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**天伦燃气**  
**TIANLUN GAS**

**Tian Lun Gas Holdings Limited**

**天倫燃氣控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1600)**

## **DISCLOSEABLE TRANSACTION TOTAL RETURN SWAP**

References are made to the announcements of the Company dated 15 May 2022, 13 April 2023, 30 January 2024, 31 January 2024, 7 June 2024 and 17 June 2024 (the “**Announcements**”) in relation to the total return swap transactions, including the First TRS Transaction, the Second TRS Transaction and the Third TRS Transaction (collectively, the “**Transactions**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

On 24 June 2026, the Company and Hantec Securities Co., Limited executed the Amendment and Restatement Deed (the “**2026 Deed**”) to modify the terms and conditions of the Transactions. Pursuant to the 2026 Deed, the parties have agreed to vary, among other matters, the Averaging Period, the Scheduled Termination Date, the Early Averaging Notification Period and the payment schedule payable by the Company to the TRS Counterparty under the Transactions.

Additionally, the 2026 Deed provides for three risk management enhancements applicable to all three Transactions: (i) an Extended Averaging Period, pursuant to which the Averaging Period will be extended to the Long-Stop Date in the event that the hedged Shares — being the shares held by the TRS Counterparty or any hedging party as part of any hedge position in connection with the Transactions — cannot be fully unwound by the relevant termination date; (ii) a Freeze Period, during which the TRS Counterparty’s obligation to return the Independent Amount will be suspended; and (iii) a Prolonged Suspension Event mechanism, under which a Transaction may be terminated early and settled by way of set-off following a prolonged suspension of trading. Further details are set out in the section headed “New provisions introduced under the 2026 Deed” below in this announcement.

## THE PRINCIPAL TERMS OF THE FIRST TRS TRANSACTION

A summary of the principal terms of the First TRS Transaction is set out below. The amendments are marked in bold and underlined for ease of reference.

<b>Trade Date:</b>	13 May 2022
<b>Effective Date:</b>	25 July 2022
<b>Equity Notional Amount:</b>	HK\$99,993,770
<b>Equity Amount Payer:</b>	The TRS Counterparty
<b>Fixed Amount Payer:</b>	The Company
<b>Averaging Period:</b>	The period beginning on <b><u>1 June 2028</u></b> and ending on, and including, the Averaging Period End Date. Notwithstanding the foregoing, if the Early Averaging Notice is given by one party to the other party on a business day during the Early Averaging Notification Period, the Averaging Period shall begin on, and include, the Averaging Period Early Commencement Date.
<b>Averaging Period End Date:</b>	The earlier of (i) the Scheduled Termination Date <b><u>or the Early Scheduled Termination Date (as applicable) (or, if the Extended Averaging Period provisions apply, the Long-Stop Date)</u></b> and (ii) the date on which the Remaining Number of Shares is reduced to zero.
<b>Early Averaging Notification Period:</b>	The period from, and including, <b><u>1 April 2027</u></b> to, and including, <b><u>14 April 2027</u></b> .
<b>Early Averaging Notice:</b>	Irrevocable notice in writing from one party to the other party, electing to commence the Averaging Period on the Averaging Period Early Commencement Date.
<b>Averaging Period Early Commencement Date:</b>	<b><u>2 June 2027</u></b>
<b>Independent Amount Top-up Amount:</b>	HK\$40,000,000

<b>Payment to be made by the Company to the TRS Counterparty:</b>	A fixed amount of HK\$3,800,000 is payable on 7 June 2024, <b><u>30 May 2025, 24 June 2026 and 30 May 2027</u></b> , or if such day is not a business day, the next following day that is a business day. Notwithstanding the foregoing, if the Early Averaging Notice is given by one party to the other party on a business day during the Early Averaging Notification Period, the Company shall not be obliged to pay the fixed amount which would otherwise be payable on <b><u>30 May 2027</u></b> .
<b>Payment to be received by the Company from the TRS Counterparty:</b>	<p>Provided that no early termination occurred at the end of the Averaging Period, the TRS Counterparty will pay the Company:</p> <ul style="list-style-type: none"> <li>– all dividends in respect of the hedged Shares received during the term of the First TRS Transaction, subject to adjustment for those received during the Averaging Period;</li> <li>– HK\$100,000,000 paid by the Company to the TRS Counterparty pursuant to the First TRS Transaction, plus or minus the amount being the positive or negative difference in the Final Price and Initial Price, i.e. Equity Notional Amount x (Final Price – Initial Price)/Initial Price.</li> </ul>
<b>Settlement:</b>	Payments will be made in Hong Kong Dollars.
<b>Indemnity:</b>	Not exceeding HK\$105 million in aggregate, incurred in connection with the TRS Counterparty or any other hedging party acquiring, establishing, re-establishing, substituting, maintaining, unwinding or disposing of any hedge positions as a result of any conditions precedent or conditions subsequent not being satisfied by the relevant time.
<b>Scheduled Termination Date:</b>	<b><u>2 October 2027, if the Early Averaging Notice is given by one party to the other party on a business day during the Early Averaging Notification Period; or 2 October 2028, if no Early Averaging Notice is given.</u></b>

## THE PRINCIPAL TERMS OF THE SECOND TRS TRANSACTION

A summary of the principal terms of the Second TRS Transaction is set out below. The amendments are marked in bold and underlined for ease of reference.

<b>Trade Date:</b>	11 April 2023
<b>Effective Date:</b>	16 June 2023
<b>Equity Notional Amount:</b>	HK\$99,999,110
<b>Equity Amount Payer:</b>	The TRS Counterparty
<b>Fixed Amount Payer:</b>	The Company
<b>Averaging Period:</b>	The period beginning on <b><u>18 June 2028</u></b> and ending on, and including, the Averaging Period End Date. Notwithstanding the foregoing, if the Early Averaging Notice is given by one party to the other party on a business day during the Early Averaging Notification Period, the Averaging Period shall begin on, and include, the Averaging Period Early Commencement Date.
<b>Averaging Period End Date:</b>	The earlier of (i) the Scheduled Termination Date <b><u>or the Early Scheduled Termination Date (as applicable) (or, if the Extended Averaging Period provisions apply, the Long-Stop Date)</u></b> and (ii) the date on which the Remaining Number of Shares is reduced to zero.
<b>Early Averaging Notification Period:</b>	The period from, and including, <b><u>17 April 2027</u></b> to, and including, <b><u>30 April 2027</u></b> .
<b>Early Averaging Notice:</b>	Irrevocable notice in writing from one party to the other party, electing to commence the Averaging Period on the Averaging Period Early Commencement Date.
<b>Averaging Period Early Commencement Date:</b>	<b><u>18 June 2027</u></b>
<b>Independent Amount Top-up Amount:</b>	HK\$40,000,000

**Payment to be made by the Company to the TRS Counterparty:**

A fixed amount of HK\$3,800,000 is payable on 17 July 2024, **17 June 2025, 24 June 2026 and 17 June 2027**, or if such day is not a business day, the next following day that is a business day. Notwithstanding the foregoing, if the Early Averaging Notice is given by one party to the other party on a business day during the Early Averaging Notification Period, the Company shall not be obliged to pay the fixed amount which would otherwise be payable on **17 June 2027**.

**Payment to be received by the Company from the TRS Counterparty:**

Provided that no early termination occurred at the end of the Averaging Period, the TRS Counterparty will pay the Company:

- all dividends in respect of the hedged Shares received during the term of the Second TRS Transaction, subject to adjustment for those received during the Averaging Period;
- HK\$100,000,000 paid by the Company to the TRS Counterparty pursuant to the Second TRS Transaction, plus or minus the amount being the positive or negative difference in the Final Price and Initial Price, i.e. Equity Notional Amount x (Final Price – Initial Price)/Initial Price.

**Settlement:**

Payments will be made in Hong Kong Dollars.

**Indemnity:**

Not exceeding HK\$105 million in aggregate, incurred in connection with the TRS Counterparty or any other hedging party acquiring, establishing, re-establishing, substituting, maintaining, unwinding or disposing of any hedge positions as a result of any conditions precedent or conditions subsequent not being satisfied by the relevant time.

**Scheduled Termination Date:**

**20 October 2027, if the Early Averaging Notice is given by one party to the other party on a business day during the Early Averaging Notification Period; or 20 October 2028, if no Early Averaging Notice is given.**

## THE PRINCIPAL TERMS OF THE THIRD TRS TRANSACTION

A summary of the principal terms of the Third TRS Transaction is set out below. The amendments are marked in bold and underlined for ease of reference.

<b>Trade Date:</b>	30 January 2024
<b>Effective Date:</b>	30 May 2024
<b>Equity Notional Amount:</b>	HK\$59,996,265
<b>Equity Amount Payer:</b>	The TRS Counterparty
<b>Fixed Amount Payer:</b>	The Company
<b>Averaging Period:</b>	The period beginning on <b><u>2 June 2028</u></b> and ending on, and including, the Averaging Period End Date. Notwithstanding the foregoing, if the Early Averaging Notice is given by one party to the other party on a business day during the Early Averaging Notification Period, the Averaging Period shall begin on, and include, the Averaging Period Early Commencement Date.
<b>Averaging Period End Date:</b>	The earlier of (i) the Scheduled Termination Date <b><u>or the Early Scheduled Termination Date (as applicable) (or, if the Extended Averaging Period provisions apply, the Long-Stop Date)</u></b> and (ii) the date on which the Remaining Number of Shares is reduced to zero.
<b>Early Averaging Notification Period:</b>	The period from, and including, <b><u>1 April 2027</u></b> to, and including, <b><u>14 April 2027</u></b> .
<b>Early Averaging Notice:</b>	Irrevocable notice in writing from one party to the other party, electing to commence the Averaging Period on the Averaging Period Early Commencement Date.
<b>Averaging Period Early Commencement Date:</b>	<b><u>2 June 2027</u></b>
<b>Independent Amount:</b>	HK\$60,000,000

**Payment to be made by the Company to the TRS Counterparty:**

A fixed amount of HK\$2,000,000 is payable on **24 June 2026 and 30 May 2027**, or if such day is not a business day, the next following day that is a business day. Notwithstanding the foregoing, if the Early Averaging Notice is given by one party to the other party on a business day during the Early Averaging Notification Period, the Company shall not be obliged to pay the fixed amount which would otherwise be payable on **30 May 2027**.

**Payment to be received by the Company from the TRS Counterparty:**

Provided that no early termination occurred at the end of the Averaging Period, the TRS Counterparty will pay the Company:

- all dividends in respect of the hedged Shares received during the term of the Third TRS Transaction, subject to adjustment for those received during the Averaging Period;
- HK\$60,000,000 paid by the Company to the TRS Counterparty pursuant to the Third TRS Transaction, plus or minus the amount being the positive or negative difference in the Final Price and Initial Price, i.e. Equity Notional Amount x (Final Price – Initial Price)/Initial Price.

**Settlement:**

Payments will be made in Hong Kong Dollars.

**Indemnity:**

Not exceeding HK\$105 million in aggregate, incurred in connection with the TRS Counterparty or any other hedging party acquiring, establishing, re-establishing, substituting, maintaining, unwinding or disposing of any hedge positions as a result of any conditions precedent or conditions subsequent not being satisfied by the relevant time.

**Scheduled Termination Date:**

**2 October 2027, if the Early Averaging Notice is given by one party to the other party on a business day during the Early Averaging Notification Period; or 2 October 2028, if no Early Averaging Notice is given.**

## NEW PROVISIONS INTRODUCED UNDER THE 2026 DEED

### (i) Extended Averaging Period

The 2026 Deed further provides for an “Extended Averaging Period”. If, on the Scheduled Termination Date or Early Scheduled Termination Date (as applicable), the Remaining Number of Shares is greater than zero due to one or more Disrupted Days during the Averaging Period (being days on which the TRS Counterparty was unable, despite commercially reasonable efforts, to unwind any portion of its Hedge Position), the Averaging Period End Date will be extended until the earlier of (a) the date on which the Remaining Number of Shares is reduced to zero; and (b) the date falling one hundred Exchange Business Days after the Long-Stop Date.

### (ii) Freeze Period for Independent Amount Return Obligation

The 2026 Deed also introduces a “Freeze Period”, being the period commencing on the third consecutive scheduled trading day on which the Shares are suspended from trading (the date on which a 100% haircut applies to the market value of the Hedge Shares under the Securities and Futures (Financial Resources) Rules (Cap. 571N)) and ending on the earlier of the Provisional Close-Out Date and the date on which trading in the Shares resumes.

During any Freeze Period, the TRS Counterparty’s obligation to transfer any Independent Amount return amount or other return amount to the Company (other than on the Termination Date) is suspended and unenforceable, and any such non-transfer will not constitute an event of default, termination event or breach under the relevant agreements. The Independent Amount Balance will remain on the TRS Counterparty’s balance sheet and be available to satisfy applicable regulatory capital, liquidity and haircut requirements. Upon expiry of the Freeze Period (other than by reason of a Provisional Close-Out Date), the suspended obligations will resume in accordance with the terms of the relevant Transaction.

### (iii) Prolonged Suspension Event

A “Prolonged Suspension Event” arises where the Shares are suspended from trading on the Stock Exchange and such suspension continues up to the relevant commencement date of the Averaging Period or the (Early) Scheduled Termination Date, as applicable. Upon such an event, the relevant Transaction will be terminated on the Provisional Close-Out Date (being three business days after the event, or such earlier date as the parties may agree), and no Equity Amount will be payable by either party.

On the Provisional Close-Out Date, the Independent Amount Balance (being the Initial Amount previously paid by the Company to the TRS Counterparty) will be automatically set off against an equal Provisional Amount deemed to be due and payable by the Company to the TRS Counterparty, with the result that, after such set-off, neither party will have any payment obligation to the other in respect of those amounts.

The TRS Counterparty will retain the hedged Shares and use commercially reasonable efforts to dispose of them within one hundred Exchange Business Days following resumption of trading in the Shares (which period may be extended where market liquidity constraints prevent full disposal), subject to a daily disposal limit. Within ten business days following the end of the disposal period, the TRS Counterparty will pay the Company a True-Up Settlement Amount equal to the net proceeds of disposal of the hedged Shares (after deducting reasonable and documented transaction costs).

## **REASONS FOR AND EFFECT OF EACH OF THE AMENDMENTS**

The purpose of the Company's entering into TRS Transactions is to hedge against the risk of increasing costs in acquiring its Shares for its share award scheme ("**Scheme**") or for other matters in the future, aiming to mitigate the impact of potential share price appreciation.

The First TRS Transaction, the Second TRS Transaction and the Third TRS Transaction were amended due to the anticipated delay in implementing the share acquisition plan under the Scheme, now set for 2026. Instead of initiating new TRSs upon the expiration of the existing three, the Company chose to extend them, which will significantly reduce transactions and legal costs.

The amendments also introduce certain risk management and settlement enhancement mechanisms, including the Extended Averaging Period, the Freeze Period and the Prolonged Suspension Event arrangements. These mechanisms are intended to provide greater certainty and flexibility in setting TRS positions during market disruption or prolonged suspension of trading in the Shares, as well as to facilitate orderly unwinding and settlement of hedge positions. The Directors consider that such arrangements are commercially reasonable, on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION RELATING TO THE TRS COUNTERPARTY**

Hantec Securities Co., Limited, a licensed corporation for carrying on type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, based on the information available to the Company, Hantec Securities Co., Limited is ultimately wholly owned by Mr. Or Wai Sheun (柯為湘先生), who is a third-party independent of the Company and is not a connected person to the Company.

## INFORMATION RELATING TO THE GROUP

The Group is principally engaged in the engineering construction service by providing residential, commercial and industrial users with gas pipeline and infrastructure laying and installation and transportation, distribution and sales of gases including natural gas and compressed natural gas (CNG) and production and sales of liquefied natural gas (LNG) in bulk and in cylinders in certain cities of the PRC.

## IMPLICATIONS UNDER THE LISTING RULES

The Directors consider that the entry of the 2026 Deed constitutes a material change to the terms of the First TRS Transaction, the Second TRS Transaction and the Third TRS Transaction and therefore the Company shall re-comply with the requirements under Rule 14.36 of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the 2026 Deed exceed 5% but all are less than 25%, the entry of the 2026 Deed constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

By Order of the Board  
**Tian Lun Gas Holdings Limited**  
**Xian Zhenyuan**  
*Chairman*

Zhengzhou, the PRC, 24 June 2026

*As at the date of this announcement, the executive Directors are Mr. Xian Zhenyuan (Chairman and Chief Executive), Ms. Li Tao, Mr. Xiao Hui and Ms. Zhang Baixuan; the non-executive Directors are Ms. Chen Hong and Mr. Zhang Daoyuan; and the independent non-executive Directors are Mr. Li Liuqing, Mr. Lei Chunyong, Ms. Zhou Lin, and Ms. Tao Xiaohui.*