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TL Natural Gas Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8536)

SUPPLEMENTAL PLACING AGREEMENT IN RELATION TO THE PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent to the Company



Reference is made to the announcement of TL Natural Gas Holdings Limited (the “**Company**”) dated 31 October 2023 (the “**Announcement**”) in respect of the placing of new shares of the Company. Unless defined otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

SUPPLEMENTAL PLACING AGREEMENT

On 21 November 2023 (after trading hours), the Company and the Placing Agent entered into a supplemental placing agreement (the “**Supplemental Placing Agreement**”), pursuant to which the following amendments have been made to the Placing Agreement:

1. Change of the Placing Price

The definition of the “Placing Price” in the Placing Agreement has been amended from HK\$0.45 per Placing Shares to HK\$0.65 per Placing Share (the “**New Placing Price**”) under the Supplemental Placing Agreement.

New Placing Price

The New Placing Price of HK\$0.65 represents:

- i. a discount of approximately 18.75% to the closing price of HK\$0.800 per Share as quoted on the Stock Exchange on 21 November 2023, being the date of the Supplemental Placing Agreement; and
- ii. a discount of approximately 17.93% to the average closing price of HK\$0.792 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Supplemental Placing Agreement.

The New Placing Price was determined after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market price of the Shares on the Stock Exchange. The Directors consider that the New Placing Price is fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

Based on the New Placing Price, the maximum gross proceeds from the Placing will be HK\$23,043,150. The maximum net proceeds from the Placing (after deducting the commission payable to the Placing Agent, professional fee and other related costs and expenses incurred in the Placing) will be approximately HK\$22 million, and the net price per Placing Share is approximately HK\$0.62. The net proceeds from the Placing will be used for investment in renewable energy related businesses including the relevant facilities and equipment, and general working capital of the Group.

2. Change of the Long Stop Date for the Placing Agreement

As additional time is required for fulfilment of the conditions under the Placing Agreement, the Long Stop Date contemplated under the Placing Agreement has been extended from 21 November 2023 to 12 December 2023 (or such later date as may be agreed between the Placing Agent and the Company) under the Supplemental Placing Agreement.

EFFECTS OF THE AMENDMENTS UNDER THE SUPPLEMENTAL PLACING AGREEMENT

Save and except for the aforesaid amendments of the Placing Price and the Long Stop Date under the Placing Agreement, all other terms of the Placing Agreement shall remain unchanged and the Placing Agreement (as supplemented by the Supplemental Placing Agreement) shall remain in full force and effect. Accordingly, save and except for the changes made to the arrangement in connection with the Placing stipulated in this announcement, there are no further changes to the Placing.

GENERAL

The Placing is not subject to Shareholders' approval as the Placing Shares will be issued under the existing General Mandate.

Pursuant to the termination provision in the Placing Agreement, the Placing Agent has the right in certain circumstances, in the discretion of the Placing Agent, to terminate the Placing Agreement prior to the conditions precedent in the Placing Agreement being fulfilled. Shareholders and potential investors should note that the Placing is also subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
TL Natural Gas Holdings Limited
LIU Yong Cheng
Executive Director, Chairman and Chief Executive Officer

Hong Kong, 21 November 2023

As at the date of this announcement, the Board comprises Mr. LIU Yong Cheng, Mr. LIU Yong Qiang and Mr. LIU Yong Sheng as executive Directors; and Ms. LUO Hongru, Ms. ZENG Li and Mr. YEUNG Chun Yue David as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page on the website of the Stock Exchange of Hong Kong Limited at www.hkexnews.hk for a minimum period of seven days from the date of its publication and on the Company’s website at www.tl-cng.com.