Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

The Board of Directors ("**the Board**") of Yuan Heng Gas Holdings Limited (the "**Company**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 September 2026 (the "**Period**"), together with the comparative figures, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended 30 September	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Gross amounts from operations	*3*	**508,399**	269,999
Gross amounts of oil and gas sales contracts		**290,517**	12,600
Gross amounts of oil and gas purchase contracts		**(290,377)**	(12,360)
Other revenue		**217,882**	257,399
Cost of sales and services		**(197,830)**	(238,035)
Gross profit		**20,192**	19,604

	Notes	Six months ended 30 September	
		2026	2025
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
Other income	*4*	**674**	380
Other gains and losses	*5*	**6,628**	1,825
Impairment losses under expected credit loss model		**(3,895)**	(25,005)
Distribution and selling expenses		**(1,517)**	(1,922)
Administrative expenses		**(39,242)**	(38,956)
Share of results of associates		**5,990**	11,353
Finance costs		**(48,642)**	(87,727)
Loss before tax	*6*	**(59,812)**	(120,448)
Income tax credit (expense)	*7*	**34**	63
Loss for the period		**(59,778)**	(120,385)
Other comprehensive income (expense) for the period			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**445**	100
Other comprehensive income (expense) for the period		**445**	100
Total comprehensive expense for the period		**(59,333)**	(120,285)
Loss for the period attributable to:			
– Owners of the Company		**(55,873)**	(115,400)
– Non-controlling interests		**(3,905)**	(4,985)
		(59,778)	(120,385)

	Notes	Six months ended 30 September	
		2026	2025
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
Total comprehensive expense for the period attributable to:			
– Owners of the Company		**(55,428)**	(115,300)
– Non-controlling interests		**(3,905)**	(4,985)
		(59,333)	(120,285)
			(Restated)
Loss per share	*9*		
– Basic *(RMB cents)*		**(16.96)**	(35.26)
– Diluted *(RMB cents)*		**(16.96)**	(35.26)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 September 2026 RMB'000 (Unaudited)	As at 31 March 2026 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*12*	**227,911**	252,033
Right-of-use assets		**44,166**	45,136
Goodwill		**34,070**	34,070
Interests in associates		**202,853**	196,863
Derivative financial instrument		**2,500**	2,500
Deferred tax assets		**9,309**	9,311
		520,809	539,913
CURRENT ASSETS			
Inventories		**25,240**	29,237
Trade and other receivables	*10*	**1,406,371**	1,300,825
Amounts due from a non-controlling equity owner of a subsidiary		**976**	976
Pledged bank deposits		**16**	16
Bank balances and cash		**15,613**	7,642
		1,448,216	1,338,696
CURRENT LIABILITIES			
Trade payables and other liabilities	*11*	**1,745,870**	1,579,257
Contract liabilities		**24,296**	48,718
Amount due to an associate		**142**	142
Amount due to a shareholder		**678**	693
Tax payable		**76,929**	77,250
Bank borrowings due within one year	*13*	**1,101,372**	1,106,361
Financial guarantee contract liabilities		**112,781**	108,657
Guaranteed notes		**193,565**	191,658
		3,255,633	3,112,736
NET CURRENT LIABILITIES		**(1,807,417)**	(1,774,040)
TOTAL ASSETS LESS CURRENT LIABILITIES		**(1,286,608)**	(1,234,127)

	Notes	**As at 30 September 2026** ***RMB'000*** **(Unaudited)**	As at 31 March 2026 *RMB'000* (Audited)
CAPITAL AND RESERVES			
Share capital	*14*	**33,201**	551,378
Reserves		**(1,331,566)**	(1,801,204)
Equity attributable to owners of the Company		**(1,298,365)**	(1,249,826)
Non-controlling interests		**(2,091)**	1,814
CAPITAL DEFICIENCY		**(1,300,456)**	(1,248,012)
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**13,848**	13,885
Bank borrowings due after one year	*13*	**–**	–
		13,848	13,885
		(1,286,608)	(1,234,127)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company										
	Share capital *RMB'000*	**Share premium** *RMB'000*	**Contributed surplus** *RMB'000 (note a)*	**Other reserve** *RMB'000 (note b)*	**Statutory surplus reserve** *RMB'000 (note c)*	**Designated safety fund** *RMB'000 (note d)*	**Translation reserve** *RMB'000*	**Accumulated loss** *RMB'000*	**Sub-total** *RMB'000*	**Non-controlling interests** *RMB'000*	**Total** *RMB'000*
At 1 April 2025 (audited)	551,378	4,466,908	–	(3,775,606)	87,393	46,606	(8,945)	(2,456,283)	(1,088,549)	5,973	(1,082,576)
Loss for the period	–	–	–	–	–	–	–	(115,400)	(115,400)	(4,985)	(120,385)
Other comprehensive income for the period	–	–	–	–	–	–	100	–	100	–	100
Total comprehensive expense for the period	–	–	–	–	–	–	100	(115,400)	(115,300)	(4,985)	(120,285)
Transfer to designated safety fund	–	–	–	–	–	116	–	(116)	–	–	–
At 30 September 2025 (unaudited)	551,378	4,466,908	–	(3,775,606)	87,393	46,722	(8,845)	(2,571,799)	(1,203,849)	988	(1,202,861)
At 1 April 2026 (audited)	**551,378**	**4,466,908**	**–**	**(3,775,606)**	**87,393**	**43,430**	**(8,315)**	**(2,615,014)**	**(1,249,826)**	**1,814**	**(1,248,012)**
Loss for the period	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(55,873)**	**(55,873)**	**(3,905)**	**(59,778)**
Other comprehensive income for the period	**–**	**–**	**–**	**–**	**–**	**–**	**445**	**–**	**445**	**–**	**445**
Total comprehensive expense for the period	**–**	**–**	**–**	**–**	**–**	**–**	**445**	**(55,873)**	**(55,428)**	**(3,905)**	**(59,333)**
Effect of share consolidation and capital reduction	**(523,809)**	**–**	**523,809**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Placing of new shares	**5,632**	**3,210**	**–**	**–**	**–**	**–**	**–**	**–**	**8,842**	**–**	**8,842**
Transaction cost attributable to placing of new shares	**–**	**(175)**	**–**	**–**	**–**	**–**	**–**	**–**	**(175)**	**–**	**(175)**
Utilisation of designated safety fund	**–**	**–**	**–**	**–**	**–**	**(1,778)**	**–**	**–**	**(1,778)**	**–**	**(1,778)**
At 30 September 2026 (unaudited)	**33,201**	**4,469,943**	**523,809**	**(3,775,606)**	**87,393**	**41,652**	**(7,870)**	**(2,670,887)**	**(1,298,365)**	**(2,091)**	**(1,300,456)**

Notes:

(a) On 6 July 2026, the capital reorganisation comprising the share consolidation, the capital reduction and the share sub-division (the "**Capital Reorganisation**") became effective. Every twenty (20) issued and unissued shares of HK$0.10 each were consolidated into one (1) consolidated share of HK$2.0 each, reducing the number of issued shares from 6,545,621,131 to 327,281,056. The capital reduction cancelled the fractional consolidated shares and reduced the paid-up capital by HK$1.9 per consolidated share, such that the par value of each issued share became HK$0.1. The issued share capital was accordingly reduced from HK$654,562,113 to HK$32,728,106, a reduction of approximately HK$621,834,000 (equivalent to RMB523,809,000) which was transferred to the contributed surplus account.

(b) Other reserve of the Group mainly represents (i) the financial impact of adopting merger accounting for the acquisition of Union Honor Limited ("**UHL**") and its subsidiaries; and (ii) a debit arising from the deemed distribution to shareholder which represents the cash consideration of the acquisition of UHL of HK$70,000,000 (equivalent to RMB55,595,000) paid to the vendor during the year ended 31 March 2014.

(c) In accordance with the relevant laws and regulations of the People's Republic of China (the "**PRC**") and the Articles of Association of certain subsidiaries of the Company, they are required to provide for PRC statutory reserves, by way of appropriations from their respective statutory net profit (based on their PRC statutory financial statements) but before dividend distributions. They are required to transfer 10% of the profit after taxation to the statutory reserves. The appropriation to the statutory surplus reserve may cease if the balance of the statutory surplus reserve has reached 50% of the registered capital of the relevant companies. The statutory surplus reserve can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of a capitalisation issue. However, when converting the statutory surplus reserve into capital, the remaining balance of such reserve must not be less than 25% of the registered capital of the relevant companies.

(d) Pursuant to the relevant PRC regulation, certain subsidiaries are required to transfer a certain percentage based on a progressive rate on revenue generated from manufacturing and transportation of gas or other dangerous chemicals into a designated fund. The fund will be used for installation and repairs and maintenance of safety facilities. The movement during the period represents the difference between the amounts provided based on the relevant PRC regulation and the amount utilised during the period.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 September	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net cash from (used in) operating activities	**5,806**	2,471
Net cash from (used in) investing activities	**–**	3,525
Net cash from (used in) financing activities	**1,720**	(8,576)
Net increase (decrease) in cash and cash equivalents	**7,526**	(2,580)
Cash and cash equivalents at 1 April	**7,642**	10,498
Effect of foreign exchange rate changes, net	**445**	100
Cash and cash equivalents at 30 September	**15,613**	8,018

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (the "**HKAS**") No. 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosure requirements set out in Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

Going concern basis

The Group reported a consolidated loss attributable to owners of the Company of approximately RMB55,873,000 for the six months ended 30 September 2026 and as at 30 September 2026 the Group had net current liabilities of approximately RMB1,807,417,000.

As at 30 September 2026, the total amount of the Group's bank borrowings was approximately RMB1,101,372,000 and the amount of the guaranteed notes was approximately RMB193,565,000 while its cash and cash equivalents amounted to approximately RMB15,613,000. In addition, as at 30 September 2026 and as of the date of approval of these consolidated financial statements, the Group had defaulted or cross-defaulted certain bank borrowings and guaranteed notes amounted to RMB1,098,432,000 and RMB193,565,000, respectively.

The above events and conditions indicate the existence of multiple material uncertainties which may cast significant doubt on the Group's ability to continue to operate on a going concern basis.

In order to sustain the Group's operation on a going concern basis, the directors of the Company have implemented or are in the process of implementing the following measures to enhance the Group's liquidity as well as to reach settlement with creditors:

(i) Continuing to improve the Group's operating cash inflow by enhancing the Group's cash generating capability and controlling operating costs. The Group has been actively developing new customers and increasing the processing output and revenue of both LNG factories. The Group has taken firm and effective measures to control operating costs and constrain unnecessary capital expenditures to preserve liquidity. As a result, the Group's net cash inflow from operating activities for the six months ended 30 September 2026 increased by RMB3.3 million representing a 135% increment as compared with the corresponding period of last financial year. The Group will continue to take actions to improve its cash generating capability as well as to turn around operating loss;

(ii) Actively communicating and negotiating with the Group's creditors to seek practical solutions on the outstanding debts and to dissuade them from taking enforcement actions which could lead to the Group's loss of control over major subsidiaries or key assets essential to business operation. Up to the date of this announcement, the directors of the Company were not aware of any enforcement action against the group companies which could interrupt their operations. Up to 30 September 2026, two major bank creditors of the Group have sold all their loan portfolios relating to the group companies to state-owned asset management companies ("**AMC**") at discounted price. The Group has been discussing with potential strategic investors about acquiring the loan portfolios. The directors are confident that settlement agreements with creditors and strategic investors will be reached in due course;

(iii) Restructuring the existing debts through legal procedure. The Company has filed an ex parte originating summons with the High Court of Hong Kong for the hearing of application by the Company for an order to convene a meeting of the creditors of the Company to consider and, if thought fit, approve, with or without modification, a scheme of arrangement proposed by the Company. At the hearing on 17 June 2025, the Court ordered that the hearing be adjourned sine die with liberty to restore. Since then, the Company and its professional advisers, having regard to developments relating to creditor claims, funding arrangements and the overall implementation of the Group's restructuring efforts, have continued to refine and review the restructuring proposal with a view to restoring the hearing as soon as possible; and

(iv) Sourcing new funds to increase the Group's liquidity, inter alia, reduce the Group's borrowing level.

(a) the Company has signed a memorandum of understanding ("**MOU**") with a potential strategic investor ("**Investor**"). According to the MOU, the Investor has undertaken to support the Group's restructuring by providing financing support, procuring loan portfolios and taking other appropriate measures to alleviate the financial stress of the Group's operating entities in the PRC to enable these entities to generate a healthy cashflow, on terms subject to definitive documentation to be agreed upon and prepared. Further to the MOU, a supplementary agreement was signed in October 2026 ("**Supplementary Agreement**") regarding the loan portfolios held by AMCs relating to the Group companies ("**Loan Assets**"). According to the Supplementary Agreement, the Investor has agreed in principle to acquire the Loan Assets and to grant the Group a period of not less than 5 years to repay the acquisition cost and return regarding to the prevailing market condition; and all penalty interests will be waived. Definitive terms are being negotiated and will be determined upon successful acquisition of the Loan Assets by the Investor.

(b) the Company has signed a financing agreement (the "**Agreement**") with another potential strategic investor. According to the Agreement, the potential strategic investor agreed to support the Company's restructuring by providing a maximum loan facility of HK$20 million to the Company. The loan is unsecured, interest-free and has no fixed repayment date. Up to the date of this announcement, HK$1.7 million has been drawn down under the Agreement.

(c) on 25 September 2026, the Company completed a placing of 65,450,000 new shares at HK$0.157 per share to not less than six independent placees, raising net proceeds of approximately HK$10.07 million. The net proceeds are intended to be applied as to approximately HK$2 million for staff and directors' emoluments, HK$6 million for professional fees and HK$2 million for general corporate expenses, and are expected to be fully utilised within 12 months.

The directors of the Company have prepared the Group's cash flow projections which cover a period of not less than twelve months from 1 October 2026 and taken into account of multiple uncertainties as to whether the Group will be able to achieve the plans and measures as described above. The Group will be able to continue on a going concern basis based on the following assumptions:

(i) Successfully implement the Group's business strategy plan and cost control measures so as to stabilise the Group's business operation and to improve the Group's working capital and cash flow position;

(ii) Successfully negotiate with the existing creditors on the renewal or extension of the Group's borrowings and on the settlement of existing indebtedness in a way sustainable to the Group;

(iii) Successfully convene the meeting of creditors and to implement the restructuring plan under the scheme of arrangement; and

(iv) Successfully obtain additional financing support from the existing creditors and potential strategic investors to restructure existing debts and to improve the Group's liquidity position, so as to alleviate the Group's financial stress within a reasonable timeframe.

The directors of the Company are of the opinion that, if all the above-mentioned assumptions, plans and measures are realised, the Group will have sufficient working capital for its operations and will be able to meet its financial obligations as and when they fall due. Accordingly, the directors of the Company consider that it is appropriate to prepare the condensed consolidated financial statements of the Group for the six-month period ended 30 September 2026 on a going concern basis.

2. SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements.

The accounting policies adopted in the preparation of these condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2026, except for the first time of the following new Interpretation and amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") that are relevant for the preparation of the Group's condensed consolidated financial statements.

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Amendments to HKFRS Accounting Standards	*Annual Improvements to HKFRS Accounting Standards – Volume 11*

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

3. SEGMENT INFORMATION AND REVENUE

Information reported to the Group's executive directors, being the chief operating decision maker ("**CODM**"), for the purposes of resource allocation and performance assessment focuses on the nature of operations.

Specifically, the Group's reportable segments during the period are as follows:

Production and sales of LNG	Wholesale of LNG
Oil and gas transactions	Trading of oil and gas contracts

In addition, the operations of sales of vehicle gas at refuelling stations and LNG transportation operation are reported as "other operations".

Segments turnover and results

For the six months ended 30 September 2026

	Production and sales of LNG *RMB'000* **(Unaudited)**	**Oil and gas transactions** *RMB'000* **(Unaudited)**	**Other operations** *RMB'000* **(Unaudited)**	**Total** *RMB'000* **(Unaudited)**
Segment revenue from external customers	**205,061**	**290,517**	**12,821**	**508,399**
Segment results	**(5,611)**	**(239)**	**(1,007)**	**(6,857)**
Interest income				**3**
Other gains and losses				**6,628**
Share of results of associates				**5,990**
Finance costs				**(48,642)**
Unallocated corporate expenses				**(16,934)**
Loss before tax				**(59,812)**

For the six months ended 30 September 2025

	Production and sales of LNG *RMB'000* (Unaudited)	Oil and gas transactions *RMB'000* (Unaudited)	Other operations *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Segment revenue from external customers	244,892	12,600	12,507	269,999
Segment results	(9,338)	(20,914)	(1,249)	(31,501)
Interest income				4
Other gains and losses				1,825
Share of results of associates				11,353
Finance costs				(87,727)
Unallocated corporate expenses				(14,402)
Loss before tax				(120,448)

Segment assets and liabilities

Information of the operating segments of the Group reported to the CODM for the purposes of resource allocation and performance assessment does not include any assets and liabilities. Accordingly, no segment assets and liabilities information are presented.

Revenue

The Group's total revenue for the Period amounted to RMB218,022,000 (for the six months ended 30 September 2025: RMB257,639,000) comprised (i) revenue from oil and gas sales contracts of RMB140,000 (for the six months ended 30 September 2025: RMB240,000) and (ii) other revenue from contracts with customers of RMB217,882,000 (for the six months ended 30 September 2025: RMB257,399,000). Additional line items are presented in consolidated statements of profit or loss and other comprehensive income to separately show revenue from oil and gas contracts.

Revenue from major products and services

The following is an analysis of the Group's revenue from its major products and services:

	Six months ended 30 September	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Wholesale of LNG	**205,061**	244,892
Trading of oil and gas contracts	**140**	240
Sales of vehicle gas at refuelling stations	**6,248**	10,724
LNG transportation	**6,573**	1,783
Sales commission	**–**	–
	218,022	257,639

4. OTHER INCOME

	Six months ended 30 September	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Banks interest income	**3**	4
Others	**671**	376
	674	380

5. OTHER GAINS AND LOSSES

	Six months ended 30 September	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net foreign exchange (losses) gains	**6,634**	1,492
Others	**(6)**	333
	6,628	1,825

6. LOSS BEFORE TAX

	Six months ended 30 September	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss before taxation has been arrived at after charging:		
Amortisation of intangible assets	**–**	–
Depreciation of right-of-use assets	**971**	971
Cost of inventories recognised as an expense	**195,462**	235,910
Depreciation of property, plant and equipment	**24,122**	19,335
Directors' emoluments	**1,077**	1,333
Salaries and other benefits	**15,227**	16,499
Retirement benefits contributions	**3,752**	4,034
Total staff costs (excluding directors' emoluments)	**18,979**	20,533

7. INCOME TAX CREDITS (EXPENSE)

	Six months ended 30 September	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
The credit (charge) comprises:		
Current taxation		
PRC Enterprise Income Tax ("**EIT**")	**(33)**	(33)
Over (under) provision in prior periods	**31**	15
	(2)	(18)
Deferred taxation		
Current period	**36**	81
	34	63

Under the two-tiered profits tax rates regime, the first HKD2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HKD2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Hong Kong Profits Tax was calculated at a flat rate of 16.5% of the estimated profits. No provision of Hong Kong Profits Tax has been made as the Group has no assessable profits generated in Hong Kong for the periods ended 30 September 2026 and 2025.

PRC EIT has been provided for at the applicable income tax rate of 25% on the assessable profits of the PRC companies comprising the Group during the periods, except for certain subsidiaries of the Group, namely, 鄂爾多斯市星星能源有限公司 ("**Xingxing Energy**") and 達州市匯鑫能源有限公司 ("**Huixin Energy**") which are taxed at concessionary rate in certain periods.

As set out below, the applicable PRC EIT concessionary rate for Xingxing Energy and Huixin Energy is 15%, which are under the preferential tax treatment that given to companies established in the western regions in the PRC and derived at least 70% of their total income from their main business in oil and gas industry which falling within the list of encouraged industries specified by the PRC government.

Xingxing Energy was registered with the local tax authority to be eligible to the reduced 15% enterprise income tax rate from 2013 to 2020 and further extended to 2030. Accordingly, Xingxing Energy is eligible for the PRC EIT of 15% (2025: 15%).

Huixin Energy was registered with the local tax authority to be eligible to the reduced 15% enterprise income tax rate from 2012 to 2020 and further extended to 2030. Accordingly, Huixin Energy is eligible for the PRC EIT of 15% (2025: 15%).

According to the PRC income tax law and its relevant regulations, entities that are qualified as small and low profit enterprise are entitled to a preferential income tax rate of 5% from 1 January 2023 to 31 December 2027.

8. DIVIDEND

No dividend was paid, declared or proposed during both interim periods, nor has any dividend been proposed since the end of the reporting period.

9. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 September	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the purposes of basic and diluted loss per share		
Loss for the period attributable to owners of the Company	**(55,873)**	(115,400)

Number of shares

	Six months ended 30 September	
	2026	2025
	'000	*'000*
	(Unaudited)	(Unaudited) (Restated)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**329,427**	327,281

The weighted average number of ordinary shares used in the calculation of basic and diluted loss per share for the six months ended 30 September 2026 has been adjusted to reflect the effects of the share consolidation and the placing of new shares. In respect of the share consolidation and the placing of new shares, details are mentioned in Note 14. The corresponding weighted average number of shares for the six months ended 30 September 2025 has been retrospectively adjusted to ensure comparability, taking into account the impact of the share consolidation.

There were no potential dilutive ordinary shares in issue for the six months ended 30 September 2026 and 2025.

10. TRADE AND OTHER RECEIVABLES

	As at 30 September 2026 ***RMB'000*** **(Unaudited)**	As at 31 March 2026 *RMB'000* (Audited)
Trade receivables	**1,083,419**	1,106,951
Less: Allowance for credit losses *(note)*	**(1,040,820)**	(1,061,212)
	42,599	45,739
Other receivables	**428,255**	318,599
Less: Allowance for credit losses	**(29,077)**	(26,492)
	399,178	292,107
Prepayments	**2,299,603**	2,299,692
Less: Allowance for credit losses	**(1,335,009)**	(1,336,713)
	964,594	962,979
	1,406,371	1,300,825

Note: The decrease in the loss allowance of approximately RMB19,283,000 was attributable to exchange differences arising from the translation of foreign currency denominated balances.

The Group generally requires prepayments made by customers before delivery of goods or provision of services, except for certain customers arising from the sales of oil and gas transactions to which the Group allows an average credit period of 30 to 360 days. The Group also accepts bills issued by reputable PRC banks from customers as settlement of trade receivables.

Before accepting a new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer.

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the dates of delivery of goods or rendering of services, at the end of the reporting period.

	As at 30 September 2026 ***RMB'000*** **(Unaudited)**	As at 31 March 2026 *RMB'000* (Audited)
Within 30 days	**292**	2,308
31–90 days	**–**	1,124
91–180 days	**–**	–
181–365 days	**–**	–
Over 365 days	**42,307**	42,307
	42,599	45,739

Other receivables mainly represent late delivery penalty due from suppliers and advances to staff.

Prepayments mainly represent advance payments to certain suppliers for oil and gas purchases contracts and production of LNG which require the Group to prepay before the supply of goods or materials.

11. TRADE PAYABLES AND OTHER LIABILITIES

	As at 30 September 2026 ***RMB'000*** **(Unaudited)**	As at 31 March 2026 *RMB'000* (Audited)
Trade payables	**107,965**	94,625
Other payables	**684,170**	531,511
Other handing fee payables	**54,011**	48,118
Other tax payables	**24,050**	25,638
Payroll payables	**14,283**	11,668
Receipt from exercise of put option	**2,500**	2,500
Receipts in advance *(note)*	**858,891**	865,197
	1,745,870	1,579,257

Trade payables arisen from oil and gas purchase contracts are granted by suppliers with an average credit period ranging from seven days to nine months after date of delivery in the bills of lading, and trade payables arisen from production and sales of LNG are granted by suppliers with an average credit period ranging from 30 days to 90 days after date of delivery.

Besides, certain suppliers also require to have prepayments received before the supply of materials. The Group arranges for certain of its prepayments or settlement of trade payables by bills payables.

Note: Receipts in advance represent security deposits from customers of oil and gas sales contracts.

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period.

	As at 30 September 2026	As at 31 March 2026
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 90 days	**36,773**	23,020
91–180 days	**206**	298
181–365 days	**366**	2,212
Over 1 years	**70,620**	69,095
	107,965	94,625

12. PROPERTY, PLANT AND EQUIPMENT

During the Period, the Group had no additions to property, plant and equipment (for the six months ended 30 September 2025: additions of approximately RMB3,161,000).

13. BANK AND OTHER BORROWINGS

During the Period, the Group obtained new bank and other loans amounting to nil (for the six months ended 30 September 2025: approximately RMB40.5 million). The loans carried interest at fixed/variable market rates ranging from 3% to 12% per annum. During the Period, the Group repaid bank and other loans amounting to approximately RMB5 million (for the six months ended 30 September 2025: approximately RMB45.5 million).

14. SHARE CAPITAL

	As at 30 September 2026		As at 31 March 2026	
	No. of shares	**Share capital**	No. of shares	Share capital
	'000	***HK$'000***	*'000*	*HK$'000*
Ordinary shares of HK$0.10 each				
Authorised				
At the beginning of the reporting period	**100,000,000**	**10,000,000**	10,000,000	1,000,000
Increase	**–**	**–**	90,000,000	9,000,000
At the end of the reporting period	**100,000,000**	**10,000,000**	100,000,000	10,000,000
Ordinary shares, issued and fully paid:				
At the beginning of the reporting period	**6,545,621**	**654,562**	6,545,621	654,562
Share consolidation *(note a)*	**(6,218,340)**	**–**	–	–
Capital reduction *(note a)*	**–**	**(621,834)**	–	–
Placing of new shares *(note b)*	**65,450**	**6,545**	–	–
At the end of the reporting period	**392,731**	**39,273**	6,545,621	654,562

Analysed for reporting purposes as:	*RMB'000*
As at 31 March 2026	551,378
As at 30 September 2026	33,201

Notes:

(a) On 6 July 2026, the capital reorganisation comprising the share consolidation, the capital reduction and the share sub-division (the "**Capital Reorganisation**") became effective. Every twenty (20) issued and unissued shares of HK$0.10 each were consolidated into one (1) consolidated share of HK$2.0 each, reducing the number of issued shares from 6,545,621,131 to 327,281,056. The capital reduction cancelled the fractional consolidated shares and reduced the paid-up capital by HK$1.9 per consolidated share, such that the par value of each issued share became HK$0.1. The issued share capital was accordingly reduced from HK$654,562,113 to HK$32,728,106, a reduction of approximately HK$621,834,000 which was transferred to the contributed surplus account. Each authorised but unissued consolidated share was then sub-divided into twenty (20) new shares of HK$0.1 each, and the authorised share capital remained at HK$10,000,000,000 divided into 100,000,000,000 shares.

(b) On 25 September 2026, a total of 65,450,000 placing shares have been successfully placed to not less than six independent placees at the placing price of HK$0.157 per placing share pursuant to the general mandate granted at the annual general meeting held on 29 September 2025.

15. FAIR VALUE MEASUREMENT

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the fair value is observable.

Items	Fair Value	Fair value hierarchy	Valuation technique(s) & key inputs
Derivative financial instrument – Forward contract	RMB2,500,000 (31 March 2026: RMB2,500,000)	Level 3	Discounted cash flow method was used to capture the present value of the receipt of consideration by the Group as forward price based on an appropriate discount rate *(note)*

Note: Significant unobservable inputs of derivative financial instruments include the discount rate, the settlement risk from the sellers and the underlying fair value of the equity interest of the investments. No sensitivity analysis is presented as the directors of the Company consider the movement in fair value of derivative financial instruments is insignificant.

There were no transfers between the different levels of the fair value hierarchy in the current and prior periods.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

In the opinion of the directors of the Company, no financial instruments of the Group are carried at amount materially different from their fair values as at 30 September 2026 and 31 March 2026.

16. LITIGATION

The Group took a legal action in an intermediate court in Guizhou Province, the PRC, against Guizhou Gas Group Corporation Ltd ("**Guizhou Gas**"), its subsidiary and related officers designated by Guizhou Gas in late June 2024. Details of the litigation are set out in the Company's announcement dated 18 November 2024.

On 1 August 2025, the Group received the second instance judgment, whereby all claims submitted by the Group were dismissed by the Guizhou Provincial Higher People's Court. The Group applied to the Supreme People's Court for a retrial of the case, and the Supreme People's Court accepted and filed the case for review on 23 April 2026. On 28 July 2026, the Supreme People's Court ruled to dismiss the application for retrial. The Group will continue to seek professional legal advice and pursue such further measures as may be appropriate, having regard to the best interests of the Group.

The Group will further update the Shareholders and potential investors about the litigation progress as and when appropriate.

DIVIDEND

The Board of Directors have resolved not to declare an interim dividend for the six months ended 30 September 2026 (for the six months ended 30 September 2025: nil).

MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP

Group results

During the period from 1 April 2026 to 30 September 2026 (the "**Period**") and at present, the Group has been principally engaged in (i) the trading of oil and gas products and the provision of related consultancy services; and (ii) the processing, distribution, sales, trading and transportation of LNG and other auxiliary operations and networks in the PRC.

During the Period, the Group recorded an unaudited consolidated gross amount from operations ("**turnover**") of approximately RMB508 million (six months ended 30 September 2025: approximately RMB270 million), mainly contributed by the production and sales of LNG and oil and gas transactions, with loss after tax of approximately RMB60 million (six months ended 30 September 2025: approximately RMB120 million). The decrease in loss after tax was mainly due to the following factors: (1) the impairment loss under expected credit loss model decreased to approximately RMB4 million, representing a decrease of approximately RMB21 million as compared with approximately RMB25 million in the corresponding period of last year, and (2) finance costs recorded a decrease of approximately RMB39 million, primarily attributable to a one-off accrual of overdue interest on bank borrowings recognised in the corresponding period of last year, with no such one-off charge arising in the Period.

Production and sales of LNG

During the Period, the Group produced approximately 225,000,000 cubic meters of LNG, representing a decrease of approximately 26,000,000 cubic meters or 10.36% compared with the same period of last year. The turnover from the production and sales of LNG business for the Period was approximately RMB205 million, representing a decrease of approximately RMB40 million or 16.33% compared with the same period of last year, contributing approximately 40.3% of the total turnover of the Group. The segment recorded gross profit of approximately RMB19 million (six months ended 30 September 2025: approximately RMB19 million), while its gross profit margin improved from approximately 7.9% to approximately 9.3%.

During the Period, the Group reduced its production and sales of LNG and secured more customers and contracts for which the Group provides liquefaction services only, while enhancing operational efficiency and mitigating production losses. As a result, revenue from the production and sales of LNG decreased, while gross profit remained flat and the gross profit margin improved.

Oil and gas transactions

During the Period, revenue arising from oil and gas transactions business increased to approximately RMB291 million from approximately RMB13 million, contributing approximately 57.1% of the total turnover of the Group, representing an increase of approximately RMB278 million or 2,206% from the six months ended 30 September 2025. Gross profit decreased to approximately RMB0.14 million from approximately RMB0.24 million, with gross profit margin decreased from approximately 1.9% to approximately 0.05%.

During the Period, after providing liquefaction services to certain customers, the Group repurchases the liquefied products for onward sale. As the purchase price is closely aligned with the prevailing market price, the gross margin available to the Group from such trading business is very limited. Accordingly, revenue from oil and gas transactions business increased substantially during the Period, while its gross profit margin fell significantly. The Group will continue to maintain this business arrangement to avoid competition between the Group and its liquefaction-service customers in LNG sales, thereby benefiting the Group's business as a whole.

Prospect

During the Period and up to the date of this announcement, the Group's natural gas business continued to operate as usual, notwithstanding the continued volatility of the external environment.

Looking ahead, international geopolitical tensions and disruptions to key shipping routes are expected to keep global gas supply tight, with international gas prices staying elevated and volatile. This will continue to affect the cost of imported LNG and, in turn, the pricing benchmark for domestically produced LNG sold in the PRC. On the demand side, natural gas consumption in the PRC is projected to register only modest growth in the near term. Nevertheless, the fundamental drivers underpinning the long-term improvement of China's economy are expected to remain intact. Supported by effective measures rolled out by the PRC government, the domestic market will recover gradually.

Pursuant to the Petroleum and Natural Gas Development Plan for the Fifteenth Five-Year Plan Period issued in July 2026, natural gas is designated to fulfil the dual roles of supporting the energy transition and safeguarding energy security. The Plan also explicitly encourages the use of LNG as a fuel for heavy-duty trucks and waterborne transport. From a long-term perspective, the Group expects that government policies governing the natural gas market will foster a favourable operating environment for the Group.

Although competition in the energy market remains fierce and the Group is in a process to restructure its business and debts for a solid foundation to maintain a long-term operation and growth. The management will continue to monitor the economy and the external market environment and will continue to adopt prudent measures and implement various strategies to mitigate the adverse impact on the business arising from challenges as in this market condition. Looking forward, the Group will continue to develop its businesses in natural gas sector and to explore new business opportunities in order to create value for its shareholders.

FINANCIAL REVIEW

Turnover

The Group's turnover for the Period was approximately RMB508 million (six months ended 30 September 2025: approximately RMB270 million). The increase in turnover was mainly attributable to the increase in turnover in the oil and gas transactions business by approximately RMB278 million, which recorded a turnover of approximately RMB291 million during the Period (six months ended 30 September 2025: approximately RMB13 million).

Gross Profit

Gross profit for the Period was approximately RMB20 million (six months ended 30 September 2025: approximately RMB20 million). The Group's gross profit margin for the Period decreased from approximately 7.3% (six months ended 30 September 2025) to approximately 4.0%, as the proportion of revenue contributed by the low-margin oil and gas transactions business rose substantially in the Period, dragging down the overall gross profit margin.

Other Income

Other income for the Period was approximately RMB0.67 million (six months ended 30 September 2025: approximately RMB0.38 million).

Other Gains and Losses

For the six months ended 30 September 2026, other gains represented mainly net foreign exchange gains of approximately RMB7 million (six months ended 30 September 2025: net foreign exchange gains of approximately RMB2 million).

Impairment Loss under Expected Credit Loss Model

For the six months ended 30 September 2026, an impairment loss under expected credit loss model of approximately RMB4 million (six months ended 30 September 2025: approximately RMB25 million) was recognised.

Administrative Expenses

The Group's administrative expenses for the Period amounted to approximately RMB39 million (six months ended 30 September 2025: approximately RMB39 million).

Share of Results of Associates

During the Period, a gain of approximately RMB6 million (six months ended 30 September 2025: gain of approximately RMB11 million) in the share of results of associates of the Group was recorded.

Finance Costs

The Group incurred finance costs of approximately RMB49 million during the Period (six months ended 30 September 2025: approximately RMB88 million), representing a decrease of approximately 44.6%. The decrease was primarily attributable to a one-off accrual of overdue interest on bank borrowings recognised in the corresponding period of last year, with no such one-off charge arising in the Period.

Income Tax Credits (Expenses)

During the Period, income tax credit of the Group was approximately RMB0.03 million (six months ended 30 September 2025: income tax credit of approximately RMB0.06 million).

Liquidity, Financial Resources and Capital Structure

On 6 July 2026, the Company completed the Capital Reorganisation, pursuant to which the number of issued shares was reduced from 6,545,621,131 to 327,281,056, and a credit of approximately HK$621,834,000 was transferred to the contributed surplus account. Concurrently, the board lot size for trading on The Stock Exchange of Hong Kong Limited was amended from 4,000 existing shares to 10,000 new shares. Further details of the Capital Reorganisation are set out in the Company's announcements dated 1 June 2026 and 6 July 2026 and the circular dated 10 June 2026.

On 25 September 2026, the Company completed a placing of 65,450,000 new shares at HK$0.157 per share to not less than six independent placees, raising net proceeds of approximately HK$10.07 million. The net proceeds are intended to be applied as to approximately HK$2 million for staff and directors' emoluments, HK$6 million for professional fees and HK$2 million for general corporate expenses, and are expected to be fully utilised within 12 months. Further details were set out in the announcements of the Company dated 31 August 2026 and 25 September 2026.

At 30 September 2026, the full amount of approximately HK$10.07 million remained unutilised as the placing was completed shortly before the end of the reporting period, and is expected to be applied in accordance with the intended applications above within 12 months from completion.

As at 30 September 2026, the Group maintained bank balances and cash of approximately RMB16 million (31 March 2026: approximately RMB8 million).

The net current liabilities of the Group as at 30 September 2026 were approximately RMB1,807 million (31 March 2026: approximately RMB1,774 million). The current ratio was approximately 0.44 (31 March 2026: approximately 0.43).

As at 30 September 2026, the Group had borrowings of approximately RMB1,101 million and guaranteed notes of approximately RMB194 million. The gearing ratio, which is debt-to-equity ratio (total borrowings over total equity), of the Group was approximately -1.00 compared to approximately -1.04 as at 31 March 2026.

As at 30 September 2026, the Group had defaulted the repayment of certain bank borrowings of approximately RMB1,031 million and triggered cross-default for other bank borrowings of approximately RMB67 million.

A series of plans and measures have been taken to mitigate liquidity pressure and to improve the financial position of the Group. The Group has been actively seeking additional financing support from the existing creditors and potential strategic investors to restructure existing debts and to improve the Group's liquidity position, so as to alleviate the Group's financial stress within a reasonable timeframe.

Capital Expenditure on Property, Plant and Equipment

Capital expenditure for purchase of property, plant and equipment amounted to Nil (six months ended 30 September 2025: approximately RMB3 million) for the Period.

Pledge of Assets

As at 30 September 2026, the Group pledged assets in aggregate amount of approximately RMB194 million (31 March 2026: approximately RMB215 million) to banks for banking facilities.

Capital Commitments

As at 30 September 2026, the Group had no material capital commitments (31 March 2026: Nil).

Treasury Policy

The Group mainly operates in China with most of the transactions denominated and settled in RMB, HK Dollar and US Dollar. The exposure of exchange fluctuation in respect of RMB and HK/US Dollar could affect the Group's performance and asset value. However, there are no liquidity problems resulting from currency exchange fluctuations. The Group still monitors the overall currency exposures.

Employee Information

As at 30 September 2026, the Group had about 243 employees (31 March 2026: about 243). The remuneration packages are generally structured with reference to market conditions and the individual qualifications. Salaries and wages of the Group's employees are normally reviewed on an annual basis based on performance appraisals and other relevant factors.

EVENTS AFTER THE REPORTING PERIOD

The Company is not aware of any material subsequent events after 30 September 2026 and up to the date of this announcement.

COMPLIANCE WITH CORPORATE GOVERNANCE

The Company has complied with all the applicable code provisions set out in the Code on Corporate Governance Practices (the "**CG Code**") in Appendix C1 of the Listing Rules throughout the six months ended 30 September 2026, except for the deviations discussed below.

Code provision C.2.1

Pursuant to C.2.1 of the CG Code, the roles of chairman and chief executive officer ("**CEO**") should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. Mr. Wang Jianqing ("**Mr. Wang**") is the chairman of the Company since 27 January 2011 and was appointed the CEO of the Company on 15 September 2011. The Board considers that Mr. Wang possesses the essential leadership skills to manage the Board and extensive knowledge in the business of the Group. The present structure is more suitable to the Company because it can promote the efficient formulation and implementation of the Company's strategies. Through the supervision of the Board and the audit committee, balance of power and authority can be ensured and there is no imminent need to change the arrangement.

Code provision F.2.2

Pursuant to F.2.2 of the CG Code, the chairman of the board should attend the annual general meeting. Mr. Wang Jianqing, the Chairman of the Board and the executive Director of the Company, was unable to attend the 2026 annual general meeting of the Company held on 23 September 2026 (the "**2026 AGM**") in person because he was unfit for travel for medical reasons, but attended via telephone. However, Dr. Leung Hoi Ming, the independent non-executive Director, had taken the chair of the 2026 AGM in accordance with the bye-laws of the Company. Dr. Leung was of sufficient calibre and knowledge for communication with the shareholders at the 2026 AGM.

Code provision C.6.2

Pursuant to C.6.2 of the CG Code, the appointment of the company secretary should be dealt with by a physical board meeting rather than a written resolution. The appointment of the current company secretary was dealt with by a written resolution in September 2013. The Board considers that, prior to the execution of the written resolution to appoint the current company secretary, all Directors were individually consulted on the matter without any dissenting opinion and there was no need to approve the matter by a physical board meeting instead of a written resolution.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED COMPANIES

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the Company's code for Directors' securities transaction.

Following specific enquiries by the Company, all the Directors have confirmed in writing their compliance with the required standards set out in the Model Code throughout the Period.

REVIEW OF INTERIM RESULTS

The interim results of the Group for the six months ended 30 September 2026 have been reviewed by the Audit Committee of the Company.

DEALING IN COMPANY'S LISTED SECURITIES

During the Period, there were no purchases, sale or redemption by the Company or any of its subsidiaries, of the Company's listed securities.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement of interim results is available for viewing on the website of Hong Kong Exchanges and Clearing Limited at (www.hkexnews.hk) under "Latest Listed Company Information" and on the company website at (www.yuanhenggas.com). The interim report of the Company containing all the information required by the Listing Rules will be published on the above websites in due course.

ACKNOWLEDGEMENT

I would like to take this opportunity to thank each and every of the management, staff and employees for their dedication, loyalty and commitment in the past.

By order of the Board
Yuan Heng Gas Holdings Limited
Wang Jianqing
Chairman and Chief Executive Officer

Hong Kong, 27 November 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.