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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)

TOTAL RETURN SWAP

This announcement is made by the Board on a voluntary basis.

TOTAL RETURN SWAP

On 13 May 2022, the Company entered into the TRS Transaction with the TRS Counterparty. The maximum Equity Notional Amount of the TRS Transaction is HK\$100 million. The TRS Transaction will be no less than 12 months.

REASONS FOR AND BENEFITS OF THE TRS TRANSACTION

The Company entered into the TRS Transaction in accordance with the relevant terms, in a bid to hedge the risk of increasing cost of acquiring the Shares caused by the Company's future Share price appreciation. The Company has established a trust for the share award scheme, and the Board believes that entering into the TRS Transaction in accordance with the relevant terms may hedge the risk of increasing price faced by the Company in the acquisition of the Shares under the scheme or for other matters in the future.

On the basis of the reasons above and having regard to all relevant factors and considerations, the Board believes that the terms of the TRS Transaction are fair and reasonable, and the entering into of the TRS Transaction on such terms is in the interests of the Company, the Group and the Shareholders as a whole.

Implications under the Listing Rules

As none of the applicable percentages under Rule 14.07 of the Listing Rules in relation to the TRS Transaction is 5% or more, the TRS Transaction is not subject to any of the reporting, announcement or shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the TRS Counterparty is a third party independent of the Company and is not a connected person of the Company. As such, the TRS Transaction is not regarded as a connected transaction under Chapter 14A of the Listing Rules.

Shareholders and potential investors are advised to exercise caution in dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Company”	Tian Lun Gas Holdings Limited (天倫燃氣控股有限公司), 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
“Director(s)”	the director(s) of the Company
“Equity Notional Amount”	an amount in HK\$ equal to the initial price multiplied by the number of Shares underlying the TRS Transaction, subject to a maximum of HK\$100 million
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TRS Counterparty”	Hantec Securities Co. Limited
“TRS Transaction”	the total return swap transaction entered into by the Company with the TRS Counterparty on 13 May 2022

By Order of the Board
Tian Lun Gas Holdings Limited
Zhang Yingcen
Chairman

Zhengzhou, the PRC, 15 May 2022

As at the date of this announcement, the executive Directors are Mr. Zhang Yingcen (Chairman), Mr. Xian Zhenyuan (Chief Executive), Ms. Qin Ling, Mr. Liu Min and Ms. Li Tao; the non-executive Director is Ms. Chen Hong; and the independent non-executive Directors are Mr. Liu Jin, Mr. Li Liuqing, Ms. Zhao Jun and Ms. Ou Yaqun.