



## OUHUA ENERGY HOLDINGS LIMITED

(Incorporated in Bermuda on 3 January 2006)  
(Company Registration Number 37791)

### Unaudited Financial Statements For The Financial Period Ended 31 December 2019

For the purpose of this announcement, FY2019 refers to the full year financial period ended 31 December 2019 whereas FY2018 refers to the corresponding full year financial period ended 31 December 2018.

#### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

**1(a)(i) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

#### UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 December 2019

(RMB'000)	Forth quarter ended			Full year ended		
	31 Dec 2019	31 Dec 2018	% change	31 Dec 2019	31 Dec 2018	% change
<b>Revenue</b>	846,769	777,669	8.9	3,158,211	2,717,343	16.2
Cost of sales	(794,899)	(767,211)	3.6	(3,065,625)	(2,630,616)	16.5
<b>Gross profit</b>	<u>51,870</u>	<u>10,458</u>	396	<u>92,586</u>	<u>86,727</u>	6.8
Other operating income	5,419	(4,487)	N.M.	9,599	8,352	14.9
Selling and distribution expenses	(8,813)	(7,569)	16.4	(37,093)	(28,972)	28.0
Administrative expenses	(5,395)	(3,384)	59.4	(16,596)	(19,362)	-14.3
Other operating expenses	(14,186)	7,360	N.M.	(23,003)	(18,053)	27.4
<b>Profit from operations before interest</b>	<u>28,895</u>	<u>2,378</u>	1,115	<u>25,494</u>	<u>28,692</u>	-11.1
Finance costs	9,163	(1,805)	N.M.	(10,780)	(8,093)	33.2
<b>Profit before income tax</b>	<u>38,058</u>	<u>573</u>	6,542	<u>14,714</u>	<u>20,599</u>	-28.6
Income tax	-	-	N.M.	-	-	N.M.
<b>Net profit for the year</b>	<u>38,058</u>	<u>573</u>	6,542	<u>14,714</u>	<u>20,599</u>	-28.6
<b>Other comprehensive income</b>						
Foreign currency translation differences	(33)	(1,902)	-98.3	(33)	(1,902)	-98.3
<b>Total comprehensive profit for the period</b>	<u>38,025</u>	<u>(1,329)</u>	N.M.	<u>14,681</u>	<u>18,697</u>	-21.5

"N.M." – Not Meaningful

**1(a)(ii)Other information:**

Profit before income tax is arrived at after charging/ (crediting) the following:

(RMB'000)	Full year ended		
	31 Dec 2019	31 Dec 2018	% change
Depreciation of property, plant and equipment	27,153	15,817	72
Interest expense	10,780	8,093	33
Interest income	(307)	(313)	-2
Foreign exchange gain/loss	12,962	8,793	47

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 December 2019**

	<u>As at 31 Dec</u> <u>2019</u> RMB'000	<u>As at 31 Dec</u> <u>2018</u> RMB'000	<u>As at 31 Dec</u> <u>2019</u> RMB'000	<u>As at 31 Dec</u> <u>2018</u> RMB'000
<b>Non-current assets</b>				
Property, plant and equipment	153,643	140,389	7	7
Investment in subsidiaries	-	-	156,277	156,277
<b>Total non-current assets</b>	<u>153,643</u>	<u>140,389</u>	<u>156,284</u>	<u>156,284</u>
<b>Current assets</b>				
Inventories	152,202	58,576	-	-
Trade and other receivables	105,982	148,623	-	-
Due from a related party	57,181	58,019	68	69
Margin deposits	3,216	3,211	3,216	3,211
Pledged fixed deposits	27,593	22,870	-	-
Cash and cash equivalents	71,339	59,388	4,200	84
<b>Total current assets</b>	<u>417,512</u>	<u>350,687</u>	<u>7,484</u>	<u>3,364</u>
<b>Total assets</b>	<u>571,155</u>	<u>491,076</u>	<u>163,768</u>	<u>159,648</u>
<b>Current liabilities</b>				
Trade and other payables	227,492	151,372	3,920	4,008
Due to related parties	8,236	9,132	4,477	4,448
Due to holding company	1,719	1,716	1,719	1,716
Due to a subsidiary	-	-	32,506	30,277
Bank borrowings	106,379	144,420	-	-
Income tax payable	2,765	2,317	-	-
Lease liabilities	11,116	-	-	-
<b>Total current liabilities</b>	<u>357,706</u>	<u>308,957</u>	<u>42,622</u>	<u>40,449</u>
<b>Non-current liabilities</b>				
Lease liabilities	16,648	-	-	-
<b>Net assets</b>	<u>196,801</u>	<u>182,119</u>	<u>121,146</u>	<u>119,199</u>
<b>Issued capital and reserves attributable to owners of the Company</b>				
Share capital	149,488	149,488	149,488	149,488
Share premium	130,298	130,298	130,298	130,298
Statutory reserve	15,662	15,662	-	-
Foreign currency translation reserve	3,943	3,976	3,943	3,976
Accumulated losses	(102,590)	(117,305)	(162,583)	(164,563)
<b>Total equity</b>	<u>196,801</u>	<u>182,119</u>	<u>121,146</u>	<u>119,199</u>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As at 31 December 2019		As at 31 December 2018	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
106,379	-	144,420	-

**Amount repayable after one year**

As at 31 December 2019		As at 31 December 2019	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
-	-	-	-

**Details of any collateral**

The Group's bank borrowings comprised of trust receipts and bank loan.

Trust receipts were secured by pledged fixed deposits and corporate guarantees from related parties and personal guarantee by a Director.

Bank loan was secured by certain property, plant and equipment and corporate guarantees from related parties and personal guarantee by a Director.

**1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FULL YEAR ENDED 31 December 2019**

RMB'000	Full year ended	
	31 Dec 2019	31 Dec 2018
	RMB'000	RMB'000
<b>Cash flows from operating activities</b>		
Profit before income tax	14,714	20,599
Adjustments for:		
Depreciation of property, plant and equipment("PPE")	27,153	15,817
Interest income	(307)	(313)
Interest expense	10,780	8,093
Gain/loss on disposal of financial assets at fair value through profit or loss	-	(222)
Loss on disposal of property, plant and equipment	19	13
Operating profit before working capital changes	<u>52,359</u>	<u>43,987</u>
Working capital changes:		
Inventories	(93,625)	83,539
Trade and other receivables	42,640	(65,132)
Due from related parties	(867)	(6,903)
Trade and other payables	76,567	(113,644)
Due to related parties	839	-
Margin deposits	-	(1,099)
<b>Cash generated from/(used in) operations</b>	<u>77,913</u>	<u>(59,252)</u>
Interest received	307	313
Net cash generated from/(used in) operating activities	<u>78,220</u>	<u>(58,939)</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(3,420)	(5,386)
Net cash flows used in investing activities	<u>(3,420)</u>	<u>(5,386)</u>
<b>Cash flows from financing activities</b>		
Increase in pledged fixed deposits	(4,723)	(4,169)
Repayments from related parties	-	3,851
Proceeds from bank borrowings	1,113,122	1,131,314
Repayment of bank borrowings	(1,160,068)	(1,119,897)
Repayment of lease liabilities	(11,118)	-
Net cash (used in)/generated from financing activities	<u>(62,786)</u>	<u>11,099</u>
Effect of foreign exchange rate change in cash and cash equivalent	(64)	(1,373)
<b>Net increase/(decrease) in cash and cash equivalents</b>	12,014	(53,226)
<b>Cash and cash equivalents at beginning of the financial year</b>	<u>59,388</u>	<u>113,987</u>
<b>Cash and cash equivalents at end of the financial year</b>	<u>71,339</u>	<u>59,388</u>

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FULL YEAR ENDED 31 December 2019**

<u>Group</u>	Share	Share	Statutory	Foreign	Accumulated	Total
	<u>capital</u>	<u>premium</u>	<u>reserve</u>	exchange	<u>losses</u>	<u>equity</u>
	RMB'000	RMB'000	RMB'000	translation	RMB'000	RMB'000
<b>Balance at 1 January 2018</b>	149,488	130,298	15,662	5,878	(137,904)	163,422
Profit for the financial period	-	-	-	-	20,599	20,599
<i>Other comprehensive loss:</i>						
Exchange differences on translating foreign operations	-	-	-	(1,902)	-	(1,902)
Total comprehensive income for the financial period	-	-	-	(1,902)	20,599	18,697
<b>Balance at 31 Dec 2018</b>	<u>149,488</u>	<u>130,298</u>	<u>15,662</u>	<u>3,976</u>	<u>(117,305)</u>	<u>182,119</u>
<b>Balance at 1 January 2019</b>	149,488	130,298	15,662	3,976	(117,305)	182,119
Profit for the financial period	-	-	-	-	14,714	14,714
<i>Other comprehensive income:</i>						
Exchange differences on translating foreign operations	-	-	-	(33)	-	(33)
Total comprehensive income for the financial period	-	-	-	(33)	14,714	14,681
<b>Balance at 31 Dec 2019</b>	<u>149,488</u>	<u>130,298</u>	<u>15,662</u>	<u>3,943</u>	<u>(102,590)</u>	<u>196,800</u>
<u>Company</u>	Share	Share	Statutory	Foreign	Accumulated	Total
	<u>capital</u>	<u>premium</u>	<u>reserve</u>	exchange	<u>losses</u>	<u>equity</u>
	RMB'000	RMB'000	RMB'000	translation	RMB'000	RMB'000
<b>Balance at 1 January 2018</b>	149,488	130,298	-	5,878	(164,751)	120,793
Profit for the financial period	-	-	-	-	188	188
<i>Other comprehensive income:</i>						
Exchange differences on translating foreign operations	-	-	-	(1,902)	-	(1,902)
Total comprehensive income for the financial period	-	-	-	(1,902)	188	(1,714)
<b>Balance at 31 Dec 2018</b>	<u>149,488</u>	<u>130,298</u>	<u>-</u>	<u>3,976</u>	<u>(164,563)</u>	<u>119,079</u>
<b>Balance at 1 January 2019</b>	149,488	130,298	-	3,976	(164,563)	119,199
Loss for the financial period	-	-	-	-	1,980	1,980
<i>Other comprehensive loss:</i>						
Exchange differences on translating foreign operations	-	-	-	(33)	-	(33)
Total comprehensive income for the financial period	-	-	-	(33)	1,980	1,947
<b>Balance at 31 Dec 2019</b>	<u>149,488</u>	<u>130,298</u>	<u>-</u>	<u>3,943</u>	<u>(162,583)</u>	<u>121,146</u>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

There were no new shares issued during the full year financial period ended 31 December 2019 and no outstanding convertibles or treasury shares were held as at 31 December 2019 and 31 December 2018.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The Company's total number of issued shares as at 31 December 2019 and 31 December 2018 was 383,288,000 ordinary shares of US\$0.05 each fully paid.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**1(d)(v) A statement showing all sales, transfers, cancellations and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

**2. Whether the figures have been audited or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).**

The figures have not been audited nor reviewed.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Other than as disclosed in paragraph (5) below, the same accounting policies and methods of computation have been applied in these unaudited financial statements as those applied in the most recently audited financial statements for the financial year ended 31 December 2018.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRSs").

The adoption of the new/revised/amendments to IFRSs which came into effect from 1 January 2019 does not have a material impact on the financial statements of the Group and the Company for the financial period under review, except for the following.

IFRS 16 Leases

The Group has adopted IFRS 16 Leases for the financial year beginning on 1 January 2019 using the modified retrospective approach to recognise the amount of right-of-use ("ROU") assets as part of property, plant and equipment equal to the lease liabilities included in trade and other payables and increase in accumulated losses at date of initial application. The adoption of IFRS 16 Leases resulted in adjustments to the Group's statement of financial position as at 1 January 2019.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: -**

**(a) Based on the weighted average number of ordinary shares on issue; and**

**(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	Full year ended	
	31 Dec 2019 <u>(Unaudited)</u>	31 Dec 2018 <u>(Audited)</u>
Number of shares'000	383,288	383,288
EPS (RMB cent)	3.84	5.37

Basic earnings per ordinary share is calculated by dividing the Group's profit attributable to equity holders of the Company by the weighted average share capital of 383,288,000 shares during the full year financial period ended 31 December 2019 and 31 December 2018 respectively.

Diluted earnings per share is calculated by dividing the Group's profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the full year financial period ended 31 December 2019 and 31 December 2018 plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

There is no dilutive potential ordinary share during the full year financial period ended 31 December 2019 and 31 December 2018.



7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

**(a) current financial period reported on; and**

**(b) immediately preceding financial year.**

	Group		Company	
	As at	As at	As at	As at
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 De 2018
NAV per share (RMB cents)	51.35	47.52	31.61	31.10

Net asset value per ordinary share is calculated using the Group's and the Company's net asset values, as at the end of the respective financial period divided by the number of shares in issue (excluding treasury shares) of 383,288,000 ordinary shares as at 31 December 2019 and 31 December 2018, respectively.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**

**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

**Review of the Group's Financial Performance**

**Revenue**

Revenue increased by approximately 16.2% or RMB 440.9 million from RMB 2,717.3 million in FY2018 to RMB 3,158.2 million in FY2019 due to an increase in the sales volume of liquefied petroleum gas ("LPG") from 694,094 tons in FY2018 to 934,822 tons in FY2019 with the expansion of distribution network in East China and Pearl River Delta. This is partially offset by a decrease in average sale price of LPG from RMB 3,915 per tons in FY2018 to RMB 3,381 per ton in FY2019 due to increasing competition in Chinese market.

**Gross Profit**

Gross profit increased by RMB 5.9 million or 6.8% from RMB 86.7 million in FY2018 to RMB 92.6 million FY2019, mainly driven by the increase in sales volume; Meanwhile, Gross profit percentage decreased to 2.9% in FY2019 from 3.2% in FY2018, which was attributed by two factors: one is the increasing competition from LPG produced by domestic refining plants, another is higher marine transportation cost from Middle East to China.

**Other operating income**

Other operating income increased from RMB 8.4 million in 2018 to RMB 9.6 million in 2019. The increase of RMB 1.2 million or 14.9% was mainly attributed by LPG book out transactions in FY2019, offset by reduced subsidy income in FY 2019.

**Operating expenses**

The increase in operating expenses was mainly due to the following:

**Selling and distribution expense**

Selling and distribution expenses increased by RMB 8.1 million or 28.0% from RMB 29.0 million in 2018 to RMB 37.1 million in 2019 due to higher marine freight to access to Pearl River Delta and Yangzi River Delta markets, partially offset by lower tugboat charges.

**Administrative expenses**

Administrative expenses decreased by RMB 2.8 million or 14.3% from RMB 19.4 million in FY2018 to RMB 16.6 million in 2019 mainly due to lower overhaul cost and saving on utilities cost.

**Other operating expenses**

Other operating expenses increased by RMB 4.9 million or 27.4% to RMB 23.0 million in 2019 from RMB 18.1 million in 2018 mainly due to foreign exchange loss following the devaluation of RMB against USD in FY 2019 .

**Finance costs**

Finance costs increased by approximately RMB 2.7 million or 33% from RMB 8.1 million in 2018 to RMB 10.8 million in 2019 mainly due to an increase on interest expense .

**Profit attributable to equity holders**

As a result of the above, the Group yields its profit attributable to equity holders of RMB 14.7 million in FY2019, compared with net profit of RMB 20.6 million in FY2018.

**9. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: - (Cont'd)**

**(b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Review of the Group's Financial Position****Non-current assets**

Non-current assets increased by RMB 13.3 million or 9.4% from RMB 140.4 million as at FY2018 to RMB153.6 million as at 31 December 2019 mainly due to recognition of right-of-use assets RMB 27.0 million in accordance with newly-introduced IFRS 16 and partially offset by depreciation of property, plant and equipment of RMB 13.3 million.

**Current assets**

Current assets increased by RMB 66.8 million or 19.1% from RMB 350.7 million as at FY2018 to RMB 417.5 million as at 31 December 2019. This is mainly due to by increase in inventories of RMB 93.6 million increase in cash and cash equivalents of RMB 12.0 million, partially offset by pledged fixed deposit of RMB 4.7 million and decrease in Trade and other receivables of RMB 42.6 million.

**Current liabilities**

Current liabilities increased by approximately RMB 48.8 million or 15.8% from RMB 309.0 million as at 31 December 2018 to RMB 357.7 million as at 31 December 2019. This is mainly due to increase in trade and other payables of RMB 76.1 million, offset by decrease in bank borrowing of RMB 38.0 million.

**Non-Current liabilities**

Non-current liabilities increased by RMB 16.6 million due to recognition of lease liabilities following the adoption of IFRS 16 Leases as disclosed in paragraph 5.

### **Review of the Group's Cash Flow Statement**

The Group reported cash and cash equivalents of RMB 71.3 million as at 31 December 2019. The net increase of RMB 12.0 million from cash and cash equivalents in FY2019 arose from foreign exchange rate changes of RMB -0.06 million on foreign currency cash balances and net cash outflow from operating, investing and financial activities during FY2019 of RMB 12.0million.

**Net cash used in operating activities** amounted to RMB 78.2 million mainly due to cash utilized in working capital contributed by decrease in trade and other receivables and increase in trade and other payable, partially offset by an increase in inventories and margin deposit.

**Net cash used in investing activities** amounted to RMB 3.4 million was due to purchase of property, plant and equipment.

**Net cash used in financing activities** amounted to RMB 62.8 million mainly due to repayment in bank borrowings and decrease in pledged fixed deposit, partially offset by proceeds from bank borrowing.

- 10. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable

- 11. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The outbreak of Novel coronavirus pneumonia ("2019-nCoV") has been casting shadows on Chinese economy in 2020. We might see the shrinking domestic demand from the downstream of LPG industrial and higher barrier on expanding business in the rest of world. However, as primary source of clean energy in Southern China, the demand on LPG still remains resilient and will continue to sustain Ouhua's performance in foreseeable future. With the effort of Chinese Government, the situation is likely to turn around in the upcoming months. Moreover, Ouhua may benefit from Chinese boosting monetary and financial policies to reduce its expenditure on tax and interest cost.

Ouhua Management always keeps confident on the prospect of Ouhua. Ouhua will continue to solidify strategic alliance with PRC banks and focus on its core market to leverage our advantage of global supply chain and excellent infrastructure and facilities, enhancing our competitiveness and improving our profitability in long run.

- 12. If a decision regarding dividend has been made:-**

- (a) Whether an interim (final) ordinary dividend has been declared (recommended)**

None.

- (b) (i) Amount per share in cents**

**(ii) Previous corresponding period in cents**

None.

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**(d) The date the dividend is payable.**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

**13. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared or recommended for the financial year ended 31 December 2019.

**14. If the group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The aggregate values of interested person transactions for the financial period ended 31 December 2019 are as follows:

Name of interested person	Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	Aggregate value of all interested person transactions (excluding transactions less than \$100,000)
	RMB'000	RMB'000	RMB'000
Chaozhou Huafeng (Group) Incorporation Ltd			
• Lease of LPG transportation vehicles	-	4,211	4,211
• Purchase of LPG		229,607	229,607
Chaozhou Huaxin Energy Co.,Ltd			
• Purchase of LPG	-	133,560	133,560
Chaozhou Zhongkai Huafeng Energy Retail Chain Co., Ltd.			
• Sale of LPG	-	137,168	137,168
Chaozhou Huafeng Refining Co., Ltd			
• Lease of port terminals, land use rights, office premises and staff dormitory		2,312	2,312
Guangdong Huafeng Zhongtian LNG Co., Ltd			
• Lease of port terminals, land use rights, office premises and staff dormitory		3,429	3,429

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker.

The principal operation of the Group relates almost entirely to the import, processing, storage and distribution of LPG in the PRC and Asia Pacific region. All the non-current assets are located in the PRC.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical presence of the markets.

	<u>Total</u>	
	<u>2019</u>	<u>2018</u>
	RMB'000	RMB'000
<b><u>Geographical markets</u><sup>(a)</sup></b>		
PRC	2,909,066	2,601,856
Asia Pacific	249,145	115,487
	3,158,211	2,717,343

**16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Please refer to Paragraph 8.

**17. A breakdown of sales**

	<b>2019</b>	<b>2018</b>	<b>Increase/ (Decrease)</b>
	<u>RMB'000</u>	<u>RMB'000</u>	<b>%</b>
Sales reported for the first half year	1,581,199	1,278,092	24%
Profit/loss after income tax for the first half year	(16,300)	5,862	N.M
Sales reported for second half year	1,577,012	1,439,251	10%
Profit after income tax for the second half year	31,014	14,737	110%

**18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Not Applicable.

**19. Confirmation pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST")**

The Board of Directors of the Company does hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial statements for the full year financial period ended 31 December 2019 to be false and misleading in any material aspect.

**20. Confirmation that the issuer has procured undertakings from all its directors and Executive officers (in the format set out in Appendix 7.7 under Rule 720(1)).**

The Board of Directors confirms that they have procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST

**BY ORDER OF THE BOARD**

**Liang Guo Zhan**  
Executive Chairman

27 February 2020