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中裕燃气

中裕燃气控股有限公司

ZHONGYU GAS HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8070)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of the shareholders of Zhongyu Gas Holdings Limited (the “**Company**”) will be held at 14/F, Printing House, 6 Duddell Street, Central, Hong Kong on Thursday, 9 August 2007 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTION 1

“**THAT**

- (a) conditional sale and purchase agreement (the “**Sale and Purchase Agreement**”) dated 2 May 2007 and entered into between Zhongyu Gas investment Limited (the “**Purchaser**”), a wholly owned subsidiary of the Company, as purchaser and Hezhong Investment Holding Company Limited (“**Hezhong**”) as Hezhong pursuant to which the Purchaser conditionally agreed to purchase and Hezhong conditionally agreed to sell (i) one ordinary share of US\$1.00 each in the share capital of Glory Path Investments Limited (“**Glory Path**”), being the entire issued share capital of Glory Path; and (ii) the outstanding shareholders’ loans in an aggregate amount of approximately HK\$164,610,000 owed by China City Gas Construction Investment Limited (中國城市燃氣建設投資有限公司) and China City Gas Construction Development Limited (中國城市燃氣建設發展有限公司) as at the date of the Sale and Purchase Agreement, which are unsecured, interest free and have no fixed terms of repayment (the “**Acquisition**”) (a copy of the Sale and Purchase Agreement has been produced to this meeting marked “A” and signed by the chairman of this meeting for the purpose of identification) and the transactions contemplated thereunder be and hereby approved, confirmed and ratified;
- (b) the allotment and issue of a maximum of 93,726,000 new ordinary share(s) (each a “**Consideration Shares**”) of HK\$0.01 each in the share capital of the Company to satisfy RMB100,000,000 (equivalent to approximately HK\$101,000,000), being partial of the consideration of RMB300,000,000 (equivalent to approximately HK\$303,000,000), at an issue price of HK\$1.08 per Consideration Shares, credited as fully paid, to the Purchaser, be and is hereby approved; and

- (c) any one or more of the directors (the “**Directors**”) of the Company be and is/are hereby authorised to do all such acts and things and execute all such documents which they consider necessary or expedient for the implementation of and giving effect to the Sale and Purchase Agreement and the transactions contemplated thereunder.”

ORDINARY RESOLUTION 2

“**THAT** subject to the ordinary resolution 1 above being duly passed, the unconditional specific mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with the Consideration Shares be and is hereby approved.”

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

Hong Kong, 24 July 2007

Registered office:

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Hutchins Drive
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Grand Cayman KY1-1111
Cayman Islands

Principal place of business:

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One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Notes:

1. A member entitled to attend and vote at the EGM is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his/her/its behalf. A proxy need not be a member of the Company but must be present in person at the EGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. A form of proxy for use at the EGM is enclosed with the circular of the Company dated 24 July 2007. Such form is also available at the website of the Stock Exchange at <http://www.hkex.com.hk>. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, at the branch share registrar and transfer office of the Company in Hong Kong, Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the EGM or any adjournment thereof, should you so wish.
3. In the case of joint holders of shares, any one of such holders may vote at the EGM, either personally or by proxy, in respect of such share as if he/she/it was solely entitled thereto, but if more than one of such joint holder are present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.

As at the date of this announcement, the executive Directors are Mr. Wang Wenliang, Mr. Hao Yu and Mr. Lu Zhaoheng. The non-executive Directors are Mr. Xu Yongxuan, Mr. Wang Lei and Mr. Nicholas John Ashley Rigg. The independent non-executive Directors are Mr. Wang Shunlong, Dr. Luo Yongtai and Mr. Hung, Randy King Kuen.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, 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 GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting.