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Zhonghua Gas Holdings Limited
(中華燃氣控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8246)

PROFIT WARNING

This announcement is made by Zhonghua Gas Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of the Company wishes to inform the shareholders and potential investors of the Company that, based on the information currently available to the Board and the preliminary review of the relevant unaudited consolidated management accounts of the Group for the three months ended 31 March 2023 (the “**2023 First Quarter**”), the Group is expected to record an increase in net loss after tax by 27.9% from approximately RMB12.6 million for the corresponding period in 2022 to approximately RMB16.2 million for the 2023 First Quarter.

Even though the revenue of the 2023 First Quarter was increased by 13.1% when compared to corresponding period in 2022 (from approximately RMB108.8 million to approximately RMB123.0 million), and the gross loss was decreased from approximately RMB2.3 million (a gross loss margin of 2.2%) for the corresponding period in 2022 to approximately RMB1.7 million (a gross loss margin of 1.4%) for the 2023 First Quarter, the Group still recorded an increase in net loss after tax for the 2023 First Quarter. Such increase in net loss after tax was mainly attributable to (i) an increase in allowance of impairment on trade receivables from approximately RMB9.0 million for the corresponding period in 2022 to approximately RMB14.3 million for the 2023 First Quarter; and (ii) an increase in administrative expenses from approximately RMB4.8

million for the corresponding period in 2022 to approximately RMB6.7 million for the 2023 First Quarter, which was mainly due to increase in travelling expenses and salaries and other allowances.

As the Company is still in the course of preparing the unaudited consolidated financial results of the Group for the 2023 First Quarter, the information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the 2023 First Quarter and the information currently available to the Board as at the date hereof. The unaudited consolidated management accounts of the Group for the 2023 First Quarter and such information have neither been confirmed nor audited by the auditors of the Company or the audit committee of the Company and may be subject to amendments. Shareholders and potential investors of the Company are advised to read carefully the quarterly results announcement of the Company for the 2023 First Quarter when it is published in accordance with the GEM Listing Rules.

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

By Order of the Board
Zhonghua Gas Holdings Limited
Chan Wing Yuen, Hubert
Chief Executive Officer and Executive Director

Hong Kong, 28 April 2023

As at the date of this announcement, the executive Directors are Mr. Hu Yishi, Mr. Chan Wing Yuen, Hubert, Ms. Lin Min, Mindy and Ms. Kwong Wai Man, Karina; and the independent non-executive Directors are Ms. Ma Lee, Mr. Lau Kwok Kee and Ms. Qin Xuwen.

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 GEM website at www.hkgem.com and, in the case of this announcement, on the “Latest Listed Company Information” page for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at www.8246hk.com.