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CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.

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

(Stock Code: 1940)

INSIDE INFORMATION

UPDATE ON LITIGATION IN RELATION TO MR. CHEN

This announcement is made by CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD. (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the Company’s announcements dated (i) 9 May 2022 in relation to the receipt of the writ of summons issued in the Court of First Instance of the High Court of the Hong Kong Special Administrative Region by Mr. CHEN as the plaintiff and (ii) 9 September 2022 in relation to the fulfilment of resumption guidance (the “**Fulfilment of Guidance Announcement**”). Capitalised terms used herein shall have the same meanings as defined in the said announcements unless otherwise stated herein.

As disclosed in the Fulfilment of Guidance Announcement, the Company counter-claimed against Mr. CHEN for his breaches of fiduciary duties as a director of the Company when entering into each of the Transactions in breach of the Company’s internal control systems and failure to conduct any proper due diligence prior to entering into each of the Transactions (the “**Counterclaims**”). The Board wishes to inform the shareholders of the Company (the “**Shareholders**”) that, upon Mr. CHEN indicating his intention to wholly discontinue his claims against the Company (the “**Claims**”), on 20 September 2022, Mr. CHEN and the Company filed a Consent Summons seeking leave from the Court for Mr. CHEN to wholly discontinue the action. On 21 October 2022, the Court granted leave for Mr. CHEN to wholly discontinue his action against the Company, and ordered Mr. CHEN to pay the Company’s costs save for the costs in relation to the Counterclaims. As a result, the Claims against the Company have been discontinued. The Company will continue to pursue the Counterclaims against Mr. CHEN.

The Company will keep the Shareholders and potential investors of the Company informed of any significant development by way of announcement as and when appropriate.

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

By Order of the Board
**CHINA GAS INDUSTRY INVESTMENT
HOLDINGS CO. LTD.**

YAO Li

Chairman and Executive Director

Tangshan, 21 October 2022

As of the date of this announcement, the Board comprises: (1) 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.