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華潤燃氣控股有限公司
China Resources Gas Group Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 1193)



ZHENGZHOU GAS COMPANY LIMITED*
鄭州燃氣股份有限公司

*(a joint stock limited company incorporated
in the People's Republic of China)*
(Stock Code: 3928)

JOINT ANNOUNCEMENT

**COMPLETION OF ACQUISITION BY THE JOINT VENTURE OF
THE SALE SHARES FROM ZHENGZHOU SASAC
AND
MANDATORY CONDITIONAL CASH OFFER BY
CHINA RESOURCES GAS (CHINA) INVESTMENT LIMITED TO ACQUIRE
ALL THE DOMESTIC SHARES IN ZHENGZHOU GAS COMPANY LIMITED*
AND
MANDATORY CONDITIONAL CASH OFFER BY
ANGLO CHINESE CORPORATE FINANCE, LIMITED ON BEHALF OF
CHINA RESOURCES GAS (CHINA) INVESTMENT LIMITED TO ACQUIRE
ALL THE H SHARES IN ZHENGZHOU GAS COMPANY LIMITED*
AND
SPECIAL DIVIDEND ARRANGEMENT**

Financial adviser to China Resources Gas Group Limited

ANGLO CHINESE 英
CORPORATE FINANCE, LIMITED 高

Reference is made to the joint announcements issued by China Resources Gas Group Limited (“CR Gas”) and Zhengzhou Gas Company Limited (“Zhengzhou Gas”) on 25 November, 2009 and 11 December, 2009 (the “Announcements”) regarding the potential cooperation between CR Gas and Zhengzhou SASAC. Capitalised terms used in this announcement have the same meanings as those defined in the Announcements unless otherwise expressly defined herein.

The board of directors of CR Gas is pleased to announce that (i) the Completion has duly taken place on 27 August, 2010; and (ii) CR Gas Investment and the parties acting in concert with it are now required to make the Offers to acquire all the Zhengzhou Shares (other than those already owned or agreed to be acquired by CR Gas Investment and parties acting in concert with it) in compliance with Rules 14 and 26.1 of the Takeovers Code.

Completion of transfer of the Sale Shares from Zhengzhou GGCL to Zhengzhou SASAC

As stated in the Announcements, it is the intention of Zhengzhou GGCL to transfer the Sale Shares to Zhengzhou SASAC to facilitate the acquisition of the Sale Shares by the Joint Venture. The Sale Shares have been transferred from Zhengzhou GGCL to Zhengzhou SASAC at nil consideration on 30 June, 2010. Prior to the transfer of the Sale Shares from Zhengzhou GGCL to Zhengzhou SASAC and the acquisition of Sale Shares by the Joint Venture from Zhengzhou SASAC, the Sale Shares were held by Zhengzhou GGCL as a controlling shareholder of Zhengzhou Gas. Zhengzhou SASAC has obtained a waiver from the Executive on 25 January, 2010 to make a general offer to acquire all the Zhengzhou Shares under the Takeovers Code as a result of such transfer. The waiver was granted on the basis of application of note 6 to Rule 26.1 of the Takeovers Code which relates to the acquisition of voting rights by one member from another member of a group acting in concert under the Takeovers Code.

Completion of the acquisition of Sale Shares by the Joint Venture from Zhengzhou SASAC, special dividend arrangement and the obligation of CR Gas Investment to make the Offers under the Takeovers Code

The board of directors of CR Gas is pleased to announce that all the approvals and registrations in the PRC in connection with the acquisition of the Sale Shares by the Joint Venture from Zhengzhou SASAC at a total consideration of RMB 421,750,560 have been obtained and the registration of the Sale Shares under the name of the Joint Venture at China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司) has been updated on 30 June, 2010. At this point, Zhengzhou SASAC did not regard that the registration of the Sale Shares under the name of the Joint Venture as Completion because it has the right to finalise the distribution of the profit attributable to it given it is an obligation to be fulfilled by CR Gas Investment pursuant to the cooperation agreements, details of which are set out below.

Pursuant to the Announcements, the Completion shall take place within 10 business days, or such later date as CR Gas Investment and Zhengzhou SASAC may agree in writing, after fulfillment of all the pre-conditions contained in the Announcements. According to the agreements entered into between CR Gas Investment and Zhengzhou SASAC for their potential cooperation, the attributable profit and loss incurred by Zhengzhou GGCL and its subsidiaries during the period from 1 July, 2009 up to the date of incorporation of the Joint Venture which was 25 November, 2009, should be borne by Zhengzhou SASAC. CR Gas Investment and Zhengzhou SASAC, by entering into an addendum on 27 August, 2010, have confirmed and agreed that (i) the audited

profits of Zhengzhou Gas, Zhengzhou Gas Design and Nanyang Zhengran, being entities transferred to the Joint Venture by Zhengzhou SASAC, during the period from 1 July, 2009 to 30 November, 2009 attributable to Zhengzhou SASAC were RMB26,586,900 based on its 43.18% beneficial interest in Zhengzhou Gas, 17.37% beneficial interest in Zhengzhou Gas Design and 100% beneficial interest in Nanyang Zhengran; and CR Gas Investment has agreed that Zhengzhou SASAC will be entitled to such profit; (ii) CR Gas Investment and Zhengzhou SASAC have agreed through the Joint Venture to procure Zhengzhou Gas to distribute such profit by way of special dividend; and (iii) as a condition precedent to Completion, either the board of directors of Zhengzhou Gas shall resolve to propose declaration of a special dividend and to submit the proposal to the shareholders for approval, or the parties shall procure the Joint Venture to request Zhengzhou Gas to convene an extraordinary general meeting for the shareholders of Zhengzhou Gas to approve the payment of special dividend.

The board of directors of Zhengzhou Gas has received a joint request from the Joint Venture and another shareholder on 27 August, 2010 for convening an extraordinary general meeting of Zhengzhou Gas to approve the payment of special dividend. CR Gas announces that the condition precedent to Completion is therefore fulfilled on 27 August, 2010. The proposed payment of special dividend will be RMB0.492 per Zhengzhou Share and subject to approval of the shareholders of Zhengzhou Gas at the extraordinary general meeting, which is expected to be held on 23 November, 2010, at which CR Gas Investment will procure the Joint Venture to vote for the resolution. All shareholders of Zhengzhou Gas will be entitled to the special dividend, if it is approved at the extraordinary general meeting. Once the Joint Venture has received its entitlement to the special dividend, being an amount approximately equal to the above-mentioned profits attributable to and entitled by Zhengzhou SASAC, it will within five working days repay the same amount to Zhengzhou SASAC. In the event that the special dividend is not paid by Zhengzhou Gas, CR Gas Investment and Zhengzhou SASAC will then agree on other means to settle the obligation to repay the said profit, if appropriate, and CR Gas Investment undertakes that all other shareholders of Zhengzhou Gas will receive the same entitlement and be treated fairly.

The board of directors of CR Gas is pleased to announce that Completion has therefore duly taken place and that all the pre-conditions for the Offers have been fulfilled on 27 August, 2010. Upon Completion, the Joint Venture was interested in 54,041,510 Domestic Shares which represented approximately 43.18% of the total issued share capital of Zhengzhou Gas. Accordingly, the board of directors of CR Gas is of the view that there is a change in controlling shareholder of Zhengzhou Gas whereby CR Gas Investment and the parties acting in concert with it are now required to make the Offers to acquire all the Zhengzhou Shares (other than those already owned or agreed to be acquired by CR Gas Investment and parties acting in concert with it) in compliance with Rules 14 and 26.1 of the Takeovers Code.

It is expected that the record date in respect of the special dividend will fall on a date after the close of the Offers. If any shareholders of Zhengzhou Gas tender their Zhengzhou Shares for acceptance under the Offers, CR Gas Investment will receive the special dividend paid by Zhengzhou Gas, if it is approved by the shareholders of Zhengzhou Gas, on their behalf and will repay the accepting shareholders the same amount of special dividend as soon as practicable. Detailed arrangement in connection with the special dividend will be disclosed in the composite document.

Despatch of composite document

As stated in the Announcements, a composite document to be issued jointly by CR Gas Investment, CR Gas and Zhengzhou Gas in connection with the Offers should be despatched to the shareholders of Zhengzhou Gas within 7 days of Completion, which is expected to be on or before 3 September, 2010, unless with the consent of the Executive.

Hong Kong, 27 August, 2010

**By Order of the Board of Directors of
China Resources Gas Group Limited**
MA Guoan
Chairman

**By Order of the Board of Directors of
Zhengzhou Gas Company Limited***
YAN Guoqi
Chairman

As at the date of this announcement, the board of directors of CR Gas comprises three executive directors, namely, Mr. Ma Guoan, Mr. Wang Chuandong and Mr. Ong Thiam Kin, two non-executive directors, namely, Mr. Du Wenmin and Mr. Wei Bin and three independent non-executive directors, namely, Mr. Wong Tak Shing, Mr. Luk Chi Cheong and Ms. Yu Jian. The board of directors of CR Gas Investment comprises three directors, namely Mr. Wang Chuandong, Mr. Ong Thiam Kin and Mr. Wang Yan. The members of the board of directors of CR Gas and CR Gas Investment jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to Zhengzhou Gas Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, the opinions expressed in this announcement (other than those expressed by Zhengzhou Gas Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the board of directors of Zhengzhou Gas comprises three executive directors, namely Mr. Yan Guoqi, Mr. Li Jinlu and Mr. Li Hongwei, four non-executive directors, namely Mr. Song Jinhui, Mr. Zhang Wushan, Mr. Ding Ping and Mr. Liu Jianwen and four independent non-executive directors, namely Mr. Yu Jingsong, Mr. Zhang Jianqing, Ms. Wang Xiuli and Mr. Wong Ping. The members of the board of directors of Zhengzhou Gas jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to CR Gas Group, its associates, Zhengzhou SASAC, or Zhengzhou GGCL) and confirm, having made all reasonable enquiries, that to the best of their knowledge, the opinions expressed in this announcement (other than those expressed by CR Gas Group, its associates, Zhengzhou SASAC, or Zhengzhou GGCL) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

** For identification purpose only*