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天津津燃公用事業股份有限公司

TIANJIN JINRAN PUBLIC UTILITIES COMPANY LIMITED

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

(Stock Code: 01265)

CONNECTED TRANSACTION IN RELATION TO PURCHASE OF GAS METERS

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Listing Rules Implications

Tianjin Gas is a controlling shareholder of the Company, which, as at the date of this announcement, holds approximately 51.30% of the total issued shares of the Company and is hence a connected person of the Company. Tianjin Yumin is a subsidiary of Tianjin Gas and thus also a connected person of the Company. Pursuant to the Listing Rules, the entering into of the Purchase and Sales Agreement constitute a connected transaction of the Company.

As one or more of the applicable percentage ratios for the Purchase and Sales Agreement are more than 0.1% but below 5%, the Purchase and Sales Agreement and the transactions contemplated thereunder are subject to, among other things, the reporting and announcement requirements but are exempt from independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

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Purchase and Sales Agreement

The principal terms of the Purchase and Sales Agreement are as follows:—

Date:

27 November 2014

Parties

Vendor: Tianjin Yumin; and

Purchaser: The Company

Subject matter:

Pursuant to the Purchase and Sales Agreement, Tianjin Yumin agreed to sell and the Company agreed to purchase 20,000 gas meters which are manufactured by Tianjin Yumin at a unit price of RMB350, amounting to an aggregate purchase price of RMB7,000,000 (equivalent to approximately HK\$8,750,000), and the gas meters shall be delivered to the place specified by the Company and the delivery charges will be borne by Tianjin Yumin.

Basis of the purchase price:

The purchase price for the gas meters shall be fully settled by the Company by way of cash or cheque and Tianjin Yumin will issue the value added tax receipt and deliver the products accordingly.

The purchase price is determined based on the bidding price submitted by Tianjin Yumin in the tender for the purchase of the meters by the Company. The Company will pay the purchase price in cash with its internal resources.

REASONS FOR AND BENEFITS OF THE PURCHASE AND SALES AGREEMENT

Tianjin Yumin is a manufacturer of gas meters in Tianjin which manufactures its own branded gas meters. The selection of the supplier of the gas meters by the Company and the price of the gas meters are determined through tender. The Company has engaged a company (the “Tender Company”), being an independent third party with qualifications for conducting tenders, for carrying out the tender. When selecting the successful bidder, factors such as the bidding price, the professional qualifications, the experience and the reputation in the industry of the bidders have been taken into consideration. Tianjin Yumin was confirmed to be the successful bidder by the Tender Company.

The terms of the Purchase and Sales Agreement are determined through the tender.

The Board (including independent non-executive Directors) considers that the Purchase and Sales Agreement is entered into in the usual and ordinary course of business of the Group, on normal commercial terms and the terms of the Purchase and Sales Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE GROUP

The Group’s principal activities are the operation and management of gas pipeline infrastructure and the sale and distribution of piped gas in the PRC.

INFORMATION OF TIANJIN YUMIN

Tianjin Yumin is a subsidiary of Tianjin Gas, whose principal business is the wholesaler and retailer of plumbing equipment, hardware and gas meters. It is also a manufacturer of gas meters.

LISTING RULES IMPLICATIONS

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As Mr. Zhang Tian Hua and Mr. Hou Shuang Jiang, the executive Directors, is the general manager of Tianjin Gas and a director of 津燃貿易諮詢有限公司 (Jinran Trading Consultancy Company Limited*), a wholly-owned subsidiary of Tianjin Gas, respectively, each of them has abstained from voting in the passing of Board resolutions in relation to the Purchase and Sales Agreement.

DEFINITIONS

“Board”	the board of Directors
“controlling shareholder(s)”	has the meaning ascribed to in the Listing Rules
“Company”	天津津燃公用事業股份有限公司 (Tianjin Jinran Public Utilities Company Limited), a joint stock limited company incorporated in the PRC, whose H shares are listed on the Main Board
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People's Republic of China and for the purpose of this announcement, does not include the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Purchase and Sales Agreement”	the purchase and sales agreement dated 27 November 2014 entered into between the Company and Tianjin Yumin in respect of the supply of 20,000 gas meters from Tianjin Yumin to the Company at an aggregate purchase price of RMB7,000,000

“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Gas”	天津市燃氣集團有限公司 (Tianjin Gas Group Company Limited*), a state-owned enterprise established in the PRC with limited liability
“Tianjin Yumin”	天津市裕民燃氣表具有限公司 (Tianjin Yumin Gas Meter Co., Ltd*), a subsidiary of Tianjin Gas

Unless otherwise specified in this announcement, amounts denominated in RMB have been converted into Hong Kong dollars at HK\$1.00 to RMB0.8 for illustration purpose only. No representation has been made by the Company that any amount have been, could have been or could be converted at the above rate or at any other rates or at all.

By Order of the Board
Tianjin Jinran Public Utilities Company Limited
Zhang Tian Hua
Chairman

Tianjin, PRC, 27 November 2014

As at the date of this announcement, the Board comprises 5 executive Directors, namely Mr. Zhang Tian Hua (Chairman), Ms. Tang Jie, Ms. Wang Wen Xia, Mr. Zhang Guo Jian and Mr. Hou Shuang Jiang, 1 non-executive Director, namely Mr. Li Da Chuan, and 3 independent non-executive Directors, namely Professor Zhang Yu Li, Mr. Luo Wei Kun and Mr. Tam Tak Kei, Raymond.

* *For identification purpose only*