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

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

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中港石油有限公司*

CHK OIL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

- (1) PROPOSED AMENDMENTS TO THE BYE-LAWS;
(2) GENERAL MANDATES TO ISSUE AND BUY BACK SHARES;
(3) RE-ELECTION OF DIRECTORS;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**
-

A notice convening the annual general meeting of CHK Oil Limited to be held at Suites 1905-07, 19th Floor, Tower 6, The Gateway, Harbour City, Kowloon, Hong Kong on Friday, 26 June 2020, at 10:00 a.m. is set out in this circular. A form of proxy for use at the annual general meeting is enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.chkoiltd.com).

Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time fixed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the annual general meeting or any adjourned meeting if you so wish.

21 April 2020

* *For identification purposes only*

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DEFINITIONS

“AGM”	the annual general meeting of the Company to be convened on Friday, 26 June 2020, at 10:00 a.m. at Suites 1905-07, 19th Floor, Tower 6, The Gateway, Harbour City, Kowloon, Hong Kong
“Board”	board of Directors of the Company
“Bye-laws”	the Bye-laws adopted by the Company, and as amended from time to time by special resolution of the Shareholders of the Company
“Chairlady”	chairlady of the Board
“Close Associates”	has the meaning as ascribed to it under the Listing Rules
“Company”	CHK Oil Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the main board of the Stock Exchange
“Core Connected Person”	has the meaning as ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate to the Directors to the effect that the total number of shares of the Company bought back under the Share Buy-back Mandate will be added to the total number of shares of the Company which may be allotted and issued under the Share Issue Mandate
“Group”	the Company and its subsidiaries
“HK Dollar(s)” or “HK\$”	the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“INED(s)”	independent non-executive director(s) of the Company
“Latest Practicable Date”	14 April 2020, being the latest practicable date prior to the printing of this circular for the purpose of 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 Stock Exchange
“PRC”	the People’s Republic of China

DEFINITIONS

“Proposed Amendments to the Bye-laws”	the proposed amendments to the existing Bye-laws as set out in this circular
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Buy-back Mandate”	the proposed share buy-back mandate be granted to the Directors to exercise the power of the Company to buy back Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the resolution for approving the share buy-back mandate
“Share Issue Mandate”	the proposed issue mandate to be granted 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 the resolution for approving the share issue mandate
“Share(s)”	existing ordinary share(s) of HK\$0.20 in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



中港石油有限公司*

CHK OIL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

Executive Directors:

Liu Gui Feng

Chen Bin

Lin Qing Yu

Chen Junyan

Yu Jiyuan

Yun Guangrui

Independent Non-executive Directors:

Cao Wei

Xu Guoqiang

Zhong Bifeng

Li Songtao

Registered office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Head office and principal place of
business in Hong Kong:*

Suites 1905-07,

19th Floor Tower 6,

The Gateway Harbour City

Kowloon

Hong Kong

21 April 2020

To the Shareholders

Dear Sirs,

- (1) PROPOSED AMENDMENTS TO THE BYE-LAWS;
(2) GENERAL MANDATES TO ISSUE AND BUY BACK SHARES;
(3) RE-ELECTION OF DIRECTORS;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

1 INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM for the approval of (a) proposed amendment to the Bye-laws; (b) the Share Issue Mandate; (c) the Share Buy-back Mandate; (d) the Extension Mandate; and (e) the re-elections of Directors. This circular contains the explanatory statement and gives all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolutions to be proposed at the AGM.

A notice convening the AGM is set out on pages 18 to 22 to this circular.

* For identification purposes only

LETTER FROM THE BOARD

2. PROPOSED AMENDMENTS TO THE BYE-LAWS

(i) Amendment in respect of removal of Directors

As disclosed in the announcements of the Company dated 4 December 2018 and 30 December 2018, the resolution to amend the Bye-laws was not passed at both of the special general meetings of the Company held on 29 November 2018 and 30 December 2018 respectively. As the existing Bye-laws, which provide that the Directors may be removed at the general meeting by special resolution, contravene the requirement of paragraph 4(3) of Appendix 3 to the Listing Rules, the following resolution will be put forward at the forthcoming AGM in order to remedy the non-compliance by bringing the Bye-laws in alignment with the Listing Rules:

THAT the Bye-laws of the Company be amended by deleting Bye-law 86(4) in its entirety and replacing it with the following as new Bye-law 86(4):

*“Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by **ordinary resolution** remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.”*
(emphasis added)

(ii) Amendment in respect of change of Company name

Reference is made to the announcement of the Company on 5 February 2020 in relation to the change of the Company's name.

As the name of the Company has been changed from “Pearl Oriental Oil Limited” to “CHK Oil Limited”, and new Chinese name of “中港石油有限公司” for identification purpose only has been adopted to replace the previous name of the Company in Chinese, namely “東方明珠石油有限公司” as disclosed in the Company's announcement dated 5 February 2020, the Company would also like to amend its Bye-laws to reflect the new English name of the Company. Accordingly, the Board proposes to amend the existing Bye-laws as set out in special resolution no. 2 contained in the notice of the AGM for consideration and, if thought fit, to be approved by the Shareholders at the AGM.

3. SHARE ISSUE MANDATE

An ordinary resolution will be proposed at the AGM to grant the Directors a general and unconditional mandate to allot, issue and deal with new Shares not exceeding 20% of the aggregate number of the issued share capital of the Company at the date of the passing of such resolution (i.e. 122,455,197 Shares assuming that no Shares will be issued or bought back by the Company prior to the date of the AGM). The Share Issue Mandate, if granted, will remain effective until 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

LETTER FROM THE BOARD

annual general meeting of the Company is required to be held under the Bye-laws or any applicable laws of the Bermuda or the Listing Rules; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

4. SHARE BUY-BACK MANDATE

An ordinary resolution will be proposed at the AGM to grant the Directors a general and unconditional mandate to buy back Shares subject to the maximum number of Shares of up to 10% of the aggregate number of the issued share capital of the Company at the date of passing of such resolution (i.e. 61,227,598 Shares assuming that no Shares will be issued or bought back by the Company prior to the date of the AGM). The Share Buy-back Mandate, if granted, will remain effective until 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 to be held under the Bye-laws or any applicable laws of the Bermuda or the Listing Rules; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

5. EXTENSION MANDATE

Subject to and conditional on the passing of the resolutions to grant the Share Issue Mandate and the Share Buy-back Mandate, an ordinary resolution will be proposed at the AGM to extend the Share Issue Mandate by the addition to the aggregate number of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandates of an amount representing the aggregate number of the share capital of the Company bought back by the Company pursuant to the Share Buy-back Mandate provided that such extended amount shall not exceed 10% of the aggregate number of the issued share capital of the Company in issue on the date of passing the resolution for approving the Share Issue Mandate.

An explanatory statement containing all relevant information relating to the proposed Share Buy-back Mandate is set out in Appendix I to this circular. The information in the explanatory statement is provided to you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution in relation to the Share Buy-back Mandate.

6. RE-ELECTION OF DIRECTORS

As at the date of this circular, the executive Directors are Ms. Liu Gui Feng, Mr. Chen Bin, Mr. Lin Qing Yu, Ms. Chen Junyan, Mr. Yu Jiyuan and Mr. Yun Guangrui; and the INED are Mr. Cao Wei, Mr. Xu Guoqiang, Ms. Zhong Bifeng and Li Songtao.

In accordance with Clause 86(2) of the Company's Bye-Laws, each of Mr. Chen Bin, Ms. Chen Junyan, Mr. Yu Jiyuan, Mr. Yun Guangrui, Mr. Cao Wei, Mr. Xu Guoqiang, Ms. Zhong Bifeng and Mr. Li Songtao so appointed by the Board to fill a causal vacancy on the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that general meeting.

LETTER FROM THE BOARD

Pursuant to Bye-law 87, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that Directors appointed pursuant to Bye-law 86(2) shall not, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year.

Accordingly, Ms. Liu Gui Feng and Mr. Lin Qing Yu will retire at the AGM, who being eligible, offer themselves for re-election at the forthcoming AGM.

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

7. THE AGM AND PROXY ARRANGEMENT

A notice convening the AGM to be held at Suites 1905-07, 19th Floor, Tower 6, The Gateway, Harbour City, Kowloon, Hong Kong on Friday, 26 June 2020, at 10:00 a.m. is set out on pages 18 to 22 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chkoilltd.com). Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM (or any adjournment thereof) to the office of the Company's share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

8. VOTING AT THE AGM

Under the Listing Rules, all votes at the AGM are required to be taken by poll. Accordingly, the chairman of the AGM will demand a poll regarding the voting for all the resolutions set out in the notice of AGM. The results of the poll will be published on the website of the Company and the designated issuer website of the Stock Exchange after market close on the day of the AGM.

9. RECOMMENDATION

The Directors believe that the Proposed Amendments to the Bye-laws, the Share Issue Mandate, Share Buy-back Mandate, Extension Mandate, the re-election of Directors and the proposed appointment of auditors are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions at the AGM.

LETTER FROM THE BOARD

10. 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.

Yours faithfully,
For and on behalf of the Board
CHK Oil Limited
Liu Gui Feng
Chairlady and Executive Director

1. LISTING RULES RELATING TO THE BUY-BACKS OF SECURITIES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to buy back their fully-paid shares on the Stock Exchange subject to certain restrictions, the important of which are summarized below:

(a) Shareholders' approval

All proposed purchase of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by its shareholders by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be bought back must be fully paid up.

(b) Share capital

Under the Share Buy-back Mandate, the number of Shares that the Company may buy back shall not exceed 10% of the aggregate number of its issued share capital at the date of the passing of the proposed resolution granting the Share Buy-back Mandate.

As at the Latest Practicable Date, the Company has 612,275,987 Shares in issue. Subject to the passing of the proposed resolution for the grant of the Share Buy-back Mandate and on the basis that no Shares are issued or bought back by the Company prior to the AGM, the exercise of the Share Buy-back Mandate in full would result in up to 61,227,598 Shares being bought back by the Company during the period from the date of passing of the relevant resolution to the next annual general meeting of the Company or the date upon which the Share Buy-back Mandate is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

(c) Reason for the buy-back

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to have a general authority from the Shareholders to enable the Directors to buy back securities of the Company on the market. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per share of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such buy-backs will benefit the Company and the Shareholders as a whole.

(d) Funding of buy-back

The Directors propose that buy-backs of Shares under the Share Buy-back Mandate in these circumstances would be financed from the Company's internal resources or existing banking facilities which will be funds legally available for such purposes in accordance with the Bye-laws and the laws of Bermuda. Under Bermuda law, buy-backs may only be effected out of the capital paid up on the purchased Shares or out of funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a

purchase over the par value of the Shares to be purchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account before the Shares are bought back.

As compared with the financial position of the Company as at 31 December 2019 (being date of its latest audited accounts), the Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company if the Share Buy-back Mandate is to be exercised in full during the proposed buy-back period. However, the Directors do not propose to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing level (as compared with the position disclosed in its most recent published audited accounts) which in the opinion of the Directors are from time to time appropriate for the Company.

(e) Undertaking

None of the Directors nor, to the best knowledge of the Directors having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) have any present intention to sell Shares to the Company if the Share Buy-back Mandate is approved by the Shareholders.

As at the Latest Practicable Date, no core connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Share Buy-back Mandate is approved by the Shareholders.

(f) Undertaking by Directors

The Directors have undertaken to the Stock Exchange that they will exercise the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of the Bermuda.

(g) Takeovers Code

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

The Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Share Buy-back Mandate.

2. BUY-BACKS OF SHARES BY THE COMPANY

No buy-backs of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

3. SHARE PRICES

During each of the previous twelve months, the highest and lowest prices at which the Shares have been traded on the Stock Exchange were as follows:

Month	Per Share	
	Highest (HK\$)	Lowest (HK\$)
2019		
April*	3.58	1.9
May	2.36	1.68
June	2.24	1.7
July	2.56	0.07
August	1.12	0.8
September	0.88	0.71
October	0.85	0.65
November	0.87	0.55
December	0.77	0.63
2020		
January	0.90	0.63
February	0.85	0.62
March	0.73	0.495
April (up to the Latest Practicable Date)	0.58	0.455

* Trading in the Shares has been suspended for the period from 14 February 2019 to 16 April 2019

Stated below are the information of directors who will be proposed for re-election at the AGM:

EXECUTIVE DIRECTORS

Ms. Liu Gui Feng (“Ms. Liu”), aged 69, is currently the Chairlady of the Company. She graduated from the CEO Course organized by Tsinghua University. She has served as the chairlady of Changchun Xinda Petroleum Group Co., Ltd. (長春新大石油集團有限公司) since 1996. Ms. Liu is responsible for formulating the strategies of the Group and she joined the Group in 2018.

Ms. Liu has entered into a service agreement with the Company with no fixed term of services. Ms. Liu is entitled to remuneration of HK\$1,000,000 per annum which was determined by reference to her qualification, experience and expected duties and responsibilities to the Company. She may be entitled to benefits such as share options and year-end-bonus at the discretion of the Board.

Saved as disclosed above, as at the Latest Practicable Date,

- (i) Ms. Liu does not have any relationships with other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Group;
- (ii) Ms. Liu did not hold other directorship in any public listed companies in the last 3 years;
- (iii) Ms. Liu does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO; and
- (iv) There is no information required to be disclosed in relation to Ms. Liu pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Mr. Chen Bin (“Mr. Chen”), aged 64, is currently the chief executive officer and a member of remuneration committee of the Company. He graduated from the Heilongjiang Institute of Economic Administrators* (黑龍江經濟管理幹部學院) for studying economics and management. Mr. Chen joined the PetroChina Harbin Petrochemical Company (中石油哈爾濱石化有限公司) in 1980, and was holding the position of Director of Transport and Sales (運輸銷售處處長) from 1996 to 2003. From 2003 to 2011, Mr. Chen was appointed by PetroChina Dalian Marketing Company* (中石油大連銷售公司) as Director of Investment and Management Department (投資處、加管處處長), as well as the Secretary of Party Committee (黨委書記) of PetroChina Dalian Sales and Delivery Company* (中石油大連銷售配送公司). From 2013 to 2016, Mr. Chen was appointed as General Manager of CEFC Anhui International Holding Co., Ltd. (previously known as AnHui Huaxing Chemical Industry Co. Ltd. (安徽華星化工股份有限公司)), shares of which are listed on the Shenzhen Stock Exchange with stock code 002018.SZ. Mr. Chen has profound experience in oil industry, international trading and business management and operations.

Mr. Chen has entered into a service agreement with the Company with a term of three years. Mr. Chen is entitled to remuneration of HK\$240,000 per annum which was determined by reference to his qualification, experience and expected duties and responsibilities to the Company. He may be entitled to benefits such as share options and year-end-bonus at the discretion of the Board.

Saved as disclosed above, as at the Latest Practicable Date,

- (i) Mr. Chen does not have any relationships with other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Group;
- (ii) Mr. Chen did not hold other directorship in any public listed companies in the last 3 years;
- (iii) Mr. Chen does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO; and
- (iv) There is no information required to be disclosed in relation to Mr. Chen pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Mr. Lin Qing Yu (“Mr. Lin”), aged 45, served as General Manager of Hong Yu Economic Trade Co., Ltd. (鴻宇經貿有限公司) from 2006 to 2008, General Manager of Jilin Xinda Petrol-Chemical Industry Co., Ltd. (吉林新大石油化工有限公司) from 2008 to 2011, and has been the Chairman and legal representative of Jilin Shengde Industrial Group Co., Ltd. (吉林聖德實業集團有限公司) since December 2011 till now.

He was the representative of Nong’an County People’s Congress from 2008 to 2013, has been the vice president of Jilin Enterprise Directors Association (吉林省企業家協會) since 2012 till now, and graduated from Economics and Management in the Open College of the Central Communist Party School (中共中央黨校函授學院) in 1996.

Mr. Lin has entered into a service agreement with the Company with no fixed term of services. Mr. Lin is entitled to remuneration of HK\$700,000 per annum which was determined by reference to his qualification, experience and expected duties and responsibilities to the Company. He may be entitled to benefits such as share options and year-end-bonus at the discretion of the Board.

Saved as disclosed above, as at the Latest Practicable Date,

- (i) Mr. Lin does not have any relationships with other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Group;
- (ii) Mr. Lin did not hold other directorship in any public listed companies in the last 3 years;
- (iii) Mr. Lin does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO; and
- (iv) There is no information required to be disclosed in relation to Mr. Lin pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Ms. Chen Junyan (“Ms. Chen”) (formerly Ms. Chen Jingjing), aged 31, was a business manager and promoted to business director (業務總監) and the general manager assistant at Shanghai Dahua Nationalization Business Management Co. Ltd.* (上海大華國化企業管理有限公司), a company which is

principally engaged in trading of fuel oil, asphalt and petroleum related products, from September 2011 to September 2018 and Ms. Chen was responsible for the sales and marketing of the fuel oil business. From March 2007 to January 2009, Ms. Chen finished her studies in Preschool Education (學前教育) and obtained Adult Higher Education (成人高等教育) Certificate of Graduation from 寧夏回族自治區廣播電視大學 (Ningxia Radio & TV University*).

Ms. Chen has entered into a service agreement with the Company with a term of three years. Ms. Chen is entitled to remuneration of HK\$240,000 per annum which was determined by reference to her qualification, experience and expected duties and responsibilities to the Company. She may be entitled to benefits such as share options and year-end-bonus at the discretion of the Board.

As at the Latest Practicable Date, Ms. Chen is deemed to be interested in 365,000,000 shares of the Company, representing approximately 59.61% of the issued share capital of the Company, within the meaning of Part XV of the SFO. Ms. Chen is a director and shareholder of Xin Hua Petroleum (Hong Kong) Limited, a controlling shareholder of the Company.

Saved as disclosed above, as at the Latest Practicable Date,

- (i) Ms. Chen does not have any relationships with other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Group;
- (ii) Ms. Chen did not hold other directorship in any public listed companies in the last 3 years;
- (iii) Ms. Chen does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO; and
- (iv) There is no information required to be disclosed in relation to Ms. Chen pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Mr. Yu Jiyuan (“Mr. Yu”), aged 27, is currently a member of the nomination committee of the Company. He is the son of Mr. Yu Zhibo who is a substantial shareholder of the Company. He obtained Bachelor of Science (Applied Mathematics & Statistics, Economics) from State University of New York (Stony Brook) in December 2012 and a Master in Public Administration in International Development from Harvard University in May 2017. From October 2013 to August 2015, Mr. Yu was a consultant to the International Department (國際部) of Heilongjiang Longyou Group Company Limited* (黑龍江龍油集團有限公司) (“Heilongjiang Longyou”) where he assisted the development of the international sales and marketing strategies and liaison with overseas business partners. From June 2017 to October 2018, Mr. Yu became the head of International Department (國際部部長) of Heilongjiang Longyou and he was responsible for the entire branch of overseas business development. Since November 2018, Mr. Yu has been working as the general manager of Heilongjiang Longyou. Since November 2018, Mr. Yu has been working as the chairman of Tianjin Binglixuleng Technology Co., Ltd.* (天津冰利蓄冷科技有限公司). Since January 2018, Mr. Yu Jiyuan has been the chairman of Tianjin Yingde Coldchain Technology Co., Ltd* (天津瀛德冷鏈技術有限公司).

Mr. Yu has entered into a service agreement with the Company with a term of three years. Mr. Yu is entitled to remuneration of HK\$700,000 per annum which was determined by reference to his qualification, experience and expected duties and responsibilities to the Company. He may be entitled to benefits such as share options and year-end-bonus at the discretion of the Board.

Saved as disclosed above, as at the Latest Practicable Date,

- (i) Mr. Yu does not have any relationships with other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Group;
- (ii) Mr. Yu did not hold other directorship in any public listed companies in the last 3 years;
- (iii) Mr. Yu does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO; and
- (iv) There is no information required to be disclosed in relation to Mr. Yu pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Mr. Yun Guangrui (“Mr. Yun”), aged 61, obtained his bachelor degree in Industrial Engineering (工業管理工程) from China University of Mining and Technology (中國礦業大學) (formally known as China Institute of Mining and Technology (中國礦業學院) prior to 1988) in November 1987. Mr. Yun obtained his Master of Economics, major in Business Management (企業管理), from Liaoning University (遼寧大學) in July 1998. From January 2003 to March 2012, Mr. Yun was the chief accountant (總會計師) and assistant general manager of the Dalian sales branch office of PetroChina Company Limited* (中國石油天然氣股份有限公司) (“PetroChina”). From March 2012 to February 2019, Mr. Yun was the Secretary of Party Committee (Deputy Department Level) (黨委書記(副局級)), assistant general manager, Secretary of the Discipline Committee (紀委書記) and the Chairman of the Union (工會主席) of Dalian Shipping Logistics Co., Ltd* (大連海運分公司) of PetroChina. Mr. Yun obtained the qualification as a senior accountant from the Review Committee (評審委員會) of China National Petroleum Corporation* (中國石油天然氣集團公司) in April 2004.

Mr. Yun has entered into a service agreement with the Company with a term of three years. Mr. Yun is entitled to remuneration of HK\$240,000 per annum which was determined by reference to his qualification, experience and expected duties and responsibilities to the Company. He may be entitled to benefits such as share options and year-end-bonus at the discretion of the Board.

Saved as disclosed above, as at the Latest Practicable Date,

- (i) Mr. Yun does not have any relationships with other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Group;
- (ii) Mr. Yun did not hold other directorship in any public listed companies in the last 3 years;
- (iii) Mr. Yun does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO; and

- (iv) There is no information required to be disclosed in relation to Mr. Yun pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Cao Wei (“Mr. Cao”), aged 65, is currently the chairman of nomination committee and a member of the audit committee of the Company. He completed his study in petrochemical production scheduling at Staff College of Fushun Petrochemical Company* (撫順石化公司職工大學) in Fushun City, Liaoning Province, China in 1991. Mr. Cao worked at certain branches under Liaoyang Petrochemical Branch of PetroChina Company Limited* (中國石油天然氣股份有限公司遼陽石化分公司) and had served as the section chief, deputy plant manager, deputy manager and other positions during the years from 1985 to 2015. Mr. Cao also provides consulting services to certain domestic companies involved in the production and sale of petrochemical products. Mr. Cao has accumulated over 30 years of extensive experience in administration, and production and sale of petroleum and chemical products.

Mr. Cao has entered into a letter of appointment with the Company with terms of one year. Mr. Cao is entitled to a director’s fee of HK\$240,000 per annum which was determined by reference to his qualification, experience and expected duties and responsibilities to the Company. He may be entitled to benefits such as share options and year-end-bonus at the discretion of the Board.

Saved as disclosed above, as at the Latest Practicable Date,

- (i) Mr. Cao does not have any relationships with other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Group;
- (ii) Mr. Cao did not hold other directorship in any public listed companies in the last 3 years;
- (iii) Mr. Cao does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO; and
- (iv) There is no information required to be disclosed in relation to Mr. Cao pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Mr. Xu Guoqiang (“Mr. Xu”), aged 56, is currently a member of the nomination committee, the audit committee and the remuneration committee of the Company. He completed his study in business management at Wuhan University in Hubei Province, China in 1998. Mr. Xu has been accredited the titles of mechanical engineer and senior operating manager. Mr. Xu had served as deputy plant manager, manager of sales department, manager of marketing department and secretary of the Party committee, in Sinopec Jingmen Petrochemicals Head Factory and Trading Corporation* (中國石化集團荊門石化總廠工貿總公司) (now known as Jingmen Lisheng Petrochemical Industry and Trading Co., Ltd.* (荊門利盛石化工貿有限公司) after its corporate restructuring in 2004) and its certain branches during the period from October 1986 to March 2019; and has been the legal representative and managing director of Liaoning Furu International Trade Co., Ltd.* (遼寧復孺國際貿易有限公司) since July 2016. Mr. Xu has accumulated over 30 years of extensive experience in administration, production and sale of petroleum and chemical products, as well as import and export trading business.

Mr. Xu has entered into a letter of appointment with the Company with terms of one year. Mr. Xu is entitled to a director's fee of HK\$240,000 per annum which was determined by reference to his qualification, experience and expected duties and responsibilities to the Company. He may be entitled to benefits such as share options and year-end-bonus at the discretion of the Board.

Saved as disclosed above, as at the Latest Practicable Date,

- (i) Mr. Xu does not have any relationships with other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Group;
- (ii) Mr. Xu did not hold other directorship in any public listed companies in the last 3 years;
- (iii) Mr. Xu does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO; and
- (iv) There is no information required to be disclosed in relation to Mr. Xu pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Ms. Zhong Bifeng (“**Ms. Zhong**”), aged 35, is currently the chairlady of the remuneration committee of the Company. She holds a bachelor's degree in law from Shijiazhuang Army Command College* (石家莊陸軍指揮學院) in Hebei Province, China. Ms. Zhong worked in Meizhou Tourism Bureau of Guangdong Province* (廣東省梅州市旅遊局) during the years from 2008 to 2012; she was a shareholder and served as manager of sales department of Jilin Province Li'an Petrochemical Co., Limited* (吉林省利安石油化工有限公司) during the years from 2013 to 2014; she served as supervisor of trade department and deputy director of operation department in Liaoning Dingyuan New Energy Trading Co., Ltd* (遼寧鼎元新能源貿易有限公司) during the years from 2014 to 2018. Ms. Zhong has accumulated over 10 years of experience in administration, business operations and sales and marketing of petroleum and chemical products.

Ms. Zhong has entered into a letter of appointment with the Company with terms of one year. Ms. Zhong is entitled to a director's fee of HK\$240,000 per annum which was determined by reference to her qualification, experience and expected duties and responsibilities to the Company. She may be entitled to benefits such as share options and year-end-bonus at the discretion of the Board.

As at the Latest Practicable Date, Ms. Zhong is deemed to be interested in 5,000,000 shares of the Company, representing approximately 0.01% of the issued share capital of the Company, within the meaning of Part XV of the SFO.

Saved as disclosed above, as at the Latest Practicable Date,

- (i) Ms. Zhong does not have any relationships with other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Group;
- (ii) Ms. Zhong did not hold other directorship in any public listed companies in the last 3 years;

- (iii) Ms. Zhong does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO; and
- (iv) There is no information required to be disclosed in relation to Ms. Zhong pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Mr. Li Songtao (“Mr. Li”), aged 49, is currently the chairman of the audit committee of the Company. He completed his study in Industrial Accounting at Qingdao Institute of Architectural Engineering* (青島建築工程學院) (now known as Qingdao University of Technology), Shandong Province, the People’s Republic of China, in 1991. He is currently a Chinese Certified Public Accountant and a Chinese Certified Registered Tax Agent. Mr. Li has served as financial controller of Daqing Jinsanyuan Co., Ltd* (大慶金三元有限公司) since September 2012; he has also worked in Daqing Branch of Heilongjiang Anlian Accounting Firm Co., Ltd since December 2007, and is currently taking the position of vice director of the Branch; he had served as financial controller of Heilongjiang Dezhi Real Estate Development Co., Ltd* (黑龍江德智房地產開發有限責任公司) for period from June 2011 to August 2012; he had served as financial controller of Daqing Shengli Group* (大慶勝利集團) for period from June 2005 to June 2011; he had served as finance supervisor of Anda Yili Dairy Co., Ltd* (安達伊利乳業有限責任公司) for period from July 2004 to May 2005; and he had served as supervisor of accounting department in Heilongjiang Dairy Machinery Factory* (黑龍江省乳品機械總廠) for period from August 1991 to June 2004. Mr. Li has accumulated extensive experience in financial accounting, auditing, taxation, import and export trading business and enterprise internal control.

Mr. Li has entered into a letter of appointment with the Company with terms of one year. Mr. Li is entitled to a director’s fee of HK\$240,000 per annum which was determined by reference to his qualification, experience and expected duties and responsibilities to the Company. He may be entitled to benefits such as share options and year-end-bonus at the discretion of the Board.

Saved as disclosed above, as at the Latest Practicable Date,

- (i) Mr. Li does not have any relationships with other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Group;
- (ii) Mr. Li did not hold other directorship in any public listed companies in the last 3 years;
- (iii) Mr. Li does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO; and
- (iv) There is no information required to be disclosed in relation to Mr. Li pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

* for identification purpose only

NOTICE OF ANNUAL GENERAL MEETING



中港石油有限公司*

CHK OIL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of CHK Oil Limited (the “Company”) will be held at Suites 1905-07, 19th Floor, Tower 6, The Gateway, Harbour City, Kowloon, Hong Kong, on Friday, 26 June 2020, at 10:00 a.m. for the following purposes:

AS SPECIAL RESOLUTIONS

1. **THAT** the bye-laws of the Company (the “Bye-law(s)”) be amended by deleting the existing Bye-law 86(4) in its entirety and replacing it as follows:

The existing Bye-law 86(4), which reads:

“Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by special resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.” (emphasis added)

is to be revised as:

“Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.” (emphasis added)

* For identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

2. **THAT** the bye-laws of the Company (the “Bye-laws”) be amended by deleting the existing English name of the Company “Pearl Oriental Oil Limited” as appearing in the Bye-laws and replacing the same with the new English name of the Company “CHK Oil Limited”.

AS ORDINARY BUSINESS

3. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors and auditors of the Company for the year ended 31 December 2019.
4. (i) To re-elect the following retiring Directors (whose particulars are stated in this circular):
- (a) Ms. Liu Gui Feng as an executive Director;
 - (b) Mr. Chen Bin as an executive Director;
 - (c) Mr. Lin Qing Yu as an executive Director;
 - (d) Ms. Chen Junyan as an executive Director;
 - (e) Mr. Yu Jiyuan as an executive Director;
 - (f) Mr. Yun Guangrui as an executive Director;
 - (g) Mr. Cao Wei as an independent non-executive Director;
 - (h) Mr. Xu Guoqiang as an independent non-executive Director;
 - (i) Ms. Zhong Bifeng as an independent non-executive Director; and
 - (j) Mr. Li Songtao as an independent non-executive Director.
- (ii) To authorize the board of Directors to fix the Directors’ remuneration.
5. To re-appoint the retiring auditors and to authorise the board of Directors to fix the remuneration of the auditors of the Company.
6. To consider and if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions of the Company:

NOTICE OF ANNUAL GENERAL MEETING

(A) “THAT

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which (including warrants, bonds and debentures convertible into shares of the Company) would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (a) and (b), otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) an issue of shares under any options granted under the share option scheme adopted by the Company; (iii) an issue of shares upon the exercise of subscription rights attached to the warrants which might be issued by the Company; (iv) an issue of shares in lieu of the whole or part of a dividend pursuant to any scrip dividend scheme or similar arrangement in accordance with the Bye-laws of the Company; and (v) any adjustment, after the date of grant or issue of any options, rights to subscribe for other securities referred to in (ii) and (iii) above, in the price at which shares in the Company shall be subscribed, and/or in the number of shares in the Company which shall be subscribed, on exercise of relevant rights under such options, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, rights to subscribe or other securities, shall not exceed 20% of the aggregate number of Shares of the Company in issue as at the time of passing this resolution; and
- (d) 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 the Bye-law of the Company or any applicable law to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the date of 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 or other securities of the Company open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors 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 the Hong Kong Special Administrative Region of the People’s Republic of China).”

(B) “THAT

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to buy back shares of the Company, subject to and in accordance with all applicable laws and requirements, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of the shares of the Company which may be bought back pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate number of the Shares of the Company as at the date of passing of 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 date of the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; and
- (iii) the date 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.”

- (C) “THAT** conditional upon Resolutions A and B set out above being passed, the aggregate number of the shares of the Company which are bought back by the Company under the authority granted to the Directors as mentioned in Resolution B above shall be added to the aggregate number of the Shares of the Company that may be allotted or

NOTICE OF ANNUAL GENERAL MEETING

agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Resolution A above provided that such amount shall not exceed 10% of the aggregate number of the Shares of the Company in issue at the date of passing of this Resolution.”

By Order of the Board
CHK Oil Limited
Liu Gui Feng
Chairlady and Executive Director

Hong Kong, 21 April 2020

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. A form of proxy for use at the meeting is enclosed. To be valid, the form of proxy, together with the notarially certified power of attorney or other authority (if any) under which it is signed must be lodged at the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event, not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof.
3. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Monday, 22 June 2020 to Friday, 26 June 2020, both days inclusive, during which period no transfer of ordinary shares of the Company will be registered. In order to be eligible to attend and vote at the meeting, all completed transfer documents, accompanied by relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Friday, 19 June 2020.
4. Where there are joint holders of any share, any one of such holders may vote at the meeting, either in person or by proxy, in respect of such shares as if he were solely entitled to vote, but if more than one of such joint holders be present at the meeting in person or by proxy, the person so present whose name stands first in the register of member of the Company in respect of such share shall alone be entitled to vote in respect of it.
5. Completion and return of the form of proxy will not preclude a member from attending the meeting and voting in person at the meeting or any adjourned meeting if he so desires. If a member attends the meeting after having deposited the form of proxy, his form of proxy will be deemed to have been revoked.
6. The votes to be taken at the meeting for the resolution will be by way of poll.
7. As at the date of this notice, the Board comprises six executive Directors, namely Ms. Liu Gui Feng, Mr. Chen Bin, Mr. Lin Qing Yu, Ms. Chen Junyan, Mr. Yu Jiyuan and Mr. Yun Guangrui; and four independent non-executive Directors, namely Mr. Cao Wei, Mr. Xu Guoqiang, Ms. Zhong Bifeng and Mr. Li Songtao.