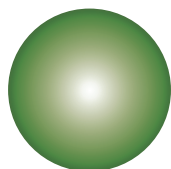


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元亨燃氣
YUANHENG GAS

YUAN HENG GAS HOLDINGS LIMITED

元亨燃氣控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 332)

INSIDE INFORMATION LOAN FACILITY OF HK\$180 MILLION

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

On 24 November 2017 (after trading hours), the Company, as borrower, and the Lender, a wholly-owned subsidiary of Hanbo, entered into the Loan Agreement, pursuant to which the Lender agreed to grant to the Company a loan of HK\$180 million for a term of 6 months from the date of the Drawdown, and could be further extended for another 6 months with written consent of the Lender (or any other date as may be agreed by the Lender and the Company in writing). The Loan is secured by the Share Charge and the Debenture.

INTRODUCTION

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THE LOAN AGREEMENT

The principal terms of the Loan Agreement are summarised below:

Date	:	24 November 2017
Parties	:	The Lender (as lender); and The Company (as borrower)
Loan amount	:	HK\$180 million
Maturity date	:	the date falling 6 months from the date of the Drawdown and, if requested by the Company, such date could be further extended for another 6 months with written consent of the Lender (or any other date as may be agreed by the Lender and the Company in writing)
Drawdown Date	:	Subject to the fulfilment of the condition precedents, the Company can make the Drawdown on a Banking Day within the Availability Period
Interest rate	:	10% per annum payable monthly
Conditions precedent of the Loan	:	Drawdown of the Loan is conditional upon, among other things, the fulfillment of the followings:– (a) where applicable, the shareholders of Hanbo and the Company having approved the Financing Agreements and the transactions contemplated thereunder in accordance with the requirements of the Listing Rules;

- (b) the parties to the Financing Agreements having obtained all necessary third party consents, approvals, authorisations, waivers, clearances and certifications in relation to the transactions contemplated thereunder and other relevant matter if required;
- (c) each of the Financing Agreements duly executed by the Company, Firmwill and/or Fully World to which it is a party together with all documents ancillary or incidental thereto duly signed and completed;
- (d) the provision of the documents as requested under the Loan Agreement by the Company to the Lender;
- (e) the Lender having completed a due diligence review within 14 days from the date of the Loan Agreement on the Receivables, the results of which being satisfactory to the Lender;
- (f) the provision by the Company to the Lender of such evidence to the satisfaction of the Lender Firmwill is the beneficial owner of the Charged Share and Fully World is the beneficial owner of the Charged Assets and that the Charged Share is free from encumbrance of whatsoever nature and the Charged Assets shall be free from encumbrance of whatsoever nature other than such encumbrances that may arise from the performance of the Supply Contracts; and
- (g) the Company's acknowledgement duly signed by the Company in respect of the receipt of a copy of the Financing Agreements and the summary of the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

If any of the above conditions precedent is not fulfilled within the Availability Period, no Drawdown can be made and the facility provided under the Loan Agreement will be cancelled.

- Prepayment : The Company may prepay all or any part of the Drawdown by giving not less than three Banking Days' notice to that effect to the Lender or otherwise as expressly provided for in the Loan Agreement and may not reborrow any amount prepaid
- Securities : The Loan is secured by the Share Charge and the Debenture. The Share Charge is the charge over the Charged Share to be executed by Firmwill as security in favour of the Lender. The Debenture is a floating charge over the Charged Assets to be created by Fully World as security in favour of the Lender
- Undertakings : The Company undertakes that, among other things:
- (a) the aggregate value of the Receivables and cash of Fully World shall, at all times, be not lower than HK\$450,000,000;
 - (b) it shall maintain its listing status on the Stock Exchange and that its shares shall not be suspended from trading for more than 5 consecutive trading days;
 - (c) Firmwill and Fully World shall remain direct or indirect wholly-owned subsidiaries of the Company; and
 - (d) other than as created under the Financing Agreements, it shall not, without the consent of the Lender (where such consent shall not be unreasonably withheld or delayed), incur any external debt or indebtedness or make loan, grant credit to, or guarantee or indemnify the liabilities of any person, which has priority over Secured Indebtedness except those mandatorily preferred by law.

REASONS FOR THE TRANSACTION

The Loan would provide additional liquidity to the Company and ensure that the Company has sufficient working capital for its operations and potential business expansion in, including but not limited to, the trading business of the Group. As at the date of this announcement, no legally binding agreements or arrangements in connection with any potential business expansion have been entered into by the Group.

The terms of the Loan Agreement were determined through arm's length negotiations between the parties, and the Directors (including the independent non-executive Directors) are of the view that the Loan Agreement was entered into on normal commercial terms and that the terms of the Loan Agreement are fair and reasonable and in the interests of the shareholders of the Company as a whole.

GENERAL INFORMATION

The Company is an investment holding company. The Group is principally engaged in (i) trading of oil and gas products and the provision of related consultancy services; and (ii) processing, distribution, sales, trading and transportation of LNG and other auxiliary operations and networks in the PRC.

Firmwill is a company incorporated in British Virgin Islands with limited liability, which is a wholly-owned subsidiary of the Company and holds the entire issued share capital of Fully World. Firmwill is principally engaged in investment holding.

Fully World is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Firmwill. Fully World is principally engaged in oil trading.

The Lender is a wholly-owned subsidiary of Hanbo. The Lender is a registered money lender holding a valid Money Lenders Licence under the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) and its principal activities include money lending business.

Hanbo and its subsidiaries are principally engaged in trading of apparel products and provision of apparel supply chain management services, provision of financial services, money lending business, and securities investment.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, although an associate of a 29% substantial shareholder of Hanbo is a general partner holding 45% interests in a limited partnership which in turn beneficially holds approximately 7.73% shareholding interests in the Company, the Lender and its ultimate beneficial owners are Independent Third Parties.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Availability Period”	the period commencing from the date of the Loan Agreement and ending on the earlier of: (1) the date falling 3 months from the date of the Loan Agreement or such other date as the Lender may agree; and (2) the date on which all the loan facility under the Loan Agreement has been drawn by the Borrower or has been cancelled in accordance with the Loan Agreement
“Banking Day”	a day (excluding Saturday and Sunday) on which commercial banks are open for business in Hong Kong and HK\$ deposits may be dealt with in the Hong Kong inter-bank market
“Charged Assets”	all or any part of the property and/or assets of Fully World expressed to be charged under the Debenture
“Charged Share”	1 share in the capital of Fully World, representing the entire issued share capital of Fully World
“Company”	Yuan Heng Gas Holdings Limited (元亨燃氣控股有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 332)
“Debenture”	the floating charge over all or any part of the property and/or assets of Fully World to be created by Fully World in favour of the Lender as security for the Secured Indebtedness
“Director(s)”	director(s) of the Company
“Drawdown”	a drawdown of the Loan made by the Company pursuant to the Loan Agreement within the Availability Period

“Financing Agreements”	the Loan Agreement, the Share Charge and the Debenture and all other document(s) executed or which may be executed from time to time in relation to the Loan
“Firmwill”	Firmwill Investments Limited, a company incorporated in British Virgin Islands with limited liability, which is a wholly-owned subsidiary of the Company and holds the entire issued share capital of Fully World
“Fully World”	Fully World Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Firmwill
“Group”	the Company and its subsidiaries
“Hanbo”	Hanbo Enterprises Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1367)
“Independent Third Party(ies)”	third party(ies) who is (are) independent of and not connected with the Company and its connected persons (as defined under the Listing Rules)
“Lender”	Capital Strategic Partners Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned indirect subsidiary of Hanbo
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the secured term loan facility in the amount of HK\$180 million granted by the Lender to the Company pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 24 November 2017 entered into between the Lender and the Company in relation to the grant of the Loan to the Company

“Receivables”	any debt or indebtedness from time to time owing by any customer of Fully World under or pursuant to any Supply Contract, whether present or future
“Secured Indebtedness”	all moneys due and/or to become due, or otherwise outstanding or owing, or covenanted to be paid by the Company, Firmwill or Fully World to the Lender whether under the Financing Agreements or otherwise
“Share Charge”	the charge over the entire issued share capital of Fully World to be executed by Firmwill in favour of the Lender
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supply Contract”	any equipment and/or services supply contract (including any supplementary contract thereunder or relating thereto) from time to time entered into between (whether or not among any other person(s)) Fully World and any of its customers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By Order of the Board
Yuan Heng Gas Holdings Limited
Wang Jianqing
Chairman and Chief Executive Officer

Hong Kong, 24 November 2017

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.