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蘇創燃氣
SUCHUANG GAS

SUCHUANG GAS CORPORATION LIMITED

蘇創燃氣股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1430)

PROFIT WARNING INSIDE INFORMATION

This announcement is made by Suchuang Gas Corporation Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the Company’s announcement dated 30 September 2021 (the “**Announcement**”) in relation to, among other things, the assessment of the impact of the Deposit Pledge Contracts on the information contained in the 2021 Interim Results Announcement. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review and assessment of the impact of the Deposit Pledge Contracts on the information contained in the 2021 Interim Results Announcement and the information currently available to the management of the Company, the Group is expected to record a net loss of approximately RMB449 million for the six months ended 30 June 2021 as compared to a net profit of approximately RMB36.6 million for the same period as contained in the 2021 Interim Results Announcement.

The Group’s net loss was mainly due to (i) the remeasurement of financial guarantee contracts of approximately RMB322.5 million in relation to the pledged bank deposits of RMB315.1 million under the Deposit Pledge Contracts and the guarantee provided by Taicang Natural Gas with a Bank to guarantee the bank acceptance agreements and the working capital loan agreements entered into between the Bank and a Borrower for a maximum amount of RMB137.5 million as disclosed in the Announcement; and (ii) impairment losses on financial and contract assets of approximately RMB217.9 million in relation to an impairment of trade and other receivables.

The information contained in this announcement is based on the Company's preliminary review and assessment of the impact of the Deposit Pledge Contracts on the information contained in the 2021 Interim Results Announcement and the information currently available to the management of the Company, and such information has not been audited, reviewed or confirmed by the auditors, the audit committee and the independent investigation committee of the Company, and may be subject to further changes or adjustments. Details of the revised financial results of the Group for the six months ended 30 June 2021 will be disclosed in accordance with the applicable requirements of the Listing Rules in the revised interim results announcement of the Company, which is expected to be published by the end of December 2021.

The profit warning included in this announcement ("**Profit Warning**") constitutes a profit forecast under Rule 10 of The Codes on Takeovers and Mergers of Hong Kong ("**Takeovers Code**") issued by the Securities and Futures Commission of Hong Kong and should be reported on by the Company's financial adviser and auditors or accountants in accordance with Rule 10.4 of the Takeovers Code. As the Profit Warning was made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the SFO, which require the Company to disclose any inside information as soon as practicable and given the time constraints, the Company has encountered genuine practical difficulties in meeting the requirements of Rule 10.4 of the Takeovers Code. Accordingly, the Profit Warning does not meet the standard required by Rule 10 of the Takeovers Code.

Under Rule 10.4 of the Takeovers Code, if the Profit Warning is published first in an announcement, it must be repeated in full, together with the reports from the Company's financial advisers and auditors or accountants on the said profit forecast, in the next document to be sent to the Shareholders. The Profit Warning will be reported on by the Company's financial advisers and auditors or accountants as soon as possible in compliance with the Takeovers Code and such reports will be contained in the next document to be issued by the Company to the Shareholders ("**Shareholders' Document**"). However, if the revised interim results announcement for the six months ended 30 June 2021 which fall within the ambit of Rule 10.9 of the Takeovers Code have been published by the time of release of the next Shareholders' Document and the relevant results together with the notes to the financial statements are included in the next Shareholders' Document, the requirements to report on the Profit Warning under Rule 10.4 of the Takeovers Code will no longer apply.

Shareholders and potential investors of the Company should note that the Profit Warning has not been reported on in accordance with the requirements under Rule 10 of the Takeovers Code and does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders and potential investors of the Company should therefore exercise caution in placing reliance on the Profit Warning in assessing the merits and demerits of the Proposal, the Scheme and the Special Deals (all as defined in the Company's announcement dated 25 August 2021). Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Suchuang Gas Corporation Limited
Su Yi
Chairman and Executive Director

Taicang City, Suzhou, Jiangsu Province, PRC, 21 December 2021

As at the date of this announcement, the Company's executive directors are Ms. Su Yi, Mr. Du Shaozhou, Mr. Li Jianyi and Ms. Su Wen; the non-executive directors are Mr. Xu Lei and Mr. Jin Bo; and the independent non-executive directors are Mr. Zhou Qingzu, Mr. Zhu Tong and Mr. Feng Yi Jing.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.