



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

CR GAS BOOTS ACQUISITION PACE WITH A NEW JOINT VENTURE IN QINGDAO

Hong Kong, March 9th, 2015-China Resources Gas Group Limited (“CR Gas” or the “Company”, HKEx Mainboard Stock Code: 1193; together with its subsidiaries, the “Group”) today announced that on 9th March 2015, China Resources Gas Investment (China) limited, “CR Gas Investment”, an indirect wholly-owned subsidiary of the Company, entered into the Joint Venture Documentation, Qingdao Energy Group, pursuant to which CR Gas Investment will establish the Joint Venture with Qingdao Energy Group by way of contributing to the proposed increase in the registered capital of Qingdao Gas by an amount of RMB 612.5 million. Upon the establishment of the Joint Venture, which is subject to the approval of the relevant PRC authorities, Qingdao Gas will be converted in to a Joint Venture and will be owned by CR Gas Investment and Qingdao Energy Group as to 49% and 51%, respectively.

“CR Gas has been active in seeking business opportunities to expand its core business of downstream city gas operation in the PRC over the recent years. This Joint Venture in Qingdao, one of the most economically developed cities in China with annual GDP exceeding RMB800 billion with vast demand for piped natural gas in the foreseeable future, will enable the Group to further extend its coverage and footprint in the PRC, create synergy with the Group’s existing gas operations in Shandong. This acquisition is a very important part of the on-going expansion strategy of the Group with the aim of becoming the market leader in the downstream city gas industry .” said Mr. Chuandong Wang, Chairman of CR Gas.

The Joint Venture will principally engage in sales of natural gas, manufacturing, sales and maintenance of gas equipment and appliances, maintenance of gas facilities, develop and utilise gas related products, vehicle gas refilling stations, marine gas distribution and engineering, designing and constructing other gas-related products and services, within all administrative districts of Qingdao city and any other districts where operating rights may be obtained in the future.

According to the Joint Venture Agreement, the Joint Venture’s board of directors will comprise of 7 members, of which CR Gas Investment is entitled to nominate 3 directors

and Qingdao Energy Group is entitled to nominate 4 directors. CR Gas Investment will nominate a candidate as chairman of the board, who will also act as the legal representative of the Joint Venture, and Qingdao Energy Group will nominate a candidate as vice chairman for the Joint Venture.

About CR Gas

CR Gas, 63.95% owned by China Resources (Holding) Co. Ltd, one of the largest state-owned conglomerates in China, is principally engaged in downstream city gas distribution business including piped natural gas distribution and natural gas filling stations operation. Its operations are strategically located in areas of China, which are economically more developed and densely populated and areas with rich reserves of natural gas. CR Gas aspires to become a respected market leader in downstream city gas distribution business in China.

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