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CHINA LNG GROUP LIMITED

中國天然氣集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 931)

PROFIT WARNING

This announcement is made by China LNG Group Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors of the Company wishes to inform the shareholders and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 March 2022 (the “**Review Year**”) and the information currently available to the Board, the Group expects to record a consolidated loss in the range between HK\$170 million to HK\$200 million for the Review Year as compared to a consolidated loss of approximately HK\$109 million for the year ended 31 March 2021.

The increase in the consolidated loss of the Group for the Review Year is mainly due to: (i) The new wave of the novel coronavirus pandemic; (ii) the exceptional surge in the price of liquefied natural gas (“**LNG**”) caused by the Russia-Ukraine conflict and the mutual sanctions between western countries and Russia have immense pressure on the operating environment of domestic LNG enterprises; (iii) the worsening of power curtailment in the PRC in the second half-year resulted in the intermittent closure of business operations for certain of the Group’s industrial and commercial customers, which led to a significant decrease in the LNG sales revenue of the Group; (iv) The increase in the depreciation of Property, Plant and Equipment due to the projects in Hubei Huanggang, Hubei Guangshui, Luan Fenglukou, Luan Guzhen and Jiangxi Jingdezhen have completed its major construction and transferred from construction in progress to fixed assets but are yet to reach their respective commercial operating scale; and (v) the increase in impairment loss in fixed assets and in expected credit loss of certain customers.

The Company is still in the process of finalising the annual results of the Group for the Review Year. Information contained in this announcement is based on unaudited consolidated management accounts of the Group for the Review Year, which have not been reviewed or audited by the Company's auditor. Details of the Group's results for the Review Year shall be provided in the annual results announcement of the Company which is expected to be published around the end of June 2022.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in securities of the Company.

By order of the Board
China LNG Group Limited
Kan Che Kin, Billy Albert
Chairman

Hong Kong, 10 June 2022

As at the date of this announcement, the Board comprises two executive Directors, namely Dr. Kan Che Kin, Billy Albert (Chairman) and Mr. Li Kai Yien, Arthur Albert; and three non-executive Directors, namely Dr. Lam, Lee G., Mr. Simon Murray and Mr. Xiao Cong; and three independent non-executive Directors, namely Mr. Li Siu Yui, Mr. Chow Ching Ning and Mr. Lam Lum Lee.

* *For identification purposes only*