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## **CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.**

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

**(Stock Code: 1940)**

### **(1) PROPOSED REMOVAL OF DIRECTOR; AND (2) PROPOSED CHANGE OF CHAIRMAN OF THE BOARD AND THE NOMINATION COMMITTEE**

The Board announces the following proposals:

- (1) the removal of Mr. Chen from his office as executive Director, which is subject to the passing of the ordinary resolution to approve the Proposed Removal at the EGM; and
- (2) to change the chairman of the Board and Nomination Committee from Mr. Chen to Mr. Yao.

#### **REMOVAL OF DIRECTOR**

The board of directors (the “**Board**”) of CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD. (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that on 31 March 2022, the Company had convened a board meeting (the “**Board Meeting**”) at which the Board resolved to, among others, propose the removal of Mr. David T Chen (“**Mr. Chen**”) from his office as executive director of the Company (the “**Director**”) (the “**Proposed Removal**”) at an extraordinary general meeting of the Company (“**EGM**”) to be convened and held. The Proposed Removal is subject to the passing of the ordinary resolution to approve the Proposed Removal.

#### **Reasons for the Proposed Removal**

References are made to the Company’s (i) announcement dated 31 March 2021 in relation to, among others, the delay in the publication of the 2020 Annual Results, the Investigation and the suspension of trading in the shares of the Company (the “**31 March 2021 Announcement**”); (ii) announcement dated 11 May 2021 in relation to, among others, the suspension of duties of Mr. Chen as an executive Director and the chairman of the Board pending outcome of the Investigation (the “**11 May 2021 Announcement**”); and (iii) announcement dated 23 March 2022 in relation to, among others, the key findings of the Independent Investigation (the “**23 March 2022 Announcement**”). Capitalised terms used herein shall have the same meanings as defined in the said announcements unless otherwise stated herein.

As disclosed in the 11 May 2021 Announcement, upon the request of the Investigation Committee and in order to facilitate the Investigation, Mr. Chen agreed to have all his day-to-day duties, powers and authorities as an executive Director and the chairman of the Board suspended pending outcome of the Investigation from 10 May 2021 until further notice by the Board. As such, Mr. Chen has not been performing his duties as an executive Director, the chairman of the Board and chairman of the nomination committee of the Board (the “**Nomination Committee**”) since that time. As disclosed in the 23 March 2022 Announcement, on 9 March 2022, following its discussion with other members of the Board, the Investigation Committee delivered, for the Board’s consideration and implementation, the SIC Recommendations, including the recommendation for the resignation or removal of Mr. Chen from any and all offices held by him within the Group, including as a Director. Based on the SIC Recommendations, the Board has resolved that Mr. Chen is no longer suited to hold any position within the Group and that steps are to be taken to remove him from all offices he holds within the Group (including removing him as a Director). In light of the aforesaid and in order to ensure a well-functioning and effective Board and Nomination Committee, on 31 March 2022, the Board resolved the Proposed Removal at the Board Meeting.

The Directors (save for Mr. Chen) consider that there will not be significant adverse effect on the operations of the Group if the Proposed Removal becomes effective. Save as disclosed above, the Board is not aware of any other matter relating to the Proposed Removal that needs to be brought to the attention of the shareholders of the Company.

### **Provision in the Articles of Association**

Pursuant to article 83(5) of the articles of association of the Company (the “**Articles**”), the members of the Company may, at any general meeting convened and held in accordance with the Articles, by ordinary resolution remove a Director at any time before the expiration of his or her period of office notwithstanding anything to the contrary in the Articles or in any agreement between the Company and such Director. Accordingly, the Proposed Removal is subject to the approval by the shareholders of the Company by way of an ordinary resolution at a general meeting of the Company. The Board would like to propose an ordinary resolution to remove Mr. Chen as an executive Director at an EGM to be convened and held. A circular containing information relating to the Proposed Removal and a notice of the EGM together with proxy form will be sent to the shareholders of the Company in due course.

## **CHANGE OF CHAIRMAN OF THE BOARD AND THE NOMINATION COMMITTEE**

The Board further announces that upon the Proposed Removal becoming effective, Mr. Chen will cease to act, and Mr. Yao Li (“**Mr. Yao**”), an executive Director, will be appointed the chairman of the Board and the Nomination Committee (collectively, the “**Appointments**”). Upon the Appointments becoming effective, Mr. Yao will cease to be the vice chairman of the Board and the Nomination Committee.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:33 a.m. on 25 March 2021 pending the publication of the 2020 Annual Results by the Company and will remain suspended until further notice pending the Company’s fulfilment of the Resumption Guidance.

The Company will publish further announcement(s) to keep its shareholders and potential investors informed of the latest progress as and when appropriate and will announce quarterly updates on its development pursuant to Rule 13.24A of the Listing Rules.

**Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.**

By Order of the Board of  
**CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.**  
**Yao Li**  
*Vice Chairman and Executive Director*

Hong Kong, 31 March 2022

*As of the date of this announcement, the Board of the Company comprises: (1) Mr. David T CHEN (duties suspended), Mr. YAO Li and Ms. GAO Guimin as the executive Directors; (2) Mr. ZHANG Aimin, Mr. LAI Yui and Ms. NG Shuk Ming as the non-executive Directors; and (3) Mr. SIU Chi Hung, Mr. XIAO Huan Wei and Ms. LI Chun Elsy as the independent non-executive Directors.*