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YUHUA ENERGY HOLDINGS LIMITED

裕華能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2728)

LIN CAIHUO

JOINT ANNOUNCEMENT

OFFERS HAVE BECOME UNCONDITIONAL IN ALL RESPECTS MANDATORY CONDITIONAL CASH OFFERS BY



億聲證券有限公司
Brilliant Norton
Securities Company Limited

ON BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF YUHUA ENERGY HOLDINGS LIMITED (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH HIM) AND CANCEL ALL OUTSTANDING SHARE OPTIONS OF YUHUA ENERGY HOLDINGS LIMITED

Financial adviser to the Offeror



Lego Corporate
Finance Limited
力高企業融資有限公司

The Offeror and the Company jointly announce that, as the condition set out in the Composite Document has been satisfied, the Offers have become unconditional in all respects on 21 July 2016. Pursuant to Rule 15.3 of the Takeovers Code, the Offers will remain open for acceptance for a period of no less than fourteen (14) days after the Offers have become or are declared unconditional in all respects. Accordingly, the latest time and date for acceptance of the Offers is 4:00 p.m. on 4 August 2016 (or such later time as the Offeror may further determine and announce with the consent of the Executive in accordance with the Takeovers Code).

Reference is made to the composite offer and response document dated 11 July 2016 jointly issued by the Company and the Offeror (the “**Composite Document**”) in respect of the mandatory conditional cash offers by Brilliant Norton Securities Company Limited on behalf of the Offeror to acquire all the issued shares of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with him) and cancel all outstanding share options of the Company. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

THE OFFERS HAVE BECOME UNCONDITIONAL IN ALL RESPECTS

As mentioned in the Composite Document, the Offers are subject to valid acceptances of the Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on or prior to the Offers Closing Date (or such later time(s) and/or date(s) as the Offeror may decide and the Executive may approve) in respect of such number of Shares which, together with the Shares already owned or agreed to be acquired before or during the Offers, would result in the Offeror and parties acting in concert with him holding more than 50% of the voting rights in the Company. The Option Offer was conditional on the Share Offer becoming unconditional.

Up to 21 July 2016, the Offeror had (i) received valid acceptances in respect of a total of 192,232,000 Shares (the “**Acceptance Shares**”) under the Share Offer, representing approximately 24.85% of the entire issued share capital of the Company; and (ii) not received any acceptance in respect of cancellation of outstanding Share Options under the Option Offer. As at 21 July 2016, the Offeror and parties acting in concert with him (including but not limited to Excel Precise and Mr. Law) owned, controlled or had direction over 237,418,946 Shares in aggregate, representing approximately 30.69% of the entire issued share capital of the Company.

Before commencement of the Offer Period (i.e. 23 May 2016), the Offeror and parties acting in concert with him (including but not limited to Excel Precise and Mr. Law) owned, controlled and had direction over 209,418,946 Shares, representing approximately 27.07% of the entire issued share capital of the Company. Apart from the aforesaid the Offeror and its concert parties do not hold, control or direct any rights over Shares as at the date of this joint announcement. Save for the acquisition of 28,000,000 Sale Shares by the Offeror, representing approximately 3.62% of the entire issued share capital of the Company as at the date of this joint announcement, and the Acceptance Shares, the Offeror and parties acting in concert with him (including but not limited to Excel Precise and Mr. Law) had not acquired or agreed to acquire any Shares or rights over Shares during the Offer Period and up to and including the date of this joint announcement. Neither the Offeror nor any person acting in concert with him has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period up to the date of this joint announcement.

Taking into account the Acceptance Shares (subject to the completion of the transfer of the Acceptance Shares to the Offeror) and the Shares already owned by the Offeror and parties acting in concert with him (including but not limited to Excel Precise and Mr. Law), the Offeror and parties acting in concert with him (including but not limited to Excel Precise and Mr. Law) owned or had agreed to acquire an aggregate of 237,418,946 Shares, representing 55.54% of the total issued share capital of the Company on 21 July 2016. Accordingly, the condition of the Share Offer has been satisfied and the Offers have become unconditional in all respects on 21 July 2016.

THE OFFER REMAIN OPEN FOR ACCEPTANCE

The Composite Document had been despatched by the Offeror and the Company on 11 July 2016. Originally, pursuant to Rule 15.1 of the Takeovers Code, the Offers should remain open for acceptance for at least twenty-one (21) days following the date on which the Composite Document is despatched. Pursuant to Rule 15.3 of the Takeovers Code, the Offers will remain open for acceptance for a period of no less than fourteen (14) days after the Offers have become or are declared unconditional in all respects. Accordingly, the latest time and date for acceptance will be extended to 4:00 p.m. on 4 August 2016 (or such later time as the Offeror may further determine and announce with the consent of the Executive in accordance with the Takeovers Code).

Save as set out above, all other terms of the Offers as set out in the Composite Document and the Forms of Acceptance remain unchanged. Independent Shareholders and Optionholders are advised to refer to the Composite Document and the Forms of Acceptance if they wish to accept the Offers. Independent Shareholders and Optionholders are also advised to refer to the letter from Brilliant Norton, the letter from the Board, the letter from the Independent Board Committee and the letter from Gram Capital contained in the Composite Document. A further announcement of the results of the Offers will be made on 4 August 2016 in accordance with Rule 19.1 of the Takeovers Code.

Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty in respect of acceptances of the Share Offer) payable for the Offer Shares under the Share Offer and for the Options under the Option Offer will be posted to the accepting Independent Shareholders and Optionholders by ordinary post at their own risk as soon as possible, but in any event within seven (7) business days (as defined in the Takeovers Code) of (i) the date of receipt by the Registrar (in the case of the Share Offer) or the company secretary of the Company (in the case of the Option Offer) of all the relevant documents necessary to render the relevant acceptance under the Offers complete and valid, and (ii) the date on which the Offers became unconditional in all respects, i.e. 21 July 2016, whichever is later.

By order of the board of
Yuhua Energy Holdings Limited
Wang Enguang
Executive Director

Lin Caihuo

Hong Kong, 21 July 2016

As at the date of this joint announcement, the Company has two executive Directors, namely Mr. Lin Caihuo (Chairman) and Mr. Wang Enguang, and three independent non-executive Directors, namely Mr. Liu Yang, Mr. Lum Pak Sum and Mr. Zhang Jiping.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror and parties acting in concert with him (including Excel Precise and Mr. Law)) and confirm that, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror and parties acting in concert with him (including Excel Precise and Mr. Law)) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

The Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirms that, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statements in this joint announcement misleading.