



## OUHUA ENERGY HOLDINGS LIMITED

(Incorporated in Bermuda on 3 January 2006)

(Company Registration Number 37791)

### Unaudited Full Year Financial Statements For The Year Ended 31 December 2018

For the purpose of this announcement, **FY2018** refers to the full financial year ended 31 December 2018 whereas **FY2017** refers to the corresponding full financial year ended 31 December 2017.

#### 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 YEAR ENDED 31 DECEMBER 2018

	Group		Increase/ (Decrease) %
	<u>FY2018</u> RMB'000	<u>FY2017</u> RMB'000	
<b>Revenue</b>	2,717,343	2,640,570	2.9
Cost of sales	(2,630,616)	(2,526,925)	4.1
<b>Gross profit</b>	<u>86,727</u>	<u>113,645</u>	(23.7)
Other operating income	8,352	17,348	(51.9)
Selling and distribution expenses	(28,972)	(49,779)	(41.8)
Administrative expenses	(19,362)	(21,852)	(11.4)
Other operating expenses	(18,053)	(8,655)	N.M.
<b>Profit from operations</b>	<u>28,692</u>	<u>50,707</u>	(43.4)
Finance costs	(8,093)	(14,079)	(42.5)
Profit before income tax expense	<u>20,599</u>	<u>36,628</u>	(43.8)
Income tax expense	-	-	-
<b>Profit for the financial year</b>	<u>20,599</u>	<u>36,628</u>	(43.8)
<b>Other comprehensive (loss) / income:</b>			
<b>Components of other comprehensive (loss) / income that may be reclassified subsequently to profit or loss, net of tax</b>			
Exchange differences on translation foreign operations	(1,902)	423	N.M.
<b>Total comprehensive income for the financial year</b>	<u>18,697</u>	<u>37,051</u>	(49.5)

“N.M.” – Not Meaningful

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

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

	Group		Increase/ (Decrease)
	FY2018 RMB'000	FY2017 RMB'000	%
Depreciation of property, plant and equipment	15,817	14,984	5.6
Interest expense	8,093	14,079	(42.5)
Interest income	(313)	(157)	99.3
Foreign currency exchange loss / (gain) – net	8,793	(11,446)	N.M.
Loss on disposal of property, plant and equipment	-	22	N.M.
Gain on disposal of available-for-sale investments	-	(14)	N.M.
(Gain) / Loss on disposal of financial assets at fair value through profit or loss	(222)	1,079	N.M.

**“N.M.” – Not Meaningful**

**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 2018**

	Group		Company	
	As at FY2018 RMB'000	As at FY2017 RMB'000	As at FY 2018 RMB'000	As at FY2017 RMB'000
<b>Non-current assets</b>				
Property, plant and equipment	140,389	150,833	7	-
Investments in subsidiaries	-	-	156,277	156,277
<b>Total non-current assets</b>	<u>140,389</u>	<u>150,833</u>	<u>156,284</u>	<u>156,277</u>
<b>Current assets</b>				
Inventories	58,576	142,115	-	-
Trade and other receivables	148,623	83,491	-	98
Due from a related party	58,019	51,116	69	-
Margin deposits	3,211	2,123	3,211	2,123
Pledged fixed deposits	22,870	18,701	-	-
Cash and cash equivalents	59,388	113,987	84	156
<b>Total current assets</b>	<u>350,687</u>	<u>411,533</u>	<u>3,364</u>	<u>2,377</u>
<b>Total assets</b>	<u>491,076</u>	<u>562,366</u>	<u>159,648</u>	<u>158,654</u>
<b>Current liabilities</b>				
Trade and other payables	151,372	265,016	4,008	3,771
Due to related parties	9,132	5,068	4,448	4,235
Due to a subsidiary	-	-	30,277	28,222
Due to holding company	1,716	1,633	1,716	1,633
Bank borrowings	144,420	66,910	-	-
Income tax payable	2,317	2,317	-	-
<b>Total current liabilities</b>	<u>308,957</u>	<u>340,944</u>	<u>40,449</u>	<u>37,861</u>
<b>Non-current liabilities</b>				
Bank borrowings	-	58,000	-	-
<b>Net assets</b>	<u>182,119</u>	<u>163,422</u>	<u>119,199</u>	<u>120,793</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	-	-
Translation reserve	3,976	5,878	3,976	5,758
Accumulated losses	(117,305)	(137,904)	(164,563)	(164,751)
<b>Total equity</b>	<u>182,119</u>	<u>163,422</u>	<u>119,199</u>	<u>120,793</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 FY2018		As at FY2017	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
144,420	-	66,910	-

**Amount repayable after one year**

As at FY2018		As at FY2017	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
-	-	58,000	-

**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 FINANCIAL YEAR ENDED 31 DECEMBER 2018**

	Group	
	<u>FY2018</u>	<u>FY2017</u>
	RMB'000	RMB'000
<b>Operating activities</b>		
Profit before income tax expense	20,599	36,628
Adjustments for:		
Depreciation of property, plant and equipment	15,817	14,984
Interest income	(313)	(157)
Interest expense	8,093	14,079
Loss on disposal of property, plant and equipment	-	22
Gain on disposal of available-for-sale investments	-	(14)
(Gain) / loss on disposal of financial assets at fair value through profit or loss	(222)	1,079
Operating profit before movements in working capital	43,974	66,621
Changes in working capital		
Inventories	83,539	16,889
Trade and other receivables	(65,132)	3,207
Due from a related party	(6,903)	35,379
Margin deposits	(1,099)	307
Trade and other payables	(113,631)	107,967
Cash (used in) / generated from operations	(59,252)	230,370
Interest paid	(8,093)	(14,079)
Interest received	313	157
<b>Net cash flows (used in) / generated from operating activities</b>	<u>(67,032)</u>	<u>216,448</u>
<b>Investing activities</b>		
Proceeds from disposal of available-for-sale investments	-	42,014
Purchase of available-for-sale investments	-	(29,900)
Proceeds from disposal of property, plant and equipment	-	*
Purchase of property, plant and equipment	(5,386)	(3,043)
<b>Net cash flows (used in) / generated from investing activities</b>	<u>(5,386)</u>	<u>9,071</u>
<b>Financing activities</b>		
Increase in pledged fixed deposits	(4,169)	(741)
Repayment from a related party	3,851	833
Proceeds from bank borrowings	1,131,314	947,006
Repayment of bank borrowings	(1,111,804)	(1,136,057)
<b>Net cash generated from / (used in) financing activities</b>	<u>19,192</u>	<u>(188,959)</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	(53,226)	36,560
Cash and cash equivalents at beginning of financial year	113,987	77,274
Effect of foreign exchange rate changes in cash and cash equivalents	(1,373)	153
<b>Cash and cash equivalents at end of financial year</b>	<u>59,388</u>	<u>113,987</u>

\*Less than RMB 1,000

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 FINANCIAL YEAR ENDED 31 DECEMBER 2018

<b>Group</b>	<b>Share capital RMB'000</b>	<b>Share premium RMB'000</b>	<b>Statutory reserve RMB'000</b>	<b>Translation reserve RMB'000</b>	<b>Accumulated losses RMB'000</b>	<b>Total equity RMB'000</b>
<b>Balance at 1 January 2017</b>	149,488	130,298	15,662	5,455	(174,532)	126,371
Profit for the financial year	-	-	-	-	36,628	36,628
<i>Other comprehensive income:</i>						
Exchange differences on translating foreign operations	-	-	-	423	-	423
Total comprehensive income for the financial year	-	-	-	423	36,628	37,051
<b>Balance at 31 December 2017</b>	149,488	130,298	15,662	5,878	(137,904)	163,422
Profit for the financial year	-	-	-	-	20,599	20,599
<i>Other comprehensive loss:</i>						
Exchange differences on translating foreign operations	-	-	-	(1,902)	-	(1,902)
Total comprehensive (loss) / income for the financial year	-	-	-	(1,902)	20,599	18,697
<b>Balance at 31 December 2018</b>	149,488	130,298	15,662	3,976	(117,305)	182,119
<b>Company</b>	<b>Share capital RMB'000</b>	<b>Share premium RMB'000</b>	<b>Statutory reserve RMB'000</b>	<b>Translation reserve RMB'000</b>	<b>Accumulated losses RMB'000</b>	<b>Total equity RMB'000</b>
<b>Balance at 1 January 2017</b>	149,488	130,298	-	3,662	(161,682)	121,766
Loss for the financial year	-	-	-	-	(3,069)	(3,069)
<i>Other comprehensive income:</i>						
Exchange differences on translating foreign operations	-	-	-	2,096	-	2,096
Total comprehensive income / (loss) for the financial year	-	-	-	2,096	(3,069)	(973)
<b>Balance at 31 December 2017</b>	149,488	130,298	-	5,758	(164,751)	120,793
Profit for the financial year	-	-	-	-	188	188
<i>Other comprehensive loss:</i>						
Exchange differences on translating foreign operations	-	-	-	(1,782)	-	(1,782)
Total comprehensive (loss) / income for the financial year	-	-	-	(1,782)	188	(1,594)
<b>Balance at 31 December 2018</b>	149,488	130,298	-	3,976	(164,563)	119,199

- 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 financial year ended 31 December 2018 and no outstanding convertibles or treasury shares held as at 31 December 2018 and 31 December 2017.

- 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 issued shares as at 31 December 2018 and 31 December 2017 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.**

Apart from what is 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 year ended 31 December 2017.

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 group has adopted all accounting statements that are effective from 1 January 2018 but the adopted change have no material effect.

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).**

	Group	
	<u>FY2018</u>	<u>FY2017</u>
Earnings per share – basic and diluted (RMB cents)	5.37	9.56

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 financial years ended 31 December 2018 and 31 December 2017.

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 financial years ended 31 December 2018 and 31 December 2017 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 financial years during the financial years ended 31 December 2018 and 31 December 2017

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	
	<u>FY2018</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2017</u>
NAV per share (RMB in cents)	47.52	42.64	31.10	31.51

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 year divided by the number of shares in issue (excluding treasury shares) of 383,288,000 ordinary shares as at 31 December 2018 and 31 December 2017.



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 Performance for the full year ended 31 December 2018 ("FY2018") as compared to that for the full year ended 31 December 2017 ("FY2017")**

**Revenue**

Revenue recorded an increase of approximately 2.9% or RMB76.8 million from RMB2,640.5 million in FY2017 to RMB2,717.3 million in FY2018 mainly due to an increase in average sale price of LPG from RMB3,527 per tonne in FY2017 to RMB3,915 per tonne in FY2018 as international oil prices continue to increase since its recovery from low points in previous years. However, sales volume was lowered from 750,876 tonnes in FY2017 to 694,094 tonnes in FY2018 as a result of the cancellation of a non-profitable long-term service contract with an export customer and increased competition from alternative energy products. In addition, average LPG prices in FY2018 were not as competitive as compared to LNG, resulting a drop in total volume.

**Gross Profit**

Gross profit decreased by RMB26.9 million to RMB86.7 million in FY2018 as compared to RMB113.6 million in FY2017. Correspondingly, gross profit margin decreased from 4.3% to 3.2% due to higher purchase costs in FY2018 as a result of the impact of the China-USA trade war with higher tariffs imposed on raw materials and keen competition in the international market.

**Other operating income**

Other operating income decreased by RMB9.0 million or 51.9% from RMB17.3 million in FY2017 to RMB8.3 million in FY2018. The higher other operating income in FY2017 was contributed by foreign exchange gain of RMB11.4 million as RMB strengthened against USD in FY2017. However, a loss of RMB8.8 million was reported in FY2018 as RMB weakened against USD instead (the exchange loss in FY2018 was included in other operating expenses). In FY2018, there was an increase in government subsidy income of RMB1.0 million arising from increased services provided by Group's fire fighter team, increase in customer contract liquidated damage income of RMB1.0 million as well as a fair value gain of RMB0.2 million on disposal of financial assets.

**Operating expenses**

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

- (i) Selling and distribution expenses decreased by RMB20.8 million or 41.8% from RMB49.8 million in FY2017 to RMB29.0 million in FY2018 caused by a decrease in marine freight of RMB17.8 million with the cancellation of a long-term service contract with an export customer in FY2017. In addition, with the lower sales volume and cost control measures taken by the Group, there were lower land transport cost of RMB1.0 million and tugboat charges of RMB0.9 million, 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: - (Cont'd)**

**(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 (Cont'd)**

- (ii) Administrative expenses decreased by RMB2.5 million or 11.4% from RMB21.9 million in FY2017 to RMB19.4 million in FY2018. There was a reversal of overprovision for embankment fees made in prior years of RMB3.5 million in FY2018 resulting from changes in statutory requirements. Also, a loss of RMB 1.1 million on disposal of financial assets was recognised in FY2017. The decrease was partially offset by increase in repair cost of RMB1.3 million to office and warehouse premises and increase in manpower cost of RMB1.3 million with the increase in headcount.
- (iii) Other operating expenses increased by RMB9.4 million or 108.6% from RMB8.7 million in FY2017 to RMB18.1 million in FY2018 mainly due to foreign exchange loss of RMB8.8 million in FY2018 as a result of the weakened RMB against USD explained above and the increase in bank charges of RMB1.0 million from issuance of trust receipts.

#### **Finance costs**

Finance costs decreased by RMB6.0 million or 42.5% from RMB14.1 million in FY2017 to RMB8.1 million in FY2018 mainly due to lower interest expenses as the Group repaid its long-term bank borrowings in FY2018 and was able to secure short-term bank borrowings which carried more favorable interest rates.

#### **Income tax expenses**

At the reporting date, the subsidiary of the Group has unutilised tax losses which can be carried forward and used to offset the future taxable income, subject to meeting certain statutory requirements. The tax losses will expire in five years from the year it arose. Deferred tax assets are not recognised due to uncertainty of its recoverability.

#### **Profit attributable to equity holders**

As a result of the above, the Group recorded a net profit attributable to equity holders of RMB20.6 million in FY2018 compared to RMB36.6 million in FY2017.

**(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 as at 31 December 2018**

Non-current assets decreased by RMB10.4 million or 6.9% from RMB150.8 million as at FY2017 to RMB140.4 million as at FY2018 mainly due to depreciation of property, plant and equipment of RMB15.8 million partially offset by purchase of new equipment of RMB5.4 million.

Current assets decreased by RMB60.8 million or 14.8% from RMB411.5 million as at FY2017 to RMB350.7 million as at FY2018 mainly due to decrease in inventories of RMB83.5 million and decrease in cash and cash equivalents of RMB54.6 million, partially offset by increase in trade and other receivables of RMB65.1 million, increase in amount due from a related party of RMB6.9 million, increase in pledged fixed deposit of RMB4.2 million and increase in margin account with broker of RMB1.1 million.

**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: - (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. (Cont'd)**

Current liabilities decreased by RMB31.9 million or 9.4% from RMB340.9 million as at FY2017 to RMB309.0 million as at FY2018 mainly due to the decrease in trade and other payables of RMB113.7 million, partially offset by increase in bank borrowings of RMB77.5 million and increase in amount owing to a related party of RMB4.1 million.

**Review of the Group's Cash Flow Statements for the financial year ended 31 December 2018**

The Group reported cash and cash equivalents of RMB59.4 million as at FY2018. There was a net cash outflow of RMB53.2 million during FY2018 mainly due to cash used in operating activities and investing activities, partially offset by net cash generated from financing activities.

Net cash used in operating activities amounted to RMB67.0 million mainly due to net decrease in working capital of RMB103.2 million and net interest paid of RMB7.8 million, partially offset by profit from operation of RMB44.0 million. The net decrease in working capital were the results of decrease in trade and other payables of RMB113.6 million and amount due from related parties of RMB6.9 million, increase in trade and other receivable of RMB65.1 million and margin account of RMB1.1 million, and partially offset by decrease in inventories of RMB83.5 million.

Net cash used in investing activities amounted to RMB5.4 million was due to purchase of property, plant and equipment.

Net cash generated from financing activities amounted to RMB19.2 million mainly due to net proceeds from bank borrowings of RMB19.5 million and repayment from a related party of RMB3.9 million offset by an increase in pledged fixed deposits of RMB4.2 million.

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

Not applicable

**10. 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.**

In view of the ongoing China-USA trade war with tariffs being imposed on imports of LPG raw materials from the USA, there will be challenges faced by the Group in the next 12 months as alternative sources of supply may raise the Group's cost of raw materials.

The global economy and China economy remain positive although growth rate may be slower. It is observed that RMB may weaken further as the resolution of the trade war between China and the USA may take longer than expected. On the domestic front, the Group note that the demand for LPG remains healthy although there are several new refineries and petrochemical projects which will add significant supply of LPG to the market.

**10. 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. (Cont'd)**

Despite these challenges, the Group is optimistic that international oil prices will recover moderately and LPG prices will be on the uptrend as oil prices and LPG prices are co-related. Although crude oil is expected to have limited upside, it is still capable of sustaining the LPG prices in 2019.

As international oil prices is volatile and with keen competition from substitute energy products such as liquid natural gas, the Group will remain vigilant and keep a close watch on global trends in managing the business risks and operating costs to cope with these challenges and maintain its market competitiveness in the LPG market. The Group will focus on opportunities to improve profitability and strengthen the Group's financial position.

**11. 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.

**12. 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 2018.

13. 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 year ended 31 December 2018 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	-	4,802	4,820
Chaozhou Zhongkai Huafeng Energy Retail Chain Co., Ltd.			
• Sale of LPG	-	181,269	181,269
Chaozhou Huafeng Refining Co., Ltd			
• Lease of port terminals, land use rights, office premises and staff dormitory	-	3,528	3,528
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)****14. 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.

Distribution of total revenue by geographical markets

	<b>Group</b>	
	<b><u>FY2018</u></b>	<b><u>FY2017</u></b>
	<b>RMB'000</b>	<b>RMB'000</b>
PRC	2,601,856	2,260,052
Asia Pacific	115,487	380,518
	<u>2,717,343</u>	<u>2,640,570</u>

**15. 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.

**16. A breakdown of sales**

	<b><u>FY2018</u></b>	<b><u>FY2017</u></b>	<b>Increase/ (Decrease) %</b>
	<b>RMB'000</b>	<b>RMB'000</b>	
15(a) Sales reported for the first half year	1,278,092	1,241,757	2.9
15(b) Profit after income tax for the first half year	5,862	8,638	(32.1)
15(c) Sales reported for second half year	1,439,251	1,398,813	2.9
15(b) Profit after income tax for the second half year	14,737	27,990	(47.3)

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

Not Applicable.

**18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a Director, Chief Executive Officer or substantial shareholder of the Company.

**19. Issuer to confirm that it has procured undertaking 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 Singapore Exchange Securities Trading Limited.

**BY ORDER OF THE BOARD**

**Liang Guo Zhan**  
Executive Chairman

22 February 2019