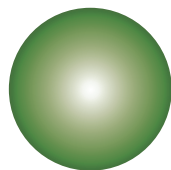


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元亨燃氣

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 the Company pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary assessment of the information currently available to the Board, the Group's consolidated profit attributable to the owners of the Company for the six months period ended 30 September 2018 is expected to decrease as compared to that for the corresponding period in 2017.

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

This announcement is made by Yuan Heng Gas Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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, based on the preliminary assessment of the information currently available to the Board, the Group's consolidated profit attributable to owners of the Company for the six months period ended 30 September 2018 is expected to decrease as compared to that for the corresponding period in 2017.

Based on the information currently made available, the gross profit margin has increased compare with the same period of last year, but the expected remain decrease in profit is principally attributable to (1) the decrease in non-recurring income primarily arising from the arbitral award received by the Group on 9 November 2017 which resulted in recognition of an interest income of approximately RMB43,612,000 and the damages claim of approximately RMB19,075,000 in prior period; and (2) the increase in finance costs in relation to the additional loans and financing obtained by the Group.

Notwithstanding the above, the management has (1) sought and explored the expansion of its LNG downstream distribution channel through proposed collaboration with industry player(s) and/or state-owned enterprises; (2) formulated strategic cooperation with global renowned oil and gas supplier to facilitate the trading business of the Group; (3) sought to further expand collaboration with quality end users of natural gas, which is expected to make positive contribution to the business and operations of the Group; (4) actively sought business opportunities to diversify the Group's business and/or portfolio; and (5) implemented strategies of cost control and increased efficiency through technology and management innovation. The Company will make further announcements in accordance with the Listing Rules, if applicable.

The information contained in this announcement is only based on a preliminary assessment by the management of the Company based on the information currently made available (including the Group's unaudited consolidated management accounts, which are not audited by the Company's auditor). The actual results of the Group for the six months period ended 30 September 2018 may be different from what is disclosed herein. Further details of the Group's financial performance shall be disclosed in the Company's interim results announcement for six months period ended 30 September 2018.

Shareholders of the Company and potential investors are advised to exercise caution in 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, 13 November 2018

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