THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Gas Industry Investment Holdings Co. Ltd., you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.

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

(Stock code: 1940)

(1) DISCLOSEABLE AND CONNECTED TRANSACTIONS LOAN ASSIGNMENTS AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to the Independent Board Committee and Independent Shareholders

Nuada Limited

Capitalised terms used in this cover shall have the same meanings as those defined in the section headed "Definitions" in this circular, unless the context requires otherwise.

A letter from the Board is set out on pages 5 to 14 of this circular and a letter from the Independent Board Committee to the Independent Shareholders is set out on pages IBC-1 to IBC-2 of this circular. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages IFA-1 to IFA-16 of this circular.

A notice convening the EGM to be held at 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong, on Wednesday, 27 May 2026 at 11:00 a.m. (Hong Kong time) is set out on pages EGM-1 to EGM-2 of this circular. A proxy form for use at the EGM is enclosed with this circular. Such proxy form is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cgiihldgs.com). Whether or not you intend to attend the EGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the completed proxy form to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding of the EGM (i.e. not later than 11:00 a.m., on Monday, 25 May 2026 (Hong Kong time)) or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and in such event, the proxy form shall be deemed to be revoked.

8 May 2026

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

"Announcement"	the announcement issued by the Company dated 15 April 2026 in relation to the Deeds of Assignment
"Assignee"	Tangde Gas Co., Limited, a company incorporated in the British Virgin Islands with limited liability
"Assignments"	the assignments of all the interests and ancillary benefits in (i) the Loans together with (ii) the interests accrued thereon pursuant to the Deeds of Assignments
"associates"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Borrower A"	Aevitas Capital Management Limited, a company incorporated in Hong Kong with limited liability, the borrower under the Loan Agreement A, being an Independent Third Party
"Borrower B"	Orbitronic Global Development Co., Limited, a company incorporated in Hong Kong with limited liability, the borrower under the Loan Agreement B, being an Independent Third Party
"Borrower C"	Unite Victory International Trading Limited, a company incorporated in Hong Kong with limited liability, the borrower under the Loan Agreement C, being an Independent Third Party
"Borrowers"	collectively, Borrower A, Borrower B and Borrower C
"Company" or "Assignor"	China Gas Industry Investment Holdings Co. Ltd., a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1940)
"Completion"	completion of the Assignments pursuant to the Deeds of Assignment
"connected persons"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules

"Deed of Assignment A"	the deed of assignment dated 15 April 2026 entered into between the Assignor and Assignee, pursuant to which the Assignor shall assign all the interests and ancillary benefits in the Loan under the Loan Agreement A together with the interests accrued thereon to the Assignee
"Deed of Assignment B"	the deed of assignment dated 15 April 2026 entered into between the Assignor and Assignee, pursuant to which the Assignor shall assign all the interests and ancillary benefits in the Loan under the Loan Agreement B together with the interests accrued thereon to the Assignee
"Deed of Assignment C"	the deed of assignment dated 15 April 2026 entered into between the Assignor and Assignee, pursuant to which the Assignor shall assign all the interests and ancillary benefits in the Loan under the Loan Agreement C together with the interests accrued thereon to the Assignee
"Deeds of Assignment"	collectively, Deed of Assignment A, Deed of Assignment B and Deed of Assignment C
"Director(s)"	the director(s) of the Company
"EGM"	an extraordinary general meeting of the Company to be held on Wednesday, 27 May 2026 at 11:00 a.m. or its any adjournment thereof for the purpose of considering, and if thought fit, approving the Deeds of Assignment and the transactions contemplated thereunder
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"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 Deeds of Assignment and the transactions contemplated thereunder

"Independent Financial Adviser"	Nuada Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Deeds of Assignment and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders who are not required to abstain from voting on the relevant resolution at the EGM due to their material interests in the Assignments
"Independent Third Party(ies)"	person(s) or company(s) who/which is/are not connected with the directors, chief executive or substantial shareholders (as defined under the Listing Rules) of the Company or any of its subsidiaries, or any of their respective associates
"Joint Announcement"	the joint announcement dated 13 March 2026 of the Company and the Assignee in respect of, *inter alia*, the possible conditional mandatory cash offer of the Assignee to be made to the Shareholders of the Company
"Latest Practicable Date"	8 May 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to publication
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Loan Agreement A"	the loan agreement dated 30 November 2020 entered into between the Assignor as the lender and Borrower A as the borrower, pursuant to which the Assignor advanced to Borrower A a loan in the principal amount of RMB50,000,000 subject to the terms and conditions therein
"Loan Agreement B"	the loan agreement dated 1 December 2020 entered into between the Assignor as the lender and Borrower B as the borrower, pursuant to which the Assignor advanced to Borrower B a loan in the principal amount of RMB53,522,000 subject to the terms and conditions therein

"Loan Agreement C"	the loan agreement dated 1 December 2020 entered into between the Assignor as the lender and Borrower C as the borrower, pursuant to which the Assignor advanced to Borrower C a loan in the principal amount of RMB14,478,000 subject to the terms and conditions therein
'Loan Agreements"	collectively, the Loan Agreement A, Loan Agreement B and Loan Agreement C
"Loans"	the loans under the Loan Agreements collectively
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
"Share(s)"	the ordinary share(s) of US$0.0001 each in the share capital of the Company
"Share Purchase"	the purchase of 468,096,000 Shares of the Company by the Assignee
"Share Purchase Agreement"	the conditional agreement dated 28 January 2026 entered into between China Gas Investors Ltd. (as vendor) and the Assignee (as purchaser) in respect of 468,096,000 Shares of the Company, which was completed on 10 February 2026
"Shareholder(s)"	the holder(s) of the issued Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US$"	the US dollars, the lawful currency of the United States
"%"	per cent

CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.

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

(Stock code: 1940)

Executive Directors:
Mr. Song Changjiang *(Chairman)*
Mr. Sun Changhuan

Non-executive Directors:
Mr. Zhang Wenli
Ms. Ng Shuk Ming

Independent non-executive Directors:
Mr. Siu Chi Hung
Mr. Xiao Huan Wei
Ms. Li Chun Elsy

Registered Office:
Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal Place of Business and Head Office in the PRC:
Laoting Economic Development Zone
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Hebei Province
PRC

Principal Place of Business in Hong Kong:
Unit 2704A, 27th Floor
Nine Queen's Road Central
9 Queen's Road Central
Hong Kong

8 May 2026

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTIONS LOAN ASSIGNMENTS

INTRODUCTION

Reference is made to the Announcement issued by the Company dated 15 April 2026 in relation to the Deeds of Assignment and the transactions contemplated thereunder.

The purpose of this circular is to provide you with, among other things, (i) details of the Deeds of Assignment and the transactions contemplated thereunder; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) the notice of the EGM and other information as required under the Listing Rules.

BACKGROUND

The Company entered into three Loan Agreements on 30 November 2020, 1 December 2020 and 1 December 2020, respectively, to lend the principal amounts in the aggregate sum of RMB118,000,000 to three Borrowers. The Loans remained overdue since the maturity date of 30 December 2020 and were fully provided for in the consolidated financial statements of the Company for the year ended 31 December 2020 which resulted in a loss and a corresponding reduction in net asset of the Group.

The Assignee entered into a Share Purchase Agreement on 28 January 2026 to acquire approximately 39.01% of the shareholding interest of the Company, which was completed on 10 February 2026. Following the completion of the Share Purchase Agreement, the Assignee has become a controlling Shareholder of the Company. Details of the Share Purchase Agreement and the conditional mandatory cash offer are disclosed in the Joint Announcement.

As part of its plan of investment into the Company and in order to improve the financial position of the Group, the Assignee as the largest Shareholder of the Company entered into the Deeds of Assignment to acquire from the Company the outstanding indebtedness under the Loan Agreements at the total consideration of RMB118,000,000.

DEEDS OF ASSIGNMENT

The principal terms of the Deeds of Assignment are set out as follows:

Date	15 April 2026
Parties	Assignor: the Company Assignee: Tangde Gas Co., Limited, being the largest Shareholder of the Company
Subject Matter	The Company has agreed to assign, and the Assignee has agreed to purchase from the Company all the interests and ancillary benefits in (i) the Loans together with (ii) the interests accrued thereon at the contractual rate of 2% per annum as awarded in the Final Judgments (as defined below), amounting to a total of approximately RMB12,585,096 as at 31 March 2026 (equivalent to approximately HK$14,271,499).

Total consideration

The total consideration is RMB118,000,000 (equivalent to approximately HK$133,812,000), which is the same as the aggregate principal amount of the Loans, namely RMB50,000,000 (equivalent to approximately HK$56,700,000) under Loan Agreement A, RMB53,522,000 (equivalent to approximately HK$60,693,948) under Loan Agreement B and RMB14,478,000 (equivalent to approximately HK$16,418,052) under Loan Agreement C. The consideration was determined after arm's length negotiations between the parties having considered the (i) reasons and benefits of the Assignments as discussed below; and (ii) the long-outstanding nature of the Loans and the lack of recovery to date, the Board considers the fair value of the Loans (including the right to claim the accrued interest) as at the date of the Deeds of Assignment was substantially impaired. Accordingly, the accrued interest amount was not included in the total consideration.

Taking into consideration of the impaired status of the Loans and the immediate recovery of the full principal amount in cash, the Board (excluding the independent non-executive Directors who have given their opinion in the section headed "*Letter from the Independent Board Committee*" below in this circular based on the recommendations from the Independent Financial Adviser) is of the view that the consideration is fair and reasonable and on normal commercial terms. The Board is satisfied with the recovery of the full principal amount of the Loans and considers that the entering into of the Deeds of Assignment are in the interests of the Company and the Shareholders as a whole.

Conditions Precedent

Completion shall be conditional upon the Company (i) having obtained the approvals from relevant regulatory authorities in respect of the Assignments (if any); and (ii) having complied with the regulatory requirements of the relevant regulatory authorities (if any), including but not limited to having obtained approval from the Independent Shareholders.

The conditions precedent are incapable of being waived. As at the Latest Practicable Date, none of the conditions have been fulfilled.

Completion	Completion shall take place within 7 days (or such other date as may be agreed in writing by the parties) after the conditions precedent have been fulfilled. The consideration shall be paid by the Assignee to the Company in cash on Completion.

REASONS FOR AND BENEFITS OF THE ASSIGNMENTS

The indebtedness under the Loan Agreements has long been overdue, the Company has been unable to recover either the principal or any of the interest accrued thereon despite the Company has taken legal actions against the Borrowers. In July 2023, the Company obtained final judgments in its favour from the High Court of the Hong Kong Special Administrative Region in respect of the Loans, pursuant to which the court awarded (i) interest at the contractual rate of 2% per annum until the date of judgment (or its Hong Kong Dollar equivalent at the time of payment) together with further interest at judgment rate until payment; (ii) the sum of RMB14,160,000 (or its Hong Kong Dollar equivalent at the time of payment) together with further interest at judgment rate until payment; and (iii) the fixed costs (the "**Final Judgment**"). As advised by the then Company's legal advisers, the Company is entitled to commence liquidation proceedings against the Borrowers. However, after careful consideration of the anticipated costs involved and the low likelihood of any meaningful recovery even after liquidation of the Borrowers (in view of their financial position), the Board decided not to pursue further enforcement actions. As a result, no recovery has been made in respect of either the principal or the accrued interest of the Loans as at the Latest Practicable Date.

Regarding the accounting treatments of the Loans since their inception in the financial year 2020, the then Board had commissioned an independent qualified valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited in conducting an IFRS 9 valuation for the purpose of determining the expected credit loss ("**ECL**") provision required for accounting purposes.

As such, the Loans of RMB118,000,000 were fully provided for in the consolidated financial statements of the Company for the year ended 31 December 2020 which resulted in a loss and a corresponding reduction in net asset of the Group.

In each of the subsequent financial years 2021, 2022, 2023, 2024 and 2025, the then Board, after taking into account the progress/outcomes of legal actions and results of other debts collection measures, was of the view that the ECL remained unchanged and there has been no new evidence indicating any improvement in recoverability at each balance sheet date. Accordingly, no interest was accrued on the Loans as well as it was also considered irrecoverable from accounting perspective.

As a result, the Loans, after the ECL provision, have been stated at a zero carrying value in the Company's books and records at the latest audited consolidated balance sheet date of 31 December 2025. The Company's auditor, BDO Limited, has issued an unqualified opinion on the Company's financial statements for the year ended 31 December 2025.

The Assignee in purchasing the Loans and the interests accrued thereon will pay cash of RMB118,000,000 (equivalent to approximately HK$133,812,000) to the Company, which will immediately result in an increase in the net asset balance and cash position of the Group.

Upon Completion, the (i) Loans together with (ii) the interests accrued thereon and all related rights and obligations will be transferred to the Assignee, and the Company will cease to have any interests therein.

Having regard to the reasons for and benefits of the Assignments including the impaired status of the Loans and the immediate cash recovery, the Board (excluding the independent non-executive Directors who have given their opinion in the section headed "*Letter from the Independent Board Committee*" below in this circular based on the recommendations from the Independent Financial Adviser) is of the view that the Assignments, which have been reached after arm's length negotiations between the parties, and the transactions contemplated thereunder are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

None of the Directors has any material interest in the transactions contemplated under the Assignments and thus be required to abstain from voting on the relevant Board resolution.

FINANCIAL EFFECTS OF THE ASSIGNMENTS AND USE OF PROCEEDS

Upon Completion of the Assignments, the consideration of RMB118,000,000 will constitute an increase in equity and be accounted for as other reserves in the Company's consolidated financial statements, as agreed with the Company's external auditors. The net proceeds from the Assignments in the amount of RMB117,000,000 will be used 100% as the general working capital, of which approximately 80% will be used for consumption of utilities and approximately 20% will be used for sourcing of raw materials. Such proceeds are expected to be utilized by the end of 2027.

INFORMATION ON THE PARTIES

The Company

The Company is an investment holding company. The Group is principally engaged in the business of production and supply of industrial gases in the PRC.

The Assignee

The Assignee was incorporated in the British Virgin Islands with limited liability. The Assignee is an investment holding company. The Assignee is wholly owned by Tianjin Tangde Technology Co., Ltd.(天津唐德科技有限公司), a wholly-owned subsidiary of Beijing Tangde Qingneng Enterprise Management Consulting Co., Ltd.(北京唐德清能企業管理諮詢有限公司)("**Beijing Tangde Qingneng**") which is in turn wholly owned by Jiaxing Morewisdom Tangde Equity Investment Partnership (Limited Partnership)(嘉興摩予渡唐德股權投資合夥企業(有限合夥)) ("**Jiaxing Morewisdom**").

The Assignee, Tianjin Tangde, Beijing Tangde Qingneng and Jiaxing Morewisdom were all incorporated or established in 2025 as investment vehicles for the Share Purchase. These four entities have no investment other than the Share Purchase. None of the four entities are engaged in actual business operations. They only have necessary personnel such as directors and finance, legal, and tax staff, with no employees involved in sales, production, or other operations.

Jiaxing Morewisdom is beneficially owned as to 78% by Sichuan Dingxiang Equity Investment Fund Co., Ltd.(四川鼎祥股權投資基金有限公司)("**Sichuan Dingxiang**"), 10% by Yanran (Hainan) Investment Management Partnership (Limited Partnership)(研然(海南)投資管理合夥企業)("**Yanran Investment**"), 10% by Hainan Zhongfang Energy Co., Ltd.(海南眾方能源有限公司)("**Hainan Zhongfang**") and 2% by Morewisdom (Shanghai) Private Equity Fund Management Co., Ltd.(摩予渡(上海)私募基金管理有限公司)("**Morewisdom**"). Sichuan Dingxiang, Yanran Investment and Hainan Zhongfang are the limited partners of Jiaxing Morewisdom. Morewisdom is the general partner and fund manager of Jiaxing Morewisdom.

Sichuan Dingxiang is owned as to 80% by Mr. Song Jiajun(宋佳駿) and as to 20% by Ms. Song Binyang(宋玢陽).

Yanran Investment is owned as to 65% by Mr. Chen Yingliu(陳英柳) and as to 35% by Mr. Chen Tianyi(陳天易).

Hainan Zhongfang is wholly owned by Mr. Cao Zhen(曹震).

Morewisdom, incorporated on 20 January 2015, is registered as a "private equity and venture capital fund manager"(私募股權、創業投資基金管理人) with the Asset Management Association of China(中國證券投資基金業協會), engaging in funds investment, funds management, and post-investment projects management. Morewisdom is the general partner and manager of Jiaxing Morewisdom. Apart from Jiaxing Morewisdom, Morewisdom has also invested in and/or managed other six funds registered with the Asset Management Association of China(中國證券投資基金業協會), covering new materials and processes, mineral resources and modern agriculture industries/sectors. Morewisdom is owned as to 98% by Morewisdom (Hainan) Enterprise Management Consulting Partnership (Limited Partnership)(摩予渡(海南)企業管理諮

詢合夥企業(有限合夥)) ("**Hainan Morewisdom**") and as to 2% by Morewisdom (Hainan) Industrial Development Co., Ltd.(摩予渡(海南)實業發展有限公司)("**Morewisdom (Hainan) Industrial**").

Morewisdom (Hainan) Industrial is owned as to 54.55% by Mr. Li Jun(李軍), as to 36.36% by Mr. Cao Zhen(曹震) and as to 9.09% by Jiaxing Morewisdom Zhenheng Equity Investment Partnership (Limited Partnership)(嘉興摩予渡真恒股權投資合夥企業(有限合夥)) ("**Morewisdom Zhenheng**").

Morewisdom Zhenheng is owned as to 85.72% by Chengde Disheng Metal Composite Materials Co., Ltd.(承德市帝聖金屬複合材料有限公司)("**Chengde Disheng**"), as to 9.52% by Hainan Morewisdom and as to 4.76% by Morewisdom. Chengde Disheng is owned as to 96.78% by Hu Zhaoli(胡招李), as to 1.61% by Hu Zhaofa(胡招法) and as to 1.61% by Li Mingxia(李明霞).

Hainan Morewisdom is an investment holding vehicle, carrying out investment activities only. Hainan Morewisdom is owned as to 40% by Mr. LI Jun(李軍), as to 30% by Chengdu Yuanming Juyu Enterprise Management Partnership (General Partnership)(成都源銘聚裕企業管理合夥企業(普通合夥)) ("**Chengdu Yuanming Juyu**"), as to 20% by Tianjin Laiwei Materials Co., Ltd.(天津來巍物資有限公司)("**Tianjin Laiwei**") and as to 10% by Shanghai Jitailai Enterprise Management Consulting Partnership (Limited Partnership)(上海吉泰萊企業管理諮詢合夥企業(有限合夥)) ("**Shanghai Jitailai**"). Mr. Li Jun and Chengdu Yuanming Juyu are the general partners of Hainan Morewisdom. Tianjin Laiwei and Shanghai Jitailai are the limited partners of Hainan Morewisdom.

Chengdu Yuanming Juyu is owned as to 80% by Mr. Song Jiajun(宋佳駿) and as to 20% by Ms. Song Binyang(宋玢陽). Both of Mr. Song Jiajun(宋佳駿) and Ms. Song Binyang(宋玢陽) are the general partners of Chengdu Yuanming Juyu.

Tianjin Laiwei is owned as to 90% by Mr. Liu Wei(劉巍) and as to 10% by Hainan Laiwei Technology Co., Ltd.(海南來巍科技有限公司)("**Hainan Laiwei**"). Hainan Laiwei is owned as to 51% by Yao Yue Enterprise Management (Haikou) Co., Ltd.(耀玥企業管理(海口)有限公司)("**Yao Yue**") and 49% by Laiwei Investment (Hainan) Co., Ltd.(來巍投資(海南)有限公司)("**Laiwei Investment**"). Both of Yao Yue and Laiwei Investment are owned as to 99% by Mr. Liu Wei(劉巍) and as to 1% by Mr. Chen Peng(陳鵬).

Shanghai Jitailai is owned as to 70% by Mr. Chen Tianyi(陳天易) and as to 30% by Li Yiduo(李翊多).

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Assignments exceed 5% but are less than 25%, the Assignments constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Reference is made to the Joint Announcement. The Assignee entered into a Share Purchase Agreement on 28 January 2026 to acquire approximately 39.01% of the shareholding interest of the Company, which was completed on 10 February 2026. Following the completion of the Share Purchase Agreement, the Assignee has become a controlling Shareholder and hence a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the Assignments also constitute connected transactions for the Company and are subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 22 May 2026 to Wednesday, 27 May 2026 (both dates inclusive) for determining the identity of the Shareholders who are entitled to attend and vote at the EGM. No transfer of Shares will be registered during this period. Shareholders whose names appear on the register of members of the Company on Wednesday, 27 May 2026 shall be entitled to attend and vote at the EGM. In order to be eligible to attend and vote at the EGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 21 May 2026.

THE EGM

The Company will hold an EGM for the Independent Shareholders to consider and, if thought fit, approve the Deeds of Assignment and the transactions contemplated thereunder.

The notice convening the EGM is set out on pages EGM-1 to EGM-2 of this circular.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the form of proxy to the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM if you so wish and in such event, the proxy form shall be deemed to be revoked.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Article 66(1) of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administration matter to be voted or by a show of hands.

Therefore, the ordinary resolution put to vote at the EGM shall be taken by way of poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

The Assignee is one of the Controlling Shareholders of the Company, holding 468,096,000 Shares which representing approximately 39.01% of the issued share capital of the Company. The Assignee and its associates will abstain from voting on the resolution approving the Deeds of Assignment and the transactions contemplated thereunder.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for the above, no other Shareholder has a material interest in the Deeds of Assignment and the transactions contemplated thereunder. Therefore, no other Shareholder is required to abstain from voting at the EGM for the ordinary resolution.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages IBC-1 to IBC-2 of this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the Deeds of Assignment and the transactions contemplated thereunder; and (ii) the letter from the Independent Financial Adviser, set out on pages IFA-1 to IFA-16 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in this regard.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, is of the view that although the entering into of the Deeds of Assignment and the transactions contemplated thereunder are not in the ordinary course of business of the Group, (i) the terms of the Deeds of Assignment and the transactions contemplated thereunder are on normal commercial terms or better; (ii) the Deeds of Assignment and the transactions contemplated thereunder is fair and reasonable so far as the Shareholders are concerned; and (iii) the Deeds of Assignment and the transactions contemplated thereunder is in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Deeds of Assignment and the transactions contemplated thereunder.

The Directors (including the independent non-executive Directors, after considering the advice from the Independent Financial Adviser) the view that although the entering into of the Deeds of Assignment and the transactions contemplated thereunder are not in the ordinary course of business of the Group, (i) the terms of the Deeds of Assignment and the transactions contemplated thereunder are on normal commercial terms or better; (ii) the Deeds of Assignment and the transactions contemplated thereunder is fair and reasonable so far as the Shareholders are concerned; and (iii) the Deeds of Assignment and the transactions contemplated thereunder is in the interests of the Company and the Shareholders as a whole. The Directors (including the independent non-executive Directors, after considering the advice from the Independent Financial Adviser) therefore recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Deeds of Assignment and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
For and on behalf of the Board
CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.
Song Changjiang
Chairman and executive Director

CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.

(Incorporated in the Cayman Islands with members' limited liability)
(Stock code: 1940)

8 May 2026

To the Independent Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTIONS
LOAN ASSIGNMENTS

We refer to the circular of the Company dated 8 May 2026 (the "**Circular**") to the Shareholders, of which this letter forms part. Unless the context specifies otherwise, capitalised terms used herein have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to consider and advise the Independent Shareholders on whether, in our opinion, the terms of the Deeds of Assignment and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

We wish to draw your attention to (i) the letter from the Independent Financial Adviser containing details of the advice from the Independent Financial Adviser, together with the principal factors and reasons it has taken into consideration, as set out on pages IFA-1 to IFA-16 of the Circular; and (ii) the letter from the Board as set out on pages 5 to 14 of the Circular.

Having taken into account the opinion of the Independent Financial Adviser as set out in its letter, we consider that although the entering into of the Deeds of Assignment and the transactions contemplated thereunder are not in the ordinary course of business of the Group, (i) the terms of the Deeds of Assignment and the transactions contemplated thereunder are on normal commercial terms or better; (ii) the Deeds of Assignment and the transactions contemplated thereunder is fair and reasonable so far as the Shareholders are concerned; and (iii) the Deeds of Assignment and the transactions contemplated thereunder is in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend that the Independent Shareholders vote in favour of the ordinary resolution to be proposed at the EGM to approve the Deeds of Assignment and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
the Independent Board Committee

Siu Chi Hung **Xiao Huan Wei** **Li Chun Elsy**

Independent non-executive Directors

The following is the text of a letter of advice to the Independent Board Committee and the Independent Shareholders dated 8 May 2026 prepared for the purpose of inclusion in this circular.

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8 May 2026

To the Independent Board Committee of
China Gas Industry Investment Holdings Co. Ltd.

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTIONS
LOAN ASSIGNMENTS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Assignments, details of which are set out in the "Letter from the Board" contained in the circular of the Company dated 8 May 2026 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

On 15 April 2026 (after trading hours of the Stock Exchange), the Company, as assignor, entered into the Deeds of Assignment with the Assignee whereby all the interests and ancillary benefits in (i) the Loans together with (ii) the interests accrued thereon are assigned to the Assignee at the total consideration of RMB118,000,000.

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Assignments exceed 5% but are less than 25%, the Assignments constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Reference is made to the Joint Announcement. The Assignee entered into a Share Purchase Agreement on 28 January 2026 to acquire approximately 39.01% of the shareholding interest of the Company, which was completed on 10 February 2026. Following the completion of the Share Purchase Agreement, the Assignee has become a controlling Shareholder and hence a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the Assignments also constitute connected transactions for the Company and are subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Siu Chi Hung, Mr. Xiao Huan Wei and Ms. Li Chun Elsy, has been established to advise the Independent Shareholders on the Deeds of Assignment and the transactions contemplated thereunder.

During the past two years immediately preceding and up to the date of our appointment as the Independent Financial Adviser, we were previously engaged as independent financial adviser by the Company regarding (i) certain continuing connected transactions as disclosed in the circular of the Company dated 12 December 2025; (ii) conditional mandatory cash offer as disclosed in the composite document of the Company dated 4 May 2026 (collectively, the "**Previous Engagements**"). Apart from normal professional fees for our services to the Company in connection with the Previous Engagements and the current appointment, no other arrangement exists whereby we have received/will receive any fees and/or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we are independent from, and are not associated with the Company or its substantial Shareholder(s) or connected person(s) as defined under the Listing Rules, and are considered eligible to give independent advice on the Deeds of Assignment and the transactions contemplated thereunder.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the accuracy of the statements, information, opinions and representations contained or referred to in this circular and the information and representations provided to us by the Company, the Directors and the management of the Company (the "**Management**"). We have no reason to believe that any information or representation relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us untrue, inaccurate or misleading. We have assumed that all information, representations and opinions contained or referred to in this circular, which have been provided by the Company, the Directors and the Management and for which they are solely and wholly responsible, were true and accurate at the time when they were made and continue to be true up to the date of the EGM and should there be any material changes after the despatch of this circular, the Independent Shareholders would be notified as soon as possible.

The Directors have jointly and severally accepted full responsibility for the accuracy of the information contained in this circular and have confirmed in this circular, having made all reasonable inquiries, that to the best of their knowledge, opinion expressed in this circular have been arrived at after due and careful consideration and there are no other facts the omission of which would make any statement in this circular misleading.

Our review and analysis were based upon, among others, (i) the Deeds of Assignment; (ii) the Loan Agreements; (iii) the Company's annual report for year ended 31 December 2024 (the "**2024 Annual Report**") and the Company's annual report for the year ended 31 December 2025 ("**Annual Report 2025**"); and (iv) other information as set out in the Circular.

We consider that we have reviewed sufficient information, including relevant information and documents provided by the Company and the Directors and the information published by the Company, to enable us to reach an informed view and to justify reliance on the accuracy of the information contained in this circular and to provide a reasonable basis for our opinions and advice. We have not, however, carried out any independent verification of the information provided by the Company and the Directors, nor have we conducted an independent in-depth investigation into the business and affairs, financial condition and future prospects of the Group.

PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Information of the Group

(a) Principal business of the Group

The Company was incorporated in the Cayman Islands on 4 August 2006 as an exempted company with limited liability and its issued Shares have been listed on the Main Board of the Stock Exchange. The Group is principally engaged in the business of production and supply of industrial gases in the PRC. According to the Annual Report 2025, the Group generated revenue from three segments, namely (i) supply of industrial gas (pipeline and liquified); (ii) liquefied natural gas ("**LNG**") and gas transmission services; and (iii) technical support and management services**.**

(b) Financial information of the Group

The table below summarises the financial results of the Group for the financial years ended 31 December 2023 ("**FY2023**"), 31 December 2024 ("**FY2024**") and 31 December 2025 ("**FY2025**") as extracted from the Annual Report 2024 and the Annual Report 2025 respectively.

	For the year ended 31 December		
	2025	**2024**	**2023**
	RMB'000	*RMB'000*	*RMB'000*
	(audited)	(audited)	(audited)
Revenue	1,529,116	1,313,612	1,491,154
– Supply of pipeline industrial gas	1,176,835	961,498	998,622
– Supply of liquefied industrial gas	102,746	113,165	165,703
– Supply of LNG and gas transmission	216,644	213,196	305,357
– Technical support and management service	18,606	14,764	2,917
– Others	14,285	10,989	18,555
Cost of revenue	(1,150,165)	(998,365)	(1,159,051)
Gross profit	378,952	315,247	332,103
Gross profit margin *(%)*	24.8	24.0	22.3
Selling and marketing expenses	(2,575)	(2,319)	(1,893)
Administrative expenses	(41,424)	(47,280)	(54,391)
Credit loss allowance for trade receivables	(7,504)	(3,078)	(15,364)
Research and development expenses	(81,203)	(66,252)	(73,603)
Other income	14,545	9,639	5,380
Other (losses)	(46,079)	(28,026)	(17,751)
Operating profit	214,711	177,930	174,480
Finance costs, net	(12,923)	(18,477)	(21,715)
Profit before income tax	201,788	159,453	152,765
Income tax expense	(45,521)	(29,407)	(24,689)
Profit for the period attributable to owners of the Company	156,266	130,047	128,076

Financial performance for FY2025 vs FY2024

The revenue of the Group for FY2025 amounted to approximately RMB1,529.1 million, representing an increase of approximately 16.4% as compared to approximately RMB1,313.6 million for FY2024. With reference to the Annual Report 2025 and according to the Management, such increase was mainly due to combined effects of (i) the increase of revenue generated from the supply of pipeline industrial gas from approximately RMB961.5 million for FY2024 to approximately RMB1,176.8 million for FY2025 mainly due to the rising demand for pipeline industrial gas resulting in an increase in pipeline gas production and revenue; (ii) the decrease of revenue generated from supply of liquefied industrial gas from approximately RMB113.2 million for FY2024 to approximately RMB102.8 million for FY2025 mainly due to the addition of Tangshan Guotang Steel Co., Ltd.（唐山國堂鋼鐵有限公司）as a pipeline oxygen customer, and no surplus oxygen for the production of liquid products; (iii) the increase of revenue generated from the supply of LNG and gas transmission services from approximately RMB213.2 million for FY2024 to approximately RMB216.6 million for FY2025 mainly due to the additional pipeline transmission fees from Meijin Coal Chemical; and (iv) the increase of revenue generated from technical support and management services from approximately RMB14.8 million for FY2024 to approximately RMB18.6 million for FY2025 mainly due to the higher production volumes of High-strength Car Plate, resulting in increased service fee income.

The gross profit of the Group increased from approximately RMB315.3 million for FY2024 to approximately RMB379.0 million for FY2025, the gross profit margin of the Group increased slightly from approximately 24.0% for FY2024 to approximately 24.8% for FY2025. The Group recorded a profit for the period attributable to the owners of the Company of approximately RMB156.3 million for FY2025, representing an increase of approximately 20.2% as compared to that of approximately RMB130.1 million for FY2024, as discussed with the Management and with reference to the Annual Report 2025, it was mainly due to the combined effects of (i) the increase in revenue of the Group for FY2025 as mentioned above; (ii) the decrease of administrative expenses from approximately RMB47.3 million for FY2024 to approximately RMB41.4 million for FY2025; (iii) increase in research and development expenses of approximately RMB66.3 million for FY2024 to approximately RMB81.2 million for FY2025; (iv) increase in other income of approximately RMB9.6 million for FY2024 to approximately RMB14.5 million for FY2025; and (v) increase in other losses of approximately RMB28.0 million for FY2024 to approximately RMB46.1 million for FY2025.

Financial performance for FY2024 vs FY2023

The revenue of the Group for FY2024 amounted to approximately RMB1,313.6 million, representing a decrease of approximately 11.9% as compared to approximately RMB1,491.2 million for FY2023. With reference to the Annual Report 2024 and according to the Management, such decrease was mainly due to combined effects of (i) the decrease of revenue generated from the supply of pipeline industrial gas from approximately RMB998.6 million for FY2023 to approximately RMB961.5 million for FY2024 mainly due to the fact that Tangshan High-Strength gas plant had ceased production and switched to providing technical support and management services, resulting in a decrease in pipeline gas supply; (ii) the revenue generated from the supply of liquefied industrial gas decreased from approximately RMB165.7 million for FY2023 to approximately RMB113.2 million for FY2024 mainly due to the decrease in the price of liquid oxygen products; (iii) the revenue generated from the supply of LNG and gas transmission services decreased from approximately RMB305.4 million for FY2023 to approximately RMB213.2 million for FY2024 mainly due to the decrease in demand from specific customers; and (iv) the revenue generated from technical support and management services increased from approximately RMB2.9 million for FY2023 to approximately RMB14.8 million for FY2024, mainly attributable to the fact that the Company only commenced provision of such services in November 2023.

Although the decrease of revenue as mentioned above and the gross profit decreased from approximately RMB332.1 million for FY2023 to RMB315.2 million for FY2024, the gross profit margin of the Group increased slightly from approximately 22.3% for FY2023 to approximately 24.0% for FY2024. The Group recorded a profit for the year attributable to the owners of the Company of approximately RMB130.0 million for FY2024, slightly increased from that of approximately RMB128.1 million for FY2023 despite the aforesaid decrease in gross profit. As discussed with the Management and with reference to the Annual Report 2024, it was mainly due to (i) the decrease of administrative expenses from approximately RMB54.4 million for FY2023 to approximately RMB47.3 million for FY2024; (ii) the decrease in credit loss allowance for trade receivables from approximately RMB15.4 million for FY2023 to approximately RMB3.1 million for FY2024; and (iii) the research and development expenses decreased from approximately RMB73.6 million for FY2023 to approximately RMB66.3 million for FY2024.

Financial position as at 31 December 2025 and 30 June 2025

	As at 31 December 2025 *RMB'000* (audited)	As at 30 June 2025 *RMB'000* (unaudited)
Current assets	915.878	864,457
– Trade receivables	650,644	580,407
– Cash and cash equivalents	150,038	193,841
Non-current assets	1,532,170	1,620,102
Current liabilities	421,502	605,933
– Borrowings	112,954	295,579
Net current assets	494,376	258,525
Total assets	2,448,048	2,484,559
Non-current liabilities	230,325	159,437
Total liabilities	651,827	765,370
Net assets	1,796,221	1,719,190

As stated in the Annual Report 2025, the Company recorded current assets of approximately RMB915.9 million as at 31 December 2025 as compared with that of approximately RMB864.5 million as at 30 June 2025, of which (i) the trade receivable increased from approximately RMB580.4 million as at 30 June 2025 to approximately RMB650.6 million as at 31 December 2025; and (ii) the cash and cash equivalents decreased from approximately RMB193.8 million as at 30 June 2025 to approximately RMB150.0 million as at 31 December 2025. The current liabilities decreased from approximately RMB605.9 million as at 30 June 2025 to approximately RMB421.5 million as at 31 December 2025 mainly due to the borrowings decreased from approximately RMB295.6 million as at 30 June 2025 to approximately RMB113.0 million as at 31 December 2025. Based on the above, the net current assets increased from approximately RMB258.5 million as at 30 June 2025 to approximately RMB494.4 million as at 31 December 2025. The net assets of the Group remained relatively stable and recorded approximately RMB1,796.2 million as at 31 December 2025, as compared to approximately RMB1,719.2 million as at 30 June 2025.

(c) Information on the Assignee

The Assignee was incorporated in the British Virgin Islands with limited liability. The Assignee is an investment holding company. The Assignee is wholly owned by Tianjin Tangde Technology Co., Ltd.(天津唐德科技有限公司), a wholly-owned subsidiary of Beijing Tangde Qingneng Enterprise Management Consulting Co., Ltd.(北京唐德清能企業管理諮詢有限公司)("**Beijing Tangde Qingneng**") which is in turn wholly owned by Jiaxing Morewisdom Tangde Equity Investment Partnership (Limited Partnership)(嘉興摩予渡唐德股權投資合夥企業(有限合夥))("**Jiaxing Morewisdom**").

The Assignee, Tianjin Tangde, Beijing Tangde Qingneng and Jiaxing Morewisdom were all incorporated or established in 2025 as investment vehicles for the Share Purchase. These four entities have no investment other than the Share Purchase. None of the four entities are engaged in actual business operations. They only have necessary personnel such as directors and finance, legal, and tax staff, with no employees involved in sales, production, or other operations.

Jiaxing Morewisdom is beneficially owned as to 78% by Sichuan Dingxiang Equity Investment Fund Co., Ltd.(四川鼎祥股權投資基金有限公司)("**Sichuan Dingxiang**"), 10% by Yanran (Hainan) Investment Management Partnership (Limited Partnership)(研然(海南)投資管理合夥企業)("**Yanran Investment**"), 10% by Hainan Zhongfang Energy Co., Ltd.(海南眾方能源有限公司)("**Hainan Zhongfang**") and 2% by Morewisdom (Shanghai) Private Equity Fund Management Co., Ltd.(摩予渡(上海)私募基金管理有限公司)("**Morewisdom**"). Sichuan Dingxiang, Yanran Investment and Hainan Zhongfang are the limited partners of Jiaxing Morewisdom. Morewisdom is the general partner and fund manager of Jiaxing Morewisdom.

Sichuan Dingxiang is owned as to 80% by Mr. Song Jiajun(宋佳駿) and as to 20% by Ms. Song Binyang(宋玢陽).

Yanran Investment is owned as to 65% by Mr. Chen Yingliu(陳英柳) and as to 35% by Mr. Chen Tianyi(陳天易).

Hainan Zhongfang is wholly owned by Mr. Cao Zhen(曹震).

Morewisdom, incorporated on 20 January 2015, is registered as a "private equity and venture capital fund manager"(私募股權、創業投資基金管理人) with the Asset Management Association of China(中國證券投資基金業協會), engaging in funds investment, funds management, and post-investment projects management. Morewisdom is the general partner and manager of Jiaxing Morewisdom. Apart from Jiaxing Morewisdom, Morewisdom has also invested in and/or managed other six funds registered with the Asset Management Association of China(中國證券投資基金業協會), covering new materials and processes, mineral resources and modern agriculture industries/sectors. Morewisdom is owned as to 98% by Morewisdom (Hainan) Enterprise Management Consulting Partnership (Limited Partnership)(摩予渡(海南)企業管理諮詢合夥企業(有限合夥))("**Hainan Morewisdom**") and as to 2% by Morewisdom (Hainan) Industrial Development Co., Ltd.(摩予渡(海南)實業發展有限公司)("**Morewisdom (Hainan) Industrial**").

Morewisdom (Hainan) Industrial is owned as to 54.55% by Mr. Li Jun(李軍), as to 36.36% by Mr. Cao Zhen(曹震) and as to 9.09% by Jiaxing Morewisdom Zhenheng Equity Investment Partnership (Limited Partnership)(嘉興摩予渡真恒股權投資合夥企業(有限合夥))("**Morewisdom Zhenheng**").

Morewisdom Zhenheng is owned as to 85.72% by Chengde Disheng Metal Composite Materials Co., Ltd.(承德市帝聖金屬複合材料有限公司)("**Chengde Disheng**"), as to 9.52% by Hainan Morewisdom and as to 4.76% by Morewisdom. Chengde Disheng is owned as to 96.78% by Hu Zhaoli(胡招李), as to 1.61% by Hu Zhaofa(胡招法) and as to 1.61% by Li Mingxia(李明霞).

Hainan Morewisdom is an investment holding vehicle, carrying out investment activities only. Hainan Morewisdom is owned as to 40% by Mr. LI Jun(李軍), as to 30% by Chengdu Yuanming Juyu Enterprise Management Partnership (General Partnership)(成都源銘聚裕企業管理合夥企業(普通合夥))("**Chengdu Yuanming Juyu**"), as to 20% by Tianjin Laiwei Materials Co., Ltd.(天津來巍物資有限公司)("**Tianjin Laiwei**") and as to 10% by Shanghai Jitailai Enterprise Management Consulting Partnership (Limited Partnership)(上海吉泰萊企業管理諮詢合夥企業(有限合夥))("**Shanghai Jitailai**"). Mr. Li Jun and Chengdu Yuanming Juyu are the general partners of Hainan Morewisdom. Tianjin Laiwei and Shanghai Jitailai are the limited partners of Hainan Morewisdom.

Chengdu Yuanming Juyu is owned as to 80% by Mr. Song Jiajun(宋佳駿) and as to 20% by Ms. Song Binyang(宋玢陽). Both of Mr. Song Jiajun(宋佳駿) and Ms. Song Binyang(宋玢陽) are the general partners of Chengdu Yuanming Juyu.

Tianjin Laiwei is owned as to 90% by Mr. Liu Wei (劉巍) and as to 10% by Hainan Laiwei Technology Co., Ltd. (海南來巍科技有限公司)("**Hainan Laiwei**"). Hainan Laiwei is owned as to 51% by Yao Yue Enterprise Management (Haikou) Co., Ltd. (耀玥企業管理(海口)有限公司)("**Yao Yue**") and 49% by Laiwei Investment (Hainan) Co., Ltd. (來巍投資(海南)有限公司)("**Laiwei Investment**"). Both of Yao Yue and Laiwei Investment are owned as to 99% by Mr. Liu Wei (劉巍) and as to 1% by Mr. Chen Peng (陳鵬).

Shanghai Jitailai is owned as to 70% by Mr. Chen Tianyi (陳天易) and as to 30% by Li Yiduo (李翊多).

2. Background of and reasons for and benefits of the Assignments and use of proceeds

The Company entered into three Loan Agreements on 30 November 2020, 1 December 2020 and 1 December 2020, respectively, to lend the principal amounts in the aggregate sum of RMB118,000,000 to three Borrowers. The Loans remained overdue since the maturity date of 30 December 2020 and were fully provided for in the consolidated financial statements of the Company for the year ended 31 December 2020 which resulted in a loss and a corresponding reduction in net asset of the Group.

The Assignee entered into a Share Purchase Agreement on 28 January 2026 to acquire approximately 39.01% of the shareholding interest of the Company, which was completed on 10 February 2026. Following the completion of the Share Purchase Agreement, the Assignee has become a controlling Shareholder of the Company. Details of the Share Purchase Agreement and the possible conditional mandatory cash offer to be made are disclosed in the Joint Announcement.

As part of its plan of investment into the Company and in order to improve the financial position of the Group, the Assignee as the largest Shareholder of the Company entered into the Deeds of Assignment to acquire from the Company the outstanding indebtedness under the Loan Agreements at the total consideration of RMB118,000,000.

The indebtedness under the Loan Agreements has long been overdue, the Company has been unable to recover either the principal or any of the interest accrued thereon despite the Company has taken legal actions against the Borrowers. In July 2023, the Company obtained final judgments in its favour from the High Court of the Hong Kong Special Administrative Region in respect of the Loans, pursuant to which the court awarded (i) interest at the contractual rate of 2% per annum until the date of judgment (or its Hong Kong Dollar equivalent at the time of payment) together with further interest at judgment rate until payment; (ii) the sum of RMB14,160,000 (or its Hong Kong Dollar equivalent at the time of payment) together with further interest at judgment rate until payment; and (iii) the fixed costs (the "**Final Judgment**"). As advised by the then Company's legal advisers, the Company is entitled to commence liquidation proceedings against the Borrowers. However, after careful consideration of the anticipated costs involved and the low likelihood of any meaningful recovery even after

liquidation of the Borrowers (in view of their financial position), the Board decided not to pursue further enforcement actions. As a result, no recovery has been made in respect of either the principal or the accrued interest of the Loans as at the Latest Practicable Date.

Regarding the accounting treatments of the Loans since their inception in the financial year 2020, the then Board had commissioned an independent qualified valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited in conducting an IFRS 9 valuation for the purpose of determining the expected credit loss ("**ECL**") provision required for accounting purposes.

As such, the Loans of RMB118,000,000 were fully provided for in the consolidated financial statements of the Company for the year ended 31 December 2020 which resulted in a loss and a corresponding reduction in net asset of the Group.

In each of the subsequent financial years 2021, 2022, 2023, 2024 and 2025, the then Board, after taking into account the progress/outcomes of legal actions and results of other debts collection measures, was of the view that the ECL remained unchanged and there has been no new evidence indicating any improvement in recoverability at each balance sheet date. Accordingly, no interest was accrued on the Loans as well as it was also considered irrecoverable from accounting perspective.

As a result, the Loans, after the ECL provision, have been stated at a zero carrying value in the Company's books and records at the latest audited consolidated balance sheet date of 31 December 2025. The Company's auditor, BDO Limited, has issued an unqualified opinion on the Company's financial statements for the year ended 31 December 2025.

The Assignee in purchasing the Loans and the interests accrued thereon will pay cash of RMB118,000,000 (equivalent to approximately HK$133,812,000) to the Company, which will immediately result in an increase in the net asset balance and cash position of the Group.

Upon Completion, the (i) Loans together with (ii) the interests accrued thereon and all related rights and obligations will be transferred to the Assignee, and the Company will cease to have any interests therein.

In relation to the Loan Agreement A, we obtained and reviewed the relevant loan agreement. Based on the aforesaid documents, we noted that the agreement was matured on 30 December 2020 and Borrower A had not made any repayment or accrued interest. We view that this pattern reflects a delaying posture and signifies a low level of commitment and willingness by Borrower A to fully settle the loan. The Assignor had issued legal demand letters to Borrower A in April 2021 and January 2022, followed by debt clearance notices. The principal amount owed by Borrower A to the Assignor under Loan Agreement A amounted to RMB50,000,000. Assignor initiated legal action in the Hong Kong High Court in July 2023. After obtaining judgment in the Court of First Instance which heard the case and delivered its final ruling, ordering Borrower A to repay the full outstanding debt plus interest and legal costs.

In relation to the Loan Agreement B, we obtained and reviewed the relevant loan agreement. Based on the aforesaid documents, we noted that the agreement was matured on 30 December 2020 and Borrower B had not made any repayment or accrued interest. We view that this pattern reflects a delaying posture and signifies a low level of commitment and willingness by Borrower B to fully settle the loan. The Assignor had issued legal demand letters to Borrower B in April 2021 and January 2022, followed by debt clearance notices. The principal amount owed by Borrower B to the Assignor under Loan Agreement B amounted to RMB53,522,000. Assignor initiated legal action in the Hong Kong High Court in July 2023. After obtaining judgment in the Court of First Instance which heard the case and delivered its final ruling, ordering Borrower B to repay the full outstanding debt plus interest and legal costs.

In relation to the Loan Agreement C, we obtained and reviewed the relevant loan agreement. Based on the aforesaid documents, we noted that the agreement was matured on 30 December 2020 and Borrower C had not made any repayment or accrued interest. We view that this pattern reflects a delaying posture and signifies a low level of commitment and willingness by Borrower C to fully settle the loan. The Assignor had issued legal demand letters to Borrower C in April 2021 and January 2022, followed by debt clearance notices. The principal amount owed by Borrower C to the Assignor under Loan Agreement C amounted to RMB14,478,000. Assignor initiated legal action in the Hong Kong High Court in July 2023. After obtaining judgment in the Court of First Instance which heard the case and delivered its final ruling, ordering Borrower C to repay the full outstanding debt plus interest and legal costs.

Neither of them has formulated any concrete repayment schedules nor entered into any agreements with the Assignor to commit the settlement of the outstanding loans, the Loans remained overdue since the maturity date of 30 December 2020 and were fully provided for in the consolidated financial statements of the Company for the year ended 31 December 2020 which resulted in a loss and a corresponding reduction in net asset of the Group. Nevertheless, in light of the abovementioned lack of repayment by the Borrowers, the Assignee who has become the controlling Shareholder following the completion of the Share Purchase Agreement, has agreed to take full responsibility to recover the outstanding loans from the Borrowers by purchasing the Loans and the interests accrued thereon at the consideration of RMB118,000,000 (equivalent to approximately HK$133,812,000), which equals to the original aggregated principal amount of the Loan Agreements, thereby reaching full principal recovery for the Group. The Assignments enables full recovery of the original principal amount of the Loan Agreements. On the other hand, the Assignee gains the right to pursue the Loans including outstanding accrued interest, though given the Borrowers' poor financial credibility and repayment records, we view the likelihood of such recovery is very low.

Without the Assignments, the Borrowers' poor repayment track record and existing provision already made by the Group demonstrated a very low likelihood of substantially recovering either principal or accrued interest portion of the Loans. By contrast, the Assignments generate immediate positive cash flow RMB118,000,000 (equivalent to approximately HK$133,812,000) for deployment as working capital, and the consideration equals to the aggregate principal of RMB118,000,000 (equivalent to approximately HK$132,812,000), resulting in full principal recovery of the loans. We, therefore, concur with the Board that the Assignments mitigate losses. We are also of the view the Assignments minimise uncertainty and the Group's risk of non-recoverability by providing a one-off mechanism to recover a substantial portion of the long-outstanding amounts within a foreseeable timeframe.

As disclosed in the "Letter from the Board" of the Circular, upon Completion of the Assignments, the consideration of RMB118,000,000 will constitute an increase in equity and be accounted for as other reserves in the Company's consolidated financial statements. The net proceeds from the Assignments in the amount of HK$117,000,000 will be used as general working capital of the Group, of which approximately 80% will be used for consumption of utilities and approximately 20% will be used for sourcing of raw materials. Such proceeds are expected to be utilized by the end of 2027.

In light of the foregoing, and in particular (i) loss mitigation; (ii) elimination of non-recoverability risk for the outstanding principal; (iii) our analysis of the Consideration (section "3. Principal terms of the Deeds of Assignment" below); (iv) use of net proceeds as general working capital; and (v) expected net asset increase (section "4. Financial effects of the Assignments" below), we consider the Assignments, the Deeds of Assignment, and the transactions contemplated thereunder to be fair, reasonable, and in the best interests of the Company and Shareholders as a whole.

3. Principal terms of the Deeds of Assignment

The principal terms of the Deeds of Assignment are set out as follows:

Date	15 April 2026
Parties	Assignor: the Company
	Assignee: Tangde Gas Co., Limited, the largest Shareholder of the Company

Subject matter

The Company has agreed to assign, and the Assignee has agreed to purchase from the Company all the interests and ancillary benefits in (i) the Loans together with (ii) the interests accrued thereon at the contractual rate of 2% per annum as awarded in the Final Judgments, amounting to a total of approximately RMB12,585,096 as at 31 March 2026 (equivalent to approximately HK$14,271,499).

Total consideration

The total consideration is RMB118,000,000 (equivalent to approximately HK$133,812,000), which is the same as the aggregate principal amount of the Loans, namely RMB50,000,000 (equivalent to approximately HK$56,700,000) under Loan Agreement A, RMB53,522,000 (equivalent to approximately HK$60,693,948) under Loan Agreement B and RMB14,478,000 (equivalent to approximately HK$16,418,052) under Loan Agreement C. The consideration was determined after arm's length negotiations between the parties having considered the (i) reasons and benefits of the Assignments as discussed in the Letter from the Board; and (ii) the long-outstanding nature of the Loans and the lack of recovery to date, the Board considers the fair value of the Loans (including the right to claim the accrued interest) as at the date of the Deeds of Assignment was substantially impaired. Accordingly, the accrued interest amount was not included in the total consideration.

Conditions Precedent

Completion shall be conditional upon the Company (i) having obtained the approvals relevant regulatory authorities in respect of the Assignments (if any); and (ii) having complied with the regulatory requirements of the relevant regulatory authorities (if any), including but not limited to having obtained approval from the Independent Shareholders.

The conditions precedent are incapable of being waived. As at the Latest Practicable Date, none of the conditions have been fulfilled.

Completion

Completion shall take place within 7 days (or such other date as may be agreed in writing by the parties) after the conditions precedent have been fulfilled. The consideration shall be paid by the Assignee to the Company in cash on Completion.

The Consideration

As noted from the "Letter from the Board" of the Circular, the consideration of RMB118,000,000 (equivalent to approximately HK$133,812,000), which is the same as the aggregate principal amount of the Loans, was determined after arm's length negotiations between the Assignor and the Assignee, having considered the reasons and benefits of the Assignments as discussed in the "Letter from the Board".

Given no repayment of the Borrowers, the Company was not only unable to generate expected profits from interest payments, but also faces a material risk of non-recovery of even the original loan principal, which in fact has been recorded as a loss of the Company by the form of provision, and although interest continues to accrue on the outstanding defaulted loans in accordance with the Loan Agreements, these accruals are merely notional and do not result in actual profit or cash inflow to the Group, as the Borrowers did not make any repayments, while the Assignments result in the Company foregoing the accrued interest under the Loan Agreements, it enables the Company to transfer the risk of non-recoverability of the original loan principal to the Assignee. We note that the low likelihood of recovering the Loans is reflected from the fact that it is already provided, and that the Assignments have a positive financial impact to the Company where there will be an increase in net asset of RMB 117,000,000. At the same time, it ensures full recovery of the original principal from its provision, as the consideration equals the original principal amount of RMB118,000,000 (equivalent to approximately HK$133,812,000). Given the very low likelihood of full recovery and the Group's prior recognition of impairments on the Loans, we consider it fair and reasonable not to include accrued interest in the consideration. While the Assignee has the right to use her own time and efforts, and if necessary, initiate legal actions at her own cost to pursue recovery of the Loans including outstanding accrued interest after the Assignments, we consider the likelihood of such recovery to be very low, given the Borrowers' poor financial credibility and repayment record as mentioned above.

Having considered the above, and in particular (i) the Borrowers' unsatisfactory historical repayment records; (ii) the respective default status of the Loan Agreements; (iii) the Assignor's extensive but unsuccessful effort to recover the outstanding principal and interests owed by the Borrowers; (iv) the consideration equals the aggregate principal amount of the Loan Agreements, thereby enabling full principal recovery; and (v) the uncertain time and costs that would be incurred if the Assignor were to pursue legal action against each of the Borrowers, we are of the view that the consideration is fair and reasonable and in the interest of the Company and the Shareholders as a whole. It enables the Group to recover the original principal amount of the Loan Agreements in full in a foreseeable timeframe and alleviate the Group's inherent risk of non-recoverability associated with the Loans and mitigate loss.

4. Financial effects of the Assignments

As disclosed in the "Letter from the Board" of the Circular, upon Completion of the Assignments, the consideration of RMB118,000,000 will constitute an increase in equity and be accounted for as other reserves in the Company's consolidated financial statements, as agreed with the Company's external auditors. It will immediately result in an increase in the net asset of RMB117,000,000 of the Group. We are of the view that this is a positive financial impact on the Group.

The aforesaid estimation is for illustrative purpose only and does not purport to represent how the financial position of the Group will be after the Assignments.

RECOMMENDATIONS

Having considered the above principal factors and reasons, we are of the view the Deeds of Assignment and the transactions contemplated thereunder to be fair and reasonable and on normal commercial terms, and the entering into of the Deeds of Assignment, while not in the ordinary and usual course of business of the Company, is in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders, and we also recommend the Independent Shareholders to vote in favour of the relevant resolution(s) for approving the Assignments, the Deeds of Assignment and the transactions contemplated thereunder.

Yours Faithfully,
For and on behalf of
Nuada Limited
Kim Chan
Director

Mr. Kim Chan is a person licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO and is a responsible officer of Nuada Limited who has over 20 years of experience in corporate finance industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

a. Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set forth in Appendix C3 to the Listing Rules; or (iv) which were required to be disclosed under the Takeovers Code.

b. Substantial Shareholders' Interests in Shares and Underlying Shares

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and, so far as was known to the Directors, the persons or entities (other than a Director or the chief executive of the Company) who had an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were, directly or indirectly, interested in 5% or more of the issued voting shares of any other member of the Group, or in any options in respect of such share capital and

recorded in the register kept by the Company pursuant to section 336 of the SFO were as follows:

Name of Shareholders	Nature of interest	Number of Shares interested[(1)]	Approximate percentage of the Company's issued share capital
Huitang Zhihe (Hong Kong) Co., Limited ("**HK Huitang Zhihe**")	Beneficial owner	431,904,000(L)	35.99%
Shanghai Huitang Zhihe Investment Co., Ltd.* (上海惠唐郅和投資有限公司) ("**SH Huitang Zhihe**")	Interest in a controlled corporation	431,904,000(L)	35.99%
HBIS Company	Interest in a controlled corporation	431,904,000(L)	35.99%
Handan Iron and Steel Group Co., Ltd. ("**HBIS Hansteel**")	Interest in a controlled corporation	431,904,000(L)	35.99%
HBIS	Interest in a controlled corporation	431,904,000(L)	35.99%
The Assignee[(3)]	Beneficial owner	468,096,000(L)	39.01%
Tianjin Tangde Technology Co., Ltd.* (天津唐德科技有限公司) ("**Tianjin Tangde**")[(3)]	Interest in a controlled corporation	468,096,000(L)	39.01%
Beijing Tangde Qingneng Enterprise Management Consulting Co., Ltd.* (北京唐德清能企業管理諮詢有限公司) ("**Beijing Tangde Qingneng**")[(3)]	Interest in a controlled corporation	468,096,000(L)	39.01%
Jiaxing Morewisdom Tangde Equity Investment Partnership (Limited Partnership)* (嘉興摩予渡唐德股權投資合夥企業(有限合夥)) ("**Jiaxing Morewisdom**")[(3)]	Interest in a controlled corporation	468,096,000(L)	39.01%

Name of Shareholders	Nature of interest	Number of Shares interested[1]	Approximate percentage of the Company's issued share capital
Sichuan Dingxiang Equity Investment Fund Co., Ltd.* (四川鼎祥股權投資基金有限公司) ("**Sichuan Dingxiang**")[4]	Interest in a controlled corporation	468,096,000(L)	39.01%
Morewisdom (Shanghai) Private Equity Fund Management Co., Ltd.* (摩予渡(上海)私募基金管理有限公司)("**Morewisdom**")[4]	Interest in a controlled corporation	468,096,000(L)	39.01%
Mr. Song Jiajun (宋佳駿)[4]	Interest in a controlled corporation	468,096,000(L)	39.01%
Ms. Song Binyang (宋玢陽)[4]	Interest in a controlled corporation	468,096,000(L)	39.01%
Morewisdom (Hainan) Enterprise Management Consulting Partnership (Limited Partnership)* (摩予渡(海南)企業管理諮詢合夥企業(有限合夥) ("**Hainan Morewisdom**")[4]	Interest in a controlled corporation	468,096,000(L)	39.01%
Mr. LI Jun (李軍)[4]	Interest in a controlled corporation	468,096,000(L)	39.01%
Chengdu Yuanming Juyu Enterprise Management Partnership (General Partnership)* (成都源銘聚裕企業管理合夥企業(普通合夥)) ("**Chengdu Yuanming Juyu**")[4]	Interest in a controlled corporation	468,096,000(L)	39.01%

Notes:

(1) The letter "L" denotes the shareholder's long position in the Shares.

(2) HK Huitang Zhihe is wholly-owned by SH Huitang Zhihe which in turn is wholly-owned by HBIS Company, which in turn is directly and indirectly owned by HBIS Chengsteel, HBIS Hansteel and HBIS Tangsteel as to approximately 4.28%, 41.29% and 19.30%, respectively, and HBIS Chengsteel, HBIS Hansteel and HBIS Tangsteel are owned by HBIS as to 100%, 100% and 100%, respectively. As such, HBIS through its subsidiaries together indirectly holds approximately 64.87% equity interest in HBIS Company. By virtue of the SFO, each of SH Huitang Zhihe, HBIS Company, HBIS Hansteel and HBIS was deemed to be interested in the same number of Shares held by HK Huitang Zhihe.

(3) The Assignee is wholly owned by Tianjin Tangde, a wholly-owned subsidiary of Beijing Tangde Qingneng which is in turn wholly owned by Jiaxing Morewisdom.

Jiaxing Morewisdom is beneficially owned as to 78% by Sichuan Dingxiang, 10% by Yanran (Hai nan) Investment Management Partnership (Limited Partnership)" (研然(海南)投資管理合夥企業), 10% by Hainan Zhongfang Energy Co., Ltd." (海南眾方能源有限公司) and 2% by Morewisdom. Morewisdom is the general partner and fund manager of Jiaxing Morewisdom.

Sichuan Dingxiang is owned as to 80% by Mr. Song Jiajun (宋佳駿) and as to 20% by Ms. Song Binyang (宋玢陽).

Morewisdom is owned as to 98% by Hainan Morewisdom and as to 2% by Morewisdom (Hainan) Industrial Development Co., Ltd* (摩予渡(海南)實業發展有限公司).

Hainan Morewisdom is owned as to 40% by Mr. LI Jun (李軍), as to 30% by Chengdu Yuanming Juyu, as to 20% by Tianjin Laiwei Materials Co., Ltd.* (天津來巍物資有限公司) and as to 10% by Shanghai Jitailai Enterprise Management Consulting Partnership (Limited Partnership)* (上海吉泰萊企業管理諮詢合夥企業(有限合夥)). Mr. Li Jun and Chengdu Yuanming Juyu are the general partners of Hainan Morewisdom.

Chengdu Yuanming Juyu is owned as to 80% by Mr. Song Jiajun (宋佳駿) and as to 20% by Ms. Song Binyang (宋玢陽). Both of Mr. Song Jiajun (宋佳駿) and Ms. Song Binyang (宋玢陽) are the general partners of Chengdu Yuanming Juyu.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person or entities (other than a Director or the chief executive of the Company) who had, or was deemed or taken to have, an interest or short position in the Shares and underlying Shares which are required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued voting shares of any other member of the Group, or in any options in respect of such share capital and recorded in the register kept by the Company pursuant to section 336 of the SFO.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, the Company has entered into service agreement with the following Director within one year without payment of compensation:

Name	Position	Commencement date	Term of service	Amount of remuneration	Variable remuneration
Mr. Zhang Wenli	Non-executive Director	20 January 2026	Three years	A director's fee of HK$600,000 per annum	N/A

Save as disclosed above, as at the Latest Practicable Date none of the Directors had entered or proposed to enter into any service agreements with any member of the Group, excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective associates had engaged in or had any interest in any business which, directly or indirectly, competed or might compete with the businesses of the Group.

5. DIRECTORS' INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date, none of the Directors:

(i) had any interest, direct or indirect, in any assets which have been, since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group; or

(ii) was materially interested in any contract or arrangement subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group.

6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed there was no material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

7. QUALIFICATION AND CONSENT OF EXPERT

The following is the qualification of the expert who has been engaged by the Company and who has been named in this circular or who has given its opinion or advice contained in this circular:

Name	Qualification
Nuada Limited	A corporation licensed to carry out type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, the Independent Financial Adviser:

(i) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter, recommendation, opinion and/or references to its name in the form and context in which they are included;

(ii) did not have any interest, direct or indirect, in any assets which have been, since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group; and

(iii) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

8. GENERAL

In the event of any inconsistency, the English language text of this circular shall prevail over the Chinese language text.

9. DOCUMENTS ON DISPLAY

Copies of the following documents will be available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cgiihldgs.com) for a period of not less than 14 days before the date of the EGM:

(a) the Deeds of Assignment;

(b) the service contract referred to in the paragraph headed "3. Directors' Service Contracts" in this Appendix; and

(c) the written consent of Nuada Limited referred in the paragraph headed "7. Qualification and Consent of Expert" in this Appendix.

CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.

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

(Stock code: 1940)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of China Gas Industry Investment Holdings Co. Ltd. (the "**Company**") will be held at 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong, on Wednesday, 27 May 2026, at 11:00 a.m. (Hong Kong time) to consider, and if thought fit, to pass the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

1. "**THAT**:

   (a) the Deeds of Assignment (as defined in the circular of the Company dated 8 May 2026 (the "**Circular**"), a copy of which marked "A" is produced to the EGM and signed by the chairman of the EGM for the purpose of identification) dated 15 April 2026 entered into between the Company and the Assignee (as defined in the Circular) be and are hereby approved, confirmed and/or ratified subject to compliance with all applicable provisions of the Listing Rules (as defined in the Circular), and all transactions contemplated thereunder and in connection therewith and any other ancillary documents be and are hereby approved, confirmed and/or ratified;

   (b) any one of the directors of the Company be and is hereby authorised for and on behalf of the Company to sign such documents or deeds, and take all such steps as he may in his discretion consider necessary, expedient or desirable to implement and/or to give effect to the Deeds of Assignment and the transactions contemplated thereunder."

By Order of the Board of
China Gas Industry Investment Holdings Co. Ltd.
Song Changjiang
Chairman and executive Director

Hong Kong, 8 May 2026

Notes:

1. Any member entitled to attend and vote at the EGM is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at the EGM. A proxy need not be a member of the Company.

2. In order to be valid, a form of proxy, together with a power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority must be delivered to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.

3. The register of members of the Company will be closed from Friday, 22 May 2026 to Wednesday, 27 May 2026 (Hong Kong time) (both dates inclusive), during which period no transfers of Shares will be effected. In order to qualify for the entitlement to attend and vote at the EGM, all transfer of Shares, accompanied by the relevant share certificates, must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Thursday, 21 May 2026 (Hong Kong time).

4. Where there are joint holders of any Share, any one of such persons may vote at the EGM, either in person or by proxy, in respect of such Share as if he was solely entitled thereto; but if more than one of such joint holders be present at the EGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.

5. The resolution at the EGM will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the ''Listing Rules''). The results of the poll will be published on the websites of the Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.

6. If tropical cyclone warning signal no. 8 or above, ''extreme conditions'' caused by super typhoons or a black rainstorm warning signal is in force at 9:00 a.m. on Wednesday, 27 May 2026 (Hong Kong time), the EGM will be adjourned in accordance with the Bye-laws and further announcement for details of alternative meeting arrangements will be made. The EGM will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the EGM under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.

As of the date of this notice, the Board of the Company comprises: (1) Mr. Song Changjiang (Chairman) and Mr. Sun Changhuan as the executive Directors; (2) Mr. Zhang Wenli 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.