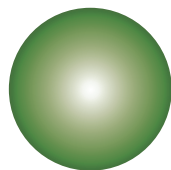


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元亨燃氣

YUANHENG GAS

YUAN HENG GAS HOLDINGS LIMITED

元亨燃氣控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 332)

DISCLOSURE UNDER RULES 13.17 AND 13.18 AND INCREASE IN SHAREHOLDING BY THE CONTROLLING SHAREHOLDER

Reference is made to the announcement of the Company dated 7 September 2018 (the “**Announcement**”). Capitalized words used in this announcement shall have the same meanings as set out in the Announcement, unless the context otherwise requires.

THE SHAREHOLDERS’ MAXIMUM SECURED PLEDGES

As disclosed in the Announcement, Mr. Wang, our Chairman, an executive Director and the controlling shareholder of the Company has, via his two wholly owned companies, entered into the Shareholders’ Maximum Secured Pledges, pursuant to which a total of 1,050 million Shares have already been pledged with the Bank as securities for the banking facilities provided to Guangzhou Yuan Heng, an indirect wholly-owned subsidiary of the Company.

Further as disclosed in the Announcement, additional securities will need to be provided if the value of the pledged Shares become less than 140% of the guaranteed maximum banking facilities. The parties have been monitoring such values for compliance purposes and have noted that the share price of the Shares have generally been moving on a downward trend since then. In order for the Company to be able to utilize the maximum banking facilities that are available without contravening the requirements of maintaining the minimum values of the securities, Mr. Wang will need to provide additional securities to the Bank by depositing additional Shares should the requirements arise.

INCREASE IN SHAREHOLDING BY THE CONTROLLING SHAREHOLDER

On 20 August 2020, Mr. Wang acquired via one of his wholly owned company Champion Ever Limited, a total number of 375,000,000 Shares (representing about 5.73% of the entire issued share capital of the Company) from a third party independent to the Company and its connected persons. Mr. Wang has become interested in an aggregate of 4,140,123,824 Shares (representing about 63.25% of the entire issued share capital of the Company).

ADDITIONAL PLEDGES

On 26 August 2020, Mr. Wang procured Champion Ever Limited to provide an additional 335,000,000 Shares as further security under the terms of the Shareholders' Maximum Secured Pledges so as to maintain a healthy value ratio between the securities provided and the amount of the banking facilities.

Other than the said additional securities pledged by Champion Ever Limited in accordance with the existing terms of the Shareholders' Maximum Secured Pledges, no terms have been revised under the transaction documents of the banking facilities.

Following the said additional 335,000,000 Shares having been pledged to the Bank, a total of 1,385 million Shares (representing about 21.16% of the entire issued shares of the Company) have been pledged to the bank under the Shareholders' Maximum Secured Pledges.

LISTING RULES IMPLICATIONS

This announcement is made pursuant to Rules 13.17 and 13.18 to provide the necessary update of the Shares being pledged by Mr. Wang and the specific performance carried out by him via his wholly owned companies under the Shareholders' Maximum Secured Pledges.

For and on behalf of the Board
Yuan Heng Gas Holdings Limited
Wang Jianqing
Chairman and Chief Executive Officer

Hong Kong, 26 August 2020

As at the date of this announcement, the executive Directors are Mr. Wang Jianqing, Mr. Bao Jun and Mr. Zhou Jian; and the Independent non-executive Directors are Dr. Leung Hoi Ming, Mr. Wong Chi Keung and Mr. Tom Xie.