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TL Natural Gas Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8536)

VOLUNTARY ANNOUNCEMENT POTENTIAL COLLABORATION

This is a voluntary announcement made by TL Natural Gas Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to provide the shareholders and potential investors of the Company an update on the latest business development of the Group.

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 17 November 2023, the Company entered into a memorandum of understanding (the “**MOU**”) with Carbonis Inc. (“**Carbonis**”).

Pursuant to the MOU, the Company and Carbonis intend to collaborate with each other so as to bring mutual benefits to both parties, and the collaboration may be in the form of, including but not limited to the following aspects:

1. Carbonis shall provide consultancy services and shares its expertise and knowledge in carbon credits related project developments including all types of carbon credits related investments;
2. Carbonis shall assist the Company in meeting its carbon neutral commitment and ESG reporting obligations; and
3. the Company and Carbonis shall provide each other with mutual support, including supporting each other to promote its business within industry and sharing with each other information about community events.

The MOU shall be effective for a period of one year commencing from the date of the MOU, unless terminated by not less than one month’s prior written notice to the other party during the term of the MOU.

The parties to the MOU shall enter into formal written agreements to set out the terms and conditions of the collaboration between the Company and Carbonis.

REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU

The Group is principally engaged in the sales of compressed natural gas and liquefied natural gas and provision of transmission service in the PRC. The Board is of the view that the collaboration with Carbonis allows the Group to navigate the carbon credits and carbon neutral landscape, ensuring compliance with ESG reporting requirements and meeting carbon neutral commitments. The transactions contemplated under the MOU, if materialised, are expected to bring new business opportunities to the Group, which is in the interest of the Company and its shareholders as a whole.

BACKGROUND OF THE STRATEGIC PARTNER

Carbonis is a company, based in Wyoming, the United States, dedicated to digitising real-world assets, with a strong focus on carbon credits and environmental sustainability. As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Carbonis and its ultimate beneficial owner(s) are independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and Directors, chief executives, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates.

GENERAL

The MOU only represents a memorandum of understanding between the Company and Carbonis. The implementation of the transactions contemplated under the MOU is subject to the formal agreement(s) to be ultimately entered into, and may or may not materialise as described in this announcement. Should any formal agreement(s) in relation to the MOU be entered into, the Company will comply with the relevant requirements under the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"), where applicable.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares 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, 17 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.