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**蘇創燃氣**  
**SUCHUANG GAS**

**SUCHUANG GAS CORPORATION LIMITED**

**蘇創燃氣股份有限公司**

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

**(Stock Code: 1430)**

## **VOLUNTARY ANNOUNCEMENT STRATEGIC PARTNERSHIP FRAMEWORK AGREEMENT**

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

### **STRATEGIC PARTNERSHIP FRAMEWORK AGREEMENT**

The board of directors (the “**Directors**”) of the Company (the “**Board**”) is pleased to announce that on 20 June 2017, the Company entered into a strategic partnership framework agreement (the “**Agreement**”) with 中鐵置業集團有限公司 (China Railway Real Estate Group Co., Ltd. \*) (“**CRREG**”).

Pursuant to the Agreement, the Company and CRREG agreed to establish a strategic partnership for urban development and operation and to cooperate and mutually support the business activities of each other. Such strategic cooperation will capitalize the strengths of both the Group and CRREG on the areas of their respective expertise, which will create synergies and business complement with each other.

The purpose of the Agreement is to:

1. collectively explore the possibilities and operational details of a strategic partnership in urban development and operation through cooperation between the Company and CRREG;
2. ensure that in areas and projects developed by CRREG, world-class development standards can be established in areas such as the development and utilisation of clean energy, environmental protection and energy conservation, intelligence of urban buildings and centralised heating and cooling through cooperation between the Company and CRREG; and
3. complement each other’s advantages based on other’s resource, and through mutually promoting each other, to achieve mutual benefits and development.

A summary of the cooperation under the Agreement is set out as follows:

1. If the Company intends to invest in clean energy such as piped gas transmission, smart energy, distributed energy stations, sale of liquified natural gas within or surrounding the primary land development projects or other infrastructure project that have been or will be undertaken by CRREG, subject to the compliance with the applicable laws and regulations, CRREG will, under the same conditions, give preference in recommending the Company to the relevant local government;
2. In the areas that the Company has undertaken or will undertake industrial development or business cooperation, if the Company obtains information that is suitable for CRREG in respect of its primary land development projects or other infrastructure project, the Company will give preference in providing such information to CRREG, and will recommend CRREG to the relevant local government.
3. Under the same commercial terms and through formal open tender procedures, CRREG will give preference in considering to cooperate with the Company on the following areas in the primary land development projects or infrastructure projects that have been or will be undertaken by CRREG, such cooperation includes but is not be limited to professional subcontracting and consultation services:
  - a. rooftop designs, and technical consultation relating to all types of clean energy (including but not limited to gas), operation related design and construction, and maintenance services for clean energy operation;
  - b. design and installation of green environmentally friendly projects, intelligent system projects and light current engineering projects; and
  - c. resources organisation and consultation services for the elderly care and healthcare industry.
4. The Company will use its internationalised edge to provide CRREG with services including acting as agent for offshore projects, introduction of energy technology and introduction of management team.
5. The Agreement is a framework agreement guiding and forming the foundation for any cooperation between the Company and CRREG during the 13<sup>th</sup> Five-Year Plan period (2017 – 2020). Any specific cooperation in any projects will be subject to the specific agreement to be entered into between the parties separately in accordance with relevant policies and regulations.

## **INFORMATION ABOUT CRREG**

CRREG is a wholly-owned subsidiary of China Railway Group Limited (中國中鐵股份有限公司). China Railway Group Limited (中國中鐵股份有限公司) is a joint stock limited company incorporated in the People's Republic of China (the "PRC") with limited liability and the H Shares and A Shares of which are listed on The Stock Exchange of Hong Kong Limited (stock code: 390) and the Shanghai Stock Exchange (stock code: 601390), respectively.

CRREG has three Class-1 qualifications in real estate development, general contracting of housing and construction engineering projects, and property management services. It has 36 subsidiaries and branches covering key economic areas in the Bohai Rim, Yangtze River Delta and Pearl River Delta and key cities across the PRC, and has development projects in the places including 18 cities in the PRC, including Beijing, Shanghai, Shenzhen, Xian, Sanya, Qingdao, Hangzhou, Xiamen and Chengdu, with an accumulated development area of over 10 million square metres.

To the best knowledge, information and belief of the Directors, and having made all reasonable enquiries, CRREG is an independent third party not connected with the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).

## **REASONS FOR AND ADVANTAGES OF ENTERING INTO THE AGREEMENT**

The Board considers that, through the strategic cooperation under the Agreement, the parties will be able to form a sustainable strategic partnership beneficial to each other, and integrate the advantages and resources of each other to create greater commercial value by mutually recommending each other in various projects. The Board considers that the entering into the Agreement is in line with the Company's operation strategy and will expand its footprint in the energy business outside of Taicang City and is in the interest of the Company and its shareholders as a whole.

By order of the Board  
**Suchuang Gas Corporation Limited**  
**SU Aping**  
*Chairman and Executive Director*

Taicang, Suzhou, Jiangsu Province, PRC, 21 June 2017

*As at the date of this announcement, the executive Directors are Mr. Su Aping, Ms. Zhu Yaying, Ms. Su Yi and Mr. Du Shaozhou; the non-executive Directors are Mr. Xu Lei and Mr. Zhuang Jianhao; and the independent non-executive Directors are Mr. Zhou Qingzu, Mr. He Junjie and Mr. Luk Wai Keung.*

\* *for identification purpose only*