

OASIS

**Statement by Oasis Management Company Ltd. regarding the
upcoming Extraordinary General Meetings at Yingde Gases Group Company Limited
(HKEx Stock Code: 2168)**

February 26, 2017, Hong Kong - Oasis Management Company Ltd. (“Oasis”) is the manager to a private investment fund (“Oasis Fund”) that is the beneficial owner of approximately 4.5% of the outstanding shares of Yingde Gases Group Company Limited (“Yingde” or “the Company”) (HKEx Stock Code: 2168), making the Oasis Fund one of the largest minority shareholders of the Company. Oasis has adopted the Hong Kong Securities and Futures Commission (“SFC”) “Principles of Responsible Ownership” (a/k/a Hong Kong Stewardship Code) and in line with those principles, Oasis monitors and engages with our investee companies.

As a shareholder of Yingde, we have been actively following the current dispute between the group lead by current Chairman Zhao Xiangti and the group lead by Sun Zhongguo and Trevor Strutt. Both groups have made numerous public statements including a commitment to run a process to consider strategic alternatives including a possible sale of the company. As a minority shareholder of Yingde Gases, we are strongly in favor of a robust strategic alternative process that would maximize the value to all shareholders. However, this process must be run with genuine intent to maximize value for all shareholders in order for minority shareholders to make an educated decision with their holdings.

As such, after the completion of both EGMs on March 8, 2017, and regardless of the ultimate outcome (including a Board led by either Zhao Xiangti, Sun Zhongguo and Trevor Strutt, or a fully independent Board as recommended by ISS), Oasis will look to have an independent representative on the newly constituted Board. This would be done to observe the Board and ensure the process to consider such strategic alternatives is run efficiently and effectively. This is also consistent with ISS’s emphasis on the importance of the independence of the Board. This new independent director would add value through his/her experience in the financial markets while also providing a fresh and different perspective overseeing the process through his/her independence from any existing Directors. We believe that such an independent representative will be in the best interests of all shareholders.

For all inquiries, please contact Phillip Meyer at pmeyer@hk.oasiscm.com.

Oasis Management Company Ltd. manages private investment funds focused on opportunities in a wide array of asset classes across countries and sectors. Oasis was founded in 2002 by Seth Fischer, who leads the firm as its Chief Investment Officer. More information about Oasis is available at <https://oasiscm.com>.