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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)

DISCLOSEABLE TRANSACTION

The Board announces that the Group has terminated the Equity Transfer Agreement in respect of the acquisition of Nanjing Jingqiao.

Reference is made to the Company's discloseable transaction announcement dated 12 September 2011 (the "Announcement") in respect of the acquisition of Nanjing Jingqiao. Unless otherwise defined herein, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

TERMINATION OF THE EQUITY TRANSFER AGREEMENT

Pursuant to the Equity Transfer Agreement, Zhengzhou Dongxin should have within 3 business days of the Agreement becoming effective (or on such other date as agreed between the parties), amongst other things, transferred the relevant assets, management and ownership rights of Nanjing Jingqiao to the Group and register the transfer of equity interest with the relevant PRC authorities. As at the date of this announcement, Zhengzhou Dongxin has yet to make the aforesaid transfer despite repeated requests from the Group.

The Group has therefore served a notice of termination on Zhengzhou Dongxin on 26 September 2011. Further on 27 September 2011, the Group's PRC legal advisers confirmed the Group's right to terminate the Equity Transfer Agreement pursuant to applicable PRC laws and the terms of the Equity Transfer Agreement, without liability on the part of the Group. In addition, the Group will reserve its rights under the Equity Transfer Agreement in respect of claims (if any) against Zhengzhou Dongxin.

Reference is made to the Company's announcement dated 23 September 2011 in respect of the delay in publication of the accountants' review report on profit forecast. As the Equity Transfer Agreement has been terminated, the accountants' review report on profit forecast will not be published.

By Order of the Board of
ZHONGYU GAS HOLDINGS LIMITED
Wang Wen Liang
Chairman and Executive Director

Hong Kong, 27 September 2011.

As at the date of this announcement, the executive Directors are Mr. Wang Wenliang, Mr. Lu Zhaoheng and Mr. Lui Siu Keung, the non-executive Director is Mr. Xu Yongxuan and the independent non-executive Directors are Mr. Li Chunyan, 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 Company. 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 or deceptive; (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 the Company's website at <http://www.zygas.com.cn>.