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UNITED STRENGTH POWER HOLDINGS LIMITED

眾誠能源控股有限公司

(Incorporated in the Cayman Islands with members' limited liability)

(Stock Code: 2337)

- (1) VERY SUBSTANTIAL ACQUISITION AND CONNECTED TRANSACTION – ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF THE TARGET COMPANY INVOLVING ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC CS MANDATE;**
(2) REVERSE TAKEOVER INVOLVING A NEW LISTING APPLICATION;
(3) PLACING OF THE PLACING SHARES UNDER SPECIFIC PLACING MANDATE; AND
(4) APPOINTMENT OF EXECUTIVE DIRECTOR

Joint Sponsors to the deemed new listing application of the Company



Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders



Sole Bookrunner



ZHONGTAI INTERNATIONAL SECURITIES LIMITED

The Underwriters



ZHONGTAI INTERNATIONAL SECURITIES LIMITED



FIRST CAPITAL SECURITIES LIMITED



Reference is made to the circular (the “**Circular**”) of United Strength Power Holdings Limited (the “**Company**”) dated 30 June 2020 in relation to, among others, the Acquisition and the Placing, and the announcement of the Company dated 24 July 2020 in relation to the poll results of the EGM held to approve, among others, the Acquisition and the Placing. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

COMPLETION OF THE ACQUISITION AND THE PLACING

The Board is pleased to announce that all the conditions precedent under the SP Agreement and the Placing Agreement have been fulfilled. The Acquisition and the Placing were completed on 24 August 2020.

In accordance with the SP Agreement, the Consideration, being HK\$650 million, was settled by the Company in the following manner: (i) an aggregate of 100,000,000 Consideration Shares, representing approximately 26.70% of the total issued share capital of the Company following the Acquisition Completion and the Placing Completion, have been allotted and issued to the Vendors at the issue price of HK\$5.00 per Consideration Share; and (ii) the remaining amount of HK\$150,000,000 were paid to the Vendors in cash, both of which in proportion to the number of Sale Shares which shall be transferred by each of the Vendors to the Company.

Immediately upon the completion of the Placing, an aggregate of 40,000,000 Placing Shares, representing approximately 10.68% of the total issued share capital of the Company following the Acquisition Completion and the Placing Completion, have been successfully placed by the Underwriters to not less than six Placees at the Placing Price of HK\$5.00 per Placing Share pursuant to the terms and conditions of the Placing Agreement.

To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, (i) each of the Placees and where appropriate, their respective ultimate beneficial owners, is an Independent Third Party; (ii) none of the Placees has become a substantial Shareholder (as defined under the Listing Rules) upon Completion; and (iii) not more than 50% of the Placing Shares are beneficially owned by the three largest Placees at the Placing Completion. None of the Placing Shares subscribed by the Placees has been financed directly or indirectly by any of the Directors, Controlling Shareholders, chief executive of the Company or any of its subsidiaries or their respective close associates, and none of the Placees who has subscribed the Placing Shares is accustomed to taking instructions from any of the Directors, Controlling Shareholders, chief executive of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of Placing Shares registered in his/her/its name or otherwise held by him/her/it.

The total gross proceeds from the Placing amounted to HK\$200.0 million. The net proceeds (after deducting professional fees and all related expenses in relation to the Acquisition and Placing of HK\$39.3 million, of which approximately HK\$5.0 million is directly attributable to the issue of new Placing Shares) is HK\$160.7 million, and as to approximately 93.3% of the net proceeds, equivalent to approximately HK\$150.0 million, is applied for settling the consideration of the Acquisition, and the balance of the proceeds of approximately HK\$10.7 million, equivalent to approximately 6.7% of the net proceeds, will be applied for general working capital of the Enlarged Group.

The Consideration Shares and the Placing Shares were allotted and issued, under the Specific CS Mandate and the Specific Placing Mandate granted to the Board at the EGM held on 24 July 2020. Listing approval for the Consideration Shares and the Placing Shares has been granted by the Stock Exchange.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The enlarged shareholding structure of the Company immediately after Acquisition Completion and Placing Completion as at the date of this announcement is set out below:

Name of shareholder	Immediately after Acquisition Completion and Placing Completion	%
Mr. Zhao	201,928,240 ^(Note 1)	53.92
Ms. Xu	40,931,400 ^(Note 2)	10.93
Mr. Liu	27,287,600 ^(Note 3)	7.29
Mr. Wang	2,728,760 ^(Note 4)	0.73
Sub-total	272,876,000	72.87%
Harvest Day	3,000,000 ^(Note 5)	0.80
Placees	40,000,000	10.68
Other shareholders	58,626,000	15.65
Total	374,502,000	100.00

Notes:

1. Amongst these Shares, 130,148,240 Shares are held in the name of Golden Truth and 71,780,000 Shares are held in the name of Propitious Peak, which is wholly owned by Golden Truth which is in turn wholly owned by Mr. Zhao.
2. Amongst these Shares, 26,381,400 Shares are held in the name of Dynamic Fame and 14,550,000 Shares are held in the name of Immense Ocean, which is wholly owned by Dynamic Fame which is in turn wholly owned by Ms. Xu.
3. Amongst these Shares, 17,587,600 Shares are held in the name of Heroic Year and 9,700,000 Shares are held in the name of Amber Heyday, which is wholly owned by Heroic Year which is in turn wholly owned by Mr. Liu.
4. Amongst these Shares, 1,758,760 Shares are held in the name of Noble Praise and 970,000 Shares are held in the name of Triumphant Diligent, which is wholly owned by Noble Praise which is in turn wholly owned by Mr. Wang.
5. Harvest Day is not a connected person of the Company and accordingly it is considered a public Shareholder.

APPOINTMENT OF EXECUTIVE DIRECTOR

Immediately following the Acquisition Completion, the Company has appointed (the “**Appointment**”) Mr. Ma Haidong (“**Mr. Ma**”) as an executive Director. The Appointment have taken effect immediately following the Acquisition Completion which took place on 24 August 2020. Details of Mr. Ma’s biography can be referred to the section headed “Directors and Senior Management – Senior Management of the Target Group” of the Circular and are set out below:

Mr. Ma, aged 41, is the head of Operation Department of the Target Group. He is primarily responsible for the management and operation of the Petroleum Refuelling Business and the Petroleum Wholesale Business, focusing on the Target Business’s petroleum refuelling station operation, which involves general operations, procurement and marketing affairs.

Mr. Ma has over 15 years of experience in the oil and gas industry. Mr. Ma joined the Target Group as a gas station master in April 2004. He worked as a manager at Changchun Longxing Liquefied Gas Company (長春隆興液化氣公司) between March 2006 and February 2011 and was the manager of Shenyang Xinxin between June 2014 and March 2018. He has been serving as an assistant to president of Changchun Yitonghe since March 2018. He has been serving as a director of Shenyang United Strength since May 2017.

Mr. Ma obtained a Bachelor degree in Management from Shenyang Institute of Chemical Technology (瀋陽化工學院) (now renamed as Shenyang University of Chemical Technology (瀋陽化工大學)), the PRC, in July 2004.

Mr. Ma obtained the qualification as a senior economist conferred by Jilin Province Human Resources and Social Security Protection Department* (吉林省人力資源和社會保障廳) in January 2011. Mr. Ma was a committee member of the Shenyang City Shenbei New District Committee of the PRC Political Consultative Conference* (中國人民政治協商會議瀋陽市瀋北新區政協委員會) from February 2015 to October 2017.

Save as disclosed above, as at the date of this announcement, Mr. Ma confirms that he (i) did not hold any directorships in the last three years immediately prior to the date of this announcement in public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) did not hold any other positions with any member of the Group (before Acquisition Completion); and (iii) does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company or the Target Company nor any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Ma has entered into the service agreement with the Company for an initial term of three years commencing from 24 August 2020. Mr. Ma is subject to retirement for re-election at the first general meeting of the Company after his appointment and thereafter subject to retirement by rotation at least once every three years and is eligible for re-election at each annual general meeting of the Company in accordance with the Company’s Articles of Associations. Mr. Ma will not receive any directors’ remuneration from the Company as the remuneration of Mr. Ma will be covered by his current employment in the Target Group, which is determined by the Target Group with reference to, his duties and responsibilities, the Target Group’s performance and the prevailing market conditions and trends.

Save as disclosed above, to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, there is no matter relating to the Appointment that needs to be brought to the attention of the Shareholders or to be disclosed pursuant to subparagraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

By order of the Board
United Strength Power Holdings Limited
Mr. Zhao Jinmin
Chairman

Hong Kong, 24 August 2020

As at the date of this announcement, the Board comprises five executive Directors, being Mr. Zhao Jinmin, Mr. Liu Yingwu, Mr. Xu Huilin, Mr. Yuan Limin and Mr. Ma Haidong and three independent non-executive Directors, being Ms. Su Dan, Mr. Lau Ying Kit and Mr. Zhang Zhifeng.

* *For identification purpose only*