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## **CHINA GAS HOLDINGS LIMITED**

**中國燃氣控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 384)**

### **VOLUNTARY ANNOUNCEMENT**

#### **ENTERING INTO A NON-LEGALLY BINDING MEMORANDUM OF UNDERSTANDING WITH DELFIN LNG LLC**

This announcement is a voluntary announcement made by China Gas Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

The board of directors of the Company (the “**Board**”) is pleased to announce that on 9 November 2017, the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with DELFIN LNG LLC (“**DELFIN**”) in Beijing in relation to the sale and purchase of 3 million metric tonnes of liquefied natural gas (“**LNG**”) per annum.

The MOU is a preliminary framework agreement or letter of intent to express the cooperative intention and basic principles of the parties. As at the date of this announcement, the parties to the MOU have not yet entered into a legally binding agreement for the sale and purchase of LNG. The conclusion of the definitive sale and purchase agreement is subject to further negotiation between the parties to the MOU.

#### **CONTENTS OF THE MOU**

DELFIN intends to develop, itself or through a wholly-owned company or a joint venture assigned by it, a project with up to 13 million metric tonnes of LNG per annum to be exported from the United States of America (“**US**”) (“**DELFIN Project**”). The Company, as a large natural gas services operator, is interested in becoming a potential customer of DELFIN Project. Pursuant to the MOU, DELFIN intends to sell and the Group intends to purchase some of the LNG production of the DELFIN Project, and the estimated annual import volume of LNG of the Group will reach 3 million metric tonnes. The parties to the MOU have agreed to conduct negotiations in good faith on the signing of a definitive and binding sale and purchase agreement.

## **INFORMATION ABOUT DELFIN PROJECT**

DELFIN, a company incorporated in the State of Louisiana of US with limited liability, is currently developing an advanced LNG project in North America. In the project, the transportation, liquefaction, storage and loading of natural gas in the US will be completed by utilizing facilities such as the existing submarine pipelines owned by DELFIN and the four floating liquefied natural gas vessels (“FLNGV”) to be developed, invested in and constructed by DELFIN in the near future, which will contribute to realize a total annual export volume of approximately 13 million metric tonnes of LNG.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU**

The Group believes that the signing of the MOU will be conducive to the sustainable cooperation between the parties in certain fields such as energy trade and will be of positive strategic significance to the Group’s target of realizing LNG import in the future so as to meet the growing demand for natural gas in the PRC, and will further promote the construction of Sino-US energy cooperation framework.

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

By order of the Board  
**China Gas Holdings Limited**  
**ZHOU Si**  
*Chairman*

Hong Kong, 9 November 2017

*As of the date of this announcement, Mr. ZHOU Si, Mr. LIU Ming Hui, Mr. HUANG Yong, Mr. ZHU Weiwei, Mr. MA Jinlong and Ms. LI Ching are the executive directors of the Company; Mr. YU Jeong Joon, Mr. LIU Mingxing, Mr. Arun Kumar MANCHANDA and Mr. JIANG Xinhao are the non-executive directors of the Company; and Mr. ZHAO Yuhua, Dr. MAO Erwan, Ms. WONG Sin Yue Cynthia, Mr. HO Yeung and Ms. CHEN Yanyan are the independent non-executive directors of the Company.*

\* *For identification purpose only*