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PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on the currently available information, the Board wishes to inform the Shareholders and potential investors that the Group is expected to record a decrease in net profit by approximately 35% to 55% for the year ended 31 December 2019 as compared to the year ended 31 December 2018.

If the effect of non-recurring listing expenses recognised in profit or loss of our Group for the year ended 31 December 2018 of approximately RMB16.6 million is excluded, the Group is expected to record a decrease in net profit by approximately 50% to 70% for the year ended 31 December 2019 as compared to the year ended 31 December 2018.

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

This announcement is made by Sino Gas Holdings Group 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 (Chapter 571 of the Laws of Hong Kong).

Based on the currently available information, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a decrease in net profit by approximately 35% to 55% for the year ended 31 December 2019 as compared to the year ended 31 December 2018 .

If the effect of non-recurring listing expenses recognised in profit or loss of our Group for the year ended 31 December 2018 of approximately RMB16.6 million is excluded, the Group is expected to record a decrease in net profit by approximately 50% to 70% for the year ended 31 December 2019 as compared to the year ended 31 December 2018.

The Board considers that the changes in the annual results are mainly due to the impact of the replacement of some liquefied petroleum gas (the “LPG”) vehicles with liquefied natural gas and electric vehicles and the intensification of market competition in the region where the Group operates, resulting in a significant decrease in the sales volume and gross profit of LPG for vehicles during the current year.

The Board will continue to closely review the strategies and operations of the Group and make timely adjustments to the business strategy.

As the Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2019, the information contained in this announcement is only based on the Board’s preliminary assessment of the Group’s unaudited consolidated management accounts, and may be subject to adjustments. The actual results of the Group for the year ended 31 December 2019 have not been finalised and have not been audited or reviewed by the auditors of the Company. The actual results of the Group for the year ended 31 December 2019 to be published may be different from what is contained in this announcement. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2019.

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

By Order of the Board
Sino Gas Holdings Group Limited
Mr. Ji Guang
Chairman

Hong Kong, 3 March 2020

As at the date of this announcement, the directors of the Company are:

Executive Directors:

Mr. Ji Guang (*Chairman and Chief Executive Officer*)

Ms. Ji Ling (*Vice-Chairman*)

Ms. Cui Meijian

Mr. Zhou Feng

Independent non-executive Directors:

Mr. Sheng Yuhong

Mr. Wang Zhonghua

Dr. Zheng Jian Peng