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**CHINA RESOURCES GAS
(HONG KONG) INVESTMENT
LIMITED**
華潤燃氣(香港)投資有限公司
(incorporated in Hong Kong with limited liability)

 **蘇創燃氣
SUCHUANG GAS**
**SUCHUANG GAS
CORPORATION LIMITED**
蘇創燃氣股份有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1430)

JOINT ANNOUNCEMENT

**(1) PROPOSAL FOR THE TAKE-PRIVATE OF SUCHUANG GAS
CORPORATION LIMITED BY
THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT UNDER
SECTION 86 OF THE COMPANIES ACT**

(2) PROPOSED WITHDRAWAL OF LISTING

**(3) IRREVOCABLE UNDERTAKINGS BY THE IU SHAREHOLDERS TO
APPROVE THE PROPOSAL**

AND

**(4) SPECIAL DEAL, CONNECTED TRANSACTIONS AND
DISCLOSEABLE TRANSACTION IN RELATION TO
THE PROPOSED ASSETS DISPOSAL**

**FULFILLMENT OF CONDITIONS PRECEDENTS TO IRREVOCABLE
UNDERTAKINGS WITH CERTAIN SHAREHOLDERS**

Financial Adviser to the Offeror



INTRODUCTION

Reference is made to (i) the joint announcement dated 25 August 2021 (the “**Rule 3.5 Announcement**”) issued jointly by Suchuang Gas Corporation Limited (the “**Company**”) and China Resources Gas (Hong Kong) Investment Limited (the “**Offeror**”) in relation to, among other things, the proposed take-private of the Company by the Offeror by way of a scheme of arrangement and (ii) the joint announcement dated 22 February 2022 issued jointly by the Company and the Offeror with respect to, among other things, the Supplemental Agreement to the Controlling Shareholders Irrevocable Undertaking and further irrevocable undertakings with certain shareholders (the “**February Announcement**”). Unless otherwise specified, capitalised terms used in this joint announcement shall have the same meanings as those defined in the Rule 3.5 Announcement and the Joint Announcement.

DEED OF MORTGAGE AND ASSIGNMENT, CUSTODIAN AGREEMENTS, MINORITY IU SHAREHOLDERS DEEDS OF MORTGAGE AND ASSIGNMENT, MINORITY IU SHAREHOLDERS CUSTODIAN AGREEMENTS AND PLEDGE DOCUMENTS

On 22 February 2022, the Offeror entered into (i) the Supplemental Agreement with the Controlling Shareholders, (ii) the Minority IU Shareholders Irrevocable Undertakings with the Minority IU Shareholders, and (iii) the Entrustment Minority Shareholders Irrevocable Undertakings with the Entrustment Minority Shareholders. The Supplemental Agreement, the Minority IU Shareholders Irrevocable Undertakings and the Entrustment Minority Shareholders Irrevocable Undertakings are conditional upon fulfillment of certain conditions precedents. For details, please refer to the February Announcement.

The Supplemental Agreement is subject to the following conditions precedent:–

- (a) each of Fung Yu and Total Honest (together with the relevant parties) duly executes the Deeds of Mortgage and Assignments the Custodian Agreements relating to all the issued shares of the Company beneficially owned by them and the delivery to the Offeror of the duly signed Deeds of Mortgage and Assignments (together with the ancillary documents thereunder, except for the document(s) to be signed by the Offeror) and Custodian Agreements;
- (b) the conditions precedent under the Minority IU Shareholders Irrevocable Undertakings and the Entrustment Minority Shareholders Irrevocable Undertakings entered into by the Minority IU Shareholders and the Entrustment Minority Shareholders are fully satisfied (or waived in accordance with the relevant terms by the Offeror), and the Minority IU Shareholders Irrevocable Undertakings and the Entrustment Minority Shareholders Irrevocable Undertakings becoming effective; and
- (c) the Entrustment Minority Shareholders duly execute the Pledge Documents and the Pledge Documents becoming effective.

The Minority IU Shareholders Irrevocable Undertakings are subject to each of the Minority IU Shareholders having duly executed the Minority IU Shareholders Deeds of Mortgage and Assignment and the Minority IU Shareholders Custodian Agreements relating to all the issued shares of the Company beneficially owned by each of the Minority IU Shareholder and having delivered to the Offeror the duly signed Minority IU Shareholders Deeds of Mortgage and Assignment (together with the ancillary documents thereunder) and the Minority IU Shareholders Custodian Agreements (except for the document(s) to be signed by the Offeror).

The Entrustment Minority Shareholders Irrevocable Undertakings are subject to each of the Entrustment Minority Shareholders having duly executed the Pledge Documents relating to the beneficial interests of each Entrustment Minority Shareholder under the Trust Arrangements in favour of Taicang Natural Gas and having delivered the Pledge Documents to the Offeror.

On 31 March 2022, the Offeror entered into the following:

- (i) the Deed of Mortgage and Assignments with each of Fung Yu and Total Honest, pursuant to which Fung Yu and Total Honest agreed to charge and mortgage to the Offeror all their respective present and future right, title, benefit and interest in and to the Shares owned by them;
- (ii) the Custodian Agreements with (a) each of Fung Yu and Total Honest and (b) the relevant securities broker firms, pursuant to which each of Fung Yu, Total Honest and the securities broker firms agreed that the securities broker firms shall, in accordance with the Offeror's instructions, sell, transfer, pay and/or release (x) the Shares owned by each of Fung Yu and Total Honest and maintained with its securities accounts and (y) the remaining funds from the Cash Cancellation Consideration after deducting the amount equal to the existing indebtedness owing by each of Fung Yu and Total Honest to the securities broker firms at the time of receipt of the Cash Cancellation Consideration and accrued but unpaid interest on the margin loans owing by each of Fung Yu and Total Honest to the securities broker firms with the Shares owned by each of Fung Yu and Total Honest in the securities accounts as collateral. In addition, each of Fung Yu and Total Honest acknowledges and confirms in the Custodian Agreement that, under the terms of the Controlling Shareholders Irrevocable Undertaking, it has irrevocably undertaken, among other things, to elect the Cash Alternative in respect of the Shares under the Scheme and that the Offeror as chargee under the Deed of Mortgage and Assignments is entitled to retain the Cash Cancellation Consideration, subject to the Offeror's release of an amount equal to the existing indebtedness due to the Custodian;
- (iii) the Minority IU Shareholders Deeds of Mortgage and Assignment with each of the Minority IU Shareholders, pursuant to which each of the Minority IU Shareholders agreed to charge and mortgage to the Offeror all their respective present and future right, title, benefit and interest in and to the Shares owned by them; and

- (iv) the Minority IU Shareholders Custodian Agreements with (a) each of the Minority IU Shareholders and (b) the relevant securities broker firm, pursuant to which each of the Minority IU Shareholders and the securities broker firm agreed that the securities broker firm shall, in accordance with the Offeror's instructions, sell, transfer, pay and/or release (x) the Shares owned by each of the Minority IU Shareholders and maintained with the securities broker firm's securities account and (y) the remaining funds from the Cash Cancellation Consideration after deducting the amount equal to the existing indebtedness owing by each of the Minority IU Shareholders to the securities broker firm at the time of receipt of the Cash Cancellation Consideration and accrued but unpaid interest on the margin loans owing by each of the Minority IU Shareholders to the securities broker firm with the Shares owned by each of the Minority IU Shareholders in the securities account as collateral, where applicable. In addition, each of the Minority IU Shareholders acknowledges and confirms in the Custodian Agreement that, under the terms of the relevant Minority IU Shareholders Irrevocable Undertaking, he/she/it has irrevocably undertaken, among other things, to elect the Cash Alternative in respect of the Shares under the Scheme and that the Offeror as chargee under the Deed of Mortgage and Assignments is entitled to retain the Cash Cancellation Consideration, subject to the Offeror's release of an amount equal to the existing indebtedness due to the Custodian.

On 4 March 2022, the Entrustment Minority Shareholders and Taicang Natural Gas entered into the Pledge Documents, pursuant to which each of the Entrustment Minority Shareholders agreed to pledge their respective beneficial interests in the Shares under the Trust Arrangements in favour of Taicang Natural Gas.

FULFILLMENT OF CONDITIONS PRECEDENT

The Offeror and the Company are pleased to announce that all the conditions precedent to the Supplemental Agreement, the Minority IU Shareholders Irrevocable Undertakings and the Entrustment Minority Shareholders Irrevocable Undertakings have been fulfilled on 31 March 2022.

WARNING: Shareholders and/or potential investors should be aware that the implementation of the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. This joint announcement is made in compliance with the Takeovers Code. Shareholders and/or potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, licensed securities dealer, registered institution in securities, bank manager, solicitor or other professional advisers.

By Order of the board of
**China Resources Gas (Hong Kong)
Investment Limited**
Wang Chuandong
Director

By Order of the board of
Suchuang Gas Corporation Limited
Su Yi
Chairman and Executive Director

Hong Kong, 31 March 2022

As at the date of this joint announcement, the directors of the Offeror are Mr. Wang Chuandong, Mr. Li Xiaoshuang and Mr. Huang Weizhong, and the directors of CR Gas are Mr. Yang Ping and Mr. GE Bin, being the executive directors; Mr. WANG Chuandong, Mr. WANG Gaoqiang, Mr. LIU Xiaoyong and Mr. LIU Jian, being non-executive directors; and Mr. WONG Tak Shing, Mr. YU Hon To, David, Mr. YANG Yuchuan and Mr. HU Xiaoyong, being independent non-executive directors.

The directors of the Offeror and CR Gas jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the executive Directors are Ms. Su Yi, Mr. Du Shaozhou, Mr. Li Jianyi, and Ms. Su Wen; the non-executive Directors are Mr. Xu Lei and Mr. Jin Bo; and the independent non-executive Directors are Mr. Zhou Qingzu, Mr. Zhu Tong, and Mr. Feng Yijing.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.