

# TARGET

## Intelligence Report

VOLUME XXVI No. 158

THURSDAY

July 25, 2024

### **CHINESE PEOPLE HOLDINGS COMPANY LTD: SENIOR MANAGEMENT HAS BEEN FORCED TO STOMACH THAT ACRID TASTE OF DEFEAT**

On Wednesday, March 27, 2024, Mr Fan Fang Yi (范方義), the Managing Director and an Executive Director of Chinese People Holdings Company Ltd (中民控股有限公司) (Code: 681, Main Board, The Stock Exchange of Hongkong Ltd), caused to publish and to disseminate in The Hongkong Special Administrative Region (HKSAR) of The People's Republic of China (PRC) the following public announcement, headlined: ***'INSIDE INFORMATION – PROFIT WARNING.'***

The following are the five paragraphs that Mr Fan Fang Yi brought to the attention of shareholders and (perhaps) prospective investors:

*'This announcement is made by Chinese People Holdings Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).*

*'The board of directors of the Company (the "**Board**") wishes to inform the shareholders and potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2023 ("**FY2023**") and information currently available to the Board, it is expected that the Group is expected to record a loss of approximately RMB227 million (the "**Expected Loss**"), compared with a profit of approximately RMB62 million recorded for the year ended 31 December 2022 (the "**FY2022**"). Based on the information available, the joint ventures had made a significant net loss for the FY2023 due to the substantial impairment loss was made in respect of its assets of property, plant and equipment, right-of-use assets and intangible assets. As a result, the Expected Loss was mainly attributable to the shares of loss of joint ventures of approximately RMB243 million for the FY2023.*

*‘The Company is still in the process of finalising the consolidated financial statements of the Group for the FY2023. The information contained in this announcement is only based on the preliminary assessment by the Board on the unaudited consolidated management accounts of the Group for the FY2023 and the information currently available, which have not been reviewed by the audit committee of the Company nor audited by the auditors of the Company. In addition, the Company’s auditors are also carrying out their audit work on the consolidated financial statements of the Group for the FY2023. Accordingly, the actual results of the Group for the FY2023 may differ from the information set out in this announcement. The Company will closely monitor the situation and provide further update when necessary.*

***‘Detailed financial information of the Group will be disclosed in the audited annual results announcement of the Group for FY2023, which is expected to be published on 28 March 2024. Shareholders and potential investors are advised to read the audited annual results announcement of the Group when it is published.***

***‘Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.’***

### **THE CHAIRMAN’S STATEMENT**

At Pages Two and Three of the 2023 Annual Report of the Company with regard to the Financial Year, ended December 31, 2023, Mr Mo Shi Kang (莫世康), the Chairman of The Board of Directors of Chinese People Holdings Company Ltd, had this to state:

#### ***‘ECONOMIC CONDITIONS AND ANNUAL RESULTS***

*‘In 2023, domestic GDP (Gross Domestic Product) reached 126.06 trillion, representing an increase of 5.2%. The domestic economy has maintained the momentum of recovery, which has been faster than that of most major economies. In 2021 and 2022, after a series of breakthroughs of 110 trillion and 120 trillion, China’s economic growth has leapt to a new level.*

*‘According to public data released by the National Development and Reform Commission of the People’s Republic of China (中國發展和改革委員會) (“NDRC”), National Bureau of Statistics of China, etc., the output of natural gas in 2023 was approximately 232.43 billion m<sup>3</sup>, increased by 5.6% as compared to that of last year; the import of natural gas was 120 million tons, increased by 9.9% year-on-year, and the apparent consumption of natural gas was 394.53 billion m<sup>3</sup>, increased by 9.5% year-on-year. In 2023, China’s Liquefied Petroleum Gas (“LPG”) production was 48.67 million tons, representing a year-on-year increase of 2.1%; the total retail sales of social consumer goods were approximately RMB47.15 trillion, representing a year-on-year increase of 7.2%.*

*‘With the joint efforts of the management and all employees, the Group recorded the piped gas sales of 418.35 million m<sup>3</sup> for the Year, representing an increase of 8.95% as compared to last year; the cylinder gas sales of 96,332 tons for the Year, representing a decrease of 3.39% as compared to the corresponding period last year.*

*‘The revenue was reduced for the year ended 31 December 2023, the revenue of the Group was approximately RMB2,514 million (2022: RMB2,868 million) and the loss for the Year was approximately RMB227 million (2022: profit RMB62 million (Restated)) mainly due to share of loss of joint ventures of approximately RMB243 million for the year ended 31 December 2023. For ... [CLICK TO ORDER FULL ARTICLE](#)*

***While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.***

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to [editor@targetnewspapers.com](mailto:editor@targetnewspapers.com). **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*