中裕燃氣控股有限公司

ZHONGYU GAS HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3633)

POSITIVE PROFIT ALERT

This announcement is made by Zhongyu Gas Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that the Group is expected to record around 150% increase in profit attributable to owners of the Company for the financial year ended 31 December 2017 ("**FY2017**") as compared to that for the previous year. Such increase is mainly attributable to an increase in turnover and a foreign exchange gain primarily arising from the Group's bank borrowings denominated in the United States dollars as a result of the appreciation of Renminbi since the beginning of 2017 which trend continued throughout 2017. The growth in turnover is mainly attributable to significant increase in sales of piped gas to industrial customers and connection revenue from residential households under the implementation of the "coal-to-gas" conversion policy in the Mainland China.

The Group is still in the process of finalising the Group's annual results for the FY2017. The information contained in this announcement is only based on preliminary assessment by the Company of its unaudited consolidated management accounts for the FY2017 and is not based on any figures or information audited or reviewed by the Company's independent auditor, and may be subject to amendments. As such, the above information is provided for the shareholders' and potential investors' reference only. The Shareholders and potential investors are advised to refer to details in the annual results announcement of the Group for the FY2017 which is expected to be published in March 2018.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 29 January 2018

As at the date of this announcement, the executive Directors of the Company are Mr. Wang Wenliang, Mr. Lui Siu Keung and Mr. Lu Zhaoheng, the non-executive Director is Mr. Xu Yongxuan and the independent non-executive Directors are Mr. Li Chunyan, Dr. Luo Yongtai and Ms. Liu Yu Jie.