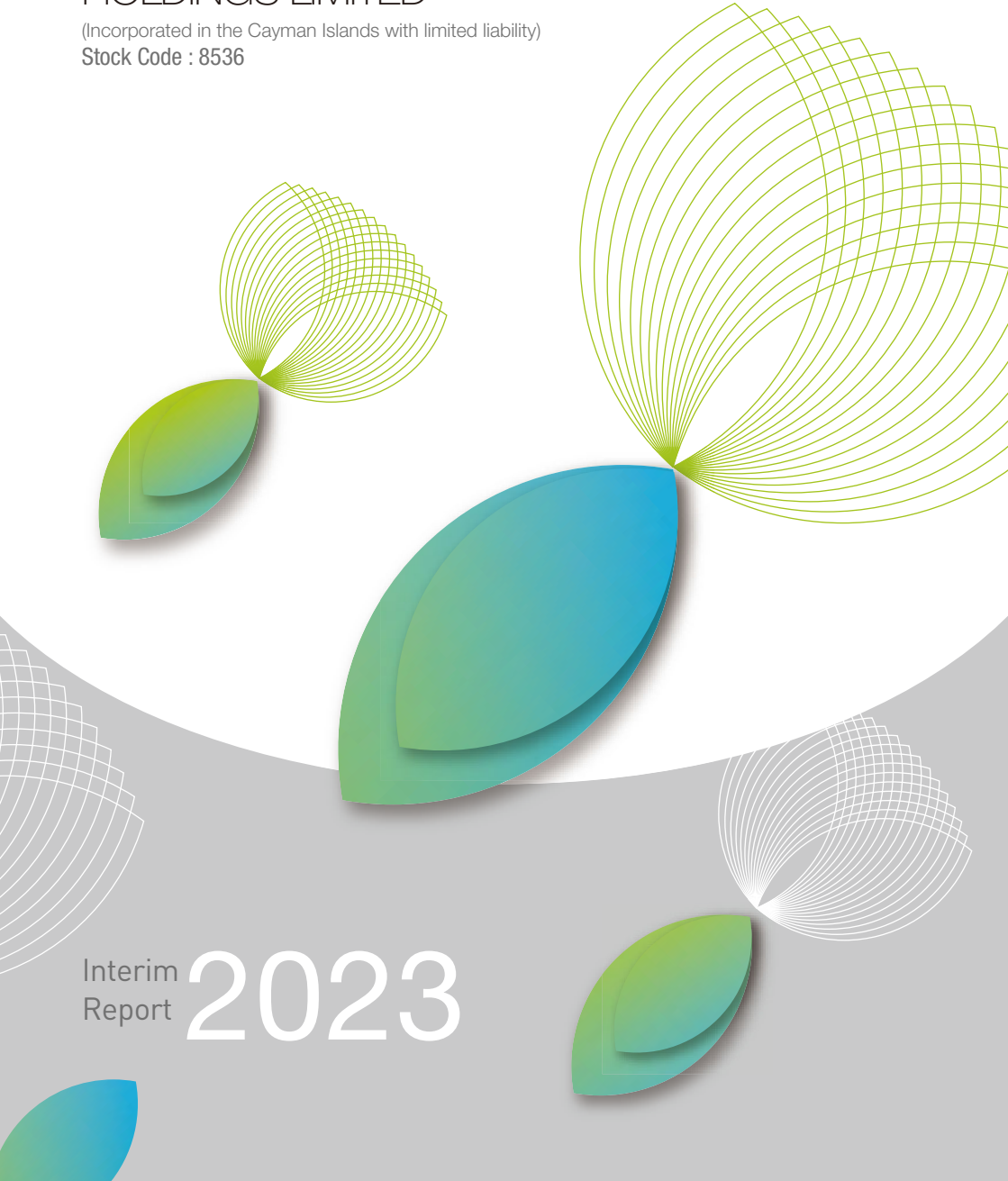


TL NATURAL GAS HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 8536



Interim
Report 2023



CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “Directors”) of TL Natural Gas Holdings Limited (the “Company”, and together with its subsidiaries, the “Group”, “we” or “our”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report 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 report misleading.

Unless otherwise stated, all monetary figures are expressed in Renminbi (“RMB”).

In the context of this report, compressed natural gas (“CNG”) refers to natural gas that has been compressed to a high density through high pressure and is used as a clean alternative fuel for vehicles. Liquefied natural gas (“LNG”) refers to natural gas that has been converted to liquid form.

This report will remain on the “Latest Listed Company Information” page on the website of the Stock Exchange of Hong Kong Limited at www.hkexnews.hk for a minimum period of seven days from the date of its publication and on the Company’s website at www.tl-cng.com.



UNAUDITED INTERIM RESULTS

The board of Directors (the "Board") is pleased to report the unaudited condensed consolidated financial results of the Group for the three months and the six months ended 30 June 2023 (the "Period"), together with the unaudited comparative figures for the corresponding period in 2022, are as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months and the six months ended 30 June 2023

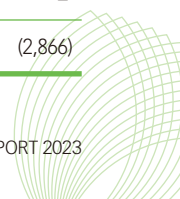
	Notes	Three months ended 30 June		Six months ended 30 June	
		2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
REVENUE	4	16,461	16,010	31,286	27,067
Cost of sales		(14,648)	(12,251)	(27,553)	(22,822)
Gross profit		1,813	3,759	3,733	4,245
Other income	4	161	67	214	187
Selling and distribution expenses		(129)	(164)	(278)	(281)
Administrative expenses		(2,806)	(3,870)	(6,419)	(6,390)
Finance costs	6	(39)	(148)	(82)	(192)
LOSS BEFORE TAXATION	5	(1,000)	(356)	(2,832)	(2,431)
Taxation	7	-	(27)	-	(27)
LOSS FOR THE PERIOD		(1,000)	(383)	(2,832)	(2,458)
Attributable to:					
Owners of the Company		(922)	(383)	(2,720)	(2,458)
Non-controlling interests		(78)	-	(112)	-
		(1,000)	(383)	(2,832)	(2,458)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Basic and diluted (cents)	8	(0.52)	(0.22)	(1.53)	(1.39)



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and the six months ended 30 June 2023

	Three months ended 30 June		Six months ended 30 June	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
LOSS FOR THE PERIOD	(1,000)	(383)	(2,832)	(2,458)
OTHER COMPREHENSIVE EXPENSE				
Other comprehensive expense that may be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations	(2,587)	(1,984)	(1,769)	(702)
Net other comprehensive expense that may be reclassified to profit or loss in subsequent periods	(2,587)	(1,984)	(1,769)	(702)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of the Company's financial statements	2,303	569	1,780	294
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	2,303	569	1,780	294
OTHER COMPREHENSIVE (EXPENSE) INCOME FOR THE PERIOD, NET OF TAX	(284)	(1,415)	11	(408)
TOTAL COMPREHENSIVE EXPENSE FOR THE PERIOD	(1,284)	(1,798)	(2,821)	(2,866)
Attributable to:				
Owners of the Company	(1,206)	(1,798)	(2,709)	(2,866)
Non-controlling interests	(78)	-	(112)	-
	(1,284)	(1,798)	(2,821)	(2,866)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Note	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		19,455	20,904
Right-of-use assets		4,126	4,973
Other intangible assets		12	16
Deferred tax assets		1,898	1,898
Advance payments for property, plant and equipment		17,134	17,293
Total non-current assets		42,625	45,084
CURRENT ASSETS			
Inventories		54	220
Trade receivables	10	2,271	4,718
Prepayments, other receivables and other assets		12,752	11,497
Bank balances and cash		31,281	33,798
Total current assets		46,358	50,233
CURRENT LIABILITIES			
Trade payables		22	361
Other payables and accruals		3,878	6,218
Lease liabilities		906	925
Tax payable		2,870	2,870
Total current liabilities		7,676	10,374
NET CURRENT ASSETS		38,682	39,859
TOTAL ASSETS LESS CURRENT LIABILITIES		81,307	84,943
NON-CURRENT LIABILITY			
Lease liabilities		2,047	2,862
Total non-current liability		2,047	2,862
NET ASSETS		79,260	82,081



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (cont'd)

As at 30 June 2023

	Note	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
EQUITY			
Equity attributable to owners of the Company			
Share capital	11	5,990	5,990
Reserves		73,952	76,661
Equity attributable to owners of the Company		79,942	82,651
Non-controlling interests		(682)	(570)
TOTAL EQUITY		79,260	82,081



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2023

	Attributable to Owners of the Company								Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Share premium RMB'000	Share option reserve RMB'000	Capital reserve RMB'000	Exchange fluctuation reserve RMB'000	Statutory reserve RMB'000	Accumulated losses RMB'000	Total RMB'000		
At 1 January 2022	5,990	80,560	3,985	17,350	3,322	2,112	(29,051)	84,268	-	84,268
Loss for the period	-	-	-	-	-	-	(2,458)	(2,458)	-	(2,458)
Other comprehensive expense for the Period:										
Exchange differences on translation of foreign operations	-	-	-	-	(702)	-	-	(702)	-	(702)
Exchange differences on translation of the Company's financial statements	-	-	-	-	294	-	-	294	-	294
Total comprehensive expense for the period	-	-	-	-	(408)	-	(2,458)	(2,866)	-	(2,866)
Equity-settled share option arrangements	-	-	315	-	-	-	-	315	-	315
At 30 June 2022	5,990	80,560	4,300	17,350	2,914	2,112	(31,509)	81,717	-	81,717
At 1 January 2023	5,990	80,560	4,300	17,350	4,464	2,112	(32,125)	82,651	(570)	82,081
Loss for the period	-	-	-	-	-	-	(2,720)	(2,720)	(112)	(2,832)
Other comprehensive expense for the Period:										
Exchange differences on translation of foreign operations	-	-	-	-	(1,769)	-	-	(1,769)	-	(1,769)
Exchange differences on translation of the Company's financial statements	-	-	-	-	1,780	-	-	1,780	-	1,780
Total comprehensive expense for the period	-	-	-	-	11	-	(2,720)	(2,709)	(112)	(2,821)
At 30 June 2023	5,990	80,560	4,300	17,350	4,475	2,112	(34,845)	79,942	(682)	79,260



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2023

	Six months ended 30 June	
	2023 RMB'000	2022 RMB'000
Net cash (used in) generated from operating activities	(1,625)	743
Net cash generated from (used in) investing activities	13	(1,163)
Net cash used in financing activities	(916)	(718)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,528)	(1,138)
Cash and cash equivalents at beginning of period	33,798	29,647
Effect of foreign exchange rate changes, net	11	(254)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	31,281	28,255



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 24 March 2017. The registered office of the Company is situated at Osiris International Cayman Limited Suite #4-210, Governors Square, 23 Lime Tree Bay Avenue, PO Box 32311 Grand Cayman KY1-1209, Cayman Islands.

The Company is an investment holding company. During the Period, the Company's subsidiaries were principally engaged in the sales of CNG and LNG and provision of transmission service in the People's Republic of China (the "PRC").

The shares of the Company (the "Shares") were listed on GEM of the Stock Exchange on 18 May 2018 (the "Listing Date").

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

These unaudited condensed consolidated financial statements for the six months ended 30 June 2023 have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the GEM Listing Rules. The unaudited condensed consolidated financial statements does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual report for the year ended 31 December 2022, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The preparation of unaudited condensed consolidated results in conformity with HKFRSs requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial report is unaudited, but have been reviewed by the Company's audit and risk management committee.



2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (cont'd)

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following new and amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2023 for the preparation of the Group's condensed consolidated financial statements.

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	<i>Insurance Contracts</i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates</i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3 OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their products and services and only has one reportable operating segment during the Period. The management of the Group monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

During the Period, all of the Group's revenue was generated from customers located in the PRC.

Non-current assets by geographical location are detailed below:

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Mainland China	26,048	28,640
Malaysia	14,679	14,546
	40,727	43,186

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets.



3 OPERATING SEGMENT INFORMATION (cont'd)

Major customers

The following are major customers of the Group with revenue equal to or more than 10% of the Group's total revenue:

	Three months ended 30 June		Six months ended 30 June	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
Customer A*	545	3,174	5,613	5,712
Customer B*	1,600	2,310	2,955	4,744
	2,145	5,484	8,568	10,456

* The customers are state-owned enterprises.

4 REVENUE AND OTHER INCOME

An analysis of revenue and other income is as follows:

	Three months ended 30 June		Six months ended 30 June	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
Revenue				
Sales of CNG	13,679	16,010	26,746	27,067
Transmission service	–	–	232	–
Sales of LNG	2,782	–	4,308	–
	16,461	16,010	31,286	27,067
Other income				
Bank interest income	68	31	117	43
Others	93	36	97	144
	161	67	214	187



5 LOSS BEFORE TAXATION

The following items have been included in arriving at loss before taxation:

	Three months ended 30 June		Six months ended 30 June	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
Cost of inventories sold	10,803	10,424	20,618	18,973
Depreciation of property, plant and equipment	706	960	1,436	2,020
Depreciation of right-of-use assets	415	140	847	577
Utility expense	352	371	662	744
Auditor's remuneration	178	170	356	332
Transportation expense	284	217	558	421
Amortisation of other intangible assets	12	15	23	25
Employee benefit expense:				
Wages and salaries	868	990	1,688	1,803
Equity-settled share option expense	–	179	–	315
Pension scheme contributions	104	160	198	278

6 FINANCE COSTS

An analysis of finance costs is as follows:

	Three months ended 30 June		Six months ended 30 June	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
Interest on lease liabilities	39	148	82	192
	39	148	82	192



7 TAXATION

The Group is subject to income tax on an entity basis on profit arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The major components of taxation are analysed as follows:

	Three months ended 30 June		Six months ended 30 June	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
Current – Mainland China Charge for the Period	-	-	-	-
Deferred tax	-	27	-	27
Total taxation for the Period	-	27	-	27

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

The statutory tax rate for the subsidiary in Hong Kong is 16.5%. No Hong Kong profits tax has been provided as the Group had no assessable profits arising in Hong Kong during the Period.

The provision for current income tax in the PRC is based on a statutory tax rate of 25% of the assessable profits of the PRC subsidiary of the Group as determined in accordance with The Enterprise Income Tax Law of the PRC.



8 LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the Period.

The basic loss per share is calculated as follows:

	Three months ended 30 June		Six months ended 30 June	
	2023	2022	2023	2022
Loss attributable to ordinary equity holders of the Company (RMB'000)	(922)	(383)	(2,720)	(2,458)
Weighted average number of ordinary shares in issue ('000)	177,255	177,255	177,255	177,255
Basic loss per share (cents)	(0.52)	(0.22)	(1.53)	(1.39)

In respect of the diluted loss per share amount for the period, no adjustment has been made to the basic loss per share amount presented for the three and six months ended 30 June 2023 and 30 June 2022 as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share amount presented.

9 DIVIDEND

The Board did not declare any payment of dividend for the three and six months ended 30 June 2023 (for the three and six months ended 30 June 2022: Nil).



10 TRADE RECEIVABLES

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Trade receivables, gross	7,914	10,361
Less: Allowance for credit losses	(5,643)	(5,643)
Trade receivables, net	2,271	4,718

Trade receivables are expected to be recovered within 1 year.

As at 30 June 2023 and 31 December 2022, the ageing analysis of trade receivables based on the invoice date and net of loss allowance is as follows:

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Within 3 months	2,271	3,933
3 to 6 months	-	785
	2,271	4,718



11 SHARE CAPITAL

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Authorised 2,500,000,000 ordinary shares of HK\$0.04 each	88,632	88,632
Issued and fully paid: 177,255,000 ordinary shares of HK\$0.04 each	5,990	5,990

12 RELATED PARTY TRANSACTIONS

Key management personnel compensation

Compensation paid and payable to key management personnel compensation comprises:

	Three months ended 30 June		Six months ended 30 June	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
Short-term employee benefits	222	247	454	499
Equity-settled share option expense	–	19	–	37
Total compensation paid to key management personnel	222	266	454	536



13 SUBSEQUENT EVENTS

The Group had no significant events occurred subsequent to the end of the Period.

14 APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were approved by the Board on 10 August 2023.



MANAGEMENT DISCUSSION AND ANALYSIS BUSINESS REVIEW

The Group's principal place of business is in Jingzhou, Hubei Province, the PRC. During the Period, the Group was involved in the sales of CNG and LNG and provision of transmission service in the PRC.

Sales of CNG and LNG

The Group mainly supplies CNG and derives revenue mainly from the distribution of CNG to both (i) retail customers which are mostly vehicular end-users; and (ii) wholesale customers which are urban gas companies, gas refuelling station operators and industrial users. The principal product offering is CNG and the Group purchases natural gas from PetroChina Company Limited ("PetroChina"). The Group also supplies LNG to some wholesale customers.



FINANCIAL REVIEW

Revenue

Revenue amounted to approximately RMB31.3 million for the six months ended 30 June 2023, increased by approximately RMB4.2 million or 15.5% when compared with approximately RMB27.1 million for the corresponding period of 2022. The increase was primarily due to the increase in sales of LNG, while the sales of CNG remained stable, as stated below.

The revenue from sales of CNG to wholesale customers increased by approximately RMB0.2 million or 1.1% from approximately RMB18.5 million for the six months ended 30 June 2022 to approximately RMB18.7 million for the six months ended 30 June 2023, primarily due to a slight increase in the average selling price of CNG to wholesale customers. On the contrary, the revenue from sales of CNG to retail customers decreased by approximately RMB0.6 million or 7.0% from approximately RMB8.6 million for the six months ended 30 June 2022 to approximately RMB8.0 million for the six months ended 30 June 2023. This is primarily due to one of the Group's major retail customers gradually switched its operated buses to electric vehicles instead of CNG vehicles.

During the Period, the Group also derived revenue of approximately RMB4.3 million from sales of LNG (six months ended 30 June 2022: Nil) and approximately RMB0.2 million from provision of transmission services of CNG (six months ended 30 June 2022: Nil).

Cost of sales

Cost of sales amounted to approximately RMB27.6 million for the six months ended 30 June 2023, representing an increase of approximately RMB4.8 million or 21.1% as compared to approximately RMB22.8 million for the six months ended 30 June 2022, which was primarily due to the increase in cost of inventories sold by approximately RMB1.6 million or 8.4% from approximately RMB19.0 million for the six months ended 30 June 2022 to approximately RMB20.6 million for the six months ended 30 June 2023, as a result of the increase in the sales volume of LNG.

Gross profit

Gross profit decreased by approximately RMB0.5 million from approximately RMB4.2 million for the six months ended 30 June 2022 to approximately RMB3.7 million for the six months ended 30 June 2023. Gross profit margin decreased by 3.8% from 15.7% for the six months ended 30 June 2022 to 11.9% for the six months ended 30 June 2023, mainly due to (i) the impact of high procurement cost of the natural gas which cannot be fully passed on to our customers in a timely manner due to the pricing guidelines imposed by Hubei Price Bureau and Jingzhou Price Bureau; and (ii) certain fixed costs of the Group such as depreciation of property, plant and equipment and right-of-use asset, and gas refuelling stations rental expenses.



FINANCIAL REVIEW *(cont'd)*

Selling and distribution expenses

Selling and distribution expenses, which mainly represented staff costs and other office expenses incurred in our operation department, remained stable at approximately RMB278,000 for the six months ended 30 June 2023, as compared to approximately RMB281,000 for the six months ended 30 June 2022.

Administrative expenses

Administrative expenses, which mainly represented employee benefit expenses, legal and professional fee and other general operating expenses and office expenses, remained stable at approximately RMB6.4 million for the six months ended 30 June 2023, as compared to approximately RMB6.4 million for the six months ended 30 June 2022.

Finance costs

Finance costs represented interest on lease liabilities.

Taxation

No current income tax expense had been provided for the six months ended 30 June 2023 as there were no assessable profits generated during the Period and there were no significant deferred tax for the Period.

Loss for the period

Loss attributable to the owners of the Company for the six months ended 30 June 2023 was approximately RMB2.7 million, increased by approximately RMB0.2 million or 8.0% as compared to approximately RMB2.5 million for the same period last year. The increase was mainly attributable to the decrease in gross profit for the six months ended 30 June 2023.



PROSPECTS

As the anti-pandemic restrictive measures in PRC such as quarantines and home observations for international travels have been lifted, China's economy has been recovering and is expected to rebound in the coming years.

Since 2022, the Group has been engaged in the digital marketing and fast food catering businesses in the PRC. As such businesses are still in early stages, they did not generate significant revenue for the Group during the Period. The Group will continue to actively explore new business opportunities in order to diversify its income source. The Directors believe that the recovery of economy will be supported in the near future by strong national policies and fiscal programmes.

Looking forward, the Group is optimistic about the growth of consumption of natural gas along with China improving its energy consumption structure by shifting from coal to cleaner energy such as natural gas and other renewable energy. In recent years, the PRC government has issued a series of policies to support further development and utilisation of natural gas and natural gas vehicles. Besides, the PRC government is making every effort to prevent and control pollution and to promote clean production in enterprises. The Group expects that these policies would stimulate the natural gas industry and would foster development of other related products. The Group will endeavour to seize the growth potential resulting from such policies and industry trends.

The Group will take appropriate measures as necessary to minimise the risks exposed and will act prudently in considering any new investment opportunities, and will in the meantime explore additional ways to increase shareholder value.

DIVIDENDS

The Board did not recommend the payment of any dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: Nil).

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The total equity of the Group as at 30 June 2023 was approximately RMB79.3 million. The Group's cash and cash equivalents as at 30 June 2023 was approximately RMB31.3 million. Our working capital represented by net current assets was approximately RMB38.7 million and our current ratio was 6.0. Based on our steady cash inflows from operations, coupled with sufficient cash and bank balances, we have adequate liquidity and financial resources to meet our working capital requirements.

Gearing ratio represents the bank and other borrowings as a percentage of equity attributable to equity holders of the Company. Gearing ratio is not applicable to the Group since the Group did not have any interest-bearing bank borrowings as at 30 June 2023.



ADVANCE PAYMENTS FOR PROPERTY, PLANT AND EQUIPMENT

Balance mainly represented advance payments for (i) certain plant and machinery for the Group's CNG refuelling stations in Jingzhou; and (ii) four service apartment units in Malaysia, erected on a freehold land known as H.S. (D) 81751, P.T. No. 5241 Section 1, Bandar Ulu Klang, District of Gombak, State of Selangor and within a housing development known as "MMR Residency (金窩苑)" ("MMR") situated at the north-eastern side of Jalan Melawati 1, near its junction with Jalan G1 located in Kuala Lumpur, Malaysia, with an aggregate gross floor area of approximately 8,000 square feet. MMR is currently under construction, which is expected to be completed by the first quarter of 2025, and will be a multi-storey service apartment consisting of 420 units in total upon completion of the construction. The expected completion was postponed from 2022 to the first quarter of 2025, mainly due to the impact of the COVID-19, in which the construction industry in Malaysia has been facing a shortage of manpower and skilled workers, which delays the development projects in general. The investment was made by the Group through acquiring the entire issued share capital of Silver Max AP Company Limited at a total consideration of Malaysia Ringgit 9,800,000 (the "Residential Property Acquisition"). The Residential Property Acquisition was completed on 21 April 2020. It is intended that the properties will be used for investment purposes by leasing out for rental income, which is expected to generate a stable source of income for the Group and be beneficial to the Group's financial position.

The Group's advance payments for property, plant and equipment as at 30 June 2023 amounted to RMB17.1 million (31 December 2022: RMB17.3 million).

PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group's prepayments, other receivables and other assets as at 30 June 2023 amounted to RMB12.8 million (31 December 2022: RMB11.5 million). As at 30 June 2023, balance mainly represented prepaid tax in relation to pre-acquisition of a subsidiary of approximately RMB5.7 million (31 December 2022: RMB5.5 million), deposits with suppliers and advance to third parties of approximately RMB2.7 million (31 December 2022: RMB2.4 million) and prepaid expenses of approximately RMB4.4 million (31 December 2022: RMB3.6 million).

The prepaid tax was paid to the Inland Revenue Board of Malaysia in 2020. The prepaid tax was related to a potential acquisition of a subsidiary in 2020, of which prepaid tax is required by the Inland Revenue Board of Malaysia. The potential acquisition was terminated on 22 February 2021 as the acquisition could not be completed due to COVID-19 measures in Malaysia. To the Company's knowledge having made all reasonable enquiries with the parties to the potential acquisition, an application was made to the relevant government authority requesting for refund of the tax as a result of the termination of the potential acquisition and the application is currently being reviewed by the government authority.



COMMITMENTS

As at 30 June 2023, the Group had the following capital commitments:

	30 June 2023 RMB'000	31 December 2022 RMB'000
Contracted, but not provided for: Plant and machinery	1,514	1,514

CONTINGENT LIABILITIES AND GUARANTEES

As at 30 June 2023, our Group had no significant contingent liabilities and guarantees (31 December 2022: Nil).

CHARGE OF ASSETS

As at 30 June 2023, the Group had no charge of assets (31 December 2022: Nil).

FOREIGN CURRENCY RISK

The Group carries out its business in the PRC and most of its transactions are denominated in RMB. The Group did not experience any material impact or difficulties in liquidity on its operations resulting from the fluctuation in exchange rate, and no hedging transaction or forward contract arrangement was made by the Group during the Period.

INTEREST RATE RISK

The Group has no significant interest rate risk. The Group currently does not have any specific policies in place to manage interest rate risk and has not entered into any interest rate swap transactions to mitigate interest rate risk but will closely monitor related risk in the future.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There were no significant investments held by the Company, nor were there any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Period.

There is no other plan authorised by the Board for other material investments or additions of capital assets as at the date of this report.



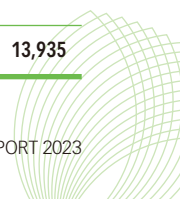
EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2023, our Group had a total of 65 employees (31 December 2022: 64 employees). Staff costs, including Directors' remuneration and equity-settled share option expense, of the Group were approximately RMB1.9 million for the six months ended 30 June 2023 (six months ended 30 June 2022: approximately RMB2.4 million). Remuneration is determined with reference to factors such as comparable market salaries, work performance, time commitment and responsibilities of each individual. Employees are provided with relevant in-house and/or external training from time to time. The Group reviews the performance of employees from time to time.

USE OF PROCEEDS

The Company's shares were listed on GEM of the Stock Exchange (the "Listing") on 18 May 2018 and the net proceeds from the Listing were approximately HK\$29.2 million. The Company has applied and intends to apply the net proceeds in the following manner:

Description	Planned use of proceeds as shown in the prospectus of the Company dated 8 May 2018 (the "Prospectus") (adjusted based on the actual net proceeds) HK\$'000	Percentage of net proceeds	Actual usage of proceeds from the Listing Date to 30 June 2023 HK\$'000	Unutilised amount as at 30 June 2023 HK\$'000
Expanding gas station network by constructing one CNG refuelling station	5,212	17.9%	1,193	4,019
Expanding gas station network by constructing one combined CNG/LNG refuelling station	12,250	42.0%	2,334	9,916
Upgrading infrastructures and facilities of our Jingzhou Primary Station to equip it with LNG processing capacity	8,772	30.1%	8,772	–
Working capital and other general corporate purposes	2,916	10.0%	2,916	–
Total	29,150	100.0%	15,215	13,935



USE OF PROCEEDS (cont'd)

In pursuance of our business objectives, the implementation plans of our Group are set forth below:

Implementation plan as disclosed in Prospectus	Actual progress achieved up to 30 June 2023
Expanding gas station network by constructing one CNG refuelling station	<ul style="list-style-type: none"> • Obtained quotations for equipment and settled deposits for certain station equipment • Discussing with consultants on the engagement terms and design work of the gas refuelling station • Submitted the application to the relevant government authorities for the construction of new refuelling station and negotiating with officials in relation to the specific requirements • Expected to complete the implementation by end of 2023
Expanding gas station network by constructing one combined CNG/LNG refuelling station	<ul style="list-style-type: none"> • Performed site visits and estimated traffic flow of possible sites to identify suitable site • Obtained quotations and settled deposits for certain station equipment • Discussing with consultants on the engagement terms and design work of the gas refuelling station • Submitted the application to the relevant government authorities for the construction of new refuelling station and negotiating with officials in relation to the specific requirements • Expected to complete the implementation by end of 2023
Upgrading infrastructures and facilities of our Jingzhou Primary Station to equip it with LNG processing capacity	<ul style="list-style-type: none"> • Engaged consultant for modification design of Jingzhou Primary Station and settled the prepayment for the consulting services • Discussing with contractors on engagement terms and construction work of facility building • Constructing additional facility building, compressor room and electricity switchboard room • Purchased tanker trucks and certain station equipment • Informed the relevant government authorities in relation to the proposed installation of new facilities at our Jingzhou Primary Station with LNG processing capability • Completed the implementation in 2021



USE OF PROCEEDS *(cont'd)*

As disclosed in the Prospectus, the Company intended to install new facilities at the Jingzhou Primary Station, a gas processing station which acts as a primary station bridging high pressure pipelined gas that is being transmitted from PetroChina to the Group, to enlarge the Group's wholesale customer base and enable the Group to capture both CNG and LNG market. The implementation plan for upgrading infrastructures and facilities of the Jingzhou Primary Station to equip it with LNG processing capacity has been completed during the Year, and the Jingzhou Primary Station is currently able to maintain the pressure and low temperature of LNG, pump and dispense LNG, thereby operating with selling both CNG and LNG.

In relation to the above other implementation plans, the Group has submitted the relevant application and has been in discussion with the government officials on the approval progress. However, due to the demolition of one of the Group's gas refuelling substation located at Shihao Road, Jingzhou, Hubei Province, in July 2021, the Company has been looking for relocation opportunities and will seek approval from the relevant government authorities once the new location is identified. Upon receiving the relevant approval from the government authorities, the Group would carry out feasibility study including environmental impact assessment to further implement the plans. The unutilised net proceeds have been placed with licensed banks in the PRC as at 30 June 2023.

As at the date of this report, the Directors do not anticipate any change to the principal plan as to the use of proceeds.



DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATION

As at 30 June 2023, interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions in ordinary shares and underlying Shares of the Company:

Name	Capacity/Nature of interests	Number of Shares held	Share Options	Approximate percentage of the total issued Shares
Mr. Liu Yong Cheng	Interest in controlled corporation and parties acting in concert	85,955,000 (Note 1)	1,655,900 (Note 2)	49.43%
	Beneficial owner	–	1,655,900 (Note 3)	0.93%
Mr. Liu Yong Qiang	Interest in controlled corporation and parties acting in concert	85,955,000 (Note 4)	1,655,900 (Note 3)	49.43%
	Beneficial owner	–	1,655,900 (Note 2)	0.93%



DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATION (cont'd)

Long positions in ordinary shares and underlying Shares of the Company: (cont'd)

Notes:

- (1) As at 30 June 2023, Mr. Liu Yong Cheng directly owned 100% of Yongsheng Enterprise Limited ("Yongsheng"), which in turn held 19,392,500 shares or approximately 10.94% of the issued Shares; therefore he was deemed, or taken to be interested in, all the shares held by Yongsheng for the purpose of the SFO; pursuant to the acting in concert confirmation dated 14 June 2017, in which Mr. Liu Yong Cheng was also deemed to be interested in 66,562,500 Shares or approximately 37.55% of the issued Shares owned by Hongsheng Enterprise Limited ("Hongsheng") as at 30 June 2023 as a result of being a party acting in concert with Mr. Liu Yong Qiang.
- (2) On 21 January 2020 and 23 June 2020, Mr. Liu Yong Qiang was granted an option to subscribe for 1,375,000 Shares and 280,900 Shares, respectively, under the share option scheme approved and adopted by the shareholders of the Company by way of written resolutions passed on 20 April 2018 (the "Share Option Scheme"). For further details of the Share Option Scheme, please refer to the section headed Share Option Scheme in this report.
- (3) On 21 January 2020 and 23 June 2020, Mr. Liu Yong Cheng was granted an option to subscribe for 1,375,000 Shares and 280,900 Shares, respectively, under the Share Option Scheme.
- (4) As at 30 June 2023, Mr. Liu Yong Qiang directly owned 100% of Hongsheng, which in turn held 66,562,500 shares or approximately 37.55% of the issued Shares; therefore he was deemed, or taken to be interested in, all the shares held by Hongsheng for the purpose of the SFO; pursuant to the acting in concert confirmation dated 14 June 2017, in which Mr. Liu Yong Qiang was also deemed to be interested in 19,392,500 Shares or approximately 10.94% of the issued Shares owned by Yongsheng as at 30 June 2023 as a result of being a party acting in concert with Mr. Liu Yong Cheng.

Save as disclosed above, as at 30 June 2023, none of the Directors nor chief executive of the Company had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had been recorded in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2023, other than the Directors and chief executive of the Company, the following persons/entities have an interest or a short position in the Shares or the underlying Shares as recorded in the register of the Company required to be kept under section 336 of the SFO:

Long position in ordinary shares and underlying Shares of the Company:

Name	Capacity	Number of Shares held	Share Options	Approximate percentage of the total issued Shares
Yongsheng	Beneficial owner and parties acting in concert	85,955,000 (Note 1)	3,311,800 (Note 2)	50.36%
Hongsheng	Beneficial owner and parties acting in concert	85,955,000 (Note 3)	3,311,800 (Note 2)	50.36%
Stable Development Company Limited	Beneficial owner	13,872,500 (Note 4)	–	7.83%
Mr. Lee Kwok Wah	Beneficial owner	9,492,500	–	5.36%

Notes:

- (1) As at 30 June 2023, Mr. Liu Yong Cheng directly owned 100% of Yongsheng, which in turn held 19,392,500 shares or approximately 10.94% of the issued Shares; therefore he was deemed, or taken to be interested in, all the shares held by Yongsheng for the purpose of the SFO; pursuant to the acting in concert confirmation dated 14 June 2017, in which Mr. Liu Yong Cheng was also deemed to be interested in 66,562,500 Shares or approximately 37.55% of the issued Shares owned by Hongsheng as at 30 June 2023 as a result of being a party acting in concert with Mr. Liu Yong Qiang. Mr. Liu Yong Cheng, an executive Director, is also a director of Yongsheng.



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY *(cont'd)*

Long position in ordinary shares and underlying Shares of the Company: *(cont'd)*

Notes: *(cont'd)*

- (2) On 21 January 2020 and 23 June 2020, each of Mr. Liu Yong Cheng and Mr. Liu Yong Qiang was granted an option to subscribe for 1,375,000 Shares and 280,900 Shares, respectively, under the Share Option Scheme. For further details of the Share Option Scheme, please refer to the section headed Share Option Scheme in this report.
- (3) As at 30 June 2023, Mr. Liu Yong Qiang directly owned 100% of Hongsheng, which in turn held 66,562,500 shares or approximately 37.55% of the issued Shares; therefore he is deemed, or taken to be interested in, all the shares held by Hongsheng for the purpose of the SFO; pursuant to the acting in concert confirmation dated 14 June 2017, in which Mr. Liu Yong Qiang was also deemed to be interested in 19,392,500 Shares or approximately 10.94% of the issued Shares owned by Yongsheng as at 30 June 2023 as a result of being a party acting in concert with Mr. Liu Yong Cheng. Mr. Liu Yong Qiang, an executive Director, is also a director of Hongsheng.
- (4) As at 30 June 2023, Mr. Yu Kin Wai Perway directly owned 100% of Stable Development Company Limited, which in turn held 13,872,500 Shares, therefore he was deemed, or taken to be interested in, all the Shares held by Stable Development Company Limited for the purpose of the SFO.

Save as disclosed above, as at 30 June 2023 and so far as known to the Directors, no person, other than the Directors and chief executive of the Company whose interests are set out in the section "Directors' and Chief Executives' Interests and/or Short Positions in the Shares, Underlying Shares and Debentures of the Company and any Associated Corporation" above, had notified the Company of an interest or short position in the Shares or underlying Shares which had been required to be recorded in the register required to be kept by the Company pursuant Section 336 of the SFO.

SHARE OPTION SCHEME

The Share Option Scheme was approved and adopted by the shareholders of the Company by way of written resolutions passed on 20 April 2018. Details of the Share Option Scheme are set out in the annual report of the Company for the year ended 31 December 2022.



SHARE OPTION SCHEME (cont'd)

Movements of the share options of the Company during the Period are as follows:

Name or category of participant	Number of share options					Exercise price of share options HK\$	Date of grant of share options	Closing price of Shares immediately before the date of grant of share options HK\$	Weighted average closing price of the Shares immediately before the exercise date HK\$
	At 1 January 2023	Granted during the Period	Exercised during the Period	Cancelled during the Period	Lapsed during the Period				
Directors, chief executive, substantial shareholders and/or their respective associates									
Liu Yong Cheng	1,375,000	-	-	-	-	1,375,000	21 January 2020 to 20 January 2025	0.664	0.812
	280,900	-	-	-	-	280,900	23 June 2020 to 22 June 2025	0.520	0.544
Liu Yong Qiang	1,375,000	-	-	-	-	1,375,000	21 January 2020 to 20 January 2025	0.664	0.812
	280,900	-	-	-	-	280,900	23 June 2020 to 22 June 2025	0.520	0.544
Employees (other than Directors)									
In aggregate	8,250,000	-	-	-	-	8,250,000	21 January 2020 to 20 January 2025	0.664	0.812
	12,598,309	-	-	-	-	12,598,309	23 June 2020 to 22 June 2025	0.520	0.544
Shareholder and supervisor of an associate of the Group									
In aggregate	1,375,000	-	-	-	-	1,375,000	21 January 2020 to 22 January 2025	0.664	0.812
	280,900	-	-	-	-	280,900	23 June 2020 to 22 June 2025	0.520	0.544
Total	25,816,009	-	-	-	-	25,816,009			



SHARE OPTION SCHEME (cont'd)

Notes:

1. The share options are subject to the vesting period as follows:
 - (a) 30% of the share options will be vested on, and exercisable from, the date of grant to the expiry of the option period (both days inclusive);
 - (b) a further 30% of the share options will be vested on, and exercisable from, the first anniversary of the date of grant to the expiry of the option period (both days inclusive); and
 - (c) the remaining 40% of the share options will be vested on, and exercisable from, the second anniversary of the date of grant to the expiry of the option period (both days inclusive).
2. The share options are exercisable for a period of five years from the date of grant and the fair values of the share options were calculated using the Binomial Option Pricing Model. The inputs to the model were as follows:

	Share options granted on 23 June 2020	Share options granted on 21 January 2020
Share price at the date of grant (before the Share Consolidation)	HK\$0.130	HK\$0.166
Exercise price per share (before the Share Consolidation) (note 5)	HK\$0.130	HK\$0.166
Expected volatility (%)	42.55	42.33
Risk-free interest rate (%)	0.31	1.62

The expected volatility reflected the assumption that the historical volatility was indicative of future trends, which may not necessarily be the actual outcome.

3. The fair value of the share options granted during the Period was estimated at RMB4,655,000 using the Binomial Option Pricing Model, of which the Group did not recognise any share option expenses during the Period (six months ended 30 June 2022: RMB315,000). The fair value of an option varies with different variables of certain subjective assumptions. Any change to the variables used may materially affect the estimation of the fair value of an option.
4. Share options which are cancelled/lapsed/forfeited prior to their exercise date will be removed from the Company's register of outstanding share options. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in the share option reserve will be transferred to retained profits/accumulated losses as a movement in reserves.



SHARE OPTION SCHEME (cont'd)

Notes: (cont'd)

5. Due to the Share Consolidation implemented by the Company with effect from 20 July 2021, adjustments were made to the number of outstanding share options and the exercise price on 16 July 2021 (the "Adjustments"). The exercise price of the share options granted on 21 January 2020 was adjusted from HK\$0.166 to HK\$0.664 and the exercise price of the share options granted on 23 June 2020 was adjusted from HK\$0.130 to HK\$0.520. For further details, please refer to the announcement of the Company dated 16 July 2021.

There were no options available for grant according to the existing scheme mandate limit under the Share Option Scheme as at 1 January 2023 and 30 June 2023. At the date of this report, the Company had utilised all of the existing scheme mandate limit under the Share Option Scheme and had 25,816,009 share options outstanding under the Share Option Scheme (as adjusted by the Adjustments), which represented approximately 14.56% of the issued Shares in issue as at the date of this report. The number of Shares that may be issued in respect of options granted under the Share Option Scheme during the Period divided by the weighted average number of the Shares in issue for the Period is 14.56%.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save for the Share Option Scheme, at no time during the six months ended 30 June 2023 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them, or was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2023.

COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by Directors. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard of dealings during the six months ended 30 June 2023.



DEED OF NON-COMPETITION

As disclosed in the Prospectus, the controlling shareholders of the Group (“Controlling Shareholders”) entered into a deed of non-competition on 20 April 2018 (for itself and as trustee for its subsidiaries) (the “Deed of Non-Competition”). Each of the Controlling Shareholders confirmed to the Company that they have complied with the Deed of Non-Competition during the period.

Pursuant to the Deed of Non-Competition, each of the Controlling Shareholders has irrevocably and unconditionally undertaken to the Company (for itself and as trustee for its subsidiaries) that, subject to certain exceptions, during the period that the Deed of Non-Competition remain effective, each of the Controlling Shareholders shall not, and shall procure that their associates (other than any members of the Group) not to, directly or indirectly, carry on, participate in, be engaged, be interested directly or indirectly, either for their own account or in conjunction with or on behalf of or for any other person in any business in competition with or likely to be in competition with the existing business activity of any member of the Group (“Restricted Business”).

COMPETING INTERESTS

During the six months ended 30 June 2023, so far as the Directors are aware, none of the Directors, Controlling Shareholders and substantial shareholders of the Company, neither themselves nor their respective close associates (as defined under the GEM Listing Rules) had held any position or had interest in Restricted Business or any businesses or companies that were materially competing or might materially compete with the business of the Group, or gave rise to any concern regarding conflict of interest.

CORPORATE GOVERNANCE CODE

The Company has adopted and complied with, where applicable, the Corporate Governance Code (the “CG Code”) contained in Appendix 15 of the GEM Listing Rules for the six months ended 30 June 2023 to ensure that the Group’s business activities and decision making processes are regulated in a proper and prudent manner, save for the deviation stipulated below.

According to the code provision C.2.1 of the CG Code, the roles of the chairman and chief executive should be separated and should not be performed by the same individual. Under the current management structure of the Company, Mr. Liu Yong Cheng is the chairman of the Board (the “Chairman”) and chief executive officer of the Company (the “Chief Executive Officer”). As Mr. Liu Yong Cheng has been leading the Group as the Chief Executive Officer and actively involved in the core business of Tonglin Gas since its incorporation, and due to his familiarity with the operations of the Group, the Board believes that it is in the best interest of the Group to continue to have Mr. Liu Yong Cheng acting as the Chief Executive Officer and Chairman for effective management and business planning of the Group. Further, the Company has put in place an appropriate check-and-balance mechanism through the Board and three independent non-executive Directors. The Company will consult the Board for any major decisions. Therefore, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstances.



AUDIT AND RISK MANAGEMENT COMMITTEE

The Company has established an audit and risk management committee with written terms of reference in compliance with the code provision D.3.3 of the CG Code. The audit and risk management committee consists of three independent non-executive Directors, namely Mr. Yeung Chun Yue David as the Chairman, Ms. Luo Hongru and Ms. Zeng Li as its members. The audit and risk management committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2023 and this report.

SUBSEQUENT EVENT

Save as disclosed in this report, the Group had no significant events occurred subsequent to the end of the Period.

FORWARD LOOKING STATEMENTS

This report contains forward looking statements with respect to the financial conditions, results of operations and business of the Group. These forward looking statements represent the Company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

By order of the Board

TL Natural Gas Holdings Limited

Liu Yong Cheng

Executive Director, Chairman & Chief Executive Officer

Hong Kong, 10 August 2023

As at the date of this report, the Board comprises Mr. Liu Yong Cheng, Mr. Liu Yong Qiang and Mr. Liu Yong Sheng as executive Directors; Ms. Luo Hongru, Ms. Zeng Li and Mr. Yeung Chun Yue David as independent non-executive Directors.