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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)

PRICE SENSITIVE INFORMATION ANNOUNCEMENT PURSUANT TO RULE 17.10 OF THE GEM LISTING RULES

The Board wishes to inform shareholders and potential investors that the Company will not be in a position to announce its annual results and distribute its annual report for the year ended 31 December 2009 by 31 March 2010 as required by the GEM Listing Rules.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by Zhongyu Gas Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities (“GEM Listing Rules”) on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The board (“Board”) of directors of the Company (“Directors”) wishes to inform shareholders and potential investors that the Company will not be in a position to announce its annual results and distribute its annual report for the year ended 31 December 2009 by 31 March 2010 as required by the GEM Listing Rules. Although the audit field work has already been completed, the senior management of some of the major PRC subsidiaries of the Company (“PRC Subsidiaries”) have not provided the external auditors with responses to the auditors’ follow-up questions for the purpose of finalising the audit. Such outstanding information includes the adjustments of gas meter readings as at 31 December 2009 which affects the sales revenue of the Group, discounted cashflow data for the purpose of ascertaining the value of goodwill impairment in the accounts as well as payment status in relation to certain acquisition consideration payable by the Group.

The Company is in discussion with the senior management of the relevant PRC Subsidiaries with the intention of resolving the above issue and completing the audit procedures as soon as practicable. In the meantime, the business operations of the Group have been carried out in its normal course.

Further announcement will be made by the Company once the date of publication of annual results could be ascertained and in the meantime, the shares of the Company will continue to be suspended.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

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

Hong Kong, 31 March 2010

As at the date of this announcement, the Board comprises 8 Directors, of whom Mr. Wang Wenliang (Chairman), Mr. Hao Yu (Chief Executive Officer) and Mr. Lu Zhaoheng and Mr. Lui Siu Keung (Chief Financial Officer) are executive Directors, Mr. Xu Yongxuan (Vice-Chairman) is a non-executive Director, Mr. Wang Shunlong, Dr. Luo Yongtai and Mr. Hung, Randy King Kuen are independent non-executive Directors.

This announcement, for which the directors of the Company 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 of the Company, 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;*
- (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>.