

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA LNG GROUP LIMITED

中國天然氣集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 931)

VOLUNTARY ANNOUNCEMENT SALE OF SHARES BY THE MAJOR SHAREHOLDER AND INTEREST FREE LOAN TO THE COMPANY AND REDUCTION OF INTEREST RATE CHARGED ON LOANS TO THE COMPANY

This announcement is made by China LNG Group Limited (the “**Company**”) on a voluntary basis.

SALE OF SHARES BY THE MAJOR SHAREHOLDER

The board (the “**Board**”) of directors (the “**Directors**”) of the Company was informed by Dr. Kan Che Kin, Billy Albert (“**Dr. Kan**”), an executive Director, the chairman of the Board and the major shareholder (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company that on 30 October 2023, Dr. Kan has entered into agreements with 8 individuals (the “**Purchasers**”) to dispose of a total of 129,746,000 shares (the “**Disposal**”) with a par value of HK\$0.02 each in the share capital of the Company (the “**Shares**”) at favourable terms, representing approximately 2.26% of the total issued share capital of the Company, by way of off-market trades at the price of HK\$0.43 per Share.

To the best knowledge of Dr. Kan, the Purchasers are 2 staff members of the Company and 6 of their close friends.

Immediately before the Disposal, pursuant to the Securities and Futures Ordinance, Dr. Kan was interested in 3,491,717,139 Shares, representing approximately 60.79% of the total issued share capital of the Company. Immediately after the completion of the Disposal, Dr. Kan is interested in 3,361,971,139 Shares, representing approximately 58.53% of the total issued share capital of the Company.

As at the date of this announcement and immediately upon completion of the Disposal, Dr. Kan remains and will remain the major shareholder of the Company.

The Company welcomes the sale of Shares by Dr. Kan to staff of the Company as it clearly is an act of self-confidence by the Company's staff toward the future development of the Company.

The Board considers that the Disposal will not have any material adverse effect on the operations of the Company.

INTEREST FREE LOAN BY THE MAJOR SHAREHOLDER

The Company voluntarily advises that, further to the two interest free loans totaling RMB40 million as announced by the Company on 24 October 2023, Dr. Kan has lent another interest free loan of RMB30 million to the Company on 30 October 2023.

The interest free period of the RMB30 million loan is maturing on 31 March 2024 and the interest rate charge will be 5% per annum thereafter, the loan is intended to fulfill the working capital of the Group in its recent business developments. The Board assesses that the 5% annual interest rate charged on the subject loan is very favorable to the Company as it is a lot lower than any bank or other lender's lending rate.

Furthermore, Mr. Kan has also informed the Company that he has amended on 30 October 2023 the interest free period of the two prior loans mentioned above totaling RMB40 million to coincide with that of the new loan made to the Company as of today, that is the free interest for a minimum term of 3 months will be extended to 31 March 2024 and the annual interest rate charge will be 5% thereafter.

REDUCTION OF INTEREST RATE CHARGED ON LOANS TO THE COMPANY

The Company voluntarily advises that, on 30 October 2023, the Company and Mr. Kan has reached an agreement to reduce all outstanding loans that are subject to loan interest charges (that is excluding the RMB30 million and RMB40 million mentioned above) made by Mr. Kan to the Company from 17 January 2018 totaling an equivalent of HK\$479,623,087 from annual loan interest charges of 8% or 5% to a standard loan interest rate charge of 5%. The Board assesses that the 5% annual interest rate charged on the subject loan is very favorable to the Company as it is a lot lower than any bank or other lender's lending rate.

The principal amount of all loans granted by Mr. Kan to the Company as of 30 October 2023 amounted to an equivalent of HK\$555,223,087.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in securities of the Company.

By order of the Board
China LNG Group Limited
Kan Che Kin, Billy Albert
Chairman

Hong Kong, 30 October 2023

As at the date of this announcement, the Board comprises three executive Directors, namely Dr. Kan Che Kin, Billy Albert (Chairman), Mr. Deng Yaobo (chief executive officer) and Mr. Li Kai Yien, Arthur Albert; and three non-executive Directors, namely Dr. Lam, Lee G., Mr. Simon Murray and Mr. Xiao Cong; and three independent non-executive Directors, namely Mr. Li Siu Yui, Mr. Chow Ching Ning and Mr. Lam Lum Lee.

* For identification purpose only