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CHINA GAS HOLDINGS LIMITED

中國燃氣控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 384)

VOLUNTARY ANNOUNCEMENT

ENTERING INTO STRATEGIC COOPERATION AGREEMENT WITH SHANGHAI ENVIRONMENT AND ENERGY EXCHANGE CORPORATION

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

The board of directors (the “**Board**”) of the Company is pleased to announce that China Gas Industrial (Shenzhen) Limited* (“**China Gas Industrial**”), a wholly-owned subsidiary of the Company, and Shanghai Environment and Energy Exchange Corporation (“**SEEE**”) have entered into a strategic cooperation agreement (the “**Strategic Cooperation Agreement**”) on 23 November 2021.

In order to fully leverage their respective advantages and promote common development, both parties promote the development of carbon neutrality in China based on the principle of “equality and mutual benefit, resource sharing, and complementary advantages” and have entered into the following Strategic Cooperation Agreement:

1. both parties intend to jointly initiate a research institute for carbon neutrality in the gas industry, build a carbon emission database based on blockchain technology in the gas industry chain, further expand the research field, carry out carbon footprint verification business, and provide data support for carbon neutrality of downstream customers and governments with reliance on the research institute. SEEE provides technical support and system certification, and the Group is responsible for research and promotion;
2. both parties cooperate in setting up a carbon management system for governments and enterprises, and complete the certification of the carbon management system. Specific cooperation mode will be agreed separately;

3. SEEE assists the Group in carrying out carbon asset management consultation, provides relevant consulting services for the Group's downstream customers in the development and management of carbon assets, and assists the Group in building a well-established carbon management system;
4. both parties intend to cooperate in conducting research on carbon pricing and natural gas price transmission mechanism; and
5. SEEE assists the Group in formulating plans and roadmaps for carbon peak and carbon neutrality.

REASONS AND BENEFITS FOR ENTERING INTO THE STRATEGIC COOPERATION AGREEMENT

Approved by the Shanghai Municipal People's Government, SEEE is an international and comprehensive environment and energy equity trading platform to serve the country and face the world. It is a professional equity capital market service platform integrating equity trading services such as property rights, debts, equity and intellectual property rights in the environment and energy sector.

The strategies of carbon peak and carbon neutrality are the major strategic decisions established by China to achieve national sustainable development, bringing new opportunities for the long-term development of the gas industry. The Group will seize the opportunities in the dual-carbon business development, and efficiently promote the Group's dual-carbon businesses such as green low-carbon technology, energy conservation and carbon efficiency improvement, and green and low-carbon energy transformation. The Group believes that the strategic cooperation will fully leverage the respective advantages of both parties in resource and technology, and the cooperation between the two parties will help the gas industry in promoting the implementation of national carbon neutrality, and further expand the Group's dual-carbon business, thereby help maximize corporate and social benefits for the Group and create greater value for our shareholders.

Shareholders and potential investors are advised to exercise caution in dealing in the shares of the Company.

By order of the Board
China Gas Holdings Limited
LIU Ming Hui
Chairman, Managing Director and President

Hong Kong, 23 November 2021

As at the date of this announcement, Mr. LIU Ming Hui, Mr. HUANG Yong, Mr. ZHU Weiwei, Ms. LI Ching, Ms. LIU Chang and Mr. ZHAO Kun are the executive directors of the Company; Mr. LIU Mingxing, Mr. JIANG Xinhao and Mr. Mahesh Vishwanathan IYER are the non-executive directors of the Company; and Mr. ZHAO Yuhua, Dr. MAO Erwan, Ms. CHEN Yanyan and Mr. ZHANG Ling are the independent non-executive directors of the Company.

* For identification purpose only