



ANAN INTERNATIONAL LIMITED
(formerly known as CEFC International Limited)
(Incorporated in Bermuda)
(Company Registration no. 35733)

**CLARIFICATION OF RELATIONSHIP BETWEEN MR. YE JIAN MING, CEFC CHINA
AND THE COMPANY**

1. INTRODUCTION

- 1.1 The Board of Directors (the “**Board**”) of AnAn International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to various news reports on the subject of Mr. Ye Jian Ming released on 1 March 2018, and in particular to an article published by Bloomberg dated 1 March 2018 entitled “CEFC Chairman probed by Chinese Authorities, Caixin reports” (together, the “**News Reports**”).
- 1.2 The Bloomberg Article in question states in particular that the Company is related to CEFC China Energy Company Limited (中国华信能源有限公司) (“**CEFC China**”). The Board wishes to clarify the relationship between Mr. Ye Jian Ming, CEFC China and the Company.
- 1.3 The Board refers to (a) the announcement in relation to entry into the Cooperation Agreement dated 8 September 2015 (“**8 September 2015 Announcement**”); and (b) the announcements in relation to change in interest of substantial shareholders and disclosure of interests of directors, both dated 12 January 2017 (“**12 January 2017 Announcements**”).

2. RELATIONSHIP BETWEEN MR. YE JIANMING, CEFC CHINA AND THE COMPANY

In relation to Mr. Ye Jian Ming

- 2.1 By way of update to the 8 September 2015 Announcement, to the best knowledge of the Company, Mr. Ye Jian Ming no longer has any interest in CEFC China and is an executive director and the chairman of the board of CEFC China.
- 2.2 As disclosed in the FY2016 Annual Report of the Company and in the 12 January 2017 Announcements, Mr. Ye Jian Ming holds approximately 50.01% of the issue share capital of AnAn Group (Singapore) Pte. Ltd., which in turn holds approximately 63.82% of the total number of issued shares in the capital of the Company.

In relation to CEFC China

- 2.3 As disclosed in the 8 September 2015 Announcement, Singapore CEFC Petrochemical & Energy Pte. Ltd. (“**SPE**”), a wholly-owned subsidiary of the Company, and CEFC Shanghai International Group Limited (上海华信国际集团有限公司) (“**CEFC Shanghai**”), a subsidiary of CEFC China, entered into a framework cooperation agreement dated 7 September 2015 (the “**Cooperation Agreement**”).
- 2.4 Under the Cooperation Agreement, SPE will act as CEFC Shanghai’s exclusive procurement and supply platform for all its overseas procurement and supply activities. SPE will purchase crude oil, refined petroleum products, petrochemical products, LPG, natural gas and other

related commodities, as may be required by CEFC Shanghai, from third party suppliers and sell them to CEFC Shanghai. SPE will also sell crude oil, refined petroleum products, petrochemical products, LPG, natural gas and other related commodities, purchased from CEFC Shanghai, to third party purchasers.

3. OUTSTANDING TRADE RECEIVABLES BY CEFC HK

- 3.1 SPE has entered into trading transactions with Shanghai Huaxin Group (Hong Kong) Limited (上海华信集团(香港)有限公司) (“**CEFC HK**”), a wholly-owned subsidiary of CEFC Shanghai, pursuant to the Cooperation Agreement over the past several years.
- 3.2 As at the date of this Announcement, total outstanding trade receivables owing from CEFC HK to SPE amount to USD142,851,870.17, out of which USD124,518,599.14 are between 14 days and 50 days overdue.
- 3.3 Following deliberations between SPE and CEFC HK, CEFC HK has proposed an instalment payment plan (the “**Payment Plan**”) on 1 March 2018 with strong assurances for the payment of the overdue amounts according to a fixed payment schedule.
- 3.4 The Board will closely monitor payment progress as well as any impact which the News Reports may have on the ability of CEFC HK to pay, and notes the uncertainties associated with the process.
- 3.5 The Board will make further announcements on any material developments in connection with the outstanding trade receivables that are overdue and/or the Payment Plan as and when appropriate.
- 3.6 Shareholders and potential investors are advised to exercise caution when dealing with the shares of the Company in relation to this announcement.

BY ORDER OF THE BOARD

Zhao Guang Ming
Executive Director and Chief Executive Officer
1 March 2018