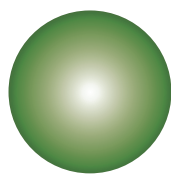


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元亨燃氣
YUANHENG GAS

YUAN HENG GAS HOLDINGS LIMITED

元亨燃氣控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 332)

PROFIT WARNING

This announcement is made by Yuan Heng Gas Holdings 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (“**SFO**”).

The board (the “**Board**”) of directors of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the information currently available to the Board and the unaudited consolidated managements accounts of the Group for the financial year ended 31 March 2024 (“**FY23-24**”), the Group is expected to record:

- (a) a decrease in gross amounts from operations of about 33% (about RMB4,969 million for FY23-24) as compared with about RMB7,446 million for the prior year ended 31 March 2023 (“**FY22-23**”);
- (b) a decrease in the gross profit of about 70% (about RMB77 million for FY23-24) as compared with about RMB251 million for FY22-23;
- (c) a loss attributable to the owners of the Company for FY23-24 of about RMB165 million as compared with a profit attributable to the owners of the Company for FY22-23 of RMB27 million; and
- (d) a significant loss for FY23-24 of about RMB171 million as compared with a loss of about RMB28 million for FY22-23.

The Board considers that:

- (i) the decrease in the gross amounts from operations and the gross profit were mainly attributable to the continued decrease in the global average selling price of natural gas and oil products where our Group sourced our raw products and where the selling prices of our processed product were referenced to, which squeezed our Group's profit margin as it would be difficult to reduce the fixed costs of our Group's operations; and that our Group's other business segment, the Sales of Piped Gas segment, has not resumed operation as no material progress or settlement has been made by the Board with the counterparties and the PRC government authorities so far; and
- (ii) apart from the abovementioned factors which resulted in the decrease in gross amounts from operations and the gross profit which result in the increase in the loss attributable to the owners of the Company and loss of the Group, such increases were also attributable to a significant increase in impairment loss on certain trade receivables of about RMB156 million for FY23-24 (FY22-23: about RMB1.3 million) to be recognised under the expected credit loss model as these trade receivables have become overdue and not repaid as at 31 March 2024.

The financial information contained in this announcement is based on a preliminary assessment by the Board based on the information currently available, including the Group's unaudited consolidated management accounts for FY23-24, which have not been finalised and are subject to audit or further review by the Company's independent auditors. The actual results of the Group for FY23-24 may be subject to further adjustment based on updated information and further review by the audit committee of the Board. The information contained in this announcement is for Shareholders' and investors' reference only. Further details of the Group's financial performance shall be disclosed in the Company's results announcement for FY23-24 which is expected to be published on 28 June 2024.

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

On behalf of the Board
Yuan Heng Gas Holdings Limited
Wang Jianqing
Chairman and Chief Executive Officer

Hong Kong, 24 June 2024

As at the date of this announcement, the executive Directors are Mr. Wang Jianqing and Mr. Bao Jun; and the Independent non-executive Directors are Dr. Leung Hoi Ming, Mr. Wong Chi Keung and Mr. Wong Siu Hung Patrick.