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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 year ended 31 March 2019 is expected to decrease as compared to that for the corresponding period in 2018.

**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 that, 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 year ended 31 March 2019 is expected to decrease as compared to that for the corresponding period in 2018.

Based on the information currently available, the expected decrease in the net profit of the Group for the year ended 31 March 2019 as compared to that for the corresponding period in 2018 is principally attributable to (1) the decrease in gross profit margin due to stiff competition in the LNG market, both locally and internationally; (2) the decline in other income due to decrease in non-recurring income recorded in the previous financial year; and (3) the increase in finance costs as a result of additional borrowings and financing obtained by the Group.

Notwithstanding the above and in view of the potential impacts of the Sino-US trade war on business and consumer confidence, as well as market sentiment, which in turn may affect the Group's business, the management will continue to strengthen its cost control and improve operational efficacy through business streamlining, use of technology and management innovation while at the same time seek to (1) further its cooperation with globally renowned oil and gas suppliers to facilitate the trading business of the Group, (2) expand its downstream LNG distribution network and (3) explore new business opportunities to diversify the Group's business and/or portfolio. 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 year ended 31 March 2019 may be different from what is disclosed herein. Further details of the Group's financial performance shall be disclosed in the Company's annual results announcement for the year ended 31 March 2019.

**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, 31 May 2019

*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.*