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## **YUHUA ENERGY HOLDINGS LIMITED**

**裕華能源控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2728)**

### **VOLUNTARY ANNOUNCEMENT FRAMEWORK AGREEMENTS IN RELATION TO POTENTIAL ACQUISITIONS**

This announcement is made by Yuhua Energy Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to inform shareholders and potential investors of the Company of its latest business development.

The board of directors (the “**Board**”) of the Company announces that, on 7 February 2018, Yuhua Energy Holdings Group (Fujian) Co., Ltd.\* (裕華能源控股集團(福建)有限公司) (“**Fujian Yuhua Energy**”) (as purchaser), a wholly-owned subsidiary of the Company, entered into the following non-binding framework agreements.

#### **HENGRAN FRAMEWORK AGREEMENT**

On 7 February 2018, Fujian Yuhua Energy (as purchaser) entered into a non-binding framework agreement (the “**Hengran Framework Agreement**”) with certain existing shareholders (the “**Hengran Vendors**”) of Kunshan Zhongyou Hengran Petroleum Company Limited\* (昆山中油恒燃石油燃氣有限公司) (“**Hengran**”), and Fujian Yuhua Energy may purchase 90% of shareholdings of Hengran.

## **DAOCHENG FRAMEWORK AGREEMENT**

On 7 February 2018, Fujian Yuhua Energy (as purchaser) entered into a non-binding framework agreement (the “**Daocheng Framework Agreement**”, together with the Hengran Framework Agreement are collectively referred as the “**Framework Agreements**”) with certain existing shareholders (the “**Daocheng Vendors**”) of Kunshan Daocheng Transportation Company Limited\* ( 昆山道誠物流有限公司) (“**Daocheng**”), and Fujian Yuhua Energy may purchase 100% of shareholdings of Daocheng.

After the execution of the Framework Agreements, Fujian Yuhua Energy will carry out a due diligence review on Hengran and Daocheng. Subject to the results of the due diligence review, Fujian Yuhua Energy may negotiate and enter into formal sale and purchase agreements with the Hengran Vendors and/or the Daocheng Vendors.

## **INFORMATION OF HENGRAN AND DAOCHENG**

Hengran is a company established in the PRC and is principally engaged in trading and exploring of compressed natural gas.

Daocheng is a company established in the PRC and is principally engaged in the transportation of dangerous goods such as oil and natural gas.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquires, each of Hengran Vendors, Daocheng Vendors, Hengran and Daocheng are independent third parties and are not connected persons of the Company.

## **GENERAL**

If a formal sale and purchase agreement is entered into between the Group and the Hengran Vendors and/or the Daocheng Vendors, the transaction may constitute a notifiable transaction of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Further announcement(s) will be made by the Company in accordance with the Listing Rules as and when appropriate and the Company will comply with all relevant requirements under the Listing Rules in due course.

**The Board wishes to emphasise that the above potential acquisitions are subject to satisfactory due diligence review and negotiation and execution of certain legally binding documentation by the relevant parties thereto. Accordingly, shareholders and/or investors of the Company should note that the matters contemplated under the Framework Agreements may or may not materialize as described or at all, and should exercise caution when dealing in the shares of the Company.**

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**Yuhua Energy Holdings Limited**  
**Lin Caihuo**  
*Chairman*

Hong Kong, 7 February 2018

*As at the date of this announcement, the Company has two executive Directors, namely Mr. Lin Caihuo (Chairman), and Mr. Wang Enguang, one non-executive Director, namely Mr. Wang ShouLei and three independent non-executive Directors, namely Mr. Liu Yang, Mr. Lum Pak Sum and Ms. Wong Yan Ki, Angel.*

\* *For identification purpose only*