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SINO GAS HOLDINGS GROUP LIMITED
中油潔能控股集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1759)

CONTINUING CONNECTED TRANSACTIONS – 2026 CNG SUPPLY AGREEMENT

Reference is made to the announcement of the Company dated 14 March 2025 in relation to, among other things, supply of CNG between the Group and Zhengzhou Public Transportation for a term commencing from 14 March 2025 and ending on 13 March 2026.

THE 2026 CNG SUPPLY AGREEMENT

The Group's subsidiary, Zhengzhou Sino Gas, and Zhengzhou Public Transportation have entered into a renewed 2026 CNG Supply Agreement on 13 March 2026 in relation to the supply of CNG between the Group and Zhengzhou Public Transportation in order to continue with the transactions under the existing arrangement after its expiry on 13 March 2026, for a further term commencing from 14 March 2026 to 13 March 2027.

LISTING RULES IMPLICATION

As Zhengzhou Public Transportation is a substantial shareholder of Zhengzhou Sino Gas, a subsidiary of the Company, Zhengzhou Public Transportation is considered as a connected person of the Company at the subsidiary level. Therefore, the transactions contemplated under the 2026 CNG Supply Agreement will constitute continuing connected transactions under Chapter 14A of the Listing Rules.

As (i) Zhengzhou Public Transportation is a connected person of the Company at the subsidiary level; (ii) the transactions contemplated under the 2026 CNG Supply Agreement are on normal commercial terms; (iii) the Board (including all the independent non-executive Directors) have approved the transactions contemplated under the 2026 CNG Supply Agreement and confirmed that the terms of the 2026 CNG Supply Agreement are fair and reasonable and on normal commercial terms and in the interests of the Company and the Shareholders as a whole, by virtue of Rule 14A.101 of the Listing Rules, the transactions contemplated under the 2026 CNG Supply Agreement are only subject to the annual reporting, annual review and announcement requirements, but are exempt from the circular, independent financial advice and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Reference is made to the announcement of the Company dated 14 March 2025 in relation to, among other things, supply of CNG between the Group and Zhengzhou Public Transportation for a term commencing from 14 March 2025 and ending on 13 March 2026.

THE 2026 CNG SUPPLY AGREEMENT

The Group's subsidiary, Zhengzhou Sino Gas, and Zhengzhou Public Transportation have entered into a renewed 2026 CNG Supply Agreement on 13 March 2026 in relation to the supply of CNG between the Group and Zhengzhou Public Transportation in order to continue with the transactions under the existing arrangement after its expiry on 13 March 2026, for a further term commencing from 14 March 2026 to 13 March 2027.

The principal terms of the 2026 CNG Supply Agreement are summarised as follows:

Date:

13 March 2026

Parties:

(1) Zhengzhou Sino Gas (as supplier); and
(2) Zhengzhou Public Transportation (as purchaser).

Term (period):

From 14 March 2026 to 13 March 2027 (the "**Transaction Period**")

Payment terms:

The gas charges (for CNG) shall be settled by Zhengzhou Public Transportation to Zhengzhou Sino Gas on a monthly basis, with a credit period up to 8 months from payment due day.

Pricing principles:

The gas charges (for CNG) are determined by the parties (on arm's length basis and in good faith), subject to the prevailing market price.

In determining the prevailing market prices of CNG, the Group will consider its procurement cost of CNG and the prices of CNG charged by at least two other CNG suppliers of similar nature near the Group's business operations. The Group's price of CNG will also be approved and executed by the Group's pricing committee. As at the date of this announcement, the Zhengzhou City has not issued any guiding opinion on price of CNG for 2026.

The gas charges and other terms shall be no less favourable to the Group than those provided for the supply of CNG by the Group to other Independent Third Parties.

Historical Amount

Set out below are the historical amounts under the 2025 CNG Supply Agreement for the year ended 31 December 2025 and the two months ended 28 February 2026:

	Year ended 31 December 2025 (unaudited)	Two months ended 28 February 2026 (unaudited)
Sales volume for the year/period *(million m^3)*	7.03	0.02
Total gas charges *(RMB million)*	27.45	0.08

Annual caps and basis of determination

Set out below are the annual caps under the 2026 CNG Supply Agreement for the ten months ending 31 December 2026 and the three months ending 31 March 2027:

	Ten months ending 31 December 2026	Three months ending 31 March 2027
Sales volume for the year/period *(million m^3)*	5.00	1.00
Total gas charges *(RMB million)*	22.00	5.50

The annual caps under the 2026 CNG Supply Agreement for the ten months ending 31 December 2026 and the three months ending 31 March 2027 were determined based on:

(a) the historical sales volume and transaction amounts as set out above;

(b) the expected demand of gas from Zhengzhou Public Transportation for the Transaction Period;

(c) the range of historical market prices of CNG during the year ended 31 December 2025 and the two months ended 28 February 2026 and the anticipated market prices of CNG; and

(d) the inflation rate of the PRC during the year ended 31 December 2025 and the two months ended 28 February 2026 and the expected inflation rate for the Transaction Period.

Internal control measures

In order to ensure that the terms for the supply of CNG under the 2026 CNG Supply Agreement are fair and reasonable and no less favourable than the terms provided to any Independent Third Parties, the Company has adopted the following measures:

(i) the relevant personnel of the Company will keep track of the sales records on the supply of CNG by the Group to Independent Third Parties for the purpose of ensuring that the price determined by the Group for the supply of CNG will be comparable to, or no less favourable than, the fair market prices for CNG or under similar sales arrangement offered to Independent Third Parties by the Group;

(ii) (in case Zhengzhou Public Transportation procures from other independent third party suppliers apart from the Group) the Company will regularly (not less than once per month) compare the terms and prices provided to Zhengzhou Public Transportation with the terms and prices provided from at least two other independent third party suppliers of similar nature (or one such supplier in case Zhengzhou Public Transportation procures CNG from only one additional independent third party supplier);

(iii) the relevant personnel of the Company will keep track of the aggregate transaction amount for CNG under the 2026 CNG Supply Agreement for the purpose of ensuring that the annual caps will not be exceeded; and

(iv) the Company has adopted relevant reporting and record-keeping procedures to allow independent non-executive Directors and auditors of the Company to perform annual review of the supply of CNG under the 2026 CNG Supply Agreement and ensure that the transactions conducted under the 2026 CNG Supply Agreement comply with (a) the Company's internal control procedures; (b) the terms of the 2026 CNG Supply Agreement; and (c) relevant laws, regulations, the Company's policies and the Listing Rules.

By implementing the above internal control measures and procedures, the Directors (including the independent non-executive Directors) consider that the Company has sufficient internal control measures and procedures to ensure that the transactions contemplated under the relevant continuing connected transactions will be on normal commercial terms and no less favourable to the Group than those provided to Independent Third Parties.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2026 CNG SUPPLY AGREEMENT

Zhengzhou Public Transportation's principal business activities include the operation of public buses in Zhengzhou City. Pursuant to the joint venture agreement entered into between Beijing Sinogas Company Limited (北京中油潔能環保科技有限責任公司) (which was replaced by HK Investment as the holder of 60% of the registered capital in Zhengzhou Sino Gas on 14 February 2017), Zhengzhou Public Transportation and Sino Gas Hengran Petroleum Gas Company Limited (中油恆燃石油燃氣有限公司), it was agreed among the parties that, Zhengzhou Sino Gas shall supply CNG to Zhengzhou Public Transportation at the prevailing market prices of CNG in Zhengzhou City. During the year ended 31 December 2025 and up to the date of this announcement, Zhengzhou Sino Gas has supplied CNG to the public buses operated by Zhengzhou Public Transportation Group at the Group's gas refuelling stations, which are located within the public bus stops of Zhengzhou Public Transportation. The Directors consider that the 2026 CNG Supply Agreement is necessary to maintain the business development of the Group by supplying CNG to Zhengzhou Public Transportation for its public transport operation.

DIRECTORS' VIEW ON THE CONTINUING CONNECTED TRANSACTIONS

The Directors (including the independent non-executive Directors) are of the view that the 2026 CNG Supply Agreement are entered into in the ordinary and usual course of business of the Group, on normal commercial terms and on pricing terms no less favourable to the Company than those provided to Independent Third Parties, and the terms and the annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

None of the Directors has any material interest in the 2026 CNG Supply Agreement, and hence no Director was required to abstain from voting on the board resolutions for approving the 2026 CNG Supply Agreement.

INFORMATION ON THE GROUP

The Group is an integrated LPG and natural gas supplier with a complete industry chain in the PRC. The Group primarily engages in the operation of CNG and LNG vehicular refuelling stations (車用加氣站), LPG domestic stations (民用站), CNG Mother Stations (母站) and the LPG and CNG wholesale business in Guangdong Province, Henan Province and Hebei Province, the PRC.

LISTING RULES IMPLICATIONS

As Zhengzhou Public Transportation is a substantial shareholder of Zhengzhou Sino Gas, a subsidiary of the Company, Zhengzhou Public Transportation is considered a connected person of the Company at the subsidiary level. Therefore, the transactions contemplated under the 2026 CNG Supply Agreement will constitute continuing connected transactions under Chapter 14A of the Listing Rules.

As (i) Zhengzhou Public Transportation is a connected person of the Company at the subsidiary level; (ii) the transactions contemplated under the 2026 CNG Supply Agreement are on normal commercial terms; (iii) the Board (including all the independent non-executive Directors) have approved the transactions contemplated under the 2026 CNG Supply Agreement and confirmed that the terms of the 2026 CNG Supply Agreement are fair and reasonable and on normal commercial terms and in the interests of the Company and the Shareholders as a whole, by virtue of Rule 14A.101 of the Listing Rules, the transactions contemplated under the 2026 CNG Supply Agreement are subject to the annual reporting, annual review and announcement requirements, but are exempt from the circular, independent financial advice and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

APPROVAL OF THE BOARD

The Board has approved the transactions contemplated under the 2026 CNG Supply Agreement. None of the Directors had material interests in the transactions contemplated under the 2026 CNG Supply Agreement. Therefore, no Director is required to abstain from voting on the resolutions of the Board approving the said agreements.

"2025 CNG Supply Agreement"	the CNG supply agreement dated 14 March 2025 entered into between Zhengzhou Sino Gas as supplier and Zhengzhou Public Transportation as purchaser in relation to the supply of CNG for a further term commencing from 14 March 2025 to 13 March 2026
"2026 CNG Supply Agreement"	the CNG supply agreement dated 13 March 2026 entered into between Zhengzhou Sino Gas as supplier and Zhengzhou Public Transportation as purchaser in relation to the supply of CNG for a further term commencing from 14 March 2026 to 13 March 2027
"Board"	the board of Directors
"CNG"	compressed natural gas, a type of natural gas that is compressed to high density through imposing high-pressure to facilitate the ease and efficiency of transportation
"Company"	Sino Gas Holdings Group Limited (中油潔能控股集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1759)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director"	the directors of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HK Investment"	Sino Gas Investment Group Limited (中油投資集團有限公司), a company incorporated under the laws of Hong Kong on 24 March 2015 with limited liability and an indirect wholly owned subsidiary of the Company
"Independent Third Party(ies)"	any person(s) or company(ies) who, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, are third party(ies) independent of the Company and its connected persons
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"PRC"	the People's Republic of China, which for the purpose of this announcement, excludes Hong Kong, Taiwan and Macau Special Administrative Region
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholders"	holders of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"RMB"	renminbi, the lawful currency of the PRC
"Zhengzhou Public Transportation"	Zhengzhou Public Transport Group Company Limited (鄭州市公共交通集團有限公司) (formerly known as "Zhengzhou City Public Transportation Head Company (鄭州市公共交通總公司)"), a state-owned enterprise established under the laws of PRC. By virtue of being the holder of over 10% of the registered capital in Zhengzhou Sino Gas, it is a connected person of the Company at the subsidiary level
"Zhengzhou Sino Gas"	Zhengzhou Sino Gas Bus Fuel Company Limited (鄭州中油潔能巴士燃氣有限公司), a limited liability company established under the laws of PRC and a 60%-owned subsidiary of the Company, and the remaining 38% and 2% was owned by Zhengzhou Public Transportation and Zhengzhou Investment Holdings Company Limited (鄭州投資控股有限公司)
"%"	per cent

By Order of the Board
Sino Gas Holdings Group Limited
Mr. Ji Guang
Chairman

Hong Kong, 13 March 2026

As at the date of this announcement, the directors of the Company are:

Executive Directors:
Mr. Ji Guang *(Chairman)*
Ms. Ji Ling *(Vice-Chairman and Chief Executive Officer)*
Mr. Zhou Feng

Independent non-executive Directors:
Mr. Sheng Yuhong
Mr. Wang Zhonghua
Mr. Chan Kai Wing