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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)

UPDATE IN RELATION TO DISCLAIMER OF OPINION IN THE ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2026

References are made to the announcement dated 30 May 2025 ("**30 May 2025 Announcement**") of Yuan Heng Gas Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") regarding the disclaimer of opinion ("**Disclaimer of Opinion**") expressed by the auditors of the Company ("**Auditors**") on the consolidated financial statements of the Group contained in the Company's annual report for the year ended 31 March 2024 ("**2024 Annual Report"**).

The board of directors (the "**Board**") of the Company would like to provide updates in relation to the Disclaimer of Opinion expressed by the Auditors on the consolidated financial statements of the Group for the year ended 31 March 2026.

Disclaimer of Opinion

The Auditors have expressed the Disclaimer of Opinion on page 58 of the Company's annual report for the year ended 31 March 2026 ("**2026 Annual Report**") as follows: "*We do not express an opinion on the consolidated financial statements of the Group for the year ended 31 March 2026. Because of the significance of the matters described in the "Basis for Disclaimer of Opinion" section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for audit opinion on these consolidated financial statements.*" This is the third year that the Auditors have expressed a Disclaimer of Opinion since the financial year ended 31 March 2024.

Multiple uncertainties related to going concern

The basis for the Disclaimer of Opinion is "*material uncertainties related to going concern*" as more particularly set out on page 59 of the 2026 Annual Report.

Measures to address the Disclaimer of Opinion

To address the multiple uncertainties related to going concerns, as set out in the 2024 Annual Report, the 2025 Annual Report and the 2026 Annual Report, various measures were implemented or being implemented prior to the publication of the respective annual reports. As at the date of this announcement, all measures referred to as items (i) to (v) on pages 72 to 74 of the 2026 Annual Report are ongoing.

Optimizing the Group's operational strategy to improve cash generating capacity and to reduce operating costs

In relation to optimizing the Group's operational strategy to improve cash generating capacity and to reduce operating cost referred to in item (i), various measures have been implemented and their effects were monitored from time to time. As a result, the Group's audited operating cashflow for the financial year ended 31 March 2026 turned positive and the improvement trend has continued in the first quarter (i.e., from April 2026 to June 2026) of the current financial year according to the Group's unaudited management accounts. Management will continue to take actions to improve the Group's cash generating capacity.

Enforcement

In relation to enforcement action arising from the Group's borrowings and indebtedness referred to in item (ii), management is not aware of any significant enforcement actions subsequent to the update announcement published dated 29 May 2026. Management has continued to communicate with creditors with the aim of settling the judgement debts in a practical and mutually acceptable manner to avoid unexpected enforcement actions which may significantly affect the Group's normal operation.

Litigations

In relation to the unsettled litigations referred to in item (iii), the litigation as mentioned in the Company's announcement dated 28 November 2025 remains ongoing as at the date thereof. The Group has continued to seek professional advice with the aim of progressing the litigations to stages which are most advantageous for the Group to achieve negotiated settlements on relatively favourable terms.

Restructuring existing debts

In relation to restructuring existing debts referred to in item (iv), the Company has made an application to the High Court of Hong Kong for an order to convene a meeting of the Company's creditors for approving a scheme of arrangement proposed by the Company, and the initial hearing took place on 17 June 2025, at which the Court ordered that the hearing

be adjourned sine die with liberty to restore. For details, please refer to the Company's announcement dated 17 June 2025. Since then, the Company has been working closely with its professional advisers to enhance the restructuring proposal and for restoring the hearing as soon as possible. In this regard, the Company will make an announcement as and when appropriate.

Potential strategic investors

In relation to obtaining additional financing from the existing creditors or new sources of funding to improve liquidity referred to in item (v), the Company initiated a share placement pursuant to the general mandate approved at the Company's annual general meeting held on 29 September 2025. According to the announcement published on the same date as this announcement, the Company plans to, subject to the terms of the placing , issue no more than 65,450,000 new shares to potential investors and raise approximately HK$10 million, with the net proceeds to be used as general working capital of the Group.

The Company will make further announcements in relation to the matters set out above as and when appropriate.

On behalf of the Board
Yuan Heng Gas Holdings Limited
Wang Jianqing
Chairman and Chief Executive Officer

Hong Kong, 31 August 2026

As at the date of this announcement, the executive Directors are Mr. Wang Jianqing and Mr. Bao Jun; and the independent non-executive Directors are Dr. Leung Hoi Ming, Dr. Wong Siu Hung Patrick and Ms. Lin Ying.