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.

中裕能源控股有限公司
ZHONGYU ENERGY HOLDINGS LIMITED

(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)
(Stock Code:3633)

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO (1) THE LNG PURCHASE AGREEMENTS AND (2) THE LNG SALES AGREEMENTS

The Group entered into a number of LNG Purchase Agreements (under which the relevant members of the Group were the LNG purchaser) and LNG Sales Agreements (under which the relevant members of the Group were the LNG supplier) with the China Gas Group from FY2020 to FY2025. The relevant members of the Group under the LNG Purchase Agreements and the LNG Sales Agreements are Zhongyu Henan and Nantong Zhongyu (both are indirect wholly-owned subsidiaries of the Company). The relevant members of the China Gas Group under the LNG Purchase Agreements and the LNG Sales Agreements are Hongda, Shunda (both are indirect wholly-owned subsidiaries of China Gas) and Shunan Storage (which was an indirect wholly-owned subsidiary of China Gas at the relevant time).

As at the date of this announcement, China Gas is the controlling shareholder of the Company interested in approximately 35.42% of the total number of issued Shares. Both Hongda and Shunda are indirect wholly-owned subsidiaries of China Gas, and therefore, they are associates of China Gas and connected persons of the Company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Shunan Storage was an indirect wholly-owned subsidiary of China Gas before 25 December 2025. Therefore, at the relevant time, Shunan Storage was an associate of China Gas and a connected person of the Company. As such, the transactions contemplated under each of the LNG Purchase Agreements and the LNG Sales Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The purchase and sales of LNG between the Group and the China Gas Group in each of FY2020 to FY2025 and from 1 January 2026 to the date of this announcement were all made under the LNG Purchase Agreements and the LNG Sales Agreements. The Company should have announced in accordance with Chapter 14A of the Listing Rules (i) the LNG Purchase Agreements as the actual transaction amounts of LNG purchases in each of FY2020 to FY2025 and from 1 January 2026 to the date of this announcement exceed 0.1% but all are less than 5% of the relevant percentage ratios; and (ii) the LNG Sales Agreements as the actual transaction amounts of sales in each of FY2020 to FY2025 exceed 0.1% but all are less than 5% of the relevant percentage ratios. The Company deeply regrets that at the relevant time, (i) it did not have a policy requirement specifically on periodic updating of the connected persons list and mandatory checking against such list every time a relevant transaction takes place; and (ii) the relevant staff of the Group, after conducting background checks on Hongda, Shunda and Shunan Storage the first time the Group did an LNG transaction with each of them, had not conducted background checks again when doing subsequent LNG transactions with them. As a result, the Company did not identify the relevant counterparty as a connected person and therefore did not announce the continuing connected transactions under the LNG Purchase Agreements and the LNG Sales Agreements pursuant to the Listing Rules nor specifically set an annual cap for each of FY2020 to FY2025, and for the period from 1 January 2026 to the date of this announcement at the relevant time during the relevant financial year. The Company has identified these continuing connected transactions in the ordinary course of the annual audit process when preparing its annual results for the year ended 31 December 2025.

The Board would like to emphasize that the omission was unintentional and the Company has responded as soon as practicable by taking the remedial actions as set out in the section headed in "REMEDIAL ACTIONS AND INTERNAL CONTROL MEASURES – Remedial Actions" in this announcement. The Group currently does not have any plan to further purchase LNG from or sell LNG to the China Gas Group after the date of this announcement.

THE LNG PURCHASE AGREEMENTS

The Group entered into a number of LNG Purchase Agreements with the China Gas Group from FY2020 to FY2025, as set out below:

No.	Date	Parties	Term
1.	16 September 2020	Zhongyu Henan (as purchaser) Shunan Storage (as supplier)	One year from 16 September 2020 to 15 September 2021
2.	20 February 2021	Zhongyu Henan (as purchaser) Hongda (as supplier)	Three years from 20 February 2021 to 19 February 2024
3.	29 November 2022	Nantong Zhongyu (as purchaser) Hongda (as supplier)	Three years from 29 November 2022 to 28 November 2025
4.	16 February 2023	Zhongyu Henan (as purchaser) Shunda (as supplier)	Two years from 1 March 2023 to 28 February 2025
5.	20 February 2024	Zhongyu Henan (as purchaser) Hongda (as supplier)	One year from 20 February 2024 to 19 February 2025
6.	19 February 2025	Zhongyu Henan (as purchaser) Hongda (as supplier)	One year from 20 February 2025 to 19 February 2026
7.	6 March 2025	Zhongyu Henan (as purchaser) Shunda (as supplier)	One year from 1 March 2025 to 28 February 2026

LNG Purchase Agreements No. 1, 4 to 7

Save for the date, parties and the term, the principal terms of the LNG Purchase Agreements No. 1, 4 to 7 are substantially the same and summarised below:

Subject matter: The LNG Supplier agreed to sell LNG to the LNG Purchaser.

The LNG Purchaser shall provide its LNG consumption plan(s) to the LNG Supplier, and the LNG Supplier shall either (i) transport the LNG to the location designated by the LNG Purchaser in accordance with the LNG consumption plan(s) or (ii) the LNG Purchaser may take delivery of the LNG itself directly from the LNG source upon confirmation of the LNG consumption plan(s) by the LNG Supplier.

Quality of the LNG supplied

The quality of LNG supplied shall comply with the quality requirements set out in the relevant national standards for natural gas and/or LNG in the PRC.

Measurement of the quantity of the LNG supplied

1. When the LNG Purchaser takes delivery itself, the measurement of the quantity of the LNG will be based on the weight recorded on the LNG Supplier's loading weighing slip.

2. When the LNG Supplier is responsible for delivery, both parties will conduct a weight check at the unloading site specified by the LNG Purchaser. A discrepancy of weight of up to 200 kilograms will be considered as acceptable, and settlement will be based on the weight recorded on the loading weighing slip.

   If the difference exceeds 200 kilograms for each unloading per vehicle, in the case where actual weight is

   (a) below the loading weighing slip weight, the settlement weight will be the net weight from the unloading weighing slip plus 200 kilograms.

   (b) above the loading weighing slip, the settlement weight will be the net weight from the unloading weighing slip minus 200 kilograms.

3. Payment for the LNG is initially settled according to the weight as recorded on the weight loading slip. If the LNG Purchaser raised written objections, the LNG Supplier must verify measurement instruments with a third-party within three (3) days.

LNG price: The LNG price (tax inclusive) shall be agreed by the parties in the Price Confirmation Letter or instant communication tools based on the prevailing market price of LNG.

The parties agreed that adjustments may be made to the LNG price upon written confirmation under the following circumstances:

(a) administrative adjustments to national or regional gas source pricing policies, or adjustments to upstream gas source unit pricing;

(b) changes in national or regional administrative fuel pricing, or adjustments to administrative charges within the transport sector, result in actual changes to the carrier's transportation costs.

The LNG Supplier shall notify the LNG Purchaser at least one (1) day in advance before any price adjustment to the LNG price may be implemented.

Payment terms: The payment terms for LNG Purchase Agreements No. 4, No. 5 and No. 7 are as follows:

1. The payment for the LNG purchase shall be pre-paid by the LNG Purchaser within the specified period*(Note 1)* as agreed in the agreement.

2. On the 25th of each month, both parties shall reconcile accounts based on the quantity of LNG supplied measured in accordance with the agreed measurement basis. Once both parties have confirmed the accounts without any objections, the LNG Supplier will issue a VAT invoice to the LNG Purchaser within the same month setting out the actual settlement amount for that month.

3. When settling LNG payments on the 25th of each month, if there is any remaining balance from the prepayment made by the LNG Purchaser to the LNG Supplier, the balance will automatically carry over as prepayment for the next gas usage period. If the prepayment made by the LNG Purchaser is insufficient for settling the actual settlement amount of the current month, the LNG Purchaser must pay the difference before making the prepayment for the next usage period. The LNG Supplier may cease supplying LNG if there is still outstanding payment before the next usage period.

4. Upon expiry of the contract term, if there is any remaining balance in the prepayments made by the LNG Purchaser to the LNG Supplier, and if both parties choose to renew the contract, the remaining balance will automatically be applied to the new contract's prepayment. Conversely, if both parties decide not to renew the contract, the LNG Supplier must refund the remaining balance within five (5) working days following the LNG Purchaser's written notification. If the LNG Supplier fails to refund the remaining balance in a timely manner, interest will accrue at a rate of 0.05% per day on the remaining balance which should be calculated in accordance with the formula as agreed (i.e remaining balance x 0.05% x number of days).

The payment terms for LNG Purchase Agreements No. 1 and No. 6 are as follows:

1. Payment shall be made on a delivery-first basis. Upon the LNG Supplier delivering LNG to the LNG Purchaser and after both parties confirming settlement in accordance with the quantity of LNG supplied measured in accordance with the agreed measurement basis, the LNG Purchaser shall settle payment within five (5) business days*(Note 2)*.

2. On the 25th of each month, both parties shall reconcile accounts based on the quantity of LNG supplied measured in accordance with the agreed measurement basis. Once both parties have confirmed the accounts without any objections, the LNG Supplier will issue a VAT invoice to the LNG Purchaser within the same month setting out the actual settlement amount for that month.

Notes:

1. *The specified period is either two or three days after provision of the LNG consumption plan by the LNG Purchaser.*

2. *Although the parties did not specify the period within which the payment shall be settled in LNG Purchase Agreement No.1, in practice, the Group settled payment within 5 business days upon the LNG Supplier delivering LNG to the LNG Purchaser and after both parties confirming settlement in accordance with the quantity of LNG supplied measured in accordance with the agreed measurement basis.*

LNG Purchase Agreements No. 2 to 3

Save for the date, parties and the term, the principal terms of the LNG Purchase Agreements No. 2 to 3 are substantially the same and summarised below:

Subject matter: The LNG Purchaser shall, based on its needs, provide its LNG consumption plan(s) to the LNG Supplier prior to each gas usage cycle, and such LNG consumption plan(s) shall be implemented following mutual agreement by both parties.

LNG Supplier shall deliver the LNG to the location designated by the LNG Purchaser.

Quality of the LNG supplied

The quality of LNG supplied shall comply with the quality requirements set out in the relevant national standards for natural gas and/or LNG in the PRC.

Measurement of the quantity of the LNG supplied

1. When the LNG Purchaser takes delivery itself, the measurement of the quantity of the LNG will be based on the weight recorded on the LNG Supplier's loading weighing slip.

2. When the LNG Supplier is responsible for delivery, both parties will conduct a weight check at the unloading site specified by the LNG Purchaser. A discrepancy of weight of up to 200 kilograms will be considered as acceptable, and settlement will be based on the weight recorded on the loading weighing slip.

   If the difference exceeds 200 kilograms for each unloading per vehicle, in the case where actual weight is

(a) below the loading weighing slip weight, the settlement weight will be the net weight from the unloading weighing slip plus 200 kilograms.

(b) above the loading weighing slip, the settlement weight will be the net weight from the unloading weighing slip minus 200 kilograms.

3. Payment for the LNG is initially settled according to the weight as recorded on the weight loading slip. If the LNG Purchaser raised written objections, the LNG Supplier must verify measurement instruments with a third-party within three (3) days.

LNG price: The LNG price (tax inclusive) shall be agreed by the parties in the Price Confirmation Letter based on prevailing market conditions and transportation costs.

In light of the market prices of fuels such as diesel and liquefied petroleum gas (LPG), as well as the supply and demand situation for LNG, both parties may negotiate to make appropriate adjustments to the LNG price.

Should there be adjustments to the natural gas source prices by the National Development and Reform Commission, PetroChina Company Limited, or other relevant government departments during the contract period, resulting in a change to the gas source price for LNG supplied by the LNG Supplier under the contract, the LNG price will be adjusted accordingly based on the revised gas source price. For any portions of the LNG supplied prior to the change in gas source price, the original price will still apply. The method for price adjustment of the LNG shall be as follows: Selling Price = Original Price + Price Difference of Raw Gas Source.

Payment terms: The payment for LNG shall be settled in the form of prepayment. The LNG Purchaser is required to make a prepayment to the LNG Supplier (calculated as planned LNG quantity in the relevant gas usage cycle × LNG price) before each usage cycle, based on the LNG consumption plan. The LNG Supplier will deliver the LNG upon receipt of payment.

If the LNG Purchaser suddenly increases LNG purchase by no more than 5% of the planned quantity, the additional LNG volume must be paid when prepayment is made for the next usage cycle. If the increase exceeds 5% of the planned quantity, the LNG Purchaser must make an immediate payment for the additional volume; otherwise, the LNG Supplier reserves the right to withhold supply.

After reconciliation and account settlement, the LNG Supplier shall issue a VAT invoice to the LNG Purchaser each month for settlement.

Historical Transaction Amounts

The table below summarises the historical amounts of the total purchase fees paid by the Group to the China Gas Group under the LNG Purchase Agreements for the six years ended 31 December 2025 and from 1 January 2026 to the date of this announcement:

	For the year ended 31 December 2020 *(RMB)*	**For the year ended 31 December 2021** *(RMB)*	**For the year ended 31 December 2022** *(RMB)*	**For the year ended 31 December 2023** *(RMB)*
Historical Transaction Amounts*(Note 1)*	10,894,000 (equivalent to approximately HK$12,251,000)	134,682,000 (equivalent to approximately HK$162,265,000)	172,111,000 (equivalent to approximately HK$200,355,000)	128,729,000 (equivalent to approximately HK$143,031,000)

	For the year ended 31 December 2024 *(RMB)*	**For the year ended 31 December 2025** *(RMB)*	**From 1 January 2026 to the date of this announcement** *(RMB)*
Historical Transaction Amounts*(Note 1)*	54,473,000 (equivalent to approximately HK$59,730,000)	48,433,000 (equivalent to approximately HK$52,874,000)	16,159,000 (equivalent to approximately HK$18,459,000)

Notes:

1. *The transaction amounts included in the table are tax exclusive and have been rounded to the nearest thousand.*

2. *From FY2020 to FY2025, and from 1 January 2026 up to the date of this announcement, all the LNG purchased by the Group from China Gas Group were transactions conducted under the LNG Purchase Agreements.*

3. *The Group did not purchase LNG from Shunan Storage from FY2022 to FY2025, and from 1 January 2026 up to the date of this announcement.*

4. *The transaction amounts for FY2025 in the table above will also be disclosed in the relevant note to the consolidated financial statements in the FY2025 annual report to be published by the Company. The transaction amounts for FY2020 to FY2024 and from 1 January 2026 to the date of this announcement in the table above have not been audited.*

THE LNG SALES AGREEMENTS

The Group entered into a number of LNG Sales Agreements with the China Gas Group covering the period from FY2020 to FY2025, as set out below:

No.	Date	Parties	Term
1.	20 September 2020	Zhongyu Henan (as supplier) Hongda (as purchaser)	Two years from 20 September 2020 to 19 September 2022
2.	14 October 2021	Zhongyu Henan (as supplier) East Gas Station, Lankao Service Area of Shunda (as purchaser)	Three years from 14 October 2021 to 13 October 2024
3.	1 January 2022	Zhongyu Henan (as supplier) Shunda (as purchaser)	Three years from 1 January 2022 to 1 January 2025
4.	1 September 2022	Zhongyu Henan (as supplier) Hongda (as purchaser)	Three years from 20 September 2022 to 19 September 2025
5.	15 February 2023	Zhongyu Henan (as supplier) Shunda (as purchaser)	Three years from 1 February 2023 to 14 February 2026
6.	1 September 2025	Zhongyu Henan (as supplier) Hongda (as purchaser)	Two years from 20 September 2025 to 19 September 2027
7.	13 February 2026	Zhongyu Henan (as supplier) Shunda (as purchaser)	Three years from 13 February 2026 to 12 February 2029

LNG Sales Agreements No. 2 to 6

Save for the date, parties and term, the principal terms of the LNG Sales Agreements No. 2 to 6 are substantially the same and summarized below:

Subject matter: The LNG Supplier agreed to supply LNG to the LNG Purchaser.

The specific delivery method and location shall be governed by the terms set forth in the Price Confirmation Letter mutually confirmed by both parties each month.

Quality of the LNG supplied

The quality of LNG supplied shall comply with the quality requirements set out in the relevant national standards for natural gas and/or LNG in the PRC.

Measurement of the quantity of the LNG supplied

1. When the LNG Purchaser takes delivery itself or appoints a third party to take delivery of the LNG, the measurement of the quantity of the LNG will be based on the weight recorded on the LNG Supplier's loading weighing slip.

2. When the LNG Supplier is responsible for delivery, both parties will conduct a weight check at the unloading site specified by the LNG Purchaser. A discrepancy of weight of up to 200 kilograms will be considered as acceptable, and settlement will be based on the weight recorded on the loading weighing slip.

   If the difference exceeds 200 kilograms for each unloading per vehicle, in the case where actual weight is

   (a) below the loading weighing slip weight, the settlement weight will be the net weight from the unloading weighing slip plus 200 kilograms.

   (b) above the loading weighing slip, the settlement weight will be the net weight from the unloading weighing slip minus 200 kilograms.

3. Payment for the LNG is initially settled according to the weight as recorded on the weight loading slip. If the LNG Purchaser raised written objections, the LNG Supplier must verify measurement instruments with a third-party within three (3) days.

4. If there are agreed terms regarding the measurements specified in the Price Confirmation Letter, the terms in the Price Confirmation Letter shall prevail.

LNG price: The LNG price consists of the LNG sales price, transportation costs, and taxes. In the event of adjustments to the upstream gas source prices due to factors which could affect the LNG price such as national regulatory measures, changes to the LNG sales prices, modifications in the overall transportation costs in the LNG shipping industry, or adjustments in taxation policies by national tax authorities, the LNG price shall be adjusted upon agreement by both parties.

The effective date for any price adjustments will align with the implementation dates of the upstream gas source unit pricing and any new national industry policies.

The updated LNG price provided by the LNG Supplier to the LNG Purchaser will take effect once confirmed and stamped by both parties in a Price Confirmation Letter.

Payment terms: The payment for the LNG purchased shall be settled after delivery. After delivery of LNG, the LNG Purchaser shall settle the payment within the period specified in the relevant LNG Sales Agreement[(Note 1)]. Once both parties have verified the reconciliation statement and provided their stamped confirmation, the LNG Supplier will issue a VAT invoice to the LNG Purchaser.

Note:

1. *The specified period is 30 days for LNG Sales Agreements No. 2 and No. 3, 5 days for LNG Sales Agreement No. 4. 7 days for LNG Sales Agreement No. 6. The payment for LNG under LNG Sales Agreement No. 5 shall be settled on a monthly basis.*

LNG Sales Agreements No. 1 and No. 7

Save for the date, parties and the term, the principal terms of the LNG Sales Agreements No. 1 and No. 7 are substantially the same and summarized below:

Subject matter: The LNG Supplier agreed to sell LNG to the LNG Purchaser.

The LNG Purchaser shall provide its LNG consumption plan(s) to the LNG Supplier, and the LNG Supplier shall either (i) transport the LNG to the location designated by the LNG Purchaser in accordance with the LNG consumption plan(s) or (ii) the LNG Purchaser may take delivery of the LNG itself directly from the LNG source upon confirmation of the LNG consumption plan(s) by the LNG Supplier.

Quality of the LNG supplied

The quality of LNG supplied shall comply with the quality requirements set out in the relevant national standards for natural gas and/or LNG in the PRC.

Measurement of the quantity of the LNG supplied

1. When the LNG Purchaser takes delivery itself, the measurement of the quantity of the LNG will be based on the weight recorded on LNG source's loading weighing slip.

2. Where the LNG Supplier is responsible for delivery, both parties will conduct a weight check at the unloading site designated by the LNG Purchaser. If the weight recorded on the loading weighing slip from LNG source and the weight checked upon unloading differs from the actual weight measured at unloading by no more than 200 kilograms, this will be considered within the acceptable margin of error, and neither party will seek further action.

3. However, if the difference exceeds 200 kilograms, the actual measured weight at the time of unloading, adjusted for the permissible margin of error, will be used as the basis for settlement.

LNG price: The LNG price (tax inclusive) shall be agreed by the parties in the Price Confirmation Letter or instant communication tools based on the prevailing market price of LNG.

The parties agreed that adjustments may be made to the LNG price upon written confirmation under the following circumstances:

(a) administrative adjustments to national or regional gas source pricing policies, or adjustments to upstream gas source unit pricing;

(b) changes in national or regional administrative fuel pricing, or adjustments to administrative charges within the transport sector, result in actual changes to the carrier's transportation costs.

The LNG Supplier shall notify the LNG Purchaser at least one (1) day in advance before any price adjustment to the LNG price may be implemented.

Payment terms: The payment terms are as follows:

1. The payment for the LNG purchase shall be pre-paid by the LNG Purchaser on the day providing the LNG consumption plan to the LNG Supplier.

2. On the 25th of each month, both parties shall reconcile accounts based on the quantity of LNG supplied measured in accordance with the agreed measurement basis. Once both parties have confirmed the accounts without any objections, the LNG Supplier will issue a VAT invoice to the LNG Purchaser within the same month setting out the actual settlement amount for that month.

3. When settling LNG payments on the 25th of each month, if there is any remaining balance from the prepayment made by the LNG Purchaser to the LNG Supplier, the balance will automatically carry over as prepayment for the next gas usage period. If the prepayment made by the LNG Purchaser is insufficient for settling the actual settlement amount of the current month, the LNG Purchaser must pay the difference. The LNG Supplier may cease supplying the LNG if there is still outstanding payment before the next usage period.

Historical Transaction Amounts

The table below summarises the historical amounts of the total sales amount received by the Group from the China Gas Group under the LNG Sales Agreements for the six years ended 31 December 2025 and from 1 January 2026 to the date of this announcement:

	For the year ended 31 December 2020 *(RMB)*	**For the year ended 31 December 2021** *(RMB)*	**For the year ended 31 December 2022** *(RMB)*	**For the year ended 31 December 2023** *(RMB)*
Historical Transaction Amounts*(Note 1)*	14,749,000 (equivalent to approximately HK$16,585,000)	58,859,000 (equivalent to approximately HK$70,914,000)	117,011,000 (equivalent to approximately HK$136,213,000)	62,185,000 (equivalent to approximately HK$69,094,000)

	For the year ended 31 December 2024 *(RMB)*	**For the year ended 31 December 2025** *(RMB)*	**From 1 January 2026 to the date of this announcement** *(RMB)*
Historical Transaction Amounts*(Note 1)*	43,921,000 (equivalent to approximately HK$48,159,000)	57,319,000 (equivalent to approximately HK$62,576,000)	3,908,000 (equivalent to approximately HK$4,464,000)

Notes:

1. *The transaction amounts included in the table are tax exclusive and have been rounded to the nearest thousand.*

2. *From FY2020 to FY2025 and from 1 January 2026 to the date of this announcement, all the LNG supplied by the Group to China Gas Group were transaction conducted under the LNG Sales Agreements.*

3. *The transaction amounts for the period from 1 January 2026 to the date of this announcement were less than 0.1% of the relevant percentage ratios and therefore the transactions were de minimis transactions.*

4. *The transaction amounts for FY2025 in the table above will also be disclosed in the relevant note to the consolidated financial statements in the FY2025 annual report to be published by the Company. The transaction amounts for FY2020 to FY2024 and from 1 January 2026 to the date of this announcement in the table above have not been audited.*

LISTING RULE IMPLICATIONS

As at the date of this announcement, China Gas is the controlling shareholder of the Company interested in approximately 35.42% of the total number of issued Shares. Both Hongda and Shunda are indirect non-wholly owned subsidiaries of China Gas, and therefore, they are associates of China Gas and connected persons of the Company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Shunan Storage was an indirect wholly-owned subsidiary of China Gas before 25 December 2025. Therefore, at the relevant time, Shunan Storage was an associate of China Gas and a connected person of the Company. As such, the transactions contemplated under each of the LNG Purchase Agreements and the LNG Sales Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The purchase and sales of LNG between the Group and the China Gas Group in each of FY2020 to FY2025 and from 1 January 2026 to the date of this announcement were all made under the LNG Purchase Agreements and the LNG Sales Agreements. The Company should have announced in accordance with Chapter 14A of the Listing Rules (i) the LNG Purchase Agreements as the actual transaction amounts of LNG purchases in each of FY2020 to FY2025 and from 1 January 2026 to the date of this announcement exceed 0.1% but all are less than 5% of the relevant percentage ratios; and (ii) the LNG Sales Agreements as the actual transaction amounts of sales in each of FY2020 to FY2025 exceed 0.1% but all are less than 5% of the relevant percentage ratios. The Company deeply regrets that at the relevant time, (i) it did not have a policy requirement specifically on periodic updating of the connected persons list and mandatory checking against such list every time a relevant transaction takes place; and (ii) the relevant staff of the Group, after conducting background checks on Hongda, Shunda and Shunan Storage the first time the Group did an LNG transaction with each of them, had not conducted background checks again when doing subsequent LNG transactions with them. As a result, the Company did not identify the relevant counterparty as a connected person and therefore did not announce the continuing connected transactions under the LNG Purchase Agreements and the LNG Sales Agreements pursuant to the Listing Rules nor specifically set an annual cap for each of FY2020 to FY2025, and for the period from 1 January 2026 to the date of this announcement at the relevant time during the relevant financial year. The Company has identified these continuing connected transactions in the ordinary course of the annual audit process when preparing its annual results for the year ended 31 December 2025.

The Board would like to emphasize that the omission was unintentional and the Company has responded as soon as practicable by taking the remedial actions as set out in the section headed in "REMEDIAL ACTIONS AND INTERNAL CONTROL MEASURES – Remedial Actions" in this announcement. The Group currently does not have any plan to further purchase LNG from or sell LNG to China Gas Group after the date of this announcement.

REMEDIAL ACTIONS AND INTERNAL CONTROL MEASURES

Remedial Actions

The Group deeply regrets the non-compliance with Chapter 14A of the Listing Rules in respect of the transactions conducted under the LNG Purchase Agreements and the LNG Sales Agreements. The Board would like to emphasize that the omission was unintentional and the Company has responded as soon as practicable by taking the following actions:

(a) adopting a new policy with effect from 1 April 2026 on connected transactions emphasizing, among others, the importance of adhering to connected transaction rules, and practical requirements including maintaining and regularly updating list of connected persons (including those of the associates of the connected persons); and to proactively conduct background check of the counterparty (including the ultimate beneficial owner(s) of such counterparty) before conducting transactions;

(b) engaging its legal counsel to provide a specific training on connected transactions on 16 March 2026 to the Board, senior management of the Company and its subsidiaries, and all current staff who may involve in energy trading transactions and those who are responsible for monitoring connected transactions for the Group;

(c) the Board and the senior management of the Company have reviewed the LNG purchase and sales transactions conducted under the LNG Purchase Agreements and the LNG Sales Agreements and noted that the transactions were entered into in the ordinary course of the business of the Group and on normal commercial terms. The LNG price offered by the Group (in case that the Group is the LNG Supplier) to China Gas Group is no more favourable than those offered to Independent Third Party purchaser and similarly, the LNG price offered by the China Gas Group (in case that China Gas Group is the LNG Supplier) to the Group is no less favourable than those offered by Independent Third Party supplier; and

(d) publishing this announcement disclosing the details of the LNG Purchase Agreements and the LNG Sales Agreements.

Having reviewed the LNG purchase and sales transactions conducted under the LNG Sales Agreements and the LNG Purchase Agreements, the Board (including the independent non-executive Directors) is of the view that the transactions were entered into on normal commercial terms, in the ordinary and usual course of business of the Group, the terms of the transactions were fair and reasonable and in the interest of the Company and its shareholders as a whole.

Internal Control Measures

To avoid the re-occurrence of the non-disclosures of the LNG transactions conducted between the Group and its connected person(s) going forward, the Group will adopt the following internal control measures:

(a) the finance department will maintain and regularly update a list of connected persons (including those of the associates of the connected persons) of the Company and circulate the list to all relevant business units of the Group from time to time;

(b) the business department will closely monitor the LNG purchase and sales transactions going forward, and conduct background check on the counterparty (including the ultimate beneficial owner(s) of such counterparty) of the transactions before conducting the transactions. If the counterparty is identified as a connected person of the Company, the business department will report to the finance department to ascertain the relevant compliance requirements and comply with the applicable compliance requirements before proceeding with the transactions; and

(c) the finance department of the Company is responsible for continuously monitoring and reviewing the pricing terms, payment terms and actual transaction amounts of the LNG purchase or sales transactions conducted with connected persons and ensure that the relevant transactions are carried out in accordance with the terms of the relevant agreement.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS UNDER THE LNG PURCHASE AGREEMENTS AND THE LNG SALES AGREEMENTS

It is common practice that market participants in the LNG industry engage in trading among themselves for a variety of reasons. These may include the need to reduce transportation costs due to differences in geographical locations, to secure reliable and cost-efficient LNG supply sources, or to manage seasonal fluctuations and ensure consistent energy supply for their downstream customers.

The Board considers that the purchase of LNG from the China Gas Group diversifies the gas supply of the Group, provides a stable, cost-efficient and quality LNG supply to the Group and allows the Group to ensure consistent energy supply to its downstream customers. The LNG price offered by China Gas Group to the Group is no less favourable than that offered by Independent Third Party suppliers over the years. The sale of LNG to the China Gas Group, on the other hand, provides an income source to the Group and the LNG price offered by the Group to the China Gas Group is not more favourable than that offered to Independent Third Party purchasers over the years.

In light of the above, the Board (including the independent non-executive Directors) is of the view that the terms and conditions of each of the LNG Purchase Agreements, the LNG Sales Agreements the transactions contemplated thereunder respectively are fair and reasonable, on normal commercial terms, are entered into in the ordinary and usual course of business of the Group and are in the interests of the Company and its shareholders as a whole.

None of the Directors have any material interest in (i) the LNG Purchase Agreements and the transactions conducted thereunder; and (ii) the LNG Sales Agreements and the transactions conducted thereunder. Accordingly, no Director was required to abstain from voting on the Board resolutions to ratify (i) the LNG Purchase Agreements and the transactions conducted thereunder; and (ii) the LNG Sales Agreements and the transactions conducted thereunder.

INFORMATION ON THE PARTIES

The Group

The Company is principally engaged in investment holding. The Group is principally engaged in (i) the investment, operation and management of gas pipeline infrastructure, and the distribution of piped gas to residential, industrial and commercial users; (ii) development of smart energy; (iii) sales of stoves and provision of other related value-added services; and (iv) the operation of CNG/LNG vehicle filling stations in the PRC.

Nantong Zhongyu is a limited liability company incorporated in the PRC. It is an indirect wholly-owned subsidiary of the Company and is principally engaged in trading of natural gas.

Zhongyu Henan is a limited liability company incorporated in the PRC. It is an indirect wholly-owned subsidiary of the Company and is principally engaged in trading of natural gas.

China Gas Group

China Gas Holdings Limited is a limited liability company incorporated in Bermuda, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 384).

China Gas Group is one of the China's largest trans-regional, integrated energy suppliers and service providers. Focusing on China, it is primarily engaged in the investment, construction, and operation of city and township gas pipelines, gas terminals, storage and transport facilities, and gas logistics systems to deliver natural gas and LPG to residential, industrial and commercial users. China Gas Group also builds and operates compressed natural gas/LNG fueling stations while developing and applying natural gas and LPG technologies. At China Gas, over two decades of exploration and growth were translated into a full-fledged business portfolio centered around piped gas, stretching across LPG, LNG, smart energy services, gas equipment and kitchen appliances and grid-based new retail in the private domain backed by stores.

Hongda is a limited liability company incorporated in the PRC and is principally engaged in wholesale and trading of natural gas and LNG.

Shunda is a limited liability company incorporated in the PRC and is principally engaged in the operation of gas station(s) in the PRC.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, both Hongda and Shunda are indirect wholly-owned subsidiaries of China Gas.

Shunan Storage

Shunan Storage is a limited liability company incorporated in the PRC and is principally engaged in wholesale and trading of natural gas and LNG. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, (i) Shunan Storage was an indirect wholly-owned subsidiary of China Gas before 25 December 2025; and (ii) after 25 December 2025, it is wholly owned by 通億(山東)天然氣有限公司 (Tongyi (Shandong) Natural Gas Co., Ltd.*) which in turn is owned by 解居洋 (Xie Juyang*) and 欒潤鑫 (Luan Runxin*) (both are Independent Third Parties) as to 60% and 40%, respectively.

DEFINITIONS

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

"associate(s)"	has the meaning ascribed to it in the Listing Rules
"Board"	the board of Directors
"China Gas"	China Gas Holdings Limited, a limited liability company incorporated in Bermuda, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 384) and a controlling shareholder of the Company
"China Gas Group"	China Gas and its subsidiaries
"CNG"	compressed natural gas
"Company"	Zhongyu Energy Holdings Limited, a limited liability company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it in the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it in the Listing Rules
"Director(s)"	the director(s) of the Company
"FY"	financial year of the Company, which starts from 1 January and ends on 31 December

"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hongda"	中燃宏大能源貿易有限公司 (China Gas Hongda Energy Trading Co., Ltd.*), a limited liability company incorporated in the PRC and an indirect wholly-owned subsidiary of China Gas
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	independent third party(ies) who is/are not connected person(s) of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"LNG"	liquefied natural gas
"LNG Purchaser"	means (i) either Zhongyu Henan or Nantong Zhongyu (in the context of the LNG Purchase Agreements) or (ii) either Hongda or Shunda (in the context of the LNG Sales Agreements), as the case may be
"LNG Purchase Agreements"	the LNG purchase agreements entered into between (i) Nantong Zhongyu or Zhongyu Henan (as the purchaser of LNG) and (ii) Hongda, Shunda or Shunan Storage (as the supplier of LNG), the details of which are set out in the section headed "THE LNG PURCHASE AGREEMENTS" in this announcement
"LNG Sales Agreements"	the LNG sales agreements entered into between (i) Zhongyu Henan (as the supplier of LNG) and (ii) Hongda or Shunda (as the purchaser of LNG), the details of which are set out in the section headed "THE LNG SALES AGREEMENTS" in this announcement
"LNG Supplier"	means (i) either Hongda, Shunda or Shunan Storage (in the context of the LNG Purchase Agreements) or (ii) Zhongyu Henan (in the context of the LNG Sales Agreements), as the case may be
"Nantong Zhongyu"	南通中裕能源銷售有限公司 (Nantong Zhongyu Energy Sales Co., Ltd.*), an indirect wholly-owned subsidiary of the Company
"percentage ratios"	the percentage ratios calculated based on the requirements under Rule 14.07 of the Listing Rules

"PRC"	the People's Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Price Confirmation Letter"	a written confirmation signed by the relevant LNG Purchaser and the relevant LNG Supplier confirming the agreed LNG price
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	existing ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Shares
"Shunan Storage"	山東中燃舜安儲運有限公司 (Shandong Zhongran Shunan Storage and Transportation Co., Ltd.*), a limited liability company incorporated in the PRC
"Shunda"	河南中燃順達能源有限公司 (Henan Zhongran Shunda Energy Co., Ltd.*), a limited liability company incorporated in the PRC and an indirect wholly-owned subsidiary of China Gas
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Zhongyu Henan"	中裕(河南)能源貿易有限公司 (Zhongyu (Henan) Energy Trading Co., Ltd.*), an indirect wholly-owned subsidiary of the Company
"%"	per cent.

* *For identification purpose only*

For the purpose of this announcement, unless otherwise indicated, the exchange rate of RMB1=HK$1.1245 (for FY2020), RMB1=HK$1.2048 (for FY2021), RMB1=HK$1.1641 (for FY2022), RMB1=HK$1.1111 (for FY2023), RMB1=HK$1.0965 (for FY2024), RMB1=HK$1.0917 (for FY2025) and RMB1=HK$1.1423 (from 1 January 2026 up to the date of this announcement) have been used for the purpose of illustration only and do not constitute a representation that any amount has been, could have been or may be exchanged at such rate or at all.

By order of the Board
Zhongyu Energy Holdings Limited
Wang Wenliang
Chairman

Hong Kong, 20 April 2026

As at the date of this announcement, the Board comprises of Mr. Wang Wenliang (Chairman), Mr. Yiu Chi Shing (Vice-Chairman), Mr. Lui Siu Keung (Chief Executive Officer), Mr. Jia Kun (Executive President), Mr. Peng Jun, and Mr. Wang Jichao as the executive Directors, and Mr. Li Chunyan, Dr. Key Ke Liu and Ms. Liu Yu Jie, as the independent non-executive Directors.