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CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.

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

(Stock Code: 1940)

**(1) CONTINUING CONNECTED TRANSACTION; AND
(2) DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO
GAS PRODUCTS SUPPLY AGREEMENT**

**Independent Financial Adviser to the Independent Board Committee and
Independent Shareholders**

RAINBOW.

RAINBOW CAPITAL (HK) LIMITED
泓博資本有限公司

GAS PRODUCTS SUPPLY AGREEMENT

On 29 June 2022 (after trading hours), TTG, a wholly-owned subsidiary of the Company, and Tangshan Plate entered into the Gas Products Supply Agreement, pursuant to which (i) TTG shall invest in the construction of the Production Unit; (ii) TTG shall operate the Production Unit during the Term; (iii) Tangshan Plate shall provide the construction site for the Project; (iv) Tangshan Plate shall provide the Utilities for the operation of the Production Unit during the Term and TTG shall pay the Utilities expenses pursuant to the Operational Utilities and Related Services Agreement; (v) Tangshan Plate shall purchase the gas products produced by TTG at the Production Unit during the Term; and (vi) upon expiry or termination of the Gas Products Supply Agreement, TTG shall transfer the ownership of the Production Unit to Tangshan Plate.

LISTING RULES IMPLICATIONS

As at the date of this announcement, HBIS Company is a Controlling Shareholder of the Company, indirectly holding approximately 35.99% of the issued share capital of the Company through its wholly-owned subsidiaries. Tangshan Plate is a non-wholly owned subsidiary of HBIS Company. As such, Tangshan Plate is an associate of HBIS Company and therefore a connected person of the Company. Therefore, the supply of the gas products by TTG to Tangshan Plate and the Transfer contemplated under the Gas Products Supply Agreement will constitute a continuing connected transaction and a connected transaction of the Company under Chapter 14A of the Listing Rules, respectively.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the supply of the gas products by TTG to Tangshan Plate contemplated under the Gas Products Supply Agreement is more than 5% but less than 25%, the transactions contemplated under the Gas Products Supply Agreement will constitute a non-exempt continuing connected transaction under Chapter 14A of the Listing Rules; and will be subject to the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Transfer is more than 5% but less than 25%, the Transfer will constitute (i) a non-exempt connected transaction under Chapter 14A of the Listing Rules; and (ii) a discloseable transaction under Chapter 14 of the Listing Rules, and will be subject to the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules.

GENERAL

An EGM will be convened and held by the Company to consider and, if thought fit, approve the Gas Products Supply Agreement and the transactions contemplated thereunder.

An Independent Board Committee (comprising all the independent non-executive Directors) has been formed to advise and provide recommendation to the Independent Shareholders on the Gas Products Supply Agreement and the transactions contemplated thereunder.

Rainbow Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on whether the terms of the Gas Products Supply Agreement and the transactions contemplated thereunder are on normal commercial terms, entered into the ordinary and usual course of business, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As the Term exceeds three years, pursuant to Rule 14A.52 of the Listing Rules, Rainbow Capital has also been appointed as the Independent Financial Adviser to explain the reason for the longer period of the Gas Products Supply Agreement and to confirm that it is normal business practice for agreements of this type to be of such duration.

A circular containing, among others, further information on the Gas Products Supply Agreement and the transactions contemplated thereunder, the respective advices of the Independent Financial Adviser and the Independent Board Committee and other information as required under the Listing Rules and the notice for convening the EGM, is expected to be despatched to the Shareholders on or before 21 July 2022.

GAS PRODUCTS SUPPLY AGREEMENT

Background

On 29 June 2022 (after trading hours), TTG and Tangshan Plate entered into the Gas Products Supply Agreement, pursuant to which (i) TTG shall invest in the construction of the Production Unit; (ii) TTG shall operate the Production Unit during the Term; (iii) Tangshan Plate shall provide the construction site for the Project; (iv) Tangshan Plate shall provide the Utilities for the operation of the Production Unit during the Term and TTG shall pay the Utilities expenses pursuant to the Operational Utilities and Related Services Agreement; (v) Tangshan Plate shall purchase the gas products produced by TTG at the Production Unit during the Term; and (vi) upon expiry or termination of the Gas Products Supply Agreement, TTG shall transfer the ownership of the Production Unit to Tangshan Plate.

Material terms of the Gas Products Supply Agreement

Date

29 June 2022

Parties

- (a) TTG; and
- (b) Tangshan Plate

Construction

Pursuant to the Gas Products Supply Agreement, TTG agreed to invest in the construction of the Production Unit. The total construction costs are currently expected to be approximately RMB82.9 million (including costs of construction and installation of approximately RMB24.9 million and costs of equipment and materials of approximately RMB58 million). The costs of construction and installation and the costs of equipment and materials are based on quotations obtained from independent third parties through the tendering processes.

Operation

Upon completion of the construction of the Production Unit, TTG shall operate the Production Unit during the Term.

Tangshan Plate shall purchase the gas products produced by TTG at the Production Unit at RMB0.4266 per m³. Tangshan Plate shall pay TTG the purchase amount on a monthly basis during the Term. The purchase price of RMB0.4266 per m³ is determined with reference to, among other things, historical prices of similar gas products.

Tangshan Plate shall provide the Utilities for the operation of the Production Unit during the Term and TTG shall pay the Utilities expenses in accordance with the Operational Utilities and Related Services Agreement, which is subject to the Master Utilities and Related Services Agreement as defined and set out in the Prospectus.

Transfer

Upon expiry or termination of the Gas Products Supply Agreement, the ownership of the Production Unit shall be transferred from TTG to Tangshan Plate at nil consideration, provided that TTG is fully compensated by Tangshan Plate for all the loss (if any) incurred by TTG in connection with the investment and construction of the Project.

The Transfer forms part of the transactions contemplated under the Gas Products Supply Agreement. The total construction costs of the Production Unit have been taken into account in negotiation of the overall arrangement and is expected to be covered by the revenue to be received by the Group in provision of the gas products to Tangshan Plate under the Gas Products Supply Agreement prior to the Transfer.

Term

The Gas Products Supply Agreement has an initial term of 42 months commencing from the date when the Production Unit is put into operation (the “**Initial Term**”). It is currently expected that the Production Unit will be put into operation six months from the commencement of construction of the Production Unit. The Initial Term may be further extended for (i) not more than six months in the event that the actual operating hours of the Production Unit is affected by the production restrictions imposed by the PRC government (the “**6-Month Extended Term**”); and (ii) not more than twelve months in the event that the Production Unit fails to operate due to reasons of TTG (the “**12-Month Extended Term**”).

As the Term exceeds three years, pursuant to Rule 14A.52 of the Listing Rules, Rainbow Capital has been appointed as the Independent Financial Adviser to explain the reason for the longer period of the Gas Products Supply Agreement and to confirm that it is normal business practice for agreements of this type to be of such duration. Please refer to the section headed “Opinion From the Independent Financial Adviser” below in this announcement for further details.

Termination

The Gas Products Supply Agreement shall be terminated upon the occurrence of the following events:

- (i) the aggregate amount of purchase made by Tangshan Plate (net of certain operating expenses including the Utilities expenses incurred by TTG as agreed under the Gas Products Supply Agreement, power supply circuit, labour and maintenance costs and excluding tax) reaches RMB124,355,400 by the end of the Initial Term or the Extended Terms; or
- (ii) the aggregate amount of purchase made by Tangshan Plate (net of certain operating expenses including the Utilities expenses incurred by TTG as agreed under the Gas Products Supply Agreement, power supply circuit, labour and maintenance costs and excluding tax) reaches RMB124,355,400 within the Initial Term.

If the Gas Products Supply Agreement is terminated before the occurrence of the above-mentioned events as a result of TTG not being able to use the construction site or the Project is terminated for any reasons other than the default of TTG, Tangshan Plate shall compensate the resulting actual losses by TTG. Where the Gas Products Supply Agreement could no longer be performed due to the afore-mentioned reasons, TTG has the right to terminate the Gas Products Supply Agreement and Tangshan Plate shall compensate all expenses and losses incurred by TTG in performing the Gas Products Supply Agreement.

If TTG intends to continue the operation of the Production Unit upon termination of the Gas Products Supply Agreement, the cooperation arrangement will be subject to further negotiation by the parties and shall not be subject to the terms and conditions of the Gas Products Supply Agreement.

During the Term, the aggregate amount of purchase to be made by Tangshan Plate before netting off certain operating expenses including the Utilities expenses and power supply circuit, labour and maintenance costs and excluding tax is expected to be RMB248,594,000. Upon termination of the Gas Products Supply Agreement, the Company is expected to receive the aggregate amount of purchase of RMB124,355,400 (net of certain operating expenses including the Utilities expenses incurred by TTG as agreed under the Gas Products Supply Agreement, power supply circuit, labour and maintenance costs and excluding tax), which is expected to cover the construction costs of the Production Unit of approximately RMB82.9 million.

Other material terms

In the event that the aggregate amount of purchase made by Tangshan Plate (net of certain operating expenses including the Utilities expenses incurred by TTG as agreed under the Gas Products Supply Agreement and power supply circuit, labour and maintenance costs and excluding tax) is less than RMB124,355,400 by the end of:

- (i) the Initial Term or,
- (ii) the 6-Month Extended Term in the event that the actual operating hours of the Production Unit is affected by production restrictions imposed by the PRC government, or
- (iii) the 12-Month Extended Term in the event that the Production Unit fails to operate due to reasons of TTG,

Tangshan Plate shall make up the shortfall to TTG.

Annual caps

It is expected that the annual caps for the supply of gas products by TTG to Tangshan Plate under the Gas Products Supply Agreement are as follows:

	<i>(RMB)</i>
For the year ending 31 December 2022	12,110,000
For the year ending 31 December 2023	72,650,000
For the year ending 31 December 2024	72,650,000
For the year ending 31 December 2025	72,650,000
For the year ending 31 December 2026	72,650,000
For the year ending 31 December 2027	24,220,000

The above annual caps are determined based on the agreed unit price as set out in the Gas Products Supply Agreement and the high end of the anticipated volume of gas products to be sold by TTG to Tangshan Plate, and included buffers allowing for possible changes in operating hours allowed by the PRC government in each year during the Term.

REASONS FOR AND BENEFITS OF ENTERING INTO THE GAS PRODUCTS SUPPLY AGREEMENT

Currently, TTG is the exclusive pipeline industrial gas supplier for Tangshan Plate. The current average oxygen consumption by Tangshan Plate is approximately 78,000 Nm³/hr while the oxygen production capacity of the relevant branch of TTG is approximately 68,000 Nm³/hr. TTG has been purchasing liquefied oxygen from third parties to supplement the shortfall of its supply of oxygen to Tangshan Plate, resulting in increased costs for TTG. The Group understands that Tangshan Plate's demand for oxygen is expected to further increase by approximately 30% for the coming year according to its production plan. In light of the above, Tangshan Plate and TTG decided to cooperate in implementing the Project to tackle the oxygen supply shortage.

The Production Unit which uses pressure swing adsorption technology to produce oxygen could reduce the electricity consumption, which is the largest cost component in the gas production process, by approximately 25% as compared to other deep cooling oxygen generation units. Further, the Production Unit would be installed in proximity to the furnace blower, enabling the oxygen produced to flow into the furnace through the blower without using the oxygen compressor. As such, the Project also allows the Group to benefit from reduced energy consumption and production cost, thereby increasing the profit margin of its supply of oxygen to Tangshan Plate at existing unit price. Through the Project, the Company will gain experience in constructing and operating similar projects in the future, so as to further develop the pressure swing adsorption oxygen production technology, enhance the Company's technical resource reserves, expand the Company's business scope, and further enhance the Company's competitiveness in oxygen production.

Based on the above, the Directors (excluding the independent non-executive Directors whose views will be included in the circular to be despatched to the Shareholders) are of the view that the Gas Products Supply Agreement and the transactions contemplated thereunder are (i) entered into in the ordinary and usual course of the Group's business; (ii) on normal commercial terms or better; and (iii) on an arm's length basis, and the terms of the Gas Products Supply Agreement are fair and reasonable and in the interest of the Group and the shareholders of the Company as a whole.

INFORMATION OF THE PARTIES

Information on TTG

TTG is a company established under the laws of the PRC with limited liability, and a wholly-owned subsidiary of the Company. TTG is principally engaged in the production and sales of industrial gas (including pipeline industrial gas and liquefied industrial gas), with oxygen, nitrogen, argon, hydrogen and carbon dioxide being its main industrial gas products.

Information on the Group

The Group is principally engaged in the production and sales of industrial gas, and is a leading industrial gas supplier in the Jing-Jin-Ji Region in terms of revenue. The Group is the exclusive pipeline industrial gas supplier for a few members of the HBIS Group.

Information on Tangshan Plate

Tangshan Plate is a company established under the laws of the PRC with limited liability and a non-wholly owned subsidiary of HBIS Company. As at the date of this announcement, Tangshan Plate is held as to approximately 51.0% by HBIS Company, 25.1% by Rong Fong Investment (Cambodia) Company Limited (柬埔寨榮豐投資有限公司) and 23.9% by Hebei Wenfeng Shiye Group Company Limited* (河北文豐實業集團有限公司), respectively. To the best understanding, knowledge and belief of the Directors having made all reasonable enquiries, Rong Fong Investment (Cambodia) Company Limited (柬埔寨榮豐投資有限公司) and Hebei Wenfeng Shiye Group Company Limited* (河北文豐實業集團有限公司), are third parties independent of the Group and its connected persons. Tangshan Plate is principally engaged in the production and sales of middle and heavy steel plate.

Information on HBIS Group

HBIS is a joint stock limited company established under the laws of the PRC with limited liability. As at the date of this announcement, HBIS is an ultimate controlling shareholder of HBIS Company and one of the Controlling Shareholders of the Company, holding approximately 35.99% of the issued share capital of the Company through its subsidiaries and it is, in turn, wholly-owned by the Hebei Province SASAC.

The HBIS Group, comprising HBIS and its subsidiaries, is a State-owned iron and steel group in Hebei, the PRC. Companies under the HBIS Group primarily produce and sell iron and steel products which are used in various industries such as automobiles, petroleum, railways, bridges, construction, power, transportation, machinery, shipbuilding, light industry, home appliances, pipelines, warehousing, electrical and mechanical, canned products, welding, environmental protection, steel structure, chemical industry, water conservancy, and other applications.

HBIS Company, a joint stock company established under the laws of the PRC with limited liability, is one of the major operating subsidiaries of the HBIS Group and has been listed on the Shenzhen Stock Exchange since March 1997 (Stock Code: 000709). HBIS Company is one of the Controlling Shareholders of the Company, holding approximately 35.99% of the issued share capital of the Company through its wholly-owned subsidiaries.

FINANCIAL EFFECT OF THE TRANSFER

Upon expiry or termination of the Gas Products Supply Agreement, TTG shall transfer the ownership of the Production Unit to Tangshan Plate at nil consideration. As of the date of this announcement, the Production Unit has not yet been constructed. As such, no valuation of the Production Unit is available and there is no carrying value of the Production Unit recorded in the Company's book. The Directors consider that it is therefore not appropriate to predict the financial effect, including the gain or loss of the Transfer, prior to the completion of construction of the Production Unit.

Pursuant to the Gas Products Supply Agreement, the construction costs of the Production Unit are expected to be covered by the agreed aggregate amount of purchase to be made by Tangshan Plate and further, prior to the Transfer, TTG will be fully compensated by Tangshan Plate for all the loss (if any) incurred by TTG in connection with the investment and construction of the Project. Thus, the Directors (excluding the independent non-executive Directors whose views will be included in the circular to be despatched to the Shareholders) are of the view that the Transfer will not have any material adverse impact on the business operations and financial position of the Group.

LISTING RULES IMPLICATIONS

As at the date of this announcement, HBIS Company is a Controlling Shareholder of the Company, indirectly holding approximately 35.99% of the issued share capital of the Company through its wholly-owned subsidiaries. Tangshan Plate is a non-wholly owned subsidiary of HBIS Company. As such, Tangshan Plate is an associate of HBIS Company and therefore a connected person of the Company. Therefore, the supply of

gas products by TTG to Tangshan Plate and the Transfer contemplated under the Gas Products Supply Agreement will constitute a continuing connected transaction and a connected transaction of the Company under Chapter 14A of the Listing Rules, respectively.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the supply of the gas products by TTG to Tangshan Plate contemplated under the Gas Products Supply Agreement is more than 5% but less than 25%, the transactions contemplated under the Gas Products Supply Agreement will constitute a non-exempt continuing connected transaction under Chapter 14A of the Listing Rules; and will be subject to the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Transfer is more than 5% but less than 25%, the Transfer will constitute (i) a non-exempt connected transaction under Chapter 14A of the Listing Rules; and (ii) a discloseable transaction under Chapter 14 of the Listing Rules, and will be subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

To the best understanding, knowledge and belief of the Directors having made all reasonable enquiries, none of the Directors has a material interest in the Gas Products Supply Agreement. As Mr. Zhang Aimin, who is the chief accountant of HBIS Tangsteel, a subsidiary of HBIS and a shareholder of HBIS Company, holding approximately 17.45% interests in HBIS Company, he has abstained from voting at the Board meeting approving the relevant Board resolutions.

OPINION FROM THE INDEPENDENT FINANCIAL ADVISER

As the Term exceeds three years, pursuant to Rule 14A.52 of the Listing Rules, Rainbow Capital has been appointed as the Independent Financial Adviser to explain the reason for the longer period of the Gas Products Supply Agreement and to confirm that it is normal business practice for agreements of this type to be of such duration.

In assessing the reasons why the duration of the Gas Products Supply Agreement should be longer than three years, Rainbow Capital has considered the following factors based on the information provided by the management of the Group as well as the publicly available information:

- (i) TTG has commenced supply of pipeline industrial gas to Tangshan Plate since January 2015. Pursuant to a contract entered into between TTG and Tangshan Plate in June 2018 (the "**Existing Tangshan Contract**"), TTG agreed to supply

pipeline industrial gas to Tangshan Plate for a term of 15 years from June 2018 to May 2033. The entering into of the Gas Products Supply Agreement with a longer duration allows TTG to bridge the gap between its existing production capacity and Tangshan Plate's increasing demand for pipeline industrial gas. According to Frost & Sullivan, the market size of industrial gas industry in terms of revenue generated from the iron and steel industry in the PRC is expected to grow at a compound annual growth rate of approximately 7.9% between 2019 and 2024; and

- (ii) Tangshan Plate, a non-wholly owned subsidiary of HBIS Company, is a member of the HBIS Group which is the largest state-owned iron and steel group in Hebei Province and the Group's largest customer. The Group has been exclusively supplying industrial gas to some members of the HBIS Group since TTG was initially set up as a joint venture by HBIS Company and the Company in 2007. Given the long- and well-established business relationship between the Group and the HBIS Group, a longer duration of the Gas Products Supply Agreement will provide stability to TTG's supply of industrial gas products to Tangshan Plate and will be beneficial to the Group's long-term cooperation with the HBIS Group.

In considering whether it is normal business practice for contracts of a similar nature to the Gas Products Supply Agreement to have a term of such duration, Rainbow Capital has:

- (i) referred to the durations of the five existing industrial gas supply agreements (the "**Existing Agreements**") entered into between the Group and members of the HBIS Group (including the Existing Tangshan Contract) for the provision of industrial gas products and related services. Rainbow Capital notes that the duration of the Gas Products Supply Agreement, up to 54 months if extended, falls in the range of the durations of the Existing Agreements of two to 30 years; and
- (ii) reviewed the principal terms of comparable transactions (the "**Comparable Transactions**") involving provision of industrial gas products up to the date of this announcement. The Comparable Transactions have been selected by Rainbow Capital based on the following criteria: (a) the supplier (or its direct or indirect holding companies) to each of such transactions is listed or a listing applicant in Hong Kong or the PRC, and is principally engaged in the provision of industrial gas products; and (b) the principal terms of such transactions have been publicly disclosed in the prospectuses or announcements of the relevant suppliers. Rainbow Capital notes that the duration of the Gas Products Supply Agreement, up to 54 months if extended, falls in the range of the duration of the Comparable Transactions of eight months to 20 years.

Based on the above considerations, Rainbow Capital is of the opinion that (i) a term of longer than three years is required for the Gas Products Supply Agreement; and (ii) it is normal business practice of contracts of this type to be of such duration.

GENERAL

An EGM will be convened and held by the Company to consider and, if thought fit, approve the Gas Products Supply Agreement and the transactions contemplated thereunder. The voting at the EGM will be taken by poll.

An Independent Board Committee (comprising all the independent non-executive Directors) has been formed to advise and provide recommendation to the Independent Shareholders on the Gas Products Supply Agreement and the transactions contemplated thereunder.

Rainbow Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on whether the terms of the Gas Products Supply Agreements and the transactions contemplated thereunder are on normal commercial terms, entered into the ordinary and usual course of business, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

A circular containing, among others, further information on the Gas Products Supply Agreement and the transactions contemplated thereunder, the respective advices of the Independent Financial Adviser and the Independent Board Committee and other information as required under the Listing Rules and the notice for convening the EGM, is expected to be despatched to the Shareholders on or before 21 July 2022.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares 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 as set out in the announcement of the Company dated 28 May 2021.

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.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	China Gas Industry Investment Holdings Co. Ltd., a company incorporated in the Cayman Islands with members’ limited liability and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 1940)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“Extended Terms”	collectively, the 6-Month Extended Term and the 12-Month Extended Term
“EGM”	an extraordinary general meeting of the Company to be convened and held for the Independent Shareholders to consider and, if thought fit, approve, the Gas Products Supply Agreement and the transactions contemplated thereunder
“Gas Products Supply Agreement”	the Gas Products Supply Agreement entered into by TTG and Tangshan Plate on 29 June 2022, the details of which are set out in the section headed “Gas Products Supply Agreement” in this announcement
“Group”	the Company and its subsidiaries
“HBIS”	HBIS Group Co., Ltd.* (河鋼集團有限公司), a joint stock limited company established under the laws of the PRC with limited liability, a wholly-owned subsidiary of Hebei Province SASAC and one of the Controlling Shareholders

“HBIS Company”	HBIS Company Limited* (河鋼股份有限公司), a joint stock limited company established under the laws of the PRC with limited liability and listed on the Shenzhen Stock Exchange (stock code: 000709), a subsidiary of HBIS, and one of the Controlling Shareholders
“HBIS Group”	HBIS and its subsidiaries and their respective associates, but excluding the Group
“HBIS Tangsteel”	Tangshan Iron and Steel Group Co., Ltd. (唐山鋼鐵集團有限責任公司), a company established under the laws of the PRC with limited liability on 28 December 1995 and a subsidiary of HBIS
“Hebei Province SASAC”	the State-owned Assets Supervision and Administration Commission of The People’s Government of Hebei Province* (河北省人民政府國有資產監督管理委員會)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company established by all the independent non-executive Directors to advise the Independent Shareholders on the terms of the Gas Products Supply Agreement and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders other than HBIS Group
“Independent Financial Adviser” or “Rainbow Capital”	Rainbow Capital (HK) Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the Securities and Futures Ordinance, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Gas Products Supply Agreement and the transactions contemplated thereunder and for the purpose of Rule 14A.52 of the Listing Rules in relation to the duration of the Gas Products Supply Agreement
“Initial Term”	42 months, commencing from the date when the Production Unit is put into operation

“Jing-Jin-Ji Region”	the national capital region of China and the biggest urbanised region in northern China which includes an economic region surrounding Beijing (Jing), Tianjin (Jin) and Hebei province (Ji)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“m ³ ”	Cubic meter
“Nm ³ ”	Normal Cubic Meter. Unit used to measure volume of gas in standard pressure and temperature
“Nm ³ /hr”	Normal Cubic Meter per hour. Unit used to measure gas flow rate
“Operational Utilities and Related Services Agreement”	the operational utilities and related services agreement entered into by Tangshan Plate and TTG in June 2018, pursuant to which Tangshan Plate agreed to provide the utilities and related services to TTG
“Project”	the project for the construction and operation of the Production Unit and the supply of gas products by TTG to Tangshan Plate, the details of which are set out in the section headed “Gas Products Supply Agreement” in this announcement
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Production Unit”	a vacuum pressure swing adsorption oxygen generation unit (真空變壓吸附制氧裝置) and ancillary facilities
“Prospectus”	the prospectus of the Company dated 16 December 2020
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of par value US\$0.0001 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“subsidiaries”	has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Tangshan Plate”	Tangshan Middle and Heavy Plate Co., Ltd.* (唐山中厚板材有限公司), a company established under the laws of the PRC with limited liability and a non-wholly owned subsidiary of HBIS Company
“Term”	the term of the Gas Products Supply Agreement, which includes the Initial Term and the Extended Terms (as applicable)
“Transfer”	the transfer of the ownership of the Production Unit from TTG to Tangshan Plate upon the expiry or termination of the Gas Products Supply Agreement
“TTG”	Tangshan Tangsteel Gases Co., Ltd.* (唐山唐鋼氣體有限公司), a company established under the laws of the PRC with limited liability, and a wholly-owned subsidiary of the Company
“US\$”	the US dollars, the lawful currency of the United States
“Utilities”	the utilities for the operation of the Production Unit, including, among others, water, electricity and steam
“6-Month Extended Period”	has the meaning ascribed in the section headed “Gas Products Supply Agreement — Material terms of the Gas Products Supply Agreement — Term” in this announcement
“12-Month Extended Period”	has the meaning ascribed in the section headed “Gas Products Supply Agreement — Material terms of the Gas Products Supply Agreement — Term” in this announcement

By order of the Board
CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.
Yao Li
Chairman and executive Director

Tangshan, 29 June 2022

As of the date of this announcement, the Board comprises: (1) Mr. YAO Li (Chairman) 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.

** For identification purpose only*