholders” shall be construed accordingly
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning given to it under the Listing Rules
“substantial shareholder”	has the meaning given to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“WP China”	WP China CBM Investment Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, and a substantial shareholder of the Company as at the date of this Announcement
“Xinjiang Xintai”	新疆鑫泰天然氣股份有限公司 (Xinjiang Xintai Natural Gas Co., Ltd,*) a company incorporated in the PRC and listed on the Shanghai Stock Exchange (stock code: 603393)
“%”	per cent.

By order of the sole director
LIMING HOLDING LIMITED

Guo Zhihui

Hong Kong, 14 May 2018

As at the date of this Announcement, the sole director of the Offeror is Guo Zhihui.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this Announcement (other than that relating to the Group), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions

expressed in this Announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

As at the date of this Announcement, the board of directors of Xinjiang Xintai comprises Mr. Ming Zaiyuan, Mr. Ming Zaifu, Mr. Yin Xianfeng, Mr. Guo Zhihui, Mr. Duan Xianqi, Mr. Zhang Hongxing, Mr. Huang Jian (independent director), Mr. Qu Xuezhong (independent director) and Ms. Zhang Yinjie (independent director).

The directors of Xinjiang Xintai jointly and severally accept full responsibility for the accuracy of the information contained in this Announcement (other than that relating to the Group), and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this Announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

The information relating to the Group in this Announcement has been extracted from or based on publicly available information of the Company, including without limitation its annual report for the year ended 31 December 2017. The only responsibility accepted by the sole director of the Offeror and the directors of Xinjian Xintai in respect of such information is for the correctness and fairness of its reproduction or presentation.

** for identification purpose only*