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CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.

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

(Stock Code: 1940)

QUARTERLY ANNOUNCEMENT

This announcement is made by CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 26 March 2021, 31 March 2021, 11 May 2021 and 28 May 2021 (collectively, the “**Announcements**”) in relation to, among others, (i) delay in publication of 2020 Annual Results; (ii) suspension of trading in shares of the Company on the Stock Exchange; (iii) updates of the Investigation; and (iv) the Resumption Guidance. Capitalised terms used herein shall have the same meanings as defined in the Announcements unless otherwise stated.

RESUMPTION GUIDANCE

As disclosed in the announcement of the Company dated 28 May 2021, the Stock Exchange has set out the following Resumption Guidance for the Company:

- 1) conduct an appropriate independent investigation into the Transactions, announce the investigation findings, assess and announce the impact on the Company’s business operation and financial position and take appropriate remedial actions;
- 2) demonstrate that there is no reasonable regulatory concern about management integrity and/or the integrity of any persons with substantial influence over the Company’s management and operations, which may pose a risk to investors and damage market confidence;
- 3) publish all outstanding financial results required under the Listing Rules and address any audit modifications;

- 4) demonstrate compliance with Rule 13.24 of the Listing Rules; and
- 5) inform the market of all material information for the Company's shareholders and other investors to appraise the Company's position.

RESUMPTION PLAN OF THE GROUP AND PROGRESS OF THE RESUMPTION PLAN

In compliance with Rule 13.24A of the Listing Rules, the Company wishes to provide the following updates on the progress and development in relation to the resumption of trading of the shares of the Company:

Key Events

Conducting the Investigation, announcing the findings of the Investigation, assessing and announcing the impact on the Company's business operations and financial position (if any), and taking remedial actions

Timeframe

As disclosed in the announcements of the Company dated 31 March 2021 and 11 May 2021, the Investigation Committee, currently comprising all the independent non-executive directors of the Company, has been established to, inter alia, commission independent professional advisers to carry out the Investigation on the Transactions, work closely with the management of the Company, the Auditors, professional advisers of the Company and other relevant parties and to take actions where it considers necessary and fit for the purpose of the Investigation. Thereafter, KPMG has been appointed as the independent forensic accountant to assist the Investigation Committee in conducting the Investigation.

As disclosed in the announcement of the Company dated 11 May 2021, Mr. David T CHEN informed the Board on 8 May 2021 that, upon the request of the Investigation Committee and in order to facilitate the Investigation, he agreed to have all his day-to-day duties, powers and authorities suspended pending outcome of the Investigation. Taking into account inter alia that this was at the request of the Investigation Committee, on 10 May 2021, being the following business day after receiving the above notification from Mr. David T Chen, the Board unanimously resolved to suspend all the day-to-day duties, powers and authorities of Mr. David T Chen with immediate effect until further notice. Mr. David T CHEN is an executive director of the Company and the chairman of the Board.

As at the date of this announcement, the Investigation is ongoing. The expected timeframe to announce the findings of the Investigation, to assess and announce the impact on the Company's business operation and financial position (if any), and to take remedial actions is subject to further assessment by the Board, which the Board will endeavour to do so as soon as practicable in due course.

Publication of the announcement of the 2020 Annual Results

As disclosed in the announcement of the Company dated 31 March 2021, the publication of the 2020 Annual Results has been delayed pending outcome of the Investigation. The Board, after due and careful consideration, is of the view that it would not be appropriate for the Company to publish the unaudited management accounts of the Group for the year ended 31 December 2020 at this stage as it may not be complete and reflect a true and fair view of the actual financial performance and position of the Group and may create unnecessary confusion to the public in the interim period given that the results of the Investigation are still pending.

The Investigation Committee and the Audit Committee have maintained continued communication with the Auditors in relation to the audit for the 2020 Annual Results. Based on the latest communication with the Auditors, the Auditors advised, inter alia, that the remaining audit work on the Transactions would be carried out based on the findings of the Investigation.

The Company, as assisted by the Investigation Committee and its professional advisers, will endeavour to publish the 2020 Annual Results as soon as practicable, the expected timeframe of which is subject to further assessment by the Board.

Publication of the annual report for the year ended 31 December 2020

Subject to further assessment by the Board

Resumption of trading in the shares of the Company

Subject to further assessment by the Board and confirmation of the Stock Exchange

The Company is taking appropriate steps to fulfill the Resumption Guidance and will update the shareholders and potential investors of the Company on, among others, the progress as and when appropriate.

BUSINESS UPDATE

The Group is principally engaged in production and supply of both pipeline and liquefied industrial gas in the Hebei Province of the PRC. The Group is also engaged in supply of liquefied natural gas and provision of gas transmission service.

As at the date of this announcement, the business operations of the Group are continuing as usual in all material respects. The Board will continue to assess and monitor the impact of the suspension of trading on the operations and financial performance of the Company.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange had been suspended with effect from 9:33 a.m. on 25 March 2021 pending the publication of the 2020 Annual Results by the Company and will remain suspended until further notice pending the Company's fulfilment of the Resumption Guidance.

The Company will publish further announcement(s) to keep its shareholders and potential investors informed of the latest progress as and when appropriate and will announce quarterly updates on its development pursuant to Rule 13.24A of the Listing Rules.

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

By order of the Board
CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.
SIU Chi Hung, LI Chun Elsy and
XIAO Huan Wei
Independent non-executive directors

Hong Kong, 24 June 2021

As of the date of this announcement, the Board comprises: (1) Mr. David T CHEN (duties suspended), Mr. YAO Li and Ms. GAO Guimin as the executive Directors; (2) Mr. ZHANG Aimin, Mr. LAI Yui and Ms. NG Shuk Ming as the non-executive Directors; and (3) Mr. SIU Chi Hung, Mr. XIAO Huan Wei and Ms. LI Chun Elsy as the independent non-executive Directors.