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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)**

**VOLUNTARY ANNOUNCEMENT**  
**UPDATE ON INVESTMENTS IN CITY GAS DISTRIBUTION**  
**AND RELATED PROJECTS IN 2014**

This is a voluntary announcement made by the Company.

**INVESTMENT UPDATE**

The Board is pleased to announce that during the year from 1 January 2014 to 31 December 2014, the Group has made or committed to make total investment of RMB 1,554.2 million in 29 city gas distribution and related projects in the PRC (2013: investment of RMB 642.8 million in 27 projects). Most of these projects are either wholly-owned or majority-owned by the Group.

In addition, as at 31 December 2014, the Board has approved another 24 proposed city gas distribution and related projects with proposed investments of RMB 674.9 million.

The above Investments, comprising investments made and proposed of RMB 2,229.1 million, cover 53 projects in 20 provinces.

**REASONS FOR AND BENEFITS OF THE INVESTMENTS**

The Group has been active in seeking business opportunities to expand its core business of downstream city gas operation in the PRC over the recent years. Its existing city gas projects are strategically located in various provinces in the PRC. The Investments are part of the on-going expansion strategy of the Group with the aim of becoming the market leader in the downstream city gas industry in the foreseeable future.

The Directors consider the Investments will enable the Group to further extend its coverage and footprint in the PRC. The Group has existing city gas operations in these provinces and has 18 regional offices set up in various strategic locations in the PRC. The projects of the Investments will be efficiently integrated and managed by the relevant regional office depending on their geographical locations. As such, the Directors consider that the Investments create synergy with the Group's existing gas operation, thereby will broaden the Group's revenue base as well as enhance and sustain its earning capabilities. After the completion of all the outstanding Investments, the number of city gas distribution and related projects of the Group in China will increase to 229.

## **GENERAL**

The Group is principally engaged in downstream city gas distribution business in the PRC. As at 30 June, 2014, its operations include 191 city gas projects in 21 provinces covering 3 direct administrative cities, 11 provincial capitals and 62 prefecture-level cities such as Tianjin, Chongqing, Shanghai, Zhengzhou, Chengdu, Nanjing, Wuhan, Kunming, Fuzhou, Nanchang, Wuxi, Suzhou, Xiamen, etc.

Information about the Investments disclosed above are derived from the Group's internal management records and is subject to final audit by the Company's auditor. Further, forward-looking statements in this announcement are based on current expectations, assumptions, estimates and projections about the Company and its industry. These statements are not guarantees of future performance and that the Company's actual results of operations, financial condition and liquidity, and the development of the industry in which the Company operates may differ materially from those made in, or suggested by, the forward-looking statements in this announcement. Information herein shall not be taken as a measure or indication of the Group's current or future operating or financial performance, and they are provided for information only. In addition, the Group may or may not proceed with all or any of the 24 proposed projects of Investments even though Board approval has been granted. Shareholders and potential investors are advised not to place any reliance on the information disclosed herein but to exercise due caution when dealing in the securities of the Company. Any investor who is in doubt is advised to seek advice from professional advisors.

## DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context requires otherwise.

“Board”	the board of Directors;
“Company”	China Resources Gas Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	collectively, the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Investments”	the invested investments comprising 29 projects undertaken by legal entities duly incorporated in the PRC and 24 proposed investments projects approved by the Board;
“PRC”/ “China”	the People’s Republic of China, but for the purpose of this announcement only, excluding Hong Kong, Macau and Taiwan;
“RMB”	Renminbi, the lawful currency of China;
“Shareholder(s)”	person(s) whose name(s) appear on the register of members as registered holder(s) of share(s) in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

By Order of the Board  
**China Resources Gas Group Limited**  
**Wang Chuandong**  
*Chairman*

Hong Kong, 23 January 2015

*As at the date of this announcement, the directors of the Company are Mr. Wang Chuandong, Mr. Shi Shanbo, Mr. Ge Bin and Mr. Ong Thiam Kin, being Executive Directors; Mr. Du Wenmin, Mr. Wei Bin, Mr. Chen Ying and Mr. Wang Yan, being Non-executive Directors; and Mr. Wong Tak Shing, Ms. Yu Jian, Mr. Yu Hon To, David and Mr. Qin Chaokui, being Independent Non-executive Directors.*