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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)

RESULT OF OPEN OFFER ON THE BASIS OF ONE OFFER SHARE FOR EVERY ONE EXISTING SHARE HELD ON THE RECORD DATE

Reference is made to the prospectus of the Company dated 5 August 2016 (the “**Prospectus**”) in relation to, amongst other things, the Open Offer. Terms used herein shall have the same meanings as those defined in the Prospectus unless otherwise defined herein or the context requires otherwise.

RESULTS OF THE OPEN OFFER

The Board is pleased to announce that at 4:00 p.m. on Friday, 19 August 2016, being the Latest Time for Acceptance of and payment for the Offer Shares and excess Offer Shares:

- (a) a total of 33 valid acceptances of allotments for an aggregate of 9,889,726,666 Offer Shares, representing approximately 75.48% of the total number of the Offer Shares available for subscription under the Open Offer, were received; and
- (b) a total of 25 valid applications for excess Offer Shares in respect of 54,461,379 Offer Shares, representing approximately 0.42% of the total number of the Offer Shares available for subscription under the Open Offer, were received.

The aggregate of 9,944,188,045 Offer Shares validly accepted and applied for represent approximately 75.90% of the total number of 13,101,994,107 Offer Shares available for subscription under the Open Offer. Accordingly, the Open Offer was under-subscribed by 3,157,806,062 Offer Shares, representing approximately 24.10% of the total number of the Offer Shares available for subscription under the Open Offer.

* *For identification purposes only*

EXCESS APPLICATIONS

Regarding the applications for excess Offer Shares, the Board has resolved to accept all valid applications and allot and issue such number of excess Offer Shares as having been validly applied for under each application. Accordingly, a total of 54,461,379 excess Offer Shares will be allotted to the Shareholders lodging valid applications and each of them will be allotted with the number of excess Offer Shares for which they have validly applied.

UNDERWRITING AGREEMENT

The Underwriting Agreement was not terminated by the Underwriter prior the Latest Time for Termination and all of the conditions precedent set out in the Underwriting Agreement had been satisfied. Accordingly, the Open Offer has become unconditional.

The Underwriter and the sub-underwriter have procured subscribers (the “**Subscribers**”) to subscribe for all the under-subscribed 3,157,806,062 Offer Shares, representing approximately 24.10% of the total number of the Offer Shares available for subscription under the Open Offer and 12.05% of the issued share capital of the Company of 26,203,988,214 Shares as enlarged by the allotment and issue of the 13,101,994,107 Offer Shares. To the best of the Directors’ information, knowledge and belief, having made all reasonable enquiries, each of the Subscribers is a third party independent of and not connected with the Company and its connected persons, is not acting in concert (within the meaning of the Takeovers Code) with any connected person of the Group and their respective associates and will not become a substantial shareholder of the Company immediately after completion of the Open Offer.

DESPATCH OF SHARE CERTIFICATES AND COMMENCEMENT OF DEALINGS IN THE OFFER SHARES

Share certificates for the Offer Shares will be despatched on Tuesday, 30 August 2016 by ordinary post to the relevant Qualifying Shareholders, at their own risk.

Dealings in the Offer Shares are expected to commence at 9:00 a.m. on Wednesday, 31 August 2016.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company immediately before and after the completion of the Open Offer:

Name of Shareholders	Immediately before completion of the Open Offer		Immediately after completion of the Open Offer	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>
Controlling Shareholders				
He Fu International Limited ⁽¹⁾	5,328,879,125	40.67	10,657,758,250	40.67
United Petroleum & Natural Gas Holdings Limited ⁽¹⁾	2,223,726,708	16.97	4,447,453,416	16.97
United Energy Holdings Limited ⁽¹⁾	1,824,544,282	13.93	3,649,088,564	13.93
Subtotal	<u>9,377,150,115</u>	<u>71.57</u>	<u>18,754,300,230</u>	<u>71.57</u>
Director				
Zhu Jun	1,443,000	0.01	1,443,000	0.01
Public Shareholders				
Subscribers ⁽²⁾	–	0.00	3,157,806,062	12.05
The Trustee (holding on trust for eligible employees of the Group) ⁽³⁾	16,272,730	0.12	16,272,730	0.06
Other public Shareholders	<u>3,707,128,262</u>	<u>28.29</u>	<u>4,274,166,192</u>	<u>16.31</u>
Subtotal	<u>3,723,400,992</u>	<u>28.41</u>	<u>7,448,244,984</u>	<u>28.42</u>
Total	<u><u>13,101,994,107</u></u>	<u><u>100.00</u></u>	<u><u>26,203,988,214</u></u>	<u><u>100.00</u></u>

Notes:

- (1) These companies are wholly owned by Mr. Zhang Hong Wei, a Director and the Chairman of the Company.
- (2) To the best of the Directors' information, knowledge and belief, having made all reasonable enquiries, each of the Subscribers is a third party independent of and not connected with the Company and its connected persons, is not acting in concert (within the meaning of the Takeovers Code) with any connected person of the Group and their respective associates, and will hold less than 10% of the issued share capital of the Company as enlarged by the Offer Shares immediately after completion of the Open Offer.

- (3) On 12 July 2016, the Board approved to allot and issue and aggregate of 16,272,730 Shares to the Trustee who would hold such Shares on trust for the eligible employees of the Group under the Deferred Annual Bonus Scheme, the Executive Performance Share Scheme and the Performance Share Scheme. Such Shares were allotted and issued under the General Mandate and did not cause the Company to exceed the General Mandate, and no Shares were allotted and issued to the connected persons of the Company. Such Shares held by the Trustee are counted towards the public float of the Company.

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

Hong Kong, 29 August 2016

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