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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)

DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION AT SUBSIDIARY LEVEL INVOLVING ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE TO A NON-WHOLLY OWNED SUBSIDIARY

THE CAPITAL INCREASE AGREEMENT

The Board is pleased to announce that on 2 April 2026, ZHG Investments, a direct wholly-owned subsidiary of the Company, W3 Vision and the JV Company entered into the Capital Increase Agreement, pursuant to which ZHG Investments and W3 Vision conditionally agreed to subscribe for 2,804,949 JV Shares and 2,694,951 JV Shares for the ZHG Consideration of US$2,804,949 and W3 Consideration of US$2,694,951, respectively. The subscriptions are in proportion to the JV Shareholders' respective shareholding percentage in the JV Company. As at the date of this announcement, the JV Company is owned as to 51% by ZHG Investments and 49% by W3 Vision. Upon Completion, the parties' respective shareholding percentage in the JV Company shall remain unchanged.

The ZHG Consideration shall be satisfied by ZHG Investments procuring the Company to allot and issue 25,000,000 Consideration Shares at the Issue Price of approximately HK$0.88 per Consideration Share, while the W3 Consideration shall be satisfied in cash and/or by W3 Vision transferring the Injected Assets to the JV Company.

The 25,000,000 Consideration Shares represent approximately 4.22% of the issued share capital of the Company as at the date of this announcement and approximately 4.05% of the issued share capital of the Company as enlarged by the Consideration Shares (assuming there will be no other change in the total number of issued Shares of the Company between the date of this announcement and the allotment and issue of the Consideration Shares).

The Directors will seek a specific mandate from the Shareholders for the allotment and issue of the Consideration Shares to the JV Company. An application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) (as defined under the GEM Listing Rules) in respect of the Capital Increase contributed by ZHG Investments to the JV Company pursuant to the Capital Increase Agreement exceeds 5% but are less than 25%, the Capital Increase Agreement constitutes a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the GEM Listing Rules.

W3 Vision is a substantial shareholder of the JV Company. W3 Vision and its ultimate beneficial owners are connected persons at subsidiary level of the Company. The entering into of the Capital Increase Agreement therefore constitutes a connected transaction of the Company at the subsidiary level. As the Capital Increase Agreement will constitute a connected transaction of the Company at the subsidiary level and the Board has approved the Capital Increase Agreement and the Directors (including the independent non-executive Directors) have confirmed that the terms of the Capital Increase Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole, the Capital Increase Agreement is only subject to the reporting and announcement requirements, and is exempt from the circular, independent financial advice and independent shareholders' approval requirements pursuant to Rule 20.99 of the GEM Listing Rules.

As the Directors will seek a specific mandate from the Shareholders for the allotment and issue of the Consideration Shares to the JV Company, the allotment and issue of the Consideration Shares will be subject to the Shareholders approval at the EGM.

The EGM will be convened and held for the Shareholders to consider, and if thought fit, to approve the Specific Mandate.

A circular containing, among other things, information on the Capital Increase Agreement, the issue of the Consideration Shares and notice of the EGM will be despatched to the Shareholders as soon as practicable.

As Completion is subject to the fulfilment of the conditions precedent in the Capital Increase Agreement, which include the approval of the Shareholders at the EGM to grant the Specific Mandate to the Directors to issue the Consideration Shares, the Capital Increase may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

THE CAPITAL INCREASE AGREEMENT

The Board is pleased to announce that on 2 April 2026, ZHG Investments, a direct wholly-owned subsidiary of the Company, W3 Vision and the JV Company entered into the Capital Increase Agreement, pursuant to which ZHG Investments and W3 Vision conditionally agreed to subscribe for 2,804,949 JV Shares and 2,694,951 JV Shares for the ZHG Consideration and the W3 Consideration respectively.

The principal terms of the Capital Increase Agreement are as follows:

Date: 2 April 2026

Parties:

(1) ZHG Investments, a direct wholly-owned subsidiary of the Company;

(2) W3 Vision; and

(3) the JV Company.

As at the date of this announcement, the JV Company is owned as to 51% by ZHG Investments and 49% by W3 Vision. Accordingly, W3 Vision is a substantial shareholder of the JV Company, and W3 Vision and its ultimate beneficial owners are connected persons at subsidiary level of the Company.

The Capital Increase

As at the date of this announcement, the JV Company has an issued share capital of US$100 divided into 100 shares of US$1.00 each, and is owned as to 51% by ZHG Investments and 49% by W3 Vision. Pursuant to the Capital Increase Agreement, ZHG Investments and W3 Vision have conditionally agreed to subscribe for 2,804,949 shares and 2,694,951 shares in the JV Company for the ZHG Consideration of US$2,804,949 and W3 Consideration of US$2,694,951, respectively. The subscriptions are in proportion to the JV Shareholders' respective shareholding percentage in the JV Company.

The ZHG Consideration shall be satisfied by ZHG Investments procuring the Company to allot and issue 25,000,000 Consideration Shares at the Issue Price of approximately HK$0.88 per Consideration Share, while the W3 Consideration shall be satisfied in cash and/or by W3 Vision transferring the Injected Assets to the JV Company.

Consideration Shares

The 25,000,000 Consideration Shares represent (i) approximately 4.22% of the total issued Shares of the Company as at the date of this announcement; and (ii) approximately 4.05% of the total issued Shares of the Company as enlarged by the allotment and issue of the Consideration Shares (assuming that there is no other change to the share capital of the Company).

The Consideration Shares will be allotted and issued at the Issue Price of approximately HK$0.88 per Consideration Share. The Issue Price represents:

(i) a premium of approximately 6.02% over the closing price of HK$0.83 per Share as quoted on the Stock Exchange on the date of the Capital Increase Agreement; and

(ii) a premium of approximately 3.53% over the average closing price of HK$0.85 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to the date of the Capital Increase Agreement.

The Issue Price was determined after arm's length negotiation between the Company and W3 Vision with reference to, among others, the prevailing market price of the Shares of the Company. The Board considers that the Issue Price of the Consideration Shares is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Valuation and transfer of the Injected Assets

Pursuant to the Capital Increase Agreement, the valuation of the Injected Assets shall be supported by the Valuation Report issued by an independent professional valuer appointed by the Company or ZHG Investments to substantiate the appraised value of the Injected Assets. The Injected Assets shall include, without limitation, two domain names owned by W3 Vision as at the date of this announcement that are intended for use by the JV Company in the operation of its business.

W3 Vision shall complete the transfer of the legal and beneficial ownership of the Injected Assets to the JV Company and transfer to the JV Company's bank account the cash amount representing the difference between the W3 Consideration and the appraised value of the Injected Assets. W3 Vision shall bear all taxes and handling fees arising from such transfer. For the avoidance of doubt, W3 Vision shall not receive any payment in the event that the appraised value of the Injected Assets exceeds the W3 Consideration.

Specific Mandate

The Directors will seek the Specific Mandate from the Shareholders for the allotment and issue of the Consideration Shares to the JV Company. An application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and

permission to deal in, the Consideration Shares. The Consideration Shares, when issued and fully paid, will rank *pari passu* among the Shares in issue at the time of allotment and issue of such Consideration Shares.

Conditions precedent

Completion of the Capital Increase Agreement is conditional upon the following conditions being satisfied:

(a) the receipt of the Valuation Report from an independent valuer appointed by the Company or ZHG Investments confirming the value of the Injected Assets;

(b) the transfer (the "**Transfer of Injected Assets**") of legal and beneficial ownership of the Injected Assets to the JV Company and transfer to JV Company's bank account the cash amount representing the difference between the W3 Contribution and the appraised value of the Injected Assets;

(c) the GEM Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Consideration Shares, and such approval not having been withdrawn or revoked; and

(d) all necessary consents and approvals for the allotment and issue of the Consideration Shares having been obtained by ZHG Investments and the Company.

ZHG Investments shall use its best endeavours to procure the fulfillment of the conditions set out in (c) and (d) above within five months from the date of the Capital Increase Agreement. W3 Vision shall use its best endeavours to procure the fulfillment of the conditions set out in (a) and (b) above within five months from the date of the Capital Increase Agreement.

Completion

Completion of the Capital Increase Agreement shall take place within 7 Business Days after fulfillment of the above conditions precedent (or such later date as may be agreed by ZHG Investments and W3 Vision).

Business of the JV Company

The JV Company is incorporated in the British Virgin Islands with limited liability on 16 January 2026. The JV Company and its subsidiaries will engage in energy asset management, technological research and development, and international strategic positioning. Its business activities will encompass the digitalization and intelligent management of energy assets, the application of Blockchain and Web3 technologies, scenario-based deployment of Artificial Intelligence (AI), and the development of cross-border energy technology platforms and supporting infrastructure. The JV Company will also establish a dedicated technology platform that serves as the unified brand and executive entity for advancing the Group's relevant business and technological integration.

Management of the JV Company

The board of directors of the JV Company shall consist of five directors, of which three shall be nominated by ZHG Investments and two shall be nominated by W3 Vision. The chairman of the board of directors of the JV Company shall be nominated by ZHG Investments. All board meetings of the JV Company shall be held only in the presence of two directors of the JV Company, one of whom shall be a director nominated by ZHG Investments. Each director of the JV Company shall have one vote. Matters arising in any meeting of the board of directors of the JV Company shall be decided by a majority of votes.

Certain reserved matters of the JV Company, including but not limited to the issuance of new shares, variation of rights of the shares of the JV Company, amendment of the memorandum and articles of association of the JV Company and winding up of the JV Company are subject to the unanimous approval of all JV Shareholders.

Right of First Refusal and Drag-along

In the event that either of the JV Shareholders intend to sell the whole or part of its shareholdings in the JV Company, the other JV Shareholder shall have a first right of refusal to purchase such shares in the JV Company.

If the equity interest in the JV Company being transferred exceeds 30% of the issued share capital of the JV Company, the other JV Shareholder will be able to participate as a co-seller to transfer to the proposed transferee all or part of the shares in the JV Company held by it at the same price and on the same other terms.

Dividend policy

The JV Shareholders shall be entitled to receive dividends distributed out of the distributable profits at least once in each financial year, in such amounts as may be determined and approved by the board of directors of the JV Company.

Financial information of the JV Company

Set out below is the financial information of the JV Company based on its unaudited financial statements from the date of incorporation up to 31 March 2026.

	Since the date of incorporation and up to 31 March 2026 *(US$)*
Revenue	—
Profit/(loss) before taxation	—
Profit/(loss) after taxation	—

The total assets, total liabilities and net assets of the JV Company as at 31 March 2026 according to its unaudited consolidated financial statements were US$100, nil and US$100, respectively.

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.

INFORMATION OF W3 VISION

W3 Vision is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding and is owned as to 50% by Mr. Wang Jun ("**Mr. Wang**") and 50% by Mr. Shi Bohan ("**Mr. Shi**"). Both Mr. Wang and Mr. Shi are the founders of the W3X Group, and are the initiators of the RWA Research Institute. Both Mr. Wang and Mr. Shi will be nominated as directors of the JV Company by W3 Vision and shall be in charge of the JV Company's business operations.

Mr. Wang is a senior expert in the field of the digital economy. He is the founder of Huoxun Finance, one of the initiators of the RWA Research Institute, and a co-founder of W3X Group. Mr. Wang has contributed to the digital transformation and upgrading of several entities in the traditional industries. In 2021, Mr. Wang initiated the "Digital Engine" concept, which became one of the earliest global practices of the RWA (Real World Assets) concept. Mr. Wang also served as a strategic advisor to several publicly listed companies and has long focused on and practiced cutting-edge technologies such as blockchain, artificial intelligence, Web3, and RWA.

Mr. Shi holds a Bachelor's degree in Finance. He is one of the initiators of the RWA Research Institute and a co-founder of W3X Group. He previously served as a co-founder and was deeply involved in the early establishment and operations of 北京君為曉智諮詢股份有限公司 (Beijing Junwei Xiaozhi Technology Co., Ltd.*), a company listed on the National Equities Exchange and Quotations (stock code: 835061), gaining extensive experience in corporate capital strategy planning and capital operations. Mr. Shi has many years of experience in traditional financial investment and investment banking, is familiar with capital market operations, and possesses solid financial theoretical knowledge and practical expertise. In recent years, he participated in practical implementation projects for several listed companies. He specializes in exploring new fintech models within compliant regulatory frameworks.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CAPITAL INCREASE AGREEMENT

The Board believes that developing a technology-driven business will enable the Group to transition from a traditional, asset-heavy energy operation model into a technology-enabled energy technology enterprise characterized by advanced technological capabilities, digital infrastructure, and a global perspective. This transformation will drive the digital restructuring of the Group's assets, supply chains, and international operations, establishing a more robust foundation for the Group's mid-to-long-term sustainable development.

The Company further believes that its strategic participation in the real-world asset ("**RWA**") sector will deliver multifaceted benefits to the Group. In particular, the initiative is expected to enhance capital efficiency and asset liquidity through the digitization and tokenization of the Group's existing energy infrastructure and LNG supply chain assets, without requiring the immediate disposal of strategic infrastructure. It will also broaden the Group's access to diversified funding sources and enhance operational transparency through the integration of Web3 infrastructure into its fuel and LNG supply networks. In addition, the Group aims to position itself as a pioneer in energy asset tokenization within the ASEAN region and diversify its revenue streams by offering RWA-related services to LNG suppliers and industry participants.

In alignment with its established strategic direction, the Group will continue to advance research and development initiatives, strengthen compliance frameworks, deepen regional cooperation, and expand its market presence.

Reference is made to the announcements of the Company dated 6 June 2025 and 22 October 2025 in relation to, among others, the feasibility studies for the development of fuel and natural gas supply networks in Lao People's Democratic Republic. By building relationship with the Lao Ministry of Industry and Commerce, the Group is uniquely positioned to integrate Web3 solutions into these tangible energy assets. By leveraging Hong Kong's robust digital asset regulatory framework, the Group intends to pioneer the tokenization of energy supply chains and implement stablecoin-based cross-border settlement mechanisms for its operations in Laos.

The integrated approach is expected not only to address long-standing liquidity and transparency challenges in emerging market energy trading, but also to serve as a scalable global blueprint. Through this transformation, the Group is evolving from a traditional infrastructure provider into a technology-driven energy operator, developing a decentralized and scalable model that connects ASEAN's resource potential with global capital markets.

Taking into account that (i) the Capital Increase will be satisfied by the allotment and issue of the Consideration Shares and will not adversely affect the Group's operating cash flow; (ii) the Consideration Shares are to be issued at a premium; (iii) the Company intends to retain its cash reserves for the Group's operations and future investment opportunities; (iv) the W3 Contribution will be satisfied in cash and/or by the transfer of the Injected Assets to the JV Company, the aggregate value of which shall be no less than the amount of the W3 Contribution; (v) W3 Vision will nominate directors with relevant experience and expertise to manage the business of the JV Company; and (vi) the reasons for entering into the Capital Increase Agreement as disclosed above, the Board (including the independent non-executive Directors) is of the view that the Capital Increase Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms, are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) (as defined under the GEM Listing Rules) in respect of the Capital Increase contributed by ZHG Investments to the JV Company pursuant to the Capital Increase Agreement exceeds 5% but are less than 25%, the Capital Increase Agreement constitutes a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the GEM Listing Rules.

W3 Vision is a substantial shareholder of the JV Company. W3 Vision and its ultimate beneficial owners are connected persons at subsidiary level of the Company. The entering into of the Capital Increase Agreement therefore constitutes a connected transaction of the Company at the subsidiary level. As the Capital Increase Agreement will constitute a connected transaction of the Company at the subsidiary level and the Board has approved the Capital Increase Agreement and the Directors (including the independent non-executive Directors) have confirmed that the terms of the Capital Increase Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole, the Capital Increase Agreement is only subject to the reporting and announcement requirements, and is exempt from the circular, independent financial advice and independent shareholders' approval requirements pursuant to Rule 20.99 of the GEM Listing Rules.

None of the Directors are deemed to have a material interest in the Capital Increase Agreement and none of them was required to abstain from voting on the Board resolution in relation to the approval of the Capital Increase Agreement.

Meanwhile, as the Directors will seek a specific mandate from the Shareholders for the allotment and issue of the Consideration Shares to the JV Company, the allotment and issue of the Consideration Shares will be subject to the Shareholders' approval at the EGM.

The EGM will be convened and held for the Shareholders to consider, and if thought fit, to approve the Specific Mandate. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Capital Increase Agreement and will be required to abstain from voting on the relevant resolution(s) to approve the Capital Increase Agreement and the transactions thereunder (including the grant of the Specific Mandate) at the EGM.

A circular containing, among other things, information on the Capital Increase Agreement, the issue of the Consideration Shares and notice of the EGM will be despatched to the Shareholders as soon as practicable.

As Completion is subject to the fulfilment of the conditions precedent in the Capital Increase Agreement, which include the approval of the Shareholders at the EGM to grant the Specific Mandate to the Directors to issue the Consideration Shares, the Capital Increase may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

DEFINITIONS

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

"Board"	the board of Directors
"Business Days"	a day (other than Saturday, Sunday and public holidays) on which licensed banks in Hong Kong are open for business during their normal business hours.
"Capital Increase"	the capital increase of an aggregate amount of US$5,499,900 in the issued share capital of the JV Company to be contributed in kind by ZHG Investments (by way of procuring the allotment and issue of the Consideration Shares) and W3 Vision (in cash and/or transfer of the Injected Assets) in proportion to their shareholding interest in the JV Company under the Capital Increase Agreement

"Capital Increase Agreement"	the Capital Increase Agreement dated 2 April 2026 and entered into between ZHG Investments, W3 Vision and the JV Company in relation to the Capital Increase
"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 of new JV Shares in accordance with the terms of the Capital Increase Agreement
"Consideration Shares"	the 25,000,000 Shares to be allotted and issued by the Company to the JV Company at the Issue Price of approximately HK$0.88 per Consideration Share as contribution in kind for the Capital Increase
"Director(s)"	director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the Capital Increase Agreement and the transactions contemplated thereunder and the grant of the Specific Mandate to allot and issue the Consideration Shares
"GEM"	the GEM of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Injected Assets"	the tangible and intangible assets to be transferred by W3 Vision to the JV Company as contribution in kind for the Capital Increase, including, without limitation, two domain names owned by W3 Vision as at the date of this announcement that are intended for use by the JV Company in the operation of its business
"Issue Price"	the issue price of approximately HK$0.88 per Consideration Share

"JV Company"	Gasbit Limited, a company incorporated in the British Virgin Islands with limited liability and is owned as to 51% by ZHG Investments and 49% by W3 Vision as at the date of this announcement
"JV Share(s)"	the shares in the JV Company of US$1.00 each
"JV Shareholders"	ZHG Investments and W3 Vision
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the issued Share(s)
"Specific Mandate"	the specific mandate to be sought from the Shareholders at the EGM and to be granted to the Board for the allotment and issue of the Consideration Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US$"	United States dollars, the lawful currency of the United States of America
"Valuation Report"	the valuation report to be prepared by an independent professional valuer appointed by ZHG Investments on the appraised value of the Injected Assets, in such form and substance as is acceptable to ZHG Investments
"W3 Consideration"	US$2,694,951, being the consideration for the subscription of 2,694,951 JV Shares
"W3 Contribution"	the contribution in cash and/or the transfer of the Injected Assets by W3 Vision to the JV Company in satisfaction of its consideration for the subscription of 2,694,951 JV Shares
"W3 Vision"	W3 Vision Capital Limited, a company incorporated in the British Virgin Islands with limited liability
"ZHG Consideration"	US$2,804,949, being the consideration for the subscription of 2,804,949 JV Shares
"ZHG Contribution"	the transfer of the Consideration Shares by the Company to the JV Company in satisfaction of the consideration payable by ZHG Investments for its subscription of 2,804,949 JV Shares

"ZHG Investments"	ZHG Investments Limited, a company incorporated in Seychelles with limited liability and a direct wholly-owned subsidiary of the Company
"%"	per cent.

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

Hong Kong, 2 April 2026

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.