Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

湖州燃气
HUZHOU GAS

湖州燃氣股份有限公司

Huzhou Gas Co., Ltd.*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 06661)

Further Announcement

Continuing Connected Transactions – Cooperation Framework Agreement I, Cooperation Framework Agreement II and Cooperation Framework Agreement III

Reference is made to the announcement dated 22 August 2025 of Huzhou Gas Co., Ltd.* (the "**Company**") in relation to, among other things, the continuing connected transactions under the Cooperation Framework Agreement I, the Cooperation Framework Agreement II and the Cooperation Framework Agreement III (the "**Announcement**").

Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Board hereby provides the Shareholders and potential investors of the Company with further information in relation to the "Directors' Views on the Continuing Connected Transactions and Views on Internal Control Measures" under the continuing connected transactions under the Cooperation Framework Agreement I, the Cooperation Framework Agreement II and the Cooperation Framework Agreement III.

Directors' Views on the Continuing Connected Transactions and Views on Internal Control Measures

Save as disclosed in the Announcement, in respect of such framework agreements, when implementing the transaction terms, such as pricing policies and payment methods of the continuing connected transactions, the Group has also considered the following factors and measures:

1. **Prior to entering into any individual agreements, the Company will comply with its internal control procedures**

   (1) In relation to the Cooperation Framework Agreement I and the Cooperation Framework Agreement III, according to the pricing basis, prior to entering into any individual agreements, if there is no government-prescribed price or

government-indicating price, the Company will actively obtain information about market price through various channels, such as taking into consideration the transaction prices of at least two contemporaneous comparable transactions of the Company with independent third parties during the same period and transactions among independent third parties during the same period, or conducting market price research through various independent industry information sources (such as industry websites). Such price is determined by parties involved on normal commercial terms with reference to afore-mentioned price information.

For products and/or services with agreed price, for the purpose of ascertaining the connected transaction prices, the seller/supplier will provide a cost list, while the purchaser will compare the comparable average cost of the same type of companies in proximity or the cost of the same type of products and/or services to determine reasonable cost. For the Company, such price is subject to the approval of the financial management department of the Company. The price of connected transactions, once determined and signed, shall not be changed by either party unilaterally.

(2) In relation to the Cooperation Framework Agreement II, according to the pricing basis, prior to entering into any individual agreements, the price shall be calculated based on the categories of customer and the service frequency. For details, please refer to the Announcement regarding the pricing basis of the Cooperation Framework Agreement II.

2. Details of monitoring by relevant departments of the Company on the implementation of such framework agreements

(1) The legal department of the Company (Manager: Ms. Zheng Jie, one of the joint company secretaries and the manager of the financial management department of the Company) will conduct reviews of the connected transaction contracts, while the legal department conducting relevant transactions will monitor the connected transaction amounts in a timely manner;

(2) The financial management department of the Company (Manager: Ms. Zheng Jie, one of the joint company secretaries and the manager of the legal department of the Company) will implement connected transactions in accordance with the internal control procedures, and review the accounting statements on connected transactions submitted by relevant subsidiaries on a quarterly basis;

(3) The supervisory committee of Company (Chairlady: Ms. Xing Yan) will supervise the connected transactions, and review the annual financial report, which include the implementation of the connected transactions, on an annual basis. It will also review the compliance of the connected transactions entered into between the Company and connected parties in respective year, whether the prices are fair and reasonable, and whether there are any acts which are detrimental to the interests of the Company and the Shareholders; and

(4) The Board (Chairman: Mr. Wang Hua, an executive Director) and the audit committee of the Board (Chairman: Mr. Chang Li Hsien Leslie, an independent non-executive Director) will review the implementation of the connected transactions on an annual basis, mainly in respect of matters such as: whether the Company and relevant connected parties performed the connected transaction agreement during relevant period; whether the actual transaction amounts incurred are within the annual caps as approved at the general meeting.

3. Duties to be performed by the independent non-executive Directors and independent auditors of the Company in connection with such framework agreements

(1) The independent non-executive Directors report their performance of duties at general meeting on an annual basis, and particularly express their opinions on whether the continuing connected transactions exceed relevant caps as approved at the general meeting, whether the continuing connected transactions are performed pursuant to the agreements, and whether the continuing connected transactions are fair and reasonable and in the interests of the Shareholders as a whole; and

(2) The independent auditors of the Company will conduct annual audit for each year, express opinions on the implementation of the pricing policies and whether the actual connected transaction amounts incurred are within relevant annual caps for respective year pursuant to the Listing Rules, and issue relevant letter to the Board.

By implementing the above internal control systems and procedures, the Directors are of the view that the Company has established sufficient internal control processes and measures to ensure that such connected transactions are entered into on normal commercial terms, which are fair and reasonable, and are in the overall interests of the Company and its Shareholders.

Save as disclosed above, all other information set out in the Announcement remains unchanged and continues to be valid for all purposes. This announcement is supplemental and should be read in conjunction with the Announcement.

By order of the Board
Huzhou Gas Co., Ltd.*
Wang Hua
Chairman

Huzhou City, Zhejiang Province, China
5 September 2025

As at the date of this announcement, the Board comprises Mr. Wang Hua, Mr. Wang Tao and Ms. Sun Xiaohui as executive Directors; Mr. Gong Luojian and Mr. Wang Peng as non-executive Directors; and Mr. Chang Li Hsien Leslie, Dr. Lau Suet Chiu Frederic and Mr. Zhou Xinfa as independent non-executive Directors.

* *For identification purpose only*