

UNITED ENERGY GROUP LIMITED

聯合能源集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 467)

SHAREHOLDERS' COMMUNICATION POLICY

(approved and adopted by the Board on 29 March 2012)

Overview

United Energy Group Limited (the “Company”) and its Board of Directors (the “Board”) are dedicated to maintaining an effective communication with the shareholders of the Company (“Shareholders”) and providing them with necessary information in a timely manner to evaluate the performance of both the Board and the Company.

The Company maintains a principle of open communication and fair disclosure. Upon the establishment of the Company’s Shareholders’ Communication Policy (the “Policy”), it will be reviewed annually by the Board to ensure its effectiveness.

Information Dissemination

The Company is aware of its obligations under the the Rules Governing The Listing of Securities on the Stock Exchange Hong Kong Limited (the “Listing Rules”). It recognizes that some Shareholders, investors and analysts (collectively the “interested parties”), amongst the different identified groups of stakeholders of the Company (e.g. minority shareholders, individual investors, retail investors and institutional investors like mutual funds, private/public pension funds, insurance companies, banks, foundations and endowments etc.), have more and active interests than others in the affairs of the Company. Based on the Policy, legitimate questions arising from generally disclosed information deserves a reasonable reply. The Company’s Investor Relations Department is responsible for responding general enquiries on the Company’s business operations and future development plan from the interested parties (Telephone: (852) 2522 8287; Facsimile: (852) 2522 6938 Email: ir@uegl.com.hk). The Investor Relations Department handles enquiries from the Shareholders and shall report to the Board on enquiries gathered for further discussions from time to time, so as to ensure that those enquiries are properly directed. For other general enquiries regarding arrangements for general meetings and extraordinary meetings, proxy for voting, register for dividends and corporate communication etc., the interested parties can browse the Company’s website (www.uegl.com.hk) for details, contact the Company (Telephone: (852) 2522 8287; Facsimile: (852) 2522 6938; Email: enquiry@uegl.com.hk) directly or the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong.

Communications with Shareholders and their Rights

Information relating to the Company is communicated to the Shareholders for their discharging of voting rights and granting of approvals on businesses proposed by the Board to be passed at:

Annual General Meetings:

i) declaration of dividends; ii) adoption of the accounts and balance sheets; iii) election of Directors; iv) appointment of external auditors; v) delegation to the Board for fixing of remuneration of the Directors and of the external auditors; and vi) granting of general mandate to the Board to repurchase the Company's shares and to issue and allot new shares of the Company); or

Extraordinary General Meetings:

i) alteration of memorandum and articles of associations; ii) merger and acquisitions; iii) connected transactions; and iv) notifiable transactions, etc.

through the following means:

- (1) Annual (Notice of Annual General Meeting, Circular and Proxy Form) and interim reports of the Company are dispatched to the Shareholders in accordance with the Listing Rules' requirements;
- (2) Announcements relating to the Company's interim and annual results and on other occasions under continuous disclosure obligations as required by the Listing Rules are published on both the Company's website and the HKEx's website;
- (3) The Company's website includes, inter alia, i) background information of the Company such as the composition of the Board and its committees, management profile and company structure, which are also available in the Company's annual reports; ii) the Company's financial reports (annual and interim) and announcements, which are also available in the HKEx's website; and iii) the Company's products, presentation materials and press releases.

For passing of a special resolution, it requires not less than 75% of the votes by poll cast by Shareholders attending and entitled to vote, either in person or by proxy, at the general meetings; whereas 50% of which is required for passing of an ordinary resolution.

A. Shareholders who wish to propose a person for election as a director of the Company shall follow the procedures set out below:

- 1) Shareholders who wish to propose a person for election as a director of the Company must file a notice in writing (the "Notice") to the Company within the period set out in paragraph 2) below.

- 2) The Notice may be submitted to the principal place of business of the Company in Hong Kong (i.e. Suite 2505, 25/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong) for the attention of the Company Secretary during the period which is 1 day after the despatch of the notice by the Company of the general meeting appointed for such election and no later than 7 days prior to the date appointed for such meeting.
- 3) The Notice must be signed by a Shareholder (other than the person to be proposed).
- 4) The Notice must state clearly the name and contacts of the Shareholder proposing a person to be elected as a director of the Company, his/her shareholding, the name and contacts of the person that he/she is proposing to be elected, and the biographical details of such person, including his/her relevant qualifications and experiences.
- 5) The Notice must also be accompanied by a letter of consent signed by the person proposed to be elected on his/her willingness to be elected as a director of the Company.
- 6) The Company shall publish an announcement in the manner required by the Listing Rules or issue a supplementary circular upon receipt of the Notice from the Shareholder to propose such person for election as a director of the Company at the general meeting where such Notice is received by the Company after publication of the notice of meeting. The Company shall include particulars of the proposed director of the Company in the announcement or supplementary circular.

B. Special General Meetings requisitioned by the Shareholders

All general meetings other than the Annual General Meetings (“AGMs”) are called Special General Meetings (“SGMs”). An SGM may be convened at the request of Shareholders under the following conditions:

- (1) Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meeting of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition;
- (2) The requisition must specify the objects of the meeting, be signed by the requisitionists, and be deposited at Suite 2505, 25/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong, the principal place of business of the Company in Hong Kong;
- (3) such meeting shall be held within two months after the deposit of such requisition;

- (4) If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionists may convene the general meeting themselves in the same manner, as nearly as possible, as that in which meetings may be convened by the Board.

Shareholders' Meetings

The Company regards the Annual General Meeting ("AGM") as an important opportunity for constructive communication between the Board, the senior management and the Shareholders. The followings set out the formality of the Shareholder's Meetings:

- (1) The following persons should attend the AGM to answer questions raised at the meeting:
 - (a) Chairman of the Board ("the Chairman"), or failing him, his duly appointed delegate;
 - (b) When the Chairman is being engaged in other business commitment in the PRC and is unable to attend the AGM holding in Hong Kong in person, the Company provides another channel (via conference call) for the Shareholders to discuss any specific enquiries at the AGM with the Chairman whenever necessary; besides the duly appointed delegate shall report to the Chairman on any enquiries the Shareholders might have;
 - (c) The chairman of the Audit, Remuneration and Nomination Committees of the Board, or failing them, another member of the relevant Committees or, their duly appointed delegate; and
 - (d) The external auditors of the Company.
- (2) In respect of each substantially separate issue proposed at a general meeting, such as nomination of persons as directors, a separate resolution should be proposed by the chairman of the meeting.
- (3) The Board should encourage full and active participation of the Shareholders at general meetings to maintain an on-going dialogue with the Shareholders and in particular, use annual general meetings or other general meetings to communicate with them and encourage their participation.
- (4) The Company shall arrange for the notice to the Shareholders to be sent in the case of the AGMs at least 21 days before the meeting and to be sent at least 14 days in the case of all other general meetings (unless special resolution(s) is/are proposed; in such case, 21 days' notice should be given).

- (5) The Company shall ensure that the Shareholders are familiar with the detailed procedures for conducting a poll and the chairman of the meeting shall answer any questions from Shareholders on voting by poll; the poll results must be announced as soon as possible in the manner required by the Listing Rules.

Shareholders Privacy

The Company recognises that individual privacy is important and will not disclose registered shareholders' details unless required by law. Shareholders' details will only be used in accordance with applicable privacy laws.

Hong Kong, 30 March 2012