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ZHENGZHOU GAS COMPANY LIMITED*

鄭州燃氣股份有限公司

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 3928)

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS

CONTINUING CONNECTED TRANSACTIONS

The Board announces that on 6 April 2011, the Company entered into the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement with ZCR Gas to lease certain office premises and two parcels of land for office and operational uses for a term of three years commencing from 1 April 2011 and ending on 31 March 2014 with an option to renew for a further term of 3 years exercisable by the Company.

The rental payable by the Company to ZCR Gas shall be a total sum of RMB787,116.00 (approximately HK\$925,648.42) per annum (payable quarterly in cash financed by internal resources) under the Second ZCR Gas Property Lease Agreement. The terms of the Second ZCR Gas Property Lease Agreement (including the annual rental) have been determined after arm's length negotiations between the parties thereto with reference to the fair market rental of RMB787,116.00 (approximately HK\$925,648.42) per annum as at 8 March 2011 as appraised by CB Richard Ellis Limited, an Independent Third Party.

The rental payable by the Company to ZCR Gas shall be a total sum of RMB1,478,245.00 (HK\$1,738,416.12) per annum (payable quarterly in cash financed by internal resources) under the Second ZCR Gas Land Use Rights Lease Agreement. The terms of the Second ZCR Gas Land Use Rights Lease Agreement (including the annual rental) have been determined after arm's length negotiations between the parties thereto with reference to the fair market rental of RMB1,478,245.00 (HK\$1,738,416.12) per annum as at 8 March 2011 as appraised by CB Richard Ellis Limited, an Independent Third Party.

The total rental payable by the Company under the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement for each of the four years ending 31 December 2014 is, therefore, RMB2,265,361.00 (approximately HK\$2,664,064.54).

ZCR Gas is a direct Controlling Shareholder of the Company, holding approximately 43.18% of the equity interest in the Company's registered share capital. By virtue of ZCR Gas's equity interest in the Company, ZCR Gas is therefore considered as a connected person of the Company under the Listing Rules. As a result, the transactions under the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.25 of the Listing Rules, the transactions under the ZCR Gas Property Lease Agreements, the ZCR Gas Land Use Rights Lease Agreement, the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement constitute a series of transactions and accordingly the annual rentals under these agreements shall be aggregated. Given that each of the applicable percentage ratios (other than the profits ratio) calculated under Rule 14.07 of the Listing Rules with reference to the aggregate rentals under the ZCR Gas Property Lease Agreements, the ZCR Gas Land Use Rights Lease Agreement, the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement is greater than 0.1% but less than 5% on an annual basis, the transactions under these agreements fall within Rule 14A.34 of the Listing Rules and are therefore exempt from the independent shareholders' approval requirement, and they are only subject to the reporting and announcement requirements as set out in Rules 14A.45 to 14A.47 of the Listing Rules and the annual review requirements as set out in Rules 14A.37 to 14A.40 of the Listing Rules.

CONNECTED TRANSACTIONS

The Board further announces that on 6 April 2011, as a result of winning a tender by invitation, the Engineering Company entered into the Huaibei Regular Installation Project Contract with Huaibei CR Gas in order to execute the tender. Pursuant to the Huaibei Regular Installation Project Contract, the Engineering Company agreed to provide natural gas pipelines installation, construction, renovation, follow-up repairs and maintenance services to the residential, commercial and industrial users of Huaibei CR Gas in Huaibei City, Anhwei Province, from the date of entering into the contract to 31 December 2011.

While the estimated contract sum under the Huaibei Regular Installation Project Contract will be approximately RMB1,500,000.00 (HK\$1,764,000.00), the actual contract sum payable by the Engineering Company under the Huaibei Regular Installation Project Contract will be determined by the tasks done in installation, construction and renovation projects multiplied by 89% of the standard price of each task as specified in a standard price list in the tender documents.

Huaibei CR Gas is an indirect subsidiary of CRH, an indirect Controlling Shareholder of the Company, which indirectly holds approximately 68.08% of the registered share capital in CR Gas Group. CR Gas Group holds 100% equity interest in China Resources Gas Company Limited which in turn holds approximately 57.11% of the equity interest in Huaibei CR Gas. By virtue of the relationship between Huaibei CR Gas and CRH, Huaibei CR Gas is therefore considered as a connected person of the Company under the Listing Rules. As a result, the transactions under the Huaibei Regular Installation Project Contract constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.25 of the Listing Rules, the transactions under the Changle Construction Contract, the Fuqing Construction Contract and the Huaibei Regular Installation Project Contract constitute a series of transactions and accordingly the estimated contract sums under these contracts shall be aggregated.

Given that each of the applicable percentage ratios (other than the profits ratio) calculated under Rule 14.07 of the Listing Rules with reference to the aggregate contract sums under the Changle Construction Contract, the Fuqing Construction Contract and the Huaibei Regular Installation Project Contract is greater than 0.1% but less than 5%, the transactions under these contracts fall within Rule 14A.34 of the Listing Rules and are therefore exempt from the independent shareholders' approval requirement, and they are only subject to the reporting and announcement requirements as set out in Rules 14A.45 to 14A.47 of the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

Background

On 30 November 2010, the Company and its subsidiaries, the Engineering Company and the Pressure Control Company (as the case may be) as lessees entered into the ZCR Gas Property Lease Agreements and the ZCR Gas Land Use Rights Lease Agreement with ZCR Gas as lessor to lease the occupation rights of certain properties and parcels of land for office, commercial and industrial uses. Reference should be made to the announcement of the Company dated 30 November 2010 for the details of the said leases.

With a view to lease the occupation rights of additional properties and parcels of land for office and operational uses, on 6 April 2011, the Company as lessee entered into the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement with ZCR as lessor for such purposes.

The properties leased under the Second Property Lease Agreement are properties newly leased by the Company while the two parcels of land leased under the Second ZCR Gas Land Use Rights Lease Agreement were leased by the Company under a land use rights lease agreement with Zhengzhou Gas Group, the then landlord of such land. The ownership of these two parcels of land has recently been transferred to ZCR Gas and treated as capital injected into ZCR Gas by Zhengzhou SASAC pursuant to various agreements entered into between CR Gas Investment and Zhengzhou SASAC on 25 November 2009. Reference should be made to the joint announcement of the Company and CR Gas Group dated 25 November 2009 for details of the agreements entered into between CR Gas Investment and Zhengzhou SASAC. As ZCR Gas becomes the new landlord of the two said parcels of land, the Company entered into the Second ZCR Gas Land Use Rights Lease Agreement in order to continue the use of the two parcels of land.

The Second ZCR Gas Property Lease Agreement

The principal terms and conditions of the Second ZCR Gas Property Lease Agreement are detailed as follows:

Agreement Date:

6 April 2011

Parties to the Second ZCR Gas Properties Lease Agreement:

Lessor: ZCR Gas

Lessee: the Company

Terms:

Pursuant to the Second ZCR Gas Property Lease Agreement, ZCR Gas as lessor agreed to lease the occupation right in the office premises with a total gross floor area of 2,049.78 sq.m. located at Level 1 and 2, No. 50, Ruhe Road West, Zhongyuan District, Zhengzhou City, Henan Province, the PRC (中國河南省鄭州市中原區汝河西路50號第一及二層) to the Company as lessor as offices for a term of three years commencing from 1 April 2011 and ending on 31 March 2014 with an option to renew for a further term of 3 years exercisable by the Company.

The rental payable by the Company to ZCR Gas shall be a total sum of RMB787,116.00 (approximately HK\$925,648.42) per annum (payable quarterly in cash financed by internal resources) under the Second ZCR Gas Property Lease Agreement. The terms of the Second ZCR Gas Property Lease Agreement (including the annual rental) have been determined after arm's length negotiations between the parties thereto with reference to the fair market rental of RMB787,116.00 (approximately HK\$925,648.42) per annum as at 8 March 2011 as appraised by CB Richard Ellis Limited, an Independent Third Party.

The Second ZCR Gas Land Use Rights Lease Agreement

The principal terms and conditions of the Second ZCR Gas Land Use Rights Lease Agreement are detailed as follows:

Agreement Date:

6 April 2011

Parties to the Second ZCR Gas Land Use Rights Lease Agreement:

Lessor: ZCR Gas

Lessee: the Company

Terms:

Pursuant to the Second ZCR Gas Land Use Rights Lease Agreement, ZCR Gas as lessor agreed to lease the occupation rights in two parcels of land with a total area of 63,505.66 sq.m. as set out in the section headed “the Land Leased from ZCR Gas” below to the Company as lessee for a term of three years commencing from 1 April 2011 and ending on 31 March 2014 with an option to renew for a further term of 3 years exercisable by the Company.

The rental payable by the Company to ZCR Gas shall be a total sum of RMB1,478,245.00 (HK\$1,738,416.12) per annum (payable quarterly in cash financed by internal resources) under the Second ZCR Gas Land Use Rights Lease Agreement. The terms of the Second ZCR Gas Land Use Rights Lease Agreement (including the annual rental) have been determined after arm’s length negotiations between the parties thereto with reference to the fair market rental of RMB1,478,245.00 (HK\$1,738,416.12) per annum as at 8 March 2011 as appraised by CB Richard Ellis Limited, an Independent Third Party.

The Land Leased from ZCR Gas:

The details of the land use rights of the two parcels of land leased to the Company and their respective rental under the Second ZCR Gas Land Use Rights Lease Agreement are set out below:

State-owned Land Use Certificate No.	Addresses	Land Area (sq.m.)	Land Use	Annual rental (RMB) based on independent valuations
Zheng Guo Yong (2011) No. 0118 (鄭公用 (2011) 0118號)	A parcel of land at the junction of Songzhaibei Street South (宋砦北街南) and Fengqing Road West (豐慶路西), Jinshui District (金水 區), Zhengzhou City, Henan Province, the PRC	29,550.96	Public infrastructure	561,468.00
Zheng Guo Yong (2011) No. 0116 (鄭公用 (2011) 0116號)	A parcel of land at the junction of Ruhe Road North (汝河 路北) and Huashan Road West (華山 路西), Zhongyuan District (中原區), Zhengzhou City, Henan Province, the PRC	33,954.70	Public infrastructure	916,777.00
Total		<u>63,505.66</u>		<u>1,478,245.00</u>

Total Annual Cap

The total annual cap for the transactions under the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement for each of the four years ending 31 December 2014 is RMB2,265,361.00 (approximately HK\$2,664,064.54).

Reasons for the Lease of the Properties and Land Use Rights

The Company is principally engaged in the sales of piped natural gas to residential, commercial, industrial and vehicular customers, and the provision of gas pipeline construction services and the sale of gas appliances.

ZCR is principally engaged in the management of city gas enterprises.

As the properties leased under the Second ZCR Gas Property Lease Agreement will be mainly used as the offices of the gas metering device testing business, the INED Committee considers that the signing of the Second ZCR Gas Property Lease Agreement to secure a lease of the properties is very important to the operation of the Group.

As the gas storage tanks and facilities of the Group, which are used to store natural gas for gas reserve and pressure regulation, are located on the two parcels of land leased under the Second ZCR Gas Land Use Rights Lease Agreement, the INED Committee also considers that it is important to have a legal agreement to protect the land use rights of these parcels of land in order to ensure non-restrictive use, maintenance and renovation of such tanks and facilities.

The INED Committee has confirmed that the lease arrangements under the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement are being carried out in the ordinary and usual course of business of the Group, on normal commercial terms determined on arm's length basis which are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

Listing Rules Implications of the Agreements

ZCR Gas is a direct Controlling Shareholder of the Company, holding approximately 43.18% of the equity interest in the Company's registered share capital. By virtue of ZCR Gas's equity interest in the Company, ZCR Gas is therefore considered as a connected person of the Company under the Listing Rules. As a result, the transactions under the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

On 30 November 2010, the Company and its subsidiaries, the Engineering Company and the Pressure Control Company (as the case may be) as lessees entered into the ZCR Gas Property Lease Agreements and the ZCR Gas Land Use Rights Lease Agreement with ZCR Gas as lessor to lease the occupation right of certain properties and parcels of land for office, commercial and industrial uses. Therefore, the transactions under the ZCR Gas Property Lease Agreements, the ZCR Gas Land Use Rights Lease Agreement, the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement constitute a series of transactions and accordingly the annual rentals under these agreements shall be aggregated pursuant to Rule 14A.25 of the Listing Rules.

Given that each of the applicable percentage ratios (other than the profits ratio) calculated under Rule 14.07 of the Listing Rules with reference to the aggregate rentals under the ZCR Gas Property Lease Agreements, the ZCR Gas Land Use Rights Lease Agreement, the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement is greater than 0.1% but less than 5% on an annual basis, the transactions under these agreements fall within Rule 14A.34 of the Listing Rules and are therefore exempt from the independent shareholders' approval requirement, and they are only subject to the reporting and announcement requirements as set out in Rules 14A.45 to 14A.47 of the Listing Rules and the annual review requirements as set out in Rules 14A.37 to 14A.40 of the Listing Rules.

The INED Committee has confirmed that none of the independent non-executive Directors has a material interest in the transactions contemplated under the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement. Accordingly, none of them is required to abstain from voting on the relevant resolution to approve the Second ZCR Gas Property Lease Agreement and the Second ZCR Gas Land Use Rights Lease Agreement.

CONNECTED TRANSACTIONS

The Board further announces that on 6 April 2011, as a result of winning a tender by invitation, the Engineering Company entered into the Huaibei Regular Installation Project Contract with Huaibei CR Gas in order to execute the tender. The principal terms and conditions of the Huaibei Regular Installation Project Contract are detailed as follows:

Agreement Date:

6 April 2011

Parties to the Huaibei Regular Installation Project Contract:

- (a) the Engineering Company
- (b) Huaibei CR Gas

Terms:

Pursuant to the Huaibei Regular Installation Project Contract, the Engineering Company agreed to provide natural gas pipelines installation, construction, renovation, follow-up repairs and maintenance services to the residential, commercial and industrial users of Huaibei CR Gas in Huaibei City, Anhwei Province, the PRC from the date of entering into the contract to 31 December 2011.

While the estimated contract sum under the Huaibei Regular Installation Project Contract will be approximately RMB1,500,000.00 (HK\$1,764,000.00), the actual contract sum payable by the Engineering Company under the Huaibei Regular Installation Project Contract will be determined by the tasks done in installation, construction and renovation projects multiplied by 89% of the standard price of each task as specified in a standard price list in the tender documents. The discount rate of 11% was arrived at after considering the costs of installation, construction and renovation such as costs of materials and labour, and profit margin and through a process of tender which was carrying out in a confidential, fair and competitive basis. Both contract parties estimated that the contract sum will be approximately RMB1,500,000.00 (HK\$1,764,000.00) after considering the estimated quantities of installation, construction and renovation tasks required, the

estimated tasks involved in the estimated installation, construction and renovation projects and the price of each task. The Company will make further announcement(s) in the event that there should be material changes to the estimated contract sum as mentioned above and will continue to comply with all the relevant requirements under Chapter 14A of the Listing Rules.

Reasons for the Transactions:

The Engineering Company is principally engaged in the construction of gas pipelines and installation of gas facilities and equipment, therefore entering into the Huaibei Regular Installation Project Contract is within the business scope of the Engineering Company and is expected to increase pipelines construction revenue and profit of the Group. The INED Committee considers that entering into of the Huaibei Regular Installation Project Contract is in the ordinary course of business of the Engineering Company, and the terms of the Huaibei Regular Installation Project Contract (including the estimated contract sum) are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

Exempted Connected Transactions prior to the Huaibei Regular Installation Project Contact

On 3 March 2011, the Engineering Company entered into the Changle Construction Contract and the Fuqing Construction Contract with Fuzhou CR Gas and Fuqing Gas respectively.

Pursuant to the Changle Construction Contract, the Engineering Company agreed to provide gas pipelines, parts and valves installation services and ancillary projects to Fuzhou CR Gas in respect of the Xiazhang Road (峽漳路) in Changle City (長樂市) (a city under the administration of Fuzhou City) for a term of 30 calendar days. The contract sum involved in the Changle Construction Contract was RMB500,000.00 (HK\$588,000.00) which was determined after considering the construction costs such as costs of materials and labour and profit margin and through a process of tender which was carrying out in a confidential, fair and competitive basis.

Pursuant to the Fuqing Construction Contract, the Engineering Company agreed to provide gas pipelines, parts and valves installation services and ancillary projects to Fuqing Gas in respect of the Fuqing gate station (福清門站) to Hongzhen Road (宏真路) in Fuqing City (福清市) for a term of 50 calendar days. The contract sum involved in the Fuqing Construction Contract was RMB628,653.00 (approximately HK\$739,295.93) which was determined on an arm's length basis between the Engineering Company and Fuqing Gas after considering the construction costs such as costs of materials and labor and profit margin.

Since approximately 49% of the equity interest in Fuzhou CR Gas is held by China Resources Gas (Holding) Company Limited, an indirect wholly owned subsidiary of an indirect Controlling Shareholder of the Company, CRH and approximately 30.136% of the equity interest in Fuqing Gas is held by Fuzhou CR Gas, both Fuzhou CR Gas and Fuqing Gas are considered as connected persons of the Company under the Listing Rules. As a result, the transactions under the Changle Construction Contract and the Fuqing Construction Contract constitute connected transactions of the Company under Chapter 14A of the Listing rules.

Pursuant to Rule 14A.25 of the Listing Rules, the transactions under the Changle Construction Contract and the Fuqing Construction Contract constituted a series of transactions and accordingly the contract sums under these contracts were aggregated. Given that each of the applicable percentage ratios (other than the profits ratio) calculated under Rule 14.07 of the Listing Rules with reference to the aggregate contract sums under the Changle Construction Contract and the Fuqing Construction Contract was less than 0.1%, the transactions under the these contracts were therefore exempt from the reporting, announcement and the independent shareholders' approval requirements of the Listing Rules at the time when the Engineering Company entered into these contracts.

The INED Committee considered that entering into the Changle Construction Contract and the Fuqing Construction Contract is in the ordinary course of business of the Engineering Company, and the terms of the Changle Construction Contract and the Fuqing Construction Contract (including the contract sums) are fair and reasonable and in the interests of the Group and the Shareholders as a whole. The INED Committee approved the two exempted connected transactions.

Listing Rules Implications of the Contracts

Huaibei CR Gas is an indirect subsidiary of CRH, an indirect Controlling Shareholder of the Company, which indirectly holds approximately 68.08% of the registered share capital in CR Gas Group. CR Gas Group holds 100% equity interest in China Resources Gas Company Limited which in turn holds approximately 57.11% of the equity interest in Huaibei CR Gas. By virtue of the relationship between Huaibei CR Gas and CRH, Huaibei CR Gas is therefore considered as a connected person of the Company under the Listing Rules. As a result, the transactions under the Huaibei Regular Installation Project Contract constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.25 of the Listing Rules, the transactions under the Changle Construction Contract, the Fuqing Construction Contract and the Huaibei Regular Installation Project Contract constitute a series of transactions and accordingly the estimated contract sums under these contracts shall be aggregated.

Given that each of the applicable percentage ratios (other than the profits ratio) calculated under Rule 14.07 of the Listing Rules with reference to the aggregate contract sums under the Changle Construction Contract, the Fuqing Construction Contract and the Huaibei Regular Installation Project Contract is greater than 0.1% but less than 5%, the transactions under these contracts fall within Rule 14A.34 of the Listing Rules and are therefore exempt from the independent shareholders' approval requirement, and they are only subject to the reporting and announcement requirements as set out in Rules 14A.45 to 14A.47 of the Listing Rules.

The INED Committee has confirmed that none of the independent non-executive Directors has a material interest in the transactions contemplated under the Huaibei Regular Installation Project Contract. Accordingly, none of them is required to abstain from voting on the relevant resolution to approve the Huaibei Regular Installation Project Contract.

The General Information

The Engineering Company is principally engaged in the construction of gas pipelines and installation of gas facilities and equipment. Huaibei CR Gas is principally engaged in the sales of liquefied gas and connection of gas pipelines in Huaibei City, Anhwei Province, the PRC.

Definitions

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

“Board”	the board of Directors
“Changle Construction Contract”	the construction contract entered into between the Engineering Company and Fuzhou CR Gas on 3 March 2011

“Company”	鄭州燃氣股份有限公司 (Zhengzhou Gas Company Limited*), a joint stock limited company incorporated in the PRC, the H shares of which are listed on the main board of the Stock Exchange
“connected person”	has the same meaning ascribed thereto in the Listing Rules
“Controlling Shareholder”	has the same meaning ascribed thereto in the Listing Rules
“CR Gas Group”	China Resources Gas Group Limited (華潤燃氣控股有限公司), a limited liability company incorporated in Bermuda, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 1193)
“CR Gas Investment”	China Resources Gas (China) Investment Limited (華潤燃氣(中國)投資有限公司), a limited liability company which holds approximately 72.06% of the equity interest in ZCR Gas
“CRH”	China Resources (Holdings) Company Limited (華潤集團有限公司), a company incorporated in Hong Kong with limited liability which is an indirect parent company of the Company
“Directors”	the directors of the Company
“Domestic Share(s)”	the ordinary unlisted shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for in RMB
“Engineering Company”	鄭州燃氣工程建設有限公司 (Zhengzhou Gas Engineering and Construction Company Limited*), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“Fuqing Construction Contract”	the construction contract entered into between the Engineering Company and Fuqing Gas on 3 March 2011
“Fuqing Gas”	福清市融焰管道燃氣有限公司 (Fuqing Rongyan Pipelined Gas Company Limited*), a company incorporated in the PRC with limited liability and is principally engaged into the sales of gas in Fuqing City
“Fuzhou CR Gas”	福州華潤燃氣有限公司 (Fuzhou China Resources Gas Company Limited*), a company incorporated in the PRC with limited liability and is principally engaged into the sales of gas in Fuzhou City
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Share(s)”	the overseas listed foreign share(s) of the Company which are listed on the main board of the Stock Exchange with a nominal value of RMB1.00 each

“Huaibei CR Gas”	淮北華潤燃氣有限公司 (Huaibei China Resources Gas Company Limited*), a company incorporated in the PRC with limited liability and CRH indirectly holds approximately 57.11% of its equity interest
“Huaibei Regular Installation Project Contract”	the service contract entered into between the Engineering Company and Huaibei CR Gas on 6 April 2011 for the provision of gas pipelines installation, construction, renovation, follow-up repairs and maintenance services in Huaibei City by the Engineering Company
“Independent Third Party”	a third party which, together with its beneficial owner(s) (if any) and to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, is independent from the Company and its connected persons
“INED Committee”	the committee of independent non-executive Directors which is formed by all the independent non-executive Directors, namely Mr. Yu Jingsong, Mr. Zhang Jianqing, Ms. Wang Xiuli and Mr. Wong Ping
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange, as amended from time to time
“PRC”	the People’s Republic of China, which for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Pressure Control Company”	鄭州鄭燃調壓技術有限公司 (Zhengzhou Zhengran Pressure Control Technology Company Limited*), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“Second ZCR Gas Land Use Rights Lease Agreement”	the land use rights lease agreement dated 6 April 2011 entered into between the Company and ZCR Gas in respect of the leasing of two parcels of land as set out in the section “the Land Leased from ZCR Gas” in this announcement
“Second ZCR Gas Property Lease Agreement”	the property lease agreement dated 6 April 2011 entered into between the Company and ZCR Gas in respect of the leasing of the occupation rights in the office premises with a total gross floor area of 2,049.78 sq.m. located at Level 1 and 2, No. 50, Ruhe Road West, Zhongyuan District, Zhengzhou City, Henan Province, the PRC (中國河南省鄭州市中原區汝河西路50號第一及二層)
“Shares”	the shares of the Company with a nominal value of RMB1.00 each, including the Domestic Shares and the H Shares, unless specified otherwise
“Shareholders”	holders of the Shares, including holders of the Domestic Shares and the H Shares, unless specified otherwise
“Stock Exchange”	the Stock Exchange of Hong Kong Limited

“ZCR Gas”	鄭州華潤燃氣有限公司 (Zhengzhou China Resources Gas Company Limited*), a joint venture incorporated in the PRC with limited liability, which is a direct Controlling Shareholder holding approximately 43.18% of the entire issued share capital of the Company
“Zhengzhou Gas Group”	鄭州燃氣集團有限公司 (Zhengzhou Gas Group Company Limited*), a state-owned company incorporated in the PRC with limited liability and a previous Controlling Shareholder of the Company
“ZCR Gas Land Use Rights Lease Agreement”	the land use rights lease agreement dated 30 November 2010 entered into between the Company and ZCR Gas in respect of the leasing of three parcels of land as set out in the section “the Land Leased from ZCR Gas” in the announcement of the Company dated 30 November 2010
“ZCR Gas Property Lease Agreements”	the three property lease agreements dated 30 November 2010 entered into between the Company, the Engineering Company or Pressure Control Company (as the case may be) and ZCR Gas in respect of the leasing of the occupation rights in the properties with a total gross floor area of 22,902.35 sq.m. as set out in the section “the Properties Leased from ZCR Gas” in the announcement of the Company dated 30 November 2010
“Zhengzhou SASAC”	鄭州市人民政府國有資產監督管理委員會 (The State-owned Assets Supervision and Administration Commission of Zhengzhou Municipal People’s Government)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“sq.m.”	square metres

Note: For the purpose of this announcement, the exchange rate is fixed at 1 Renminbi to 1.176 Hong Kong Dollars.

By Order of the Board
Zhengzhou Gas Company Limited
Yan Guoqi
Chairman

Zhengzhou, the PRC

6 April 2011

As at the date of this announcement, the Board of Directors of the Company comprises three executive Directors, namely Mr. Yan Guoqi, Mr. Li Jinlu and Mr. Li Hongwei, four non-executive Directors, namely Mr. Zhang Wushan, Mr. Li Yantong, Mr. Ding Ping and Mr. Liu Jianwen and four independent non-executive Directors, namely Mr. Yu Jingsong, Mr. Zhang Jianqing, Ms. Wang Xiuli and Mr. Wong Ping.

* *For identification purposes only*