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CHINA GAS HOLDINGS LIMITED
中 國 燃 氣 控 股 有 限 公 司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 384)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

The board of directors (the "Board" or the "Directors") of China Gas Holdings Limited (the "Company") announces the condensed consolidated financial results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2016, together with the comparative figures for the six months ended 30 September 2015, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2016

		Six months ended	
	Note	**30 September 2016** *HK$'000* **(unaudited)**	30 September 2015 *HK$'000* (unaudited)
Revenue	*3*	**13,180,874**	14,150,224
Cost of sales		**(9,509,556)**	(10,610,587)
Gross profit		**3,671,318**	3,539,637
Other income		**360,089**	277,766
Other gains and losses		**(185,933)**	(648,025)
Distribution costs		**(563,423)**	(519,270)
Administrative expenses		**(768,771)**	(681,595)
Finance costs		**(314,781)**	(259,574)
Share of results of associates		**91,123**	127,864
Share of results of joint ventures		**227,238**	204,534

	Notes	Six months ended **30 September 2016** ***HK$'000*** **(unaudited)**	 30 September 2015 *HK$'000* (unaudited)
Profit before taxation		**2,516,860**	2,041,337
Taxation	*4*	**(560,799)**	(497,610)
Profit for the period	*5*	**1,956,061**	1,543,727
Other comprehensive income			
Item that will be reclassified subsequently to profit or loss:			
(Decrease) increase in fair value on available-for-sale investments		**(5,651)**	15,486
Item that will not be reclassified subsequently to profit or loss:			
Exchange difference arising on translation		**(399,572)**	(500,944)
Other comprehensive expense for the period		**(405,223)**	(485,458)
Total comprehensive income for the period		**1,550,838**	1,058,269
Profit for the period attributable to:			
Owners of the Company		**1,691,788**	1,304,132
Non-controlling interests		**264,273**	239,595
		1,956,061	1,543,727
Total comprehensive income attributable to:			
Owners of the Company		**1,376,958**	902,101
Non-controlling interests		**173,880**	156,168
Total comprehensive income for the period		**1,550,838**	1,058,269
Earnings per share			
Basic	*6*	**HK34.45 cents**	HK26.15 cents
Diluted	*6*	**HK34.45 cents**	HK25.70 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2016

	Note	30 September 2016 HK$'000 (unaudited)	31 March 2016 HK$'000 (audited)
Non-current assets			
Investment properties		**196,006**	190,450
Property, plant and equipment		**24,099,261**	22,849,608
Prepaid lease payments		**1,535,870**	1,493,028
Investments in associates		**3,904,988**	3,832,849
Investments in joint ventures		**5,276,146**	5,070,331
Available-for-sale investments		**268,335**	211,175
Goodwill		**2,831,398**	2,479,992
Other intangible assets		**3,004,506**	3,060,222
Deposits for acquisition of property, plant and equipment		**463,597**	485,949
Deposits for acquisition of subsidiaries and associates		**277,060**	46,632
Deferred tax assets		**169,359**	166,106
		42,026,526	39,886,342
Current assets			
Inventories		**1,365,765**	1,213,116
Amounts due from customers for contract work		**1,346,749**	1,136,446
Trade and other receivables	*7*	**5,441,696**	5,093,878
Amounts due from associates		**55,297**	100,540
Amounts due from joint ventures		**259,798**	271,069
Prepaid lease payments		**45,679**	47,641
Held-for-trading investments		**17,602**	11,364
Pledged bank deposits		**285,083**	275,554
Bank balances and cash		**4,427,940**	5,496,941
		13,245,609	13,646,549

	Note	30 September 2016 HK$'000 (unaudited)	31 March 2016 HK$'000 (audited)
Current liabilities			
Trade and other payables	8	**9,923,925**	8,549,457
Amounts due to customers for contract work		**645,224**	525,157
Derivative financial instrument		**1,410**	4,500
Taxation		**431,621**	398,773
Amount due to a non-controlling interest of a subsidiary		**1,160**	509
Bank and other borrowings — due within one year		**10,020,863**	10,324,484
		21,024,203	19,802,880
Net current liabilities		**(7,778,594)**	(6,156,331)
Total assets less current liabilities		**34,247,932**	33,730,011
Equity			
Share capital		**49,104**	49,104
Reserves		**18,350,578**	17,803,458
Equity attributable to owners of the Company		**18,399,682**	17,852,562
Non-controlling interests		**3,216,298**	3,111,558
Total equity		**21,615,980**	20,964,120
Non-current liabilities			
Bank and other borrowings — due after one year		**11,886,344**	12,009,698
Deferred tax liabilities		**745,608**	756,193
		12,631,952	12,765,891
		34,247,932	33,730,011

Notes:

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and financial instruments which are measured at revalued amounts or fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2016 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2016.

In the current interim period, the Group has applied, for the first time, certain new or revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are mandatorily effective for the current interim period.

The application of the above new or revised HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

3. **SEGMENT INFORMATION**

The Group's reportable and operating segments under HKFRS 8 are: sales of piped gas, gas connection, sales of liquefied petroleum gas ("LPG") and Zhongyu Gas Holdings Limited ("Zhongyu Gas"), in which the Group's chief operating decision maker reviewed the result of Zhougyu Gas being shared by the Group under equity method of accounting.

Segment information for the six months ended 30 September 2016 and 2015 about these businesses is presented below.

Six months ended 30 September 2016 (unaudited)

	Sales of piped gas	**Gas connection**	**Sales of LPG**	**Zhongyu Gas**	**Consolidated**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Segment revenue	**5,677,109**	**2,673,708**	**4,830,057**	**—**	**13,180,874**
Segment result	**1,092,771**	**1,340,312**	**234,971**	**28,683**	**2,696,737**
Interest and other gains					**39,368**
Unallocated corporate expenses					**(118,858)**
Change in fair value of investment properties					**5,824**
Gain on disposal of property, plant and equipment					**12,810**
Litigation claim					**(87,376)**
Exchange loss on translation of monetary items to functional currency					**(6,542)**
Finance costs					**(314,781)**
Share of results of unlisted associates					**62,440**
Share of results of joint ventures					**227,238**
Profit before taxation					**2,516,860**

Six months ended 30 September 2015 (unaudited)

	Sales of piped gas *HK$'000*	Gas connection *HK$'000*	Sales of LPG *HK$'000*	Zhongyu Gas *HK$'000*	Consolidated *HK$'000*
Segment revenue	6,149,368	2,517,638	5,483,218	—	14,150,224
Segment result	985,970	1,418,172	212,729	58,739	2,675,610
Interest and other gains					40,179
Unallocated corporate expenses					(118,384)
Change in fair value of investment properties					3,950
Gain on disposal of property, plant and equipment					903
Gain on disposal of prepaid lease payment					9,285
Provision for litigation claim					(279,291)
Exchange loss on translation of monetary items to functional currency					(305,000)
Finance costs					(259,574)
Share of results of unlisted associates					69,125
Share of results of joint ventures					204,534
Profit before taxation					2,041,337

4. TAXATION

	Six months ended 30 September 2016 *HK$'000* (unaudited)	30 September 2015 *HK$'000* (unaudited)
PRC Enterprise Income Tax	**575,837**	505,428
Deferred taxation	**(15,038)**	(7,818)
	560,799	497,610

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group had no assessable profit for either period. Taxation arising in other jurisdiction is calculated at the rates prevailing in the relevant jurisdiction.

The taxation charge of the PRC Enterprise Income Tax for the current and prior periods have been made based on the Group's estimated assessable profits calculated at the prevailing tax rates in accordance with the relevant income tax laws applicable to the subsidiaries in the PRC.

5. PROFIT FOR THE PERIOD

	Six months ended	
	30 September 2016	30 September 2015
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit for the period has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	**412,553**	394,558
Release of prepaid lease payment	**22,840**	21,779
Amortisation of intangible assets	**43,579**	38,130
Interest income	**(30,388)**	(36,232)
Gain on disposal of property, plant and equipment	**(12,810)**	(903)
Gain on disposal of prepaid lease payment	**—**	(9,285)

6. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Six months ended	
	30 September 2016	30 September 2015
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Earnings		
Earnings for the purpose of basic and diluted earnings per share (profit for the period attributable to owners of the Company)	**1,691,788**	1,304,132
Number of shares		
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic earnings per share	**4,910,384**	4,987,273
Effect of dilutive potential ordinary shares:		
Share options	**—**	87,028
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**4,910,384**	5,074,301

7. TRADE AND OTHER RECEIVABLES

	30 September 2016	31 March 2016
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Trade receivables	**2,149,500**	1,814,935
Less: Accumulated allowances	**(408,073)**	(394,188)
Trade receivables	**1,741,427**	1,420,747
Deposits and advanced payments for construction and other materials	**442,527**	418,902
Deposits and advanced payments for purchase of natural gas and LPG	**799,845**	763,441
Advanced payments to sub-contractors	**579,722**	611,011
Other receivables, deposits and prepayments	**1,851,700**	1,847,007
Amounts due from non-controlling interests of subsidiaries	**26,475**	32,770
	5,441,696	5,093,878

Other than certain major customers with good repayment history which the Group allows a longer credit period or settlement by instatement basis, the Group allows an average credit period of 30–180 days to its trade customers.

The following is an aged analysis of trade receivables net of impairment losses presented based on invoice date at the end of reporting period:

	30 September 2016	31 March 2016
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0–180 days	**1,505,213**	1,191,176
181–365 days	**139,917**	148,515
Over 365 days	**96,297**	81,056
	1,741,427	1,420,747

8. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables at the end of reporting period:

	30 September 2016 HK$'000 (unaudited)	31 March 2016 HK$'000 (audited)
0–90 days	**3,473,498**	2,885,375
91–180 days	**644,610**	427,899
Over 180 days	**1,656,881**	1,605,916
Trade payables	**5,774,989**	4,919,190
Other payables and accrued charges	**718,921**	731,652
Construction fee payables	**516,410**	514,591
Loan interest payables	**274,097**	134,332
Advanced payments from customers	**1,736,565**	1,469,674
Advances received from customers for contract works that have not been started	**630,645**	548,345
Amounts due to non-controlling interests of subsidiaries	**272,298**	231,673
	9,923,925	8,549,457

INTERIM DIVIDEND

The Directors declared an interim dividend of HK5.0 cents per share for the six months ended 30 September 2016 (six months ended 30 September 2015: HK5.0 cents per share).

The interim dividend will be paid on or about Friday, 27 January 2017 to shareholders whose names appear on the register of members of the Company on Wednesday, 18 January 2017.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the shareholders who are entitled to the interim dividend for the six months ended 30 September 2016, the register of members of the Company will be closed from Monday, 16 January 2017 to Wednesday, 18 January 2017, both days inclusive, during which period no transfers of shares of the Company will be registered.

In order to qualify for the interim dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 13 January 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

As a gas operator and service provider, the Group is primarily engaged in the investment, construction and operation of city gas pipeline infrastructure facilities, gas terminals, storage and transportation facilities, gas logistics systems, transmission of natural gas and LPG to residential, industrial and commercial customers, construction and operation of natural gas refilling stations for vehicles and vessels as well as the development and application of technologies relating to petroleum, natural gas and LPG in Mainland China.

Business Review

During the period under review, plagued by the complicated international political and economic environment, the further slowdown in China's economic growth, and the continuous low-pricing of competitive energies and alternative energies, China's gas industry faced numerous challenges.

The Group actively responded to the market change by strengthening corporate governance and safe operation, deepening internal reforms, optimizing management, and making strenuous efforts in building a new ecosystem for China Gas's 4G (PNG, CNG, LNG and LPG) energy network development. Regarding business development, the Group firmly implemented its "3211" strategy, which is to explore the management and development potential of old state-owned enterprises, companies having difficulties and gas filling stations running at low efficiency, enhance profitability of city gas business and LPG business, promote the rapid development of value-added business as well as accelerate market layout of and investment in emerging businesses. Through connecting new users and increasing gas sales volume, the Group will continue to improve its operation and management efficiency and achieve desired performance of project companies.

During the period, the financial and operational performance of the Group's two major businesses, operations of natural gas and LPG, achieved expected growth. On 20 November 2015, the National Development and Reform Commission (the "NDRC") reduced natural gas price by RMB0.7 per m^3, and according to the cost pass-through mechanism adopted by city gas industry, the Group timely reduced gas sales price in its operating cities. As a result, although gas sales volume of piped gas increased by 7.1% during the period, gas sales revenue of piped gas decreased by 7.7%, affecting the Group's total consolidated revenue. The Group's total consolidated revenue decreased by 6.9% to HK$13,180,874,000 over the same period last year. During the period, gross profit grew by 3.7% year on year to HK$3,671,318,000. During the period, profit attributable to owners of the Company grew by 29.7% to HK$1,691,788,000. Basic earnings per share grew by 31.7% year on year to HK34.45 cents. Excluding the effect of one-off or non-operational items (mainly due to the non-operational exchange loss and the currency conversion loss arising from converting RMB into HK dollar in respect of the items on the statement of profit or loss caused by the depreciation of RMB against US dollars and the one-off interest compensation generated from the share option litigation), core profit attributable to owners of the Company during the period was HK$2,009,051,000, representing an increase of 1.9% year on year. Basic core profit per share was HK40.91 cents, representing an increase of 3.5%.

Financial & Operational Highlights

	Six months ended 30 September		
	2016	2015	
	(Unaudited)	(Unaudited)	Increase/ (decrease)
Financial Performance			
Turnover *(HK$'000)*	**13,180,874**	14,150,224	(6.9%)
Gross profit *(HK$'000)*	**3,671,318**	3,539,637	3.7%
Profit attributable to owners of the Company *(HK$'000)*	**1,691,788**	1,304,132	29.7%
Earnings per share — Basic *(HK cents)*	**34.45**	26.15	31.7%
Operational Performance			
Number of city gas projects	**311**	299	12
Total natural gas sales volume *(million m^3)*	**4,812**	4,493	7.1%
Natural gas sold through city gas projects *(million m^3)*	**3,321**	2,988	11.1%
Natural gas sold through wholesale *(million m^3)*	**1,411**	1,386	1.8%
Other piped gas *(million m^3)*	**80**	119	(32.9%)
Total natural gas sales volume — user breakdown *(million m^3)*			
Users in city gas projects			
Residential users	**686**	576	19.1%
Industrial users	**1,592**	1,431	11.3%
Commercial users	**542**	482	12.4%
CNG/LNG refilling stations	**501**	499	0.4%
Natural gas users supplied through wholesale	**1,411**	1,386	1.8%
New piped gas connections and CNG/LNG refilling stations			
Residential users	**1,138,408**	1,025,868	11.0%
Industrial users	**547**	396	38.1%
Commercial users	**12,007**	5,694	110.9%
CNG/LNG refilling stations	**2**	24	(91.7%)

	Six months ended 30 September		
	2016	2015	
	(Unaudited)	(Unaudited)	Increase/ (decrease)
Accumulated number of connected piped gas users and CNG/ LNG refilling stations constructed			
Residential users	**16,065,834**	13,616,812	18.0%
Industrial users	**5,214**	4,064	28.3%
Commercial users	**101,855**	77,501	31.4%
CNG/LNG refilling stations	**573**	544	5.3%
Average residential connection fee *(RMB/household)*	**2,529**	2,544	(0.6%)
Urban population covered	**100,975,368**	92,946,000	8.6%
Penetration rate of residential users *(%)*	**51.8%**	47.3%	4.5pts
Total length of pipelines constructed *(km)*	**78,653**	73,705	6.7%
Average selling tariffs of natural gas (ex-tax) *(RMB/m^3)*			
Residential users	**2.40**	2.42	(0.9%)
Industrial users	**2.45**	2.85	(14.0%)
Commercial users	**2.60**	2.94	(11.6%)
CNG/LNG refilling stations	**2.82**	3.23	(12.7%)

New Projects Expansion

As at 30 September 2016, the Group has secured 311 city piped gas projects (with exclusive concession rights), 13 long-distance natural gas pipeline projects, 573 CNG/LNG refilling stations for vehicles, 1 coal bed methane development project and 98 LPG distribution projects in 25 provinces (including autonomous regions and municipalities).

From 1 April 2016 to 30 September 2016, the Group secured 6 new city piped gas projects locating in Jilin Province, Liaoning Province, Fujian Province, Henan Province and Shandong Province:

Provinces/Autonomous Regions/Municipalities	Cities/Districts
Jilin Province	Jingyu County
Liaoning Province	Changhai County
Fujian Province	Quanzhou Guanqiao Industrial Zone
Henan Province	Guangshan County, Gushi County
Shandong Province	Zhangqiu City

As at 30 September 2016, connectable urban population covered by the Group's gas projects increased to 100,975,368 (approximately 31,002,516 households), representing an increase of 8.6% over the same period last year.

Gas Business Review

The Group's gas business is divided into natural gas business and LPG business, the customer bases and market development strategies of which are different from each other. The performance of each segment for the six months ended 30 September 2016 is discussed below.

Natural Gas Business

As an operator and service provider mainly focusing on natural gas supply, the Group has, through its rapid development in the past 15 years, well established a unique operating and management system that suits it best in the gas industry in China. With timely optimisation, such system has proven to contribute positively towards the enhancement of management efficiency and operating results of the Group.

Construction of Piped Natural Gas Networks

City natural gas pipeline networks are the foundation of the Group's gas supply. By constructing urban arterial and branch gas pipeline network, the Group connects natural gas pipelines with its residential, industrial and commercial users, from whom connection fees and gas usage fees are charged.

As at 30 September 2016, the Group distributed natural gas to 223 cities and completed the construction of gas transmission pipeline networks of 78,653 kilometres in length and 290 storage and distribution stations (city gates) and LNG regasification stations.

Natural Gas Users

Natural gas users of the Group are mainly classified into residential users, industrial and commercial users, and CNG/LNG refilling stations for vehicles.

Residential Users

During the period, the Group completed natural gas connection for 1,138,408 new residential households, representing an increase of approximately 11.0% over the same period last year, of which the proportion of newly connected existing residential users against the total number of newly connected residential users was 34%. The average piped gas connection fee for residential users was RMB2,529 per household.

As at 30 September 2016, the number of accumulated connected residential users of the Group was 16,065,834, representing an increase of approximately 18.0% over the same period last year and accounting for 51.8% of the total number of connectable residential users. Though rising constantly, the Group's overall penetration rate remains low when compared with the level of 70% in developed markets. It is expected that the number of new residential users subscribing to the Group's services will increase steadily in the future and will generate stable gas connection income for the Group.

Industrial and Commercial Users

Impacted by the overall sluggish economy of China this year, the operation rate of industrial users fell and gas demand from large consumers of natural gas, such as glassworks, ceramics, aluminium and steel manufacturers decreased. Besides, as oil prices remained low this year, natural gas price lacked competitive advantages when compared with that of alternative energies. The demand of natural gas in industrial sector is facing enormous challenges.

To cope with the challenges brought about by the macro-economic environment and low oil prices, the Group made timely adjustment to its marketing strategies. Market potential was further exploited and the development of existing industrial and commercial users was enhanced to seek new growth driver for gas demand. The Group assumed an active role in coordinating and cooperating with local governments at various levels to accelerate the construction of gas-fired central heating systems and "coal-to-gas" conversion projects. The Group also made use of its own fleet vehicles for transporting natural gas to develop rural and point-to-point natural gas supply projects in order to promote and drive up its natural gas sales to industrial and commercial users and for winter heating consumption.

During the period, the Group entered into new "coal-to-gas" contracts with a total of 584 industrial and commercial customers. It renovated coal-fired boilers with total capacities of 1,630 tons of steam and the annual demand for natural gas of new industrial and commercial users arising from "coal-to-gas" projects is expected to be 200,000,000 m^3. In the future, natural gas demand from industrial and commercial users implementing "coal-to-gas" projects will continue to increase, which will become one of the important drivers of growth in gas sales volume.

During the period, the Group newly connected 547 industrial users and 12,007 commercial users, the former of which were mainly in industries such as petrochemicals, building materials and metallurgy.

As at 30 September 2016, the Group cumulatively acquired and connected 5,214 industrial users and 101,855 commercial users, an increase of approximately 28.3% and 31.4% respectively over the same period last year. The average connection fees for industrial users and commercial users were RMB271,853 and RMB23,091 per customer, respectively.

During the period, the Group recorded connection fee income of HK$2,673,708,000, an increase of approximately 6.2% over the same period last year, and accounting for approximately 20.3% of the Group's total turnover for the period.

CNG/LNG Refilling Stations

International oil price remained at low level after a nosedive in 2015 and prices of gasoline and diesel in China were on the slides, which significantly affected the economic benefits of natural gas for vehicles. At the same time, market development and gas sales of CNG/LNG refilling stations faced challenges when competing with alternative energy sources such as new energy and LPG.

In view of the short-term difficulties faced by refilling stations industry, the Group proactively adjusted its strategy for the development of refilling stations. Through enhancing single station management, strengthening investment risk control for new stations and pushing forward market development, the Group achieved steady performance in gas sales volume through gas stations notwithstanding sluggish economy and decreases in economic benefits of gas for vehicles. Besides, the Group also made tremendous efforts by improving service quality to promote value-added business, such as "all-in-one card" and convenience stores in refilling stations, so as to expand the source of profit, attract both new and old customers, and increase customer loyalty.

During the period, the Group added 2 new CNG/LNG refilling stations for vehicles. As at 30 September 2016, the Group owns 573 natural gas refilling stations, an increase of 5.3% in the total number of stations over the same period last year. During the period, vehicle gas sales volume accounted for 15.1% of total gas sales volume realized by city gas projects, an increase of approximately 0.4% over the same period last year.

Sale of Natural Gas

During the period, the Group sold a total of 4,731,987,000 m^3 of natural gas mainly through city piped gas network (retail) and wholesale business (including long-distance natural gas pipelines), an increase of 8.2% over the same period last year, of which 3,321,184,000 m^3 were sold through city piped gas network, an increase of 11.1% over the same period last year, and 1,410,803,000 m^3 were sold through wholesale business, an increase of 1.8% over the same period last year.

Of the total gas sales volume realized by city gas projects, approximately 20.7% or 686,016,000 m^3 of gas were sold to residential users; approximately 47.9% or 1,592,022,000 m^3 were sold to industrial users; approximately 16.3% or 541,728,000 m^3 were sold to commercial users; and approximately 15.1% or 501,418,000 m^3 were sold to CNG/LNG vehicle users.

During the period, the Group recorded natural gas sales revenue of HK$5,677,109,000, accounting for approximately 43.1% of the Group's total turnover, and income from natural gas sales decreased by approximately 7.7% over the same period last year.

The Group is mainly engaged in developing piped natural gas business. But for some projects in areas such as Fushun City in Liaoning Province, Liuzhou City in Guangxi Zhuang Autonomous Region and Mudanjiang City in Heilongjiang Province where piped natural gas is not yet accessible, piped coal gas or LPG blended with air is sold as a transitional fuel. A total of 79,602,000 m^3 of coal gas and air-blended LPG were sold during the period. However, with the introduction of upstream natural gas to such cities, the sale of transitional fuels by the Group is likely to scale down gradually.

Selling Price of Natural Gas

During the period, the Group's average selling price (pre-tax) of natural gas was RMB2.40 per m^3 for residential users, RMB2.45 per m^3 for industrial users, RMB2.60 per m^3 for commercial users, and RMB2.82 per m^3 for CNG/LNG vehicle users.

International oil price has remained subdued since the great plunge in 2015, and prices of alternative energy sources such as fuel oil and liquefied petroleum gas have dropped correspondingly, which eliminated the reasonable price difference between natural gas and alternative energy sources and posed considerable pressure on the promotion of natural gas. On 18 November 2015, NDRC published a notice on natural gas price adjustment. According to the notice, with effective from 20 November 2015, the maximum non-residential natural gas price at city-gates would be reduced by RMB0.7 per cubic meter. Besides, the existing maximum city-gate price management would be replaced by benchmark city-gate price management and the reduced city-gate price would become the benchmark city-gate price. Within an upward adjustment of 20% and unlimited downward adjustment range, the suppliers and the purchasers can determine the specific city-gate price through negotiation while the city-gate price is only allowed to be adjusted upward from 20 November 2016. The Group actively completed this market-oriented gas price adjustment to relieve the burden of downstream corporate gas users without delay, push forward the use of natural gas in various industries, such as industrial and commercial sectors, transportation, power generation and central heating, and effectively facilitate the long-term and healthy development of natural gas in China.

According to the Guiding Opinions on the Establishment of a Well-established Natural Gas Tier-pricing System for Residential Users (《關於建立健全居民生活用氣階梯價格制度的指導意見》) issued by the NDRC in March 2014, residential gas is categorised into three tiers and a progressive pricing rate is applied to each tier. Besides, all cities are required to establish residential gas tier-pricing systems. As at 30 September 2016, about 55% of the Group's city projects have obtained approvals from local governments of the regions where the projects are located and established corresponding residential gas tier-pricing systems. The implementation of such policy fosters gradual rationalization of natural gas price difference imposed by city gas enterprises on their sales to residential customers.

Liquefied Petroleum Gas Business

During the period, the Group sold 1,717,887 tons of LPG, an increase of 25.7% over the same period last year, of which, wholesale volume was 1,191,200 tons, representing an increase of 33.0% over the same period last year; and retail sales volume was 526,687 tons, representing an increase of 11.7% over the same period last year. Total sales revenue was approximately HK$4,830,057,000 (for the six months ended 30 September 2015: HK$5,483,218,000), representing a decrease of 11.9% over the same period last year; the drop of revenue was attributed to the corresponding decline in LPG sales price brought by the drop of international oil price during the period, meanwhile, LPG procurement cost also decreased correspondingly. During the period, gross profit of LPG was HK$604,276,000 (for the six months ended 30 September 2015: HK$684,529,000), representing a decrease of 11.7% year on year. Operating profit was HK$234,971,000 (for the six months ended 30 September 2015: HK$212,729,000), while net profit was HK$141,809,000 (for the six months ended 30 September 2015: HK$153,911,000), which was net of exchange loss for the period. If excluding exchange loss, core net profit of LPG would be HK$157,950,000 (for the six months ended 30 September 2015: HK$247,499,000), representing a decrease of 36.2% year on year.

Contractual sales accounted for about 60% of the total wholesale volume, enabling the Group to avoid to some extent the negative impacts caused by the volatility in global LPG price and to mitigate the operational risks associated with the LPG wholesale business. At the same time, the continuous and uninterrupted operation capacity of the receiving terminals is required for the contractual purchase business entered into for contracted sales, therefore, possible contingent events can affect the receiving and unloading processes of terminals and incur additional expenses such as demurrage charge and default fee under the contracted purchases or contracted sales.

With LPG becoming more popular in townships and villages and its long and stable utilisation amongst industrial and commercial markets, China's LPG industry meets a rare development opportunity, especially in the rapid growth of the petrochemical synthesis and processing sector where LPG is being used as a raw material. The Group will fully utilise its LPG terminals, storage facilities and fleets of vehicle and vessel to boost overseas and domestic purchases of LPG, and in turn gradually increase the utilisation rate of midstream LPG resources. In addition, the Group will capitalise the advantage of its integrated business chain by putting in place a central LPG procurement system for its downstream retail business, so as to lay out a proper deployment over its gas source procurement, storage resources and market coverage and reach an effective synergy between the wholesale segment and retail segment, which will maximise the profit margin of the whole production chain.

At the beginning of this financial year, the Group proposed to speed up the "Strategic Layout of LPG Business across the Country" under which the Group's LPG business will expand from 10 key provinces in Southern China to provinces and cities in the northern, western and north-eastern areas. Under the general proposal of the strategic development of the Group's LPG business, the Group carried out comprehensive market research across China, entered into business negotiations as well as invested and established new project companies. During the period, due to market expansion and investment in new projects, the capital and operation expenses of LPG business increased accordingly. With the completion and operation of new projects, the relevant fees will decrease and the overall economies of scale and profitability of LPG business will gradually increase.

Value-Added Services for End Users

With continuously increasing penetration rate, our customer base has been expanding rapidly. More than 21 million residential, industrial and commercial users are currently served by the Group with piped natural gas and LPG. There is an enormous potential for value-added services in the Group's customer network. Accordingly, the Group strives to enrich its value-added services and edge up its marketing efforts to increase the percentage of its income from value-added services in its overall operating income. In this way, the Group is able to transform itself from a mere gas product provider to a provider of comprehensive energy and customer services so as to further improve the profitability and overall competitiveness of its operational and service network. To develop various new business around its gas sales business, including such value-added services as promotion of gas appliances under the brand of Gasbo (中燃寶), comprehensive gas insurance agency service, maintenance and renovation, and sales of gas corrugated pipes and gas alarms, the Group successively established Value-added Business Department, Gasbo Electrical & Gas Appliances Company Limited (中燃寶電氣(深圳)有限公司) and Zhongran Smart Living E-commerce Company Limited (中燃慧生活電子商務有限公司).

The Group makes use of its advantages in piped gas market to develop distributed energy projects progressively while taking advantage of its market research and technology innovation accumulated over many years to use natural gas comprehensively, with the aim to providing large scale customers with highly efficient energy and satisfying their various needs for heating, electricity and cooling.

During the period, value-added business recorded gross profit of HK$172,128,000, representing an increase of 86.0% over the same period last year. Of which, insurance agency service and sales of gas alarms, corrugated pipe and gas appliances all recorded significant surges.

Human Resources

A team of excellent employees is vital to the success of a corporation. Adhering to the management concept of "people come first", the Group clings to the philosophy of "cultivating potential talents within the Group while recruiting talents from outside" with regard to personnel training and internal training.

The Group constantly upgrades the professionalism and competence of its staff at all levels. It also seeks to create a platform for exchanging knowledge and sharing experience among its staff and to recruit and retain capable personnel by enhancing job satisfaction and providing attractive remuneration packages.

As at 30 September 2016, the Group had approximately 40,100 employees in total. More than 99.9% of the Group's employees are based in China. Employee remuneration is determined with reference to the qualification and experience of individual staff and the industry practice prevailed in related operational areas. Apart from basic salary and pension fund contribution, selected employees may be rewarded with discretionary bonuses, merit payments and share options subject to the Group's financial results and the performance of such employees.

Financial Review

For the six months ended 30 September 2016, the Group's turnover was HK$13,180,874,000 (six months ended 30 September 2015: HK$14,150,224,000), a decrease of 6.9% over the same period last year. Gross profit (including that achieved by LPG business) was HK$3,671,318,000 (six months ended 30 September 2015: HK$3,539,637,000), an increase of 3.7% over the same period last year. Overall gross profit margin was 27.9% (six months ended 30 September 2015: 25.0%). Profit after tax was HK$1,956,061,000 (six months ended 30 September 2015: HK$1,543,727,000), an increase of 26.7% over the same period last year.

Earnings per share were HK34.45 cents (six months ended 30 September 2015: HK26.15 cents), representing an increase of 31.7% as compared to the same period of last year. If excluding one-off or non-operating items, profit attributable to owners of the Company would increase by 1.9% to HK$2,009,051,000 (six months ended 30 September 2015: HK$1,971,204,000).

Other Income

Other income increased by 29.6% from the same period last year to approximately HK$360,089,000, which is mainly due to the significant increase of income by 86.0% from value-added business, such as the sale of gas appliances.

Finance Costs

For the six months ended 30 September 2016, finance costs increased by 21.3% to approximately HK$314,781,000 from approximately HK259,574,000 for the same period last year. The increase in finance costs for the period is mainly due to the increase in average cost of debts owing to the active adjustment of the structure of debt in domestic currency (RMB) and foreign currencies as well as replacing the existing debts denominated in US dollars with those denominated in RMB with a view to lowering the potential exchange rate risks.

Share of results of associates

For the six months ended 30 September 2016, share of results of associates was HK$91,123,000 (for the six months ended 30 September 2015: HK$127,864,000). The decrease was mainly due to the exchange loss incurred of Zhongyu Gas and the provision for its assets, which resulted in a decrease in shares of profit of Zhongyu Gas to HK$28,683,000 (for the six months ended 30 September 2015: HK$58,739,000).

Share of results of joint ventures

For the six months ended 30 September 2016, share of results of joint ventures was approximately HK$227,238,000 (for the six months ended 30 September 2015: HK$204,534,000).

Income Tax Expenses

For the six months ended 30 September 2016, income tax expenses increased by 12.7% to HK$560,799,000 (for the six months ended 30 September 2015: HK$497,610,000), which was mainly due to an increase in taxable profit as a result of business growth.

Liquidity

The Group's principal business generates steady cash flow. Coupled with an effective and well-established capital management system, the Group is able to maintain stable and healthy operations.

As at 30 September 2016, the Group's total assets was HK$55,272,135,000, representing an increase of approximately 3.2% over that as at 31 March 2016. Cash on hand was HK$4,713,023,000 (31 March 2016: HK$5,772,495,000). The Group had a current ratio of approximately 0.63 (31 March 2016: 0.69). Excluding the total borrowings of HK$388,235,000 in relation to LPG trade financing, the Group's current ratio was approximately 0.64. Net gearing ratio was 0.78 (31 March 2016: 0.79), as calculated on the basis of net borrowings of HK$16,805,949,000 (total borrowings of HK$21,907,207,000 less borrowings of HK$388,235,000 in relation to LPG trade financing, and bank balance and cash of HK$4,713,023,000) and net assets of HK$21,615,980,000 as at 30 September 2016.

The Group has always been adopting a prudent financial management policy, under which the majority of available cash of the Group has been placed with credible banks as demand and time deposits.

Financial Resources

The Group has been actively building up long-standing collaboration relationships with Chinese (including Hong Kong) and overseas banks. As the Group's principal cooperating bank, China Development Bank provided the Group with a long-term credit facility of RMB20 billion under a term of up to 15 years, giving a strong financial support to the Group's project investments and stable operations. Other major domestic and overseas banks such as Asian Development Bank (ADB), Industrial and Commercial Bank of China, Bank of Communications of China, Bank of China, Agricultural Bank of China, China Merchants Bank and HSBC granted long-term credit to the Group as well. As at September 2016, over 20 banks offered syndicated loans and credit facilities to the Group with an average maturity of five years. Bank loans are generally used to fund the working capital requirements and project investments of the Group.

China's RMB bonds market has achieved significant development since 2015. There has been a sharp rise in the size of bond issuance. The Group's wholly-owned subsidiaries within China actively participated in China's interbank bond market and issued mid-term RMB notes and short-term RMB financing bonds in the amount of RMB6.6 billion up to this moment. The interest rates of such issued notes and bonds are all lower than the benchmark rates required by the People's Bank of China for loans of same terms. At the same time, as a foreign issuer, China Gas Holdings Limited has been actively participating in financing activities through issuing RMB panda bonds in the bond market of the stock exchanges in China. Following the issuance of corporate private bonds in an aggregate principal amount of RMB1 billion with a term of three years on 13 January 2016, it issued corporate bonds in an aggregate principal amount of RMB2 billion with a term of five years at a fixed coupon rate of 3.05% on 27 October 2016. As one of the first Hong Kong-listed companies to issue corporate bonds which are traded on the Shanghai Stock Exchange Comprehensive Electronic Platform of Fixed Income Securities, the Group believes that RMB panda bond market can offer deep liquidity to the Group, diversify the Group's funding channels and bring more financial flexibilities to the Group. Proceeds from the issuance of RMB bonds are mainly used for replacing existing foreign currency and shot-term debts to reduce the Group's foreign exchange risk exposure and continuously optimize its debt structure.

On 26 October 2016, the Group cooperated with China Insurance Investment Fund L.P. to establish the China Insurance Investment China Gas (Shenzhen) Clean Energy Development Fund L.P. (the "Fund"). The Fund is expected to have an aggregate capital commitment of up to RMB10,020,000,000. The Fund will provide capital support for investment in the Group's 4G (PNG, LNG, CNG and LPG) gas projects.

As at 30 September 2016, the Group's bank loans and other loans were HK$21,907,207,000, of which HK$388,235,000 were borrowings related to LPG trade financing.

The Group's operating and capital expenditures are financed by operating cash income, bank borrowings and bond issuance. The Group currently has sufficient funding to satisfy its future capital expenditures and working capital requirements.

Foreign Exchange

Most of the revenue of the Group is received in RMB while most of the expenses and capital expense are also denominated in RMB. However, certain bank loans and other borrowings and bank balances of the Group are denominated in currencies other than the functional currencies of the relevant entities of the Group. The appreciation or depreciation of RMB against foreign currencies will give rise to exchange gain or loss. Although most of such gain or loss is non-operating in nature, it can make a positive or negative impact on the results of the Group.

On 11 August 2015, the People's Bank of China announced a reform of the central parity quotation mechanism of RMB against US dollars, which increased the uncertainty of the exchange rate between US dollars and Renminbi and in turn significantly affected the results of the Group. In view of this change of foreign exchange policy, the Board revised its exchange rate risks management policies, closely monitored the trends of market rates and foreign exchange rates and adjusted its debt structure in a timely and reasonable manner to avoid risks effectively. In accordance with such exchange rate risks management policies, the Group actively adjusted the structure of debt in domestic currency

(RMB) and foreign currencies by replacing the existing debts denominated in US dollars with those denominated in RMB, and adopted currency hedging derivatives to hedge the currency risk of a small portion of existing foreign currency loans, which significantly lowered the potential exchange rate risks. The proportion of foreign currency debts to all debts of the Group dropped to 6.0% as at 30 September 2016. The reasonable adjustment of the aforesaid debt structure will immensely decrease the impact of future exchange loss and profit to the Group's results.

Charge on Assets

As at 30 September 2016, the Group pledged certain properties, plants and equipment with net carrying values of HK$54,932,000 (31 March 2016: HK$68,536,000), investment properties with net carrying value of HK$64,000,000 (31 March 2016: HK$64,000,000), and pledged bank deposits of HK$285,083,000 (31 March 2016: HK$275,554,000) and certain subsidiaries pledged their equity investments in other subsidiaries to banks to secure loan facilities.

Capital Commitments

On 23 June 2016, Shenzhen City Zhongran Gas Company Limited (an indirect wholly-owned subsidiary of the Company) and Beijing Gas Group Limited (as vendor) entered into an equity transfer agreement, pursuant to which Beijing Gas Group Limited conditionally agreed to sell and Shenzhen City Zhongran Gas Company Limited conditionally agreed to purchase 51% equity interests of PetroChina Beijing Gas (Jinzhou) Natural Gas Co., Ltd at a consideration of RMB234,558,000 (equivalent to approximately HK$276,012,000). As at the date of this announcement, the above transaction has not completed. For details of the above transaction, please refer to the relevant announcement of the Company published on the websites of the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

On 28 June 2016, the Company, Fresh Goal Limited (as purchaser and being a wholly-owned subsidiary of the Company), Beijing Gas Group (BVI) Co., Ltd. (as seller) ("Beijing Gas Group (BVI)") and Beijing Enterprises Holdings Limited (as guarantor) ("Beijing Enterprises Holdings") entered into the amended and restated share purchase agreement (the "Amended Share Purchase Agreement"), pursuant to which the relevant parties agreed to amend and restate certain terms of the share purchase agreement originally entered into by such parties on 24 November 2014 in relation to the acquisition of Beijing Gas Development Limited from Beijing Gas Group (BVI) conditionally agreed by the Group (the "Original Share Purchase Agreement"). The Amended Share Purchase Agreement completely replaced and superseded the Original Share Purchase Agreement. In accordance with the Amended Share Purchase Agreement, the transaction consideration was adjusted to RMB1,213,443,000 (equivalent to approximately HK$1,533,790,000) (subject to adjustment) while the number of consideration shares to be issued to Beijing Gas Group (BVI) (or a wholly-owned subsidiary of Beijing Enterprises Holdings) will be 110,823,011 shares (subject to adjustment) with a basic share price of HK$13.84 per share. The above transaction was approved by the independent shareholders at the extraordinary general meeting held on 16 August 2016. As at the date of this announcement, the above transaction was not completed and the Company has not paid any deposit. For details of the above transaction, please refer to the relevant announcement and circular of the Company published on the websites of the Company and the Stock Exchange. The relevant parties have entered into negotiation to ensure the smooth consolidation of the business of the target group into that of the Group.

In addition to the above transaction, the Group has committed to subscribe shares of certain Chinese enterprises at a total consideration of HK$35,733,000 and establish sino-foreign joint ventures in the PRC.

The Group has capital commitments in respect of the acquisition of property, plant and equipment and construction materials contracted but not provided for in the financial statements as at 30 September 2016 amounting to HK$167,584,000 (31 March 2016: HK$226,399,000) and HK$150,066,000 (31 March 2016: HK$83,379,000) respectively, and such commitments would require the utilization of the Group's cash on hand and external borrowings.

Contingent Liabilities

As at 30 September 2016, the Group did not have any material contingent liabilities (31 March 2016: nil).

Prospects

During the period under review, the Board and management of the Group responded timely to changing market conditions, adapt to a new normal and make new achievements. Looking into the future, for city gas business, the Group will continuously increase the number of old and new residential gas connection, enhance the development of commercial users, township and point-to-point gas market and "coal-to-gas" market, constantly push ahead with price management, and steadily promote the development and deployment of vehicle and vessel gas projects. The Group will also raise management and operation efficiency of projects to ensure the stable development and rapid growth of city piped natural gas market through management coordination between the headquarters and regional departments by standardized, informationized and regionalized market development strategy. For LPG business, the Group will firmly grasp the "golden" development opportunities brought about by the continuous downtrend of global LPG price and the upgrade of LPG deep processing industry in order to carve out a larger business presence, penetrate market in a swift manner, expand business scale and further enhance the logistics and operational efficiency. The Group will also leverage on the existing "vertically integrated" industrial value chain to give a full play to the synergy effect between regional management centres and city gas business and fully draw on the strengths of informatization, economies of scale and branding of the Group. The Group targets to integrate markets and resources, and further improve business performance, and develop LPG business into a major contributor to the Group's performance, thereby laying a solid foundation for the next round of overall layout of the Group's strategy. In addition, the Group achieved exponential growth in value-added business. The successful launch of Gasbo brand kitchen appliances earned great support from many users and our staff were encouraged by the hot sale to develop market for such product vigorously. In the future, the

Group will increase its efforts in business training and performance guidance and continue to carry out various forms of sales and marketing activities such as "Hundred People and Hundred Venues" and "Hundred People and Hundred Shops" so as to improve sales skills of the staff of project companies constantly, raise the popularity and satisfaction level of its value-added business for end users among its over 21 million of gas users, and continue to leverage on Internet Plus and the platform of "Zhongran Smart Living" to push value-added business for end users and 4G energy network to move forward synergistically. For distributed energy and electricity sales business, as industry environment has been improved and China's planning and supporting policies have become clear and concrete, the Group's management will adjust their approach timely, deepen the reform, and utilize platform resources to simultaneously push ahead with the professional construction of its four major businesses, including distributed energy, central heating, gas-fired power generation and electricity sales. Meanwhile, the Group will make strenuous efforts to strengthen its existing market and technological strength and depend on its regional management centres and project companies to strive for larger market share within operating areas while forming alliances with industry giants outside operating areas to complement each other's strengths, thereby achieving the successful execution and implementation of large scale projects and electricity sales business.

Looking forward, with the simultaneous development of industrialization, urbanization and informatization, and with the increasing demand for environment and green development from the government and the society, market demand for clean energy such as natural gas and LPG will continue to grow in China. Besides, the reform of natural gas price and industry marketization will further contribute to the vitality of the industry. But at the same time, we are also well aware of the bumpy and slow recovery of global economy, the slowdown in China's overall economic growth, the accelerating pace of energy production and consumption reform, the difficulty in easing the imbalance between global energy supply and demand in short term, and the diminishing economic benefits of natural gas caused by the continuously depressed international oil prices and the downtrend of alternative energy prices. Moreover, problems arising from market-oriented reform such as natural gas pricing reform and the imbalanced supply and demand situation posed great challenge for natural gas industry and the Group and put forward higher requirements for the Group's operation management and efficiency. The Board of the Group will focus on enhancing efficiency and effectiveness tightly, continue to push forward the Group's established development strategy, and speed up the shift of development path. The Board of the Group will also carry out innovations in technology, management, service and modes to improve management level, strengthen core competitiveness, push forward the sound, sustainable and rapid development of the Group's business, and maximize the value of the Group.

CORPORATE GOVERNANCE

In the opinion of the directors, the Company has complied with all the code provisions ("Code Provisions") of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules throughout the period other than Code Provision A.4.1 as none of the non-executive Directors or independent non-executive Directors of the Company is appointed for a specific term. However, in accordance with Bye-law 87 of the Company's Bye-laws, at each annual general meeting, one third of the Directors for the time being shall retire from office by rotation and be eligible for re-election. The Board considers that the compliance with these procedures meet the requirements of Code Provision A.4.1.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the model code for securities transactions by directors of the listed issuers set out in Appendix 10 of the Listing Rules (the "Model Code"). Specific enquiry has been made with all directors of the Company and all directors of the Company confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 September 2016.

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the interim results for the six months ended 30 September 2016.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

For the six months ended 30 September 2016, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

PUBLICATION OF INFORMATION ON THE WEBSITES OF HONG KONG EXCHANGES AND CLEARING LIMITED AND THE COMPANY

The results announcement is required to be published on the website of The Hong Kong Exchanges and Clearing Limited ("HKEX") at www.hkex.com.hk under "Latest Listed Company Information" and the Company at www.chinagasholdings.com.hk under "Announcements" respectively. The interim report of the Company for the six months ended 30 September 2016 will be dispatched to the shareholders as soon as possible and will be published on the websites of HKEX and the Company accordingly.

On behalf of the Board of
CHINA GAS HOLDINGS LIMITED
ZHOU Si
Chairman

Hong Kong, 29 November 2016

As of the date of this announcement, Mr. ZHOU Si, Mr. LIU Ming Hui, Mr. HUANG Yong, Mr. ZHU Weiwei, Mr. MA Jinlong and Ms. LI Ching are the executive Directors; Mr. YU Jeong Joon (his alternate being Mr. KIM Yong Joong), Mr. Arun Kumar MANCHANDA, Mr. LIU Mingxing and Mr. JIANG Xinhao are the non-executive Directors; and Mr. ZHAO Yuhua, Dr. MAO Erwan, Ms. WONG Sin Yue, Cynthia, Mr. HO Yeung and Ms. CHEN Yanyan are the independent non-executive Directors.

* *For identification purpose only*