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**JY GAS LIMITED**  
**交運燃气有限公司**

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

**(Stock Code: 1407)**

**INSIDE INFORMATION ANNOUNCEMENT**

This announcement is made by JY GAS LIMITED (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) 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).

Reference is made to the announcement of the Company dated 25 August 2023, which mentioned an incident of natural gas explosion within the Group’s operating area in Gaomi City (the “**Incident**”). In connection with the Incident, the relevant authorities have concluded its investigation, details of which could be publicly accessed at the website of Weifang City government at [http://yj.j.weifang.gov.cn/xwzx/sgxx/202309/t20230927\\_6251113.html](http://yj.j.weifang.gov.cn/xwzx/sgxx/202309/t20230927_6251113.html).

Each of (1) Gaomi Jiaoyun Natural Gas Co., Ltd.\* (高密市交運天然氣有限公司) (“**Jiaoyun Gas**”), a subsidiary of the Company; (2) Mr. Luan Linxin, the legal representative, executive director and general manager of Jiaoyun Gas and an executive director of our Company; and (3) Mr. Li Hong, a deputy manager of Jiaoyun Gas and a senior management of our Company, received a notice of administrative penalty (行政處罰告知書) issued by the Weifang City Ministry of Emergency Management (濰坊市應急管理局) for violation of provisions under the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》). Such penalties in the respective amounts of RMB1,000,000, RMB147,080 and RMB15,834 have been paid on 24 October 2023.

Jiaoyun Gas is currently in the process of negotiating and finalizing the amount of compensation to be paid to victims of the Incident. As at the date of this announcement, save as disclosed, no other legal proceedings have been lodged against the Group or directors of the Company in relation to the Incident.

Since the Incident, the Group has issued internal reprimands to relevant employees, established an internal emergency investigation group to lead the rectification work in connection with the Incident, and submitted a rectification plan to relevant government authorities. Pursuant to the

rectification plan, independent inspectors were engaged to inspect the safety of its natural gas pipelines, equipment and facilities, enhanced safety standards for construction and inspection have been formulated, and additional trainings on safety will be given to relevant employees.

The Company will keep its shareholders and potential investors informed of any further material development by way of announcement(s) as and when appropriate.

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

By Order of the Board

**JY GAS LIMITED**

**Luan Linjiang**

*Chairman of the Board*

Hong Kong, 31 October 2023

*\*for identification purpose only*

*As at the date of this announcement: (1) the chairman and executive Director is Mr. Luan Linjiang; (2) the executive Directors are Mr. Luan Xiaolong and Mr. Luan Linxin; and (3) the independent non-executive Directors are Mr. Wei Yi, Mr. Tian Qiang and Ms. Liu Xiaoye.*