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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)

INSIDE INFORMATION CHARGE OF SHARES BY CONTROLLING SHAREHOLDERS AND TAKING UP ENTITLEMENTS UNDER THE OPEN OFFER IN FULL BY CONTROLLING SHAREHOLDERS

This announcement is made by United Energy Group Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Capitalised terms used in this announcement shall have the same meanings as those defined in the Company’s prospectus dated 5 August 2016.

SHARE CHARGES

The Company was notified that today Mr. Zhang Hong Wei, He Fu International Limited, United Petroleum & Natural Gas Holdings Limited and United Energy Holdings Limited, the controlling shareholders of the Company, entered into certain agreements (“**Agreements**”) in respect of the issue of secured and guaranteed senior notes by United Energy Holdings Limited to an independent third party (the “**Noteholder**”), and that United Petroleum & Natural Gas Holdings Limited has executed a share charge over 2,000,000,000 shares in the share capital of the Company held by it (the “**First United Petroleum & Natural Gas Charged Shares**”) in favour of the Noteholder to secure the obligations of, among other parties, Mr. Zhang Hong Wei, He Fu International Limited, United Petroleum & Natural Gas Holdings Limited and United Energy Holdings Limited under the Agreements (the “**Obligations**”). Pursuant to the Agreements, United Petroleum & Natural Gas Holdings Limited will enter into a share charge over 2,157,718,268 shares in the share capital of the Company to be held by it upon completion of the Open Offer (as defined in the Company’s circular dated 30 June 2016) (the “**Second United Petroleum & Natural Gas Charged Shares**”) and He Fu International Limited will execute a share charge over 1,050,000,000 shares in the share capital of the Company held by it (together with the First United Petroleum & Natural Gas Charged Shares and the Second United Petroleum & Natural Gas Charged Shares, the “**Subject Charged Shares**”) in favour of the Noteholder to secure the Obligations.

* *For identification purposes only*

The First United Petroleum & Natural Gas Charged Shares represent approximately 15.26% of the total issued share capital of the Company as at the date of this announcement, and the Subject Charged Shares represent approximately 19.87% of the total issued share capital of the Company upon completion of the Open Offer (as defined in the Company's circular dated 30 June 2016).

Each of the aforesaid charges of shares of the Company by United Petroleum & Natural Gas Holdings Limited and He Fu International Limited, as the case may be, does not fall within the scope of Rule 13.17 of the Listing Rules.

TAKING UP ENTITLEMENTS UNDER THE OPEN OFFER IN FULL

The Company was further notified that notwithstanding He Fu International Limited, United Petroleum & Natural Gas Holdings Limited and United Energy Holdings Limited have undertaken to accept, or procure the acceptance of, the Committed Shares, they will take up their respective entitlement under the Open Offer in full.

Accordingly, He Fu International Limited, United Petroleum & Natural Gas Holdings Limited and United Energy Holdings Limited will accept, or procure the acceptance of, 5,328,879,125 Offer Shares, 2,223,726,708 Offer Shares and 1,824,544,282 Offer Shares, respectively (all inclusive of the Committed Shares).

By Order of the Board
UNITED ENERGY GROUP LIMITED
Zhang Hong Wei
Chairman

Hong Kong, 9 August 2016

As at the date of this announcement, the executive directors of the Company are Mr. Zhang Hong Wei (Chairman), Mr. Zhu Jun, and Ms. Zhang Meiyang, and the independent non-executive directors of the Company are Mr. Chau Siu Wai, Mr. San Fung and Mr. Zhu Chengwu.