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中裕燃氣控股有限公司

ZHONGYU GAS HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8070)

DISCLOSURE PURSUANT TO RULE 3.8 OF THE TAKEOVERS CODE

This announcement is made pursuant to the Rule 3.8 of The Codes on Takeovers and Mergers and Share Repurchases (the “**Takeovers Code**”).

Reference is made to the announcements dated 26 January 2010 (the “**Joint Announcement**”) and 25 February 2010 jointly issued by Zhongyu, China Gas and the Offeror in relation to the Offers. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Joint Announcement.

The board of directors of Zhongyu announces that 3,006,000 Zhongyu Shares were issued on 18 March 2010 on exercise of Share Options under the Share Option Scheme. Accordingly, since the commencement of the Offer Period up to the date of this announcement, an aggregate of 4,506,000 Zhongyu Shares were issued and as at the date of this announcement, there are 1,974,007,684 Zhongyu Shares in issue.

In accordance with Rule 3.8 of the Takeovers Code, Zhongyu hereby reminds its associates and parties acting in concert with it to disclose their dealings in any securities of Zhongyu. For this purpose, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibility of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not

apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediates are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediates will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

By order of the board of
Zhongyu Gas Holdings Limited
Wang Wenliang
Chairman

Hong Kong, 18 March 2010

As at the date of this announcement, the board of directors of Zhongyu comprises 8 directors, of whom Mr. Wang Wenliang (Chairman), Mr. Hao Yu (Chief Executive Officer) and Mr. Lu Zhaoheng and Mr. Lui Siu Keung (Chief Financial Officer) are executive directors, Mr. Xu Yongxuan (Vice-Chairman) is a non-executive director, Mr. Wang Shunlong, Dr. Luo Yongtai and Mr. Hung, Randy King Kuen are independent non-executive directors.

This announcement, for which the directors of Zhongyu collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to Zhongyu. The directors of Zhongyu, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- (1) the information contained in this announcement is accurate and complete in all material respects and not misleading;*
- (2) there are no other matters the omission of which would make any statement in this announcement misleading; and*
- (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for 7 days from the date of its publication and on Zhongyu’s website at <http://www.zygaz.com.cn>.