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Zhonghua Gas Holdings Limited
(中華燃氣控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8246)

SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that on 3 October 2025 (after trading hours), the Company, as issuer, entered into the Subscription Agreements with the Subscribers, pursuant to which, the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue an aggregate of 334,000,000 Subscription Shares at the Subscription Price of HK\$0.075 per Subscription Share. The Subscriptions are subject to the conditions set out under the section headed “Conditions of the Subscription”.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the date of Completion, the Subscription Shares represent (i) approximately 7.83% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 7.26% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Price of HK\$0.075 per Subscription Share represents (i) a premium of approximately 1.35% over the closing price of HK\$0.074 per Share as quoted on the Stock Exchange on 3 October 2025, i.e. the date of the Subscription Agreements; and (ii) a premium of approximately 0.54% over the average closing price of HK\$0.0746 per Share quoted on the Stock Exchange for the five consecutive trading days of Shares immediately preceding to the date of the Subscription Agreements.

Assuming the Subscription Shares are fully subscribed, the gross proceeds from the Subscriptions are expected to be HK\$25,050,000. The net proceeds of the Subscription, after deduction of all relevant expenses, are estimated to be approximately HK\$24,750,000, representing a net price of approximately HK\$0.074 per Subscription Share. The Company intends to apply the net proceeds as general working capital of the Group.

Shareholders and prospective investors should be reminded that the Completion of the Subscriptions is subject to the satisfaction of the Conditions as set out in the Subscription Agreements. As the Subscriptions may or may not proceed, Shareholders and prospective investors are advised to exercise caution when dealing in the Shares.

SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that on 3 October 2025 (after trading hours), the Company, as the issuer, entered into the Subscription Agreements with the Subscribers pursuant to which the Subscribers have agreed to subscribe for, and the Company has agreed to allot and issue an aggregate of 334,000,000 Subscription Shares at the Subscription Price of HK\$0.075 per Subscription Share. The principal terms of the Subscription Agreements are set out as follows.

The Subscription Agreement A

Date: 3 October 2025

Parties: (i) the Company; and (ii) the Subscriber A.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Subscriber A is principally engaged in investment holding and each of the Subscriber A and its ultimate beneficial owner is an Independent Third Party.

Pursuant to the terms of the Subscription Agreement A, the Subscriber A has agreed to subscribe for, and the Company has agreed to allot and issue an aggregate of 167,000,000 Subscription Shares at the Subscription Price of HK\$0.075 per Subscription Share. The Subscription Shares represent approximately 3.92% of the existing issued share capital of the Company and approximately 3.77% of the issued share capital of the Company as enlarged by the allotment and issue of 167,000,000 Subscription Shares under the Subscription Agreement A as at the date of this announcement.

The Subscription Agreement B

Date: 3 October 2025

Parties: (i) the Company; and (ii) the Subscriber B.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, as at the date of this announcement, the Subscriber B is a holder of 160,000 Shares, representing approximately 0.004% of the entire issued share capital of the Company. Save as disclosed, the Subscriber B is an Independent Third Party.

Pursuant to the terms of the Subscription Agreement B, the Subscriber B has agreed to subscribe for, and the Company has agreed to allot and issue an aggregate of 167,000,000 Subscription Shares at the Subscription Price of HK\$0.075 per Subscription Share. The Subscription Shares represent approximately 3.92% of the existing issued share capital of the Company and approximately 3.77% of the issued share capital of the Company as enlarged by the allotment and issue of 167,000,000 Subscription Shares under the Subscription Agreement B as at the date of this announcement.

Number of the Subscription Shares

An aggregate of 334,000,000 Subscription Shares represents (i) approximately 7.83% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 7.26% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming that there is no change in the issued share capital of the Company between the date of this announcement and the date of Completion, other than the issue of the Subscription Shares). Based on the closing price of HK\$0.074 per Share on the date of the Subscription Agreement, the market value of the Subscription Shares is approximately HK\$24,716,000 and the aggregate nominal value of the Subscription Shares is HK\$417,500.

PRINCIPAL TERMS OF EACH OF THE SUBSCRIPTION AGREEMENTS

Apart from the number of the Subscription Shares to be subscribed for by each of the Subscribers set out above, the identities of the Subscribers and the Guarantors, the terms of each of the Subscription Agreements are the same. Set out below are the key terms of the Subscription Agreements.

Subscription Price

The Subscription Price is HK\$0.075 per Subscription Share, representing

- (a) a premium of approximately 1.35% over the closing price of HK\$0.074 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement; and
- (b) a premium of approximately 0.54% over the average closing price of HK\$0.0746 per Share quoted on the Stock Exchange for the five consecutive trading days of Shares immediately preceding to the date of the Subscription Agreement.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscribers with reference to the prevailing market price and market condition. The Directors consider that the Subscription Price is fair and reasonable, on normal commercial terms and are in the interest of the Company and the Shareholders as a whole.

Ranking

Upon Completion, the Subscription Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with all other Shares in issue.

Conditions of the Subscriptions

The Completion of each Subscription Agreement is conditional upon the fulfilment or waiver of the following conditions:

- (i) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Subscription Shares, and such approval not having been withdrawn or revoked;
- (ii) all necessary consents and approvals to be obtained on the part of the Company in respect of the Subscription having been obtained;
- (iii) all necessary consents and approvals to be obtained on the part of the Subscriber in respect of Subscription having been obtained; and
- (iv) in the opinion of the Company, the warranties provided by the Subscriber remaining true and accurate and not misleading, and there is no matter or circumstances which is in breach of the warranties or the terms of the related Subscription Agreement.

If any of the conditions precedent under the Subscription Agreements set out above is not fulfilled on or before 24 October 2025 (or such other date as may be agreed between the Company and the Subscriber in writing), all rights and obligations of the parties of the related Subscription Agreement shall cease and determine and none of the parties thereto shall have any claim against the others in respect of the relevant Subscription Agreement (save for any antecedent breaches thereof).

Lock-up Restriction

Each of the Subscribers undertakes to the Company (and its successors and assigns) that, within 12 months after completion of the Subscription, he/she/it shall not, directly or indirectly:

- (i) transfer or dispose of, nor enter into any agreements to transfer or dispose of or otherwise create any options, rights, interests or encumbrances in respect of any of the Subscription Shares or any interest in such Subscription Shares (which includes any interest in a company which holds the Subscription Shares) or securities that

constitute or confer the right to receive the Subscription Shares or securities convertible into or exercisable or exchangeable for or repayable with the Subscription Shares;

- (ii) enter into a swap agreement or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the ownership of the Subscription Shares, whether any such swap agreement or other agreement or transaction is to be settled by delivery of the Subscription Shares or the securities, in cash or otherwise; or
- (iii) agree (conditionally or unconditionally) to enter into or effect any transaction with the same economic effect as any of the transactions referred to in paragraphs (i) and/or (ii) above.

Completion

The Completion shall take place on a date falling within seven Business Days after the fulfillment of the conditions set out above (or such other date as may be agreed between the Company and the Subscribers in writing). Completion of the Subscription is subject to above-mentioned conditions under the paragraph headed “Conditions of the Subscription” and the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

General Mandate to allot and issue the Subscription Shares

No Shareholders’ approval is required for the Subscription and the allotment and issue of the Subscription Shares by the Company, as the Subscription Shares will be allotted and issued pursuant to the General Mandate granted to the Directors by resolution of the Shareholders passed at the AGM held on 6 August 2025, under which the Directors may allot and issue up to 852,724,800 Shares (representing 20.00% of the issued share capital of the Company as at the date of the passing of the resolution at the AGM).

As at the date of this announcement and immediately preceding to the entering into of the Subscription Agreements, the Company has not issued any Shares under the General Mandate. The General Mandate is sufficient for the allotment and issue of the Subscription Shares.

Application for Listing of the Subscription Shares

Application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the granting of the approval for the listing of, and permission to deal in, the Subscription Shares.

The Completion of the Subscriptions is conditional upon, *inter alia*, the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares.

INFORMATION OF THE COMPANY AND THE GROUP

The principal activities of the Company (together with its subsidiaries) are provision of diverse integrated energy services including technological development, construction related and consultancy services in relation to heat supply and coal-to-natural gas conversion, supply of LNG, coupled with sales of LNG and leasing of investment properties.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS AND USE OF PROCEEDS

As at the 31 March 2025, the Group has cash and cash equivalents of approximately RMB11,112,000 which represented less than one-tenth of cash and cash equivalents of approximately RMB196,083,000 as at 31 December 2023. The Company is in need fund to replenish its general working. The Directors consider that the Subscriptions represent a good fund-raising method to meet the Company's funding need for its general capital. The Board is of the view that the terms of the Subscription Agreements and the transactions contemplated thereunder are on normal commercial terms agreed upon after arm's length negotiations between the parties, fair and reasonable and that entering into the Subscription Agreements is in the interests of the Company and the Shareholders as a whole.

The gross proceeds from the Subscriptions and the net proceeds from the Subscriptions, after deducting professional fees and all relevant expenses, will be HK\$25,050,000 and approximately HK\$24,750,000, representing the net price of approximately HK\$0.074 per Subscription Share. The Company intends to apply (a) approximately 60% of the Net Proceeds are intended for payment of staff costs, such as salaries and allowances, and Directors' and chief executive's emoluments; (b) approximately 10% of the Net Proceeds are intended for payment of office rental; (c) approximately 15% of the Net Proceeds are intended for payment of legal and professional fees; and (d) approximately 15% of the Net Proceeds are intended for payment of other general expenses.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiries, the following table sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the Completion, assuming that there is no change in the issued share capital of the Company from the date of this announcement to the Completion:

Name of Shareholders	As at the date of this announcement		Immediately upon the Completion	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Mr. Hu Yishi (<i>note i</i>) ("Mr. Hu")	233,664,000	5.48	233,664,000	5.08
Smart Lane Global Limited (<i>note i</i>)	448,000,000	10.51	448,000,000	9.74
Front Riches Investments Limited (<i>note i</i>)	<u>99,184,000</u>	<u>2.32</u>	<u>99,184,000</u>	<u>2.16</u>
<i>Sub-total</i>	<i>780,848,000</i>	<i>18.31</i>	<i>780,848,000</i>	<i>16.98</i>
Ms. Lin Min, Mindy (<i>note ii</i>) ("Ms. Lin")	26,064,000	0.61	26,064,000	0.57
Uprise Global Investments Limited (<i>note ii</i>)	448,000,000	10.51	448,000,000	9.74
Gainup Limited (<i>note ii</i>)	<u>23,056,000</u>	<u>0.54</u>	<u>23,056,000</u>	<u>0.50</u>
<i>Sub-total</i>	<i>497,120,000</i>	<i>11.66</i>	<i>497,120,000</i>	<i>10.81</i>
Mr. Chan Wing Yuen, Hubert	26,064,000	0.61	26,064,000	0.57
Ms. Kwong Wai Man, Karin	26,064,000	0.61	26,064,000	0.57
Ms. Ma Lee	2,240,000	0.05	2,240,000	0.05
Depot Up Limited (<i>note iii</i>)	640,000,000	15.01	640,000,000	13.92
<i>Public Shareholder</i>				
Subscriber A	—	—	167,000,000	3.63
Subscriber B	160,000	0.004	167,160,000	3.64
Other Public Shareholders	<u>2,291,128,000</u>	<u>53.746</u>	<u>2,291,128,000</u>	<u>49.83</u>
Total	<u>4,263,624,000</u>	<u>100%</u>	<u>4,597,624,000</u>	<u>100%</u>

Notes:

- (i) Mr. Hu is deemed to be interested in 448,000,000 Shares held by Smart Lane Global Limited, and in 99,184,000 Shares held by Front Riches Investments Limited, as both companies are 100% controlled by Mr. Hu. Mr. Hu is also beneficially interested in 233,664,000 Shares held by himself personally. Mr. Hu is also deemed to be interested in 497,120,000 Shares which his spouse, Ms. Lin Min, Mindy is interested in by virtue of the SFO.
- (ii) Ms. Lin is deemed to be interested in 448,000,000 Shares held by Uprise Global Investments Limited, and in 23,056,000 Shares held by Gainup Limited, as both companies are 100% controlled by Ms. Lin. Ms. Lin is also beneficially interested in 26,064,000 Shares held by herself personally. Ms. Lin is also deemed to be interested in 780,848,000 Shares which her spouse, Mr. Hu is interested in by virtue of the SFO.
- (iii) Depot Up Limited is an investment holding company where the entire issued share capital of which is held by Mr. Song Zhi Cheng.

EQUITY FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS

On 16 April 2025, the Company as issuer and Mr. Hu as subscriber entered into an agreement, pursuant to which the parties conditionally agreed that Mr. Hu shall subscribe for, and the Company shall allot and issue, a total of 230,000,000 new Shares at the issue price of HK\$0.119 per Share. Mr. Hu would increase his interest in the Company upon the completion. The aggregate issue price of HK\$27,370,000 has been used to set off the partial loan of same amount due by the Company to Mr. Hu. The completion of the loan capitulation took place on 4 July 2025. Hence, the Company did not receive any proceeds from the issue of 230,000,000 new Shares pursuant to the loan capitalization agreement dated 16 April 2025.

Save as disclosed above, the Company did not conduct any fund-raising activities involving the issue of its equity securities in the 12 months immediately preceding the date of this announcement.

As completion of the Subscriptions is subject to the satisfaction of a number of conditions under the Subscription Agreements, the Subscriptions may or may not complete. Shareholders and potential investors are reminded to exercise caution when dealing or contemplating to deal in the shares or other securities of the Company.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held and convened on 6 August 2025
“Board”	the board of Directors
“Business Day(s)”	means a day (other than Saturday, Sunday and days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open in Hong Kong for general banking business
“Company”	Zhonghua Gas Holdings Limited (stock code: 8246), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM of the Stock Exchange
“Completion”	completion of the Subscription
“connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Director(s)”	director(s) of the Company
“GEM Listing Committee”	the GEM listing sub-committee of the board of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“General Mandate”	the general mandate granted to the Directors at the AGM to allot, issue or deal with up to 20.00% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the Peoples’ Republic of China

“Independent Third Party(ies)”	any persons or company(ies) and their respective ultimate beneficial owners, to the best of the Director’s knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the GEM Listing Rules
“SFO”	Securities and Future Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary shares in the issued share capital of the Company, in the par value of HK\$0.00125
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscriber A”	Goal Best Investments Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly-owned by Tan Xin
“Subscriber B”	Xue Jian, who, as at the date of this announcement, is the holder of 160,000 Shares
“Subscriber(s)”	the subscriber(s) subscribing for the Subscription Shares under the Subscriptions, namely, the Subscriber A and the Subscriber B
“Subscription A”	the subscription of 167,000,000 Subscription Shares by the Subscriber A pursuant to the terms and conditions of the Subscription Agreement A
“Subscription B”	the subscription of 167,000,000 Subscription Shares by the Subscriber B pursuant to the terms and conditions of the Subscription Agreement B
“Subscription(s)”	collectively, the Subscription A and/or the Subscription B
“Subscription Agreement A”	the subscription agreement dated 3 October 2025 entered into between the Company and the Subscriber A
“Subscription Agreement B”	the subscription agreement dated 3 October 2025 entered into between the Company and the Subscriber B
“Subscription Agreement(s)”	the Subscription Agreement A and/or the Subscription Agreement B

“Subscription Price”	HK\$0.075 per Subscription Share
“Subscription Shares”	an aggregate of 334,000,000 new Shares to be allotted and issued by the Company to the Subscribers pursuant to the Subscription Agreements
“trading day”	means a day on which the Stock Exchange is open for the trading of securities
“%”	per cent.

By order of the Board
Zhonghua Gas Holdings Limited
Chan Wing Yuen, Hubert
Chief Executive Officer and Executive Director

Hong Kong, 3 October 2025

As at the date of this announcement, the executive Directors are Mr. Hu Yishi, Mr. Chan Wing Yuen, Hubert, Ms. Lin Min, Mindy and Ms. Kwong Wai Man, Karina; and the independent non-executive Directors are Ms. Ma Lee, Mr. Lau Kwok Kee and Mr. Wang Weijie.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the HKEX Website at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting. This announcement will also be posted on the website of the Company at www.8246hk.com.