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# 中裕能源控股有限公司

## ZHONGYU ENERGY HOLDINGS LIMITED

(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)  
(Stock Code:3633)

### ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2024

#### FINANCIAL AND OPERATIONAL HIGHLIGHTS

	For the year ended 31st December,		
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>	changes %
Turnover	<b>13,472,199</b>	13,643,682	(1.3)%
	<b><i>RMB'000</i></b> <b>12,286,645</b>	<i>RMB'000</i> 12,279,314	0.1%
Profit before tax	<b>448,697</b>	585,300	(23.3)%
Non-HKFRS EBITDA (as defined in page 37)	<b>1,721,595</b>	1,885,251	(8.7)%
Unit of natural gas sold ('000 m <sup>3</sup> )	<b>3,196,174</b>	3,037,347	5.2%
Sales volume of integrated energy (million kWh)	<b>2,441</b>	1,566	55.9%
Proposed final dividend (HK cents)	<b>2.00</b>	–	100%

## CHAIRMAN'S STATEMENT

To our valued shareholders,

In 2024, the global economy grew steadily, and global monetary policy entered a new cycle of interest rate cuts. However, geopolitical competition, global supply-demand imbalance, and trade protectionism have led to varying paces of economic recovery among countries, making the global economic situation remains to be complex and intricate. The domestic economy is still grappling with the impacts of the continued deepening economic structural adjustment, and the low inflation environment remains difficult to change. Further policy measures are still required to facilitate the recovery of the domestic economy.

For Zhongyu Energy, 2024 was a year of both challenges and opportunities. Unstable energy prices and customer business disruptions posed challenges to the Group's city gas business development. However, the explosive growth in demand for clean energy and the introduction of the national energy law provided a fertile ground for the Group to develop green energy business. Faced with a complex and rapidly changing external environment, the Group adhered to the implementation of the "dual-wheel drive" development strategy, deeply integrated city gas market resources and management resources, leveraged geographical advantages, and promoted the advancement of smart energy business in a location-specific manner. While ensuring the steady development of the city gas business, the Group also promoted the upgrading of smart energy business and further accelerated the pace of the Group's transformation process. At the same time, the Group actively promoted debt optimization, significantly reduced the proportion of high-cost debt, and achieved high-quality development of the Group as a whole. As a result, the Board of Directors of the Group has recommended the payment of a final dividend of HK2.00 cents per share. It resumes the dividend payment to reward shareholders for their long-term support.

In terms of city gas business, safety and stability have always been the keys to the development of this business segment. This year, the Group effectively improved the quality of operations through innovative management and refined operations, and achieved the annual business targets satisfactorily. It continued to increase investment in safety operations and accelerated the digitalization of gas operations, maintaining the excellent record of zero occurrences of general and above-level production safety accidents, and achieving stable development in a complex business environment. In terms of gas supply security, the Group further deepened its cooperation with the "Big Three Oil Companies," ensuring sufficient upstream supply while saving significant gas procurement costs. While ensuring gas supply for city gas customers, the Group made new breakthroughs in energy trading business. In terms of value-added business and new retail, the Group innovatively expanded into extra-territorial markets by establishing a gas appliance sub-brand, and providing customers with comprehensive support from products to services, and injecting new momentum into business growth.

In terms of smart energy business, after years of investment and operation, the Group has accumulated a wealth of experience and resources in strategic judgment, team management, market expansion, and project operations. In the current year, the Group's smart energy business still maintained a high growth rate. We continuously carried out smart energy management contract (EMC), low-carbon transportation energy and park energy business, with the project investment and operation system becoming more mature. Meanwhile, considering multiple factors such as its own advantages, market trends, and policy changes, the Group relied on city gas user resources to develop a more comprehensive smart energy business by expanding externally and consolidating internally. It determined a new transformation strategy focusing on biomass business to carry out zero-carbon coupling business, striving to build a new engine for the Group's development. At the end of the year, we joined hands with the Joint Research Center for Zero Carbon Application of Biomass Gasification at the School of Environment of Tianjin University to jointly tackle key technical problems in the field of biomass gasification for heating, further contributing to the energy transformation and sustainable development of our country.

## **PROSPECTS**

In 2025, there are still many uncertainties in the domestic and international economic environment. However, with the deepening advancement of the national energy strategy, more development opportunities will be brought to enterprises. We will continue to clarify our positioning as a "comprehensive energy service provider," increase investment in zero-carbon energy utilization and exploration, focus on green innovation, activate new quality productivity, and drive the practical implementation of the Group's "dual-wheel drive" strategy. At the same time, the Group will keep pace with the times, benchmarking against industry leaders in city gas and smart energy project operations, actively embrace cutting-edge technologies, and explore the deep integration of business scenarios with artificial intelligence (AI). By introducing cutting-edge digital and intelligent technologies and integrating them into various aspects of energy supply, transportation, and sales, we will achieve intelligent allocation of energy supply, improve overall operational efficiency, and support the Group's high-quality development.

In the new year, the Group will continue to consolidate the foundation of city gas business, continuously advance refined management, improve resource integration capabilities, and consolidate its important role as the "cornerstone" for the Group's development. At the same time, we will continue to delve into customer groups, expand service fields and quality, continue to promote residential price adjustment, increase investment in safety and operations, accelerate the construction of smart gas, and strengthen the efficient integration with smart energy business. Together, these efforts will advance the implementation of the "dual-wheel drive" strategy and facilitate the Group's transformation and development.

In 2025, the Group will take “focusing on biomass business to carry out zero-carbon coupling business” (「以生物質業務為主線開展零碳耦合業務」) as the main axis of the development of smart energy business, take city gas users serving as the foundation for market development, and at the same time explore the opportunity to tap into extra-territorial markets. With biomass gasification heating as the core, coupled with boiler entrustment, natural gas heating, and distributed photovoltaic business, we aim to create green factories and green parks as the core development model of this business segment, continuously promoting the high-quality and sustainable development of smart energy business.

With the long-term development of the industry, attention to detail becomes particularly important for enterprises. The Group will continue to deeply implement the concept of environment, social and governance (ESG), accelerate the development of green energy business, and contribute to achieving the “dual carbon” goals. We will improve service quality, provide customers with safer and more efficient products and services, optimize the talent training system and employee welfare, and enhance the comprehensive strength of the team. At the same time, the Group will continue to integrate innovations in the field of green finance, further adjust the Group’s debt structure, reduce financial costs, and provide safeguards for our high-quality transformation and development.

In the new year, the Group will continue to adhere to our business philosophy of “customer satisfaction, government trust, enterprise development, and employee benefits,” and accelerate the pace of transformation and upgrading. We will stand on a long-term development strategy, scientifically formulate short-term plans, accurately grasp market opportunities, and deeply analyze changes in the macro environment. By continuously enhancing internal driving force and innovation vitality, we will actively deal with challenges and opportunities brought by internal and external environments. In the future, the Group will continue to provide its customers with further high-quality and efficient comprehensive energy services, continuously improving business performance, maximizing shareholder value, and actively fulfilling corporate social responsibility to continuously contribute to the society.

## APPRECIATION

Over the past two decades, whenever there is market fluctuation, all Zhongyu people have united as one and weathered the storm together, allowing Zhongyu Energy to firmly take root in the energy market and win the trust of thousands of households. With opportunities ahead, let us continue to join hands and strive together to ensure the steady and far-reaching journey of the “Zhongyu Energy Ship”. On behalf of the Board of Directors, I would like to extend my most sincere thanks to all Zhongyu staff members for their hard work. At the same time, I would like to express our deepest gratitude to our customers, shareholders, investors, and people from all walks of life for their longstanding trust and support.

**Wang Wenliang**

*Chairman*

Hong Kong

28th March, 2025

## CEO MESSAGE

To our valued shareholders,

On behalf of the Board of Directors and fellow staff members, I am pleased to present our annual results for the year ended 31st December 2024 (“the Year”).

In 2024, the global economy continued to face insufficient growth momentum. Geopolitical conflicts and trade protectionism continued to intensify, and the external environment became increasingly complex. These factors had a deepening adverse impact. On the other hand, the domestic economy was still in the throes of transitioning between old and new drivers of growth, with longstanding structural contradictions persisting and insufficient effective demand. A comprehensive recovery of the Chinese economy will still take some time. However, 2024 was also a year of both opportunities and challenges. Domestic natural gas consumption maintained a medium-to-high growth rate, with the annual apparent consumption volume reaching 426.05 billion cubic meters, an 8% increase year-on-year. By the end of 2024, the installed capacity of renewable energy in China reached 1.889 billion kilowatts, a 25% increase year-on-year. The introduction of the Energy Law of the People’s Republic of China (《中華人民共和國能源法》) provides a clear direction for the green and low-carbon development of domestic energy, effectively promoting the continuous optimization of the domestic energy structure.

To keep pace with the industry’s development trend, the Group firmly implemented the “dual-wheel drive” development strategy in 2024. We continued to advance refined management and increased investment in safety operations to ensure the safety and stability of our city gas business. In terms of smart energy business, the Group comprehensively strengthened the synergy between the city gas and smart energy segments, with smooth progress in the expansion and operation of various smart energy projects. Through in-depth analysis of the market and policies, the Group formulated a comprehensive smart energy business development strategy centered on biomass gasification heating, combined with boiler entrustment business, natural gas heating, and distributed photovoltaic business, to create green factories and green parks. This strategy will help the Group achieve high-quality transformation and development. As of 31st December 2024, The Group had 74 franchised gas projects in 11 provinces. Our city gas business served 31,208 industrial and commercial customers and approximately 5.19 million residential households. During the same period, the number of operational integrated energy projects reached 283, an increase of 23 compared to last year. In 2024, the Group’s total natural gas sales volume increased by 5.2% year-on-year to 3,196,174,000 cubic meters, while the integrated energy sales volume surged by 55.9% year-on-year to 2,441 million kilowatt-hours.

## RESULTS

For the year ended 31st December 2024, the Group recorded a turnover of HKD13,472,199,000, a 1.3% decrease year-on-year (2023: HKD13,643,682,000). Excluding the impact of currency translation from HKD, the turnover in RMB increased by 0.1% for the Year. The growth in turnover was primarily from the increase in revenue from our smart energy business.

## BUSINESS REVIEW

During the year, the Group's four major business segments, namely sales of gas, gas pipeline construction, smart energy and value-added services, accounted for 79.7%, 7.4%, 8.6%, and 2.7% of the Group's turnover for 2024, respectively.

The sales of gas business continued to be the Group's largest contributor in 2024, with sales amounting to HK\$10,734,109,000, equivalent to approximately RMB9,789,507,000 (2023: HK\$10,997,172,000, equivalent to approximately RMB9,897,455,000). Due to the Group's large and highly loyal user base, the business will continue to be a core source of performance contribution for the Group.

In addition, the sales of gas include energy trading. Over the years, the Group has been committed to actively optimizing its gas source organization, identifying opportunities for cooperation in the upstream of natural gas, and vigorously expanding its energy trading business. During the year, sales of this business amounted to HK\$2,920,367,000, representing a year-on-year increase of 5.5% (2023: HK\$2,768,340,000), while the volume of natural gas traded amounted to 951,387,000 cubic meters, representing a year on-year increase of 20.9%.

With the Group's efforts in the past few years, the gas connection penetration rate in the regions in which it operates has reached a relatively high level. As a result, the Group has adopted a prudent approach in acquiring new customers in order to maintain a favorable customer mix and accounts receivable level. During the year, the total number of new piped gas connection customers reached 258,092. The total length of the Group's existing intermediate and main pipelines increased from 27,754 kilometers to 28,201 kilometers, representing an increase of 1.6%, as the Group continued to expand its business coverage.

The Group has actively synergized with the two business groups of city gas and smart energy to scientifically establish its presence in the new energy market and carry out smart energy management contract (EMC), low-carbon transportation energy and park energy business. Currently, the Group's smart energy business has taken shape, which achieved significant growth during the year with sales amounting to HK\$1,154,291,000 (2023: HKD944,669,000), accounting for 8.6% (2023: 6.9%) of the Group's total revenue and representing a year-on-year increase of 22.2%; while integrated energy sales amounted to 2,441 million kilowatt-hours, representing a year-on-year increase of 55.9%.

Relying on our highly loyal base of city gas customers, the Group innovated its operations and promoted the sales of its own-brand kitchen appliances, "Zhongyu Phoenix." (中裕鳳凰) We also provided more convenient and efficient value-added services to customers through the "Zhongyu iFamille" (中裕i家) retail platform. At the same time, the Group actively expanded into external markets, continuously strengthened innovative cooperation, and incubated sub-brands of gas appliances to further increase market share.



## PROSPECTS

In 2025, geopolitical tensions, trade barriers, and high debt levels will continue to pose significant risks to global economic development. However, there are also positive factors such as technological innovation, loose monetary policy, and slowing inflation. Faced with the complex external environment, China will promote high-quality economic development through proactive fiscal policies and moderately loose monetary policies. It will also continue to enhance energy security, adhere to the development of green and low-carbon energy, and continuously optimize the energy structure.

In 2025, the domestic city gas industry will see continued market consolidation and enhanced safety supervision, and national requirements for safety management will be further raised. The changing economic environment will significantly increase the uncertainty of energy use by industrial users. Therefore, the Group will continue its excellent practices in safety management, customer service, and market management, actively innovate, and comprehensively upgrade the digitalization level of our gas business to improve operational management quality. At the same time, the Group will strengthen the coordination among gas source, market, and customer service departments to ensure the continuous improvement of gas supply and sales performance.

In terms of smart energy business, in 2025, the Group will firmly implement the transformation strategy of “focusing on biomass business to carry out zero-carbon coupling business.” While continuing to develop and operate our conventional businesses, the Group will seize the market window period for biomass business, fully utilize existing Group’s resources, and enhance the integration depth and synergy between city gas and smart energy businesses. The Group will seek synergies between businesses, regions, and customers to provide strong support for the development of biomass business. To achieve high-quality transformation, the Group will implement the following key strategies in the coming year:

- (i) continue to advance refined operations, delve into customer groups, expand into new areas, improve service quality, and consolidate the foundation of our city gas business;
- (ii) enhance management and operational quality, strengthen the efficient integration of the smart energy segment with the city gas segment, jointly promote the implementation of biomass business, and accelerate the Group’s transformation and development;



- (iii) deeply integrate digitalization support into our business, build a multi-scenario business support system, promote data interconnectivity across platforms, and achieve digitalization and business synergy;
- (iv) continuously optimize the Group's hidden danger supervision mechanism, comprehensively improve the emergency management, in-depth development of safety culture, while further implement the development of safety information technology, and improve the work-related safety management testing;
- (v) continuously optimize the gas source structure, actively promote the establishment of market price mechanism, improve market risk control capability, and explore international LNG trading opportunities and gas storage capacity trading business;
- (vi) upgrade the Group's financial management, continuously optimize the Group's debt structure, strictly control overdue receivables and strictly enforce the accountability mechanism; and
- (vii) practice ESG concepts, expand cooperation in green finance, strengthen internal governance and optimize ESG-related information disclosure.

2025 marks the concluding year of the national “14th Five-Year Plan.” The Group will continue to focus on steady progress in the city gas business, ensuring safe and stable gas supply, enhancing management and operational quality, and achieving robust improvement to provide solid support for the Group's transformation and development. At the same time, we will fully advance the development strategy of “focusing on biomass business to carry out zero-carbon coupling business” (「以生物質業務為主線開展零碳耦合業務」) in the smart energy sector to create a “new engine” for the Group's growth. In the new year, The Group will fully leverage its own strengths, seize the continuous development trend in the clean energy market, and capitalize on the development dividends brought by artificial intelligence technology in enterprise management and business development. We will further implement the “dual-wheel drive” strategy, enhance our comprehensive competitiveness, and strive towards the goal of becoming the “most valuable integrated energy service provider.”

**Lui Siu Keung**  
*Chief Executive Officer*

28th March, 2025

The board of directors (the “Board” or the “Directors”) of Zhongyu Energy Holdings Limited (the “Company”) is pleased to announce below the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31st December, 2024, together with the comparative figures for the corresponding period in 2023.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31st December, 2024*

		2024	2023
	NOTES	HK\$'000	HK\$'000
<b>Turnover</b>	3	<b>13,472,199</b>	13,643,682
Cost of sales		<u>(11,711,530)</u>	<u>(11,731,721)</u>
<b>Gross profit</b>		<b>1,760,669</b>	1,911,961
Other gains and losses	5	(15,586)	(45,920)
Other income	6	206,515	208,999
Selling and distribution costs		(246,302)	(237,463)
Administrative expenses		(623,557)	(630,568)
(Impairment losses) reversal of impairment losses on financial assets and contract assets, net		(12,010)	3,822
Finance costs	7	(629,488)	(656,065)
Share of results of associates		10,240	31,577
Share of results of joint ventures		<u>(1,784)</u>	<u>(1,043)</u>
<b>Profit before tax</b>		<b>448,697</b>	585,300
Income tax expenses	8	<u>(247,553)</u>	<u>(284,844)</u>
<b>Profit for the year</b>	9	<u><b>201,144</b></u>	<u>300,456</u>
Profit for the year attributable to:			
Owners of the Company		146,384	246,720
Non-controlling interests		<u>54,760</u>	<u>53,736</u>
		<u><b>201,144</b></u>	<u>300,456</u>

		2024	2023
	NOTES	HK\$'000	HK\$'000
<b>Profit for the year</b>		<b>201,144</b>	300,456
Other comprehensive (expense) income			
Items that will not be reclassified subsequently to profit or loss:			
Exchange differences on translation from functional currency to presentation currency		(276,233)	(409,708)
Fair value loss on revaluation of pipelines included in property, plant and equipment		(176,753)	(117,481)
Deferred tax arising from revaluation of pipelines included in property, plant and equipment		<u>44,188</u>	<u>29,370</u>
Other comprehensive expense for the year		<u>(408,798)</u>	<u>(497,819)</u>
Total comprehensive expense for the year		<u>(207,654)</u>	<u>(197,363)</u>
Profit for the year attributable to:			
Owners of the Company		146,384	246,720
Non-controlling interests		<u>54,760</u>	<u>53,736</u>
		<u>201,144</u>	<u>300,456</u>
Total comprehensive expense attributable to:			
Owners of the Company		(243,417)	(234,170)
Non-controlling interests		<u>35,763</u>	<u>36,807</u>
		<u>(207,654)</u>	<u>(197,363)</u>
Proposed final dividend of HK2 cents (2023: nil) per ordinary share	10	<u>55,436</u>	<u>—</u>
Earnings per share	11		
Basic		<u>HK5.25 cents</u>	<u>HK8.74 cents</u>
Diluted		<u>HK5.25 cents</u>	<u>HK8.74 cents</u>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*At 31st December, 2024*

	<i>NOTES</i>	<b>2024</b> <i>HK\$'000</i>	<b>2023</b> <i>HK\$'000</i>
<b>Non-current assets</b>			
Investment properties		<b>6,098</b>	7,115
Property, plant and equipment		<b>15,215,356</b>	15,368,744
Right-of-use assets		<b>658,096</b>	668,265
Goodwill		<b>449,613</b>	459,052
Other intangible assets		<b>1,296,517</b>	1,407,561
Long-term deposits, prepayments and other receivables		<b>1,131,281</b>	1,139,828
Interests in associates		<b>779,740</b>	774,137
Interests in joint ventures		<b>12,686</b>	14,750
Financial assets at fair value through other comprehensive income		<b>115,493</b>	78,190
		<b>19,664,880</b>	19,917,642
<b>Current assets</b>			
Inventories		<b>526,984</b>	596,231
Properties under development for sale		<b>318,647</b>	289,675
Trade receivables	<i>12</i>	<b>1,732,847</b>	2,134,904
Deposits, prepayments and other receivables		<b>1,692,060</b>	1,561,408
Amount due from a non-controlling shareholder of a subsidiary		<b>8,117</b>	8,287
Contract assets		<b>624,511</b>	395,476
Tax recoverable		<b>3,721</b>	3,800
Bank balances and cash		<b>1,650,857</b>	1,522,684
		<b>6,557,744</b>	6,512,465
<b>Current liabilities</b>			
Trade payables	<i>13</i>	<b>1,547,375</b>	1,611,662
Other payables and accrued charges		<b>734,588</b>	815,757
Amount due to a non-controlling shareholder of a subsidiary		<b>1,190</b>	1,215
Amount due to an associate		<b>968</b>	988
Contract liabilities		<b>1,322,008</b>	1,621,314
Borrowings		<b>5,977,459</b>	7,621,571
Lease liabilities		<b>6,558</b>	3,284
Tax payables		<b>85,548</b>	110,551
		<b>9,675,694</b>	11,786,342
<b>Net current liabilities</b>		<b>(3,117,950)</b>	(5,273,877)
<b>Total assets less current liabilities</b>		<b>16,546,930</b>	14,643,765

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Capital and reserves</b>		
Share capital	27,777	27,942
Reserves	7,357,751	7,673,371
	<hr/>	<hr/>
<b>Equity attributable to owners of the Company</b>	<b>7,385,528</b>	<b>7,701,313</b>
Non-controlling interests	995,443	992,114
	<hr/>	<hr/>
<b>Total equity</b>	<b>8,380,971</b>	<b>8,693,427</b>
	<hr/>	<hr/>
<b>Non-current liabilities</b>		
Deferred income and advance received	3,876	4,523
Borrowings	6,922,213	4,582,122
Lease liabilities	18,046	17,449
Deferred taxation	1,221,824	1,346,244
	<hr/>	<hr/>
	<b>8,165,959</b>	<b>5,950,338</b>
	<hr/>	<hr/>
	<b>16,546,930</b>	<b>14,643,765</b>
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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31st December, 2024*

### 1. AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1st January, 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

As at 31st December, 2024, the Group has net current liabilities of HK\$3,117,950,000.

The Directors have therefore given careful consideration to the future liquidity of the Group when preparing the consolidated financial statements. The Directors believe that the Group will be able to meet in full its financial obligations as and when they fall due for the foreseeable future, taking into accounts total new bank borrowings amounting to approximately HK\$0.87 billion obtained in the first quarter of 2025, the cash flows from the profitable operations and expected new banking facilities. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements have been prepared on the historical cost basis except for certain property, plant and equipment, financial instruments and investment properties that are measured at revalued amounts or fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

### 3. TURNOVER

#### Disaggregation of revenue from contracts with customers

	2024 HK\$'000	2023 HK\$'000
<b>Types of goods or services</b>		
Sales of gas	10,734,109	10,997,172
Gas pipeline construction	1,003,736	1,056,548
Smart energy	1,154,291	944,669
Value-added services	368,462	410,574
Sales of compressed natural gas or liquefied natural gas ("CNG/LNG") in vehicle filling stations	211,601	234,719
<b>Total</b>	<b>13,472,199</b>	<b>13,643,682</b>
<b>Timing of revenue recognition</b>		
A point in time	12,468,463	12,587,134
Over time	1,003,736	1,056,548
<b>Total</b>	<b>13,472,199</b>	<b>13,643,682</b>

All the revenue from contracts with customers are derived from the PRC.

### 4. SEGMENT INFORMATION

The Group's executive directors are the chief operating decision makers ("CODM") as they collectively make strategic decisions on resources allocation and performance assessment.

Information that is reported to the CODM for the purpose of resources allocation and assessment of performance focuses on the type of products delivered or services rendered which is also consistent with the basis of organisation of the Group.

Each type of product or service represents an unique business unit within the Group whose performance is assessed independently. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The Group's operating and reportable segments are as follows:

- (a) sales of gas;
- (b) gas pipeline construction;
- (c) smart energy;
- (d) value-added services (including sales of stoves and provision of other related services); and
- (e) operation of CNG/LNG vehicle filling stations.



## Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments.

### *For the year ended 31st December, 2024*

	Sales of gas HK\$'000	Gas pipeline construction HK\$'000	Smart energy HK\$'000	Value-added services HK\$'000	Operation of CNG/LNG vehicle filling stations HK\$'000	Consolidated HK\$'000
Segment revenue	<u>10,734,109</u>	<u>1,003,736</u>	<u>1,154,291</u>	<u>368,462</u>	<u>211,601</u>	<u>13,472,199</u>
Segment profit	<u>520,452</u>	<u>511,845</u>	<u>74,140</u>	<u>144,835</u>	<u>1,739</u>	<u>1,253,011</u>
Unallocated other income						24,950
Unallocated other gains and losses						(13,228)
Unallocated central corporate expenses						(182,477)
Impairment loss on other receivables						(4,071)
Finance costs						<u>(629,488)</u>
Profit before tax						<u>448,697</u>

### *For the year ended 31st December, 2023*

	Sales of gas HK\$'000	Gas pipeline construction HK\$'000	Smart energy HK\$'000	Value-added services HK\$'000	Operation of CNG/LNG vehicle filling stations HK\$'000	Consolidated HK\$'000
Segment revenue	<u>10,997,172</u>	<u>1,056,548</u>	<u>944,669</u>	<u>410,574</u>	<u>234,719</u>	<u>13,643,682</u>
Segment profit	<u>643,571</u>	<u>562,497</u>	<u>55,025</u>	<u>151,026</u>	<u>21,124</u>	<u>1,433,243</u>
Unallocated other income						29,850
Unallocated other gains and losses						(55,081)
Unallocated central corporate expenses						(166,651)
Reversal of impairment loss on other receivables						4
Finance costs						<u>(656,065)</u>
Profit before tax						<u>585,300</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Reportable segments represent the financial result of each segment without allocation of central administration costs, directors' emoluments, interest income, change in fair value of investment properties, foreign exchange gains or losses, certain sundry income, impairment losses on other receivables and finance costs. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

### Segment assets and liabilities

Amounts of segment assets and liabilities of the Group are not reviewed by the CODM or otherwise regularly provided to the CODM, accordingly, segment assets and liabilities are not presented.

### Other segment information

#### 2024

					Operations of CNG/LNG vehicle filling stations	Segment total	Unallocated	Consolidated
	Sales of gas HK\$'000	Gas pipeline construction HK\$'000	Smart energy HK\$'000	Value-added services HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000

Amounts included in the measure of segment profit or loss:

Net loss (gain) on disposal of property, plant and equipment	2,284	–	88	8	(22)	2,358	–	2,358
Depreciation of right-of-use assets	13,487	–	212	–	7,141	20,840	3,577	24,417
Depreciation of property, plant and equipment	481,664	1,537	1,297	3,665	9,863	498,026	12,450	510,476
Amortisation of other intangible assets	81,609	–	2,093	–	–	83,702	–	83,702
Impairment losses recognised on								
– trade receivables	–	6,433	–	–	–	6,433	–	6,433
– contract assets	–	1,506	–	–	–	1,506	–	1,506
– other receivables	–	–	–	–	–	–	4,071	4,071

	Sales of gas	Gas pipeline	Smart	Value-added	Operations of	Segment	Unallocated	Consolidated
	HK\$'000	construction	energy	services	CNG/LNG	total	HK\$'000	HK\$'000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	vehicle filling	HK\$'000	HK\$'000	HK\$'000
					stations			
Amounts included in the measure of segment profit or loss:								
Net loss (gain) on disposal of property,								
plant and equipment	13,961	(10)	(17)	3	(166)	13,771	(40)	13,731
Depreciation of right-of-use assets	13,264	-	10	-	6,792	20,066	2,874	22,940
Depreciation of property, plant and								
equipment	467,205	685	4,630	3,085	9,941	485,546	9,720	495,266
Amortisation of other intangible assets	82,734	-	2,121	-	-	84,855	-	84,855
(Reversal of) impairment losses on								
- trade receivables	-	(6,605)	-	1,817	-	(4,788)	-	(4,788)
- contract assets	-	970	-	-	-	970	-	970
- other receivables	-	-	-	-	-	-	(4)	(4)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>(4)</u>

## Geographical information

All the turnover of the Group for both years are derived from the PRC. None of the customers contributes over 10% of the total revenue of the Group.

As at 31st December, 2024, all the non-current assets of the Group (excluding financial assets) amounting to HK\$18,834,291,000 (2023: HK\$19,174,391,000) are located in the PRC.

## 5. OTHER GAINS AND LOSSES

	2024	2023
	HK\$'000	HK\$'000
Net foreign exchange losses ( <i>Note</i> )	(12,805)	(44,647)
Decrease in fair value of investment properties	(423)	(434)
Net losses on disposal of property, plant and equipment	(2,358)	(13,731)
Others	-	12,892
	<u>(15,586)</u>	<u>(45,920)</u>

*Note:*

The foreign exchange mainly related to the borrowings denominated in United States Dollars in translation to the functional currency of the Group.

## 6. OTHER INCOME

	2024 HK\$'000	2023 HK\$'000
Interest income from financial assets at amortised cost		
– Bank interest income	4,503	11,869
– Interest income from loans to employees	23,319	23,319
	<u>27,822</u>	<u>35,188</u>
Government subsidies ( <i>Note</i> )	124,517	141,205
Sundry income	54,176	32,606
	<u>206,515</u>	<u>208,999</u>

*Note:*

During the year ended 31st December, 2024, the Group has received subsidies of HK\$124,517,000 (2023: HK\$140,842,000) from the relevant PRC governments for promoting the use of natural gas. There are no conditions attached to the subsidies granted to the Group.

During the year ended 31st December, 2023, the Group recognised government grants of HK\$363,000 in respect of Covid-19-related subsidies. No such subsidies were received by the Group during the year.

## 7. FINANCE COSTS

	2024 HK\$'000	2023 HK\$'000
Interest on borrowings	706,042	712,690
Interest on lease liabilities	1,419	1,006
	<u>707,461</u>	<u>713,696</u>
Amortisation on loan facilities fees relating to bank borrowings	65,517	68,158
	<u>772,978</u>	<u>781,854</u>
Total borrowing costs	772,978	781,854
Less: Amounts capitalised in construction in progress included in property, plant and equipment	(143,490)	(125,789)
	<u>629,488</u>	<u>656,065</u>

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 4.00% (2023: 3.39%) per annum to expenditure on qualifying assets.

## 8. INCOME TAX EXPENSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
PRC Enterprise Income Tax:		
Current tax	269,358	292,060
Under provision in prior years	14,008	8,501
Withholding tax levied on dividend paid previously not recognised	<u>17,493</u>	<u>4,833</u>
	<u>300,859</u>	<u>305,394</u>
Deferred taxation	<u>(53,306)</u>	<u>(20,550)</u>
	<u><u>247,553</u></u>	<u><u>284,844</u></u>

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Company and its subsidiaries had no assessable profits arising in Hong Kong for both years.

## 9. PROFIT FOR THE YEAR

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Profit for the year has been arrived at after charging (crediting):		
Auditor's remuneration	4,100	4,800
Amortisation of other intangible assets (included in cost of sales)	83,702	84,855
Depreciation of right-of-use assets	24,417	22,940
Depreciation of property, plant and equipment	510,476	495,266
Employee benefits expenses, other than directors' emoluments		
– Salaries and other benefits	471,578	463,578
– Contributions to retirement benefits schemes	106,946	101,429
	<b>578,524</b>	<b>565,007</b>
Cost of inventories recognised as expenses in respect of contract cost for gas pipeline construction	170,970	213,242
Cost of inventories recognised as expenses in respect of sales of gas, CNG/LNG, liquefied petroleum gas, stoves and smart energy	10,861,621	10,678,722
	<b>11,032,591</b>	<b>10,891,964</b>
Impairment losses (reversal of impairment losses), net		
– Trade receivables	6,433	(4,788)
– Other receivables	4,071	(4)
– Contract assets	1,506	970
	<b>12,010</b>	<b>(3,822)</b>
Gross rental income from investment properties with minimal outgoings	(476)	(1,173)
Gross rental income from equipment with minimal outgoings	<b>(10,892)</b>	<b>(8,281)</b>

## 10. DIVIDENDS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Final dividend, proposed, of HK2 cents (2023: nil) per ordinary share	<u>55,436</u>	<u>–</u>

Subsequent to the end of reporting period, a final dividend of HK2 cents per ordinary share in respect of the year ended 31st December, 2024 (2023: nil), in an aggregate amount of HK\$55,436,000 (2023: nil), has been proposed by the Directors and is subject to approval by the shareholders in the forthcoming general meeting.

No dividend was paid for ordinary shareholders of the Company during 2024.

## 11. EARNINGS PER SHARE

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Earnings</b>		
Earnings for the purposes of basic and diluted earnings per share, being profit for the year attributable to owners of the Company	<u>146,384</u>	<u>246,720</u>
	2024 '000	2023 '000
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	2,787,817	2,822,610
Effect of dilutive potential ordinary shares:		
Share options issued by the Company	<u>–</u>	<u>265</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>2,787,817</u>	<u>2,822,875</u>



## 12. TRADE RECEIVABLES

Other than certain major customers with good repayment history which the Group allows a long credit period or settlement by installment basis, the Group allows an average credit period of 30 to 180 days to its trade customers. The following is an aged analysis of trade receivables from contracts with customers net of allowance for credit losses presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates for sales of gas and the respective construction contracts completion dates, as appropriate:

	<b>2024</b> <b>HK\$'000</b>	<b>2023</b> <b>HK\$'000</b>
0 – 30 days	<b>549,951</b>	981,148
31 – 90 days	<b>88,705</b>	68,852
91 – 180 days	<b>128,889</b>	134,012
181 – 360 days	<b>271,130</b>	182,093
Over 360 days	<b>694,172</b>	768,799
	<hr/>	<hr/>
Trade receivables	<b>1,732,847</b>	2,134,904
	<hr/>	<hr/>

## 13. TRADE PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	<b>2024</b> <b>HK\$'000</b>	<b>2023</b> <b>HK\$'000</b>
0 – 30 days	<b>594,477</b>	773,507
31 – 90 days	<b>151,923</b>	177,676
91 – 180 days	<b>108,586</b>	144,564
Over 180 days	<b>692,389</b>	515,915
	<hr/>	<hr/>
Trade payables	<b>1,547,375</b>	1,611,662
	<hr/>	<hr/>

## **LIQUIDITY, FINANCIAL RESOURCES AND WORKING CAPITAL**

### **Treasury Management and Cash Funding**

The Group's funding and treasury policy is designed to maintain a diversified and balanced debt profile and financing structure. The Group continues to monitor its cash flow position and debt profile, and to enhance the cost-efficiency of funding initiatives by its centralised treasury function. In order to maintain financial flexibility and adequate liquidity for the Group's operations, potential investments and growth plans, the Group has built a strong base of funding resources and will keep exploring cost-efficient ways of financing.

### **Liquidity**

As at 31st December, 2024, the total assets of the Group decreased by HK\$207,483,000 or 0.8% to HK\$26,222,624,000 (2023: HK\$26,430,107,000).

As at 31st December, 2024, the Group has net current liabilities of HK\$3,117,950,000 (2023: HK\$5,273,877,000). Decrease in net current liabilities was mainly due to decrease in borrowings due within one year.

As at 31st December, 2024, the Group's current ratio, represented by a ratio of total current assets to total current liabilities, was approximately 0.7 (2023: 0.6).

As at 31st December, 2024, the total borrowings and lease liabilities increased by HK\$699,850,000 or 5.7% to HK\$12,924,276,000 (2023: HK\$12,224,426,000).

As at 31st December, 2024, the Group had total net debts of HK\$11,273,419,000 (2023: HK\$10,701,742,000), measured as total borrowings and lease liabilities minus the bank balances and cash. As at 31st December, 2024, the Group had net gearing ratio of approximately 1.35 (2023: 1.23), measured as total net debts to total equity of HK\$8,380,971,000 (2023: HK\$8,693,427,000).

### **Financial resources**

During the year ended 31st December, 2024, the Group entered into several loan agreements with several banks in Hong Kong, pursuant to which loan facilities of up to HK\$4,505,694,000 in total were made available to the Group.

During the year ended 31st December, 2024, the Group generally financed its operations with internally generated resources and bank and other borrowings. As at 31st December, 2024, all of the bank and other borrowings were on normal commercial terms.

The Group's borrowing was not affected by seasonality.

## **Working capital**

In view of the Group's current financial and liquidity positions and in the absence of unforeseen circumstances, the Directors are of the opinion that the Group has sufficient working capital for its requirements.

## **EXPOSURE TO EXCHANGE RATE FLUCTUATIONS**

During the year, the Group's monetary assets and liabilities are principally denominated in either Renminbi ("RMB"), Hong Kong dollars ("HK\$") or United States dollars ("US\$") and the Group conducted its business transactions principally in RMB. As a result of the further depreciation of RMB in 2024, exchange loss arising from the Group's bank borrowings denominated in US\$ and HK\$ was recognised during the year. The Group may, as it thinks fit, seek suitable financial instruments to hedge against potential depreciation of RMB. As at 31st December, 2024, the Group did not, but was actively exploring opportunities to, employ any financial instruments for hedging purposes.

## **EMPLOYEE INFORMATION**

As at 31st December, 2024, the Group had a total of 5,146 employees (2023: 5,087) in Hong Kong and the People's Republic of China (the "PRC"), and the total employee benefit expenses (other than directors) for the year was approximately HK\$651,570,000 (2023: HK\$639,808,000). The growth was mainly due to the increase in the number of headcount of the Group. Around 99.7% of the Group's employees are based in the PRC.

The Group's remuneration and bonus policies are determined based on the performance of individual employees.

The emoluments of the Directors are recommended by the Remuneration Committee of the Company, having regard to the Group's operating results, the Directors' duties and responsibilities within the Group and comparable market statistics.

## **CHARGE ON THE GROUP'S ASSETS**

As at 31st December, 2024 and 2023, there was no pledged bank deposit to secure the short-term general banking facilities granted to the Group.

## **SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITION AND DISPOSALS**

During the year under review, the Group did not conduct any significant investments, or material acquisitions or disposal of subsidiaries, associates and joint ventures.

## **FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS**

As at 31st December, 2024, the Board did not have any specific plans for material investment or capital assets.

## **CAPITAL AND OTHER COMMITMENTS**

As at 31st December, 2024, the capital expenditure in respect of the acquisition of property, plant and equipment and right-of-use assets contracted for but not provided in the consolidated financial statements was HK\$98,076,000 (2023: HK\$138,112,000).

## **CONTINGENT LIABILITIES**

As at 31st December, 2024, the Group did not have any contingent liabilities (2023: nil).

## **BUSINESS REVIEW**

During the year ended 31st December, 2024, the Group was principally engaged in (i) the investment, operation and management of gas pipeline infrastructure, and the distribution of piped gas to residential, industrial and commercial users; (ii) development of smart energy; (iii) sales of stoves and provision of other related value-added services; and (iv) the operation of CNG/LNG vehicle filling stations in the PRC.

### **Piped Gas Distribution Projects**

As at 31st December, 2024, the Group had 74 gas projects with exclusive rights in the PRC.

## **SMART ENERGY BUSINESS DEVELOPMENT**

With the reform of the domestic energy market and the national strategy emphasizing “green development” and “clean and low-carbon, safety and efficiency”, environmental protection policies and “dual carbon goals (carbon peak and neutrality)” have become one of the biggest driving forces for the Group to develop clean energy projects. The Group planned the layout of its comprehensive energy business years ago, and strived to become the most valuable integrated energy service provider. In view of the successive launch of a series of national policies related to energy transformation, opportunities for the Group to develop diversified businesses such as distributed energy, photovoltaic rooftop and charging stations were created. According to the scientific study and analysis on the policies, market and other various aspects, the Group enhanced the smart energy segment to a position of equal importance to the city gas segment in 2022, and proposed the new development strategy of “dual-wheel drive and synergetic development”, which has been adopted to date. Relying on its extensive experience accumulated in developing the energy segment over the years, the Group continued to further focus on the three major types of businesses, including energy management contract (EMC), district energy supply and low-carbon transportation, and actively expanded the smart energy business coverage. After comprehensive consideration of various aspects, the Group determined a development strategy of “focusing on biomass business to carry out zero-carbon coupling business” during the year, which specified the development direction of our smart energy business in the next few years, and actively carried out the related businesses. During the year, the Group rapidly developed the integrated energy business and the cumulative number of projects in operation reached 283. The sales volume of integrated energy throughout the year increased by 55.9% to 2,441 million kWh as compared with the same period of last year.

## Major Operational Data

The natural gas distribution business of the Group primarily comprises sales of gas, gas pipeline construction and sales of natural gas from CNG/LNG vehicle filling stations.

The major operational data of the Group for the year ended 31st December, 2024 together with the comparative figures for the corresponding period last year are as follows:

	2024	2023	Increase/ (Decrease)
Number of operational locations ( <i>Note a</i> )	<b>74</b>	75	(1)
– Henan Province	<b>28</b>	28	–
– Hebei Province	<b>21</b>	21	–
– Jiangsu Province	<b>7</b>	8	(1)
– Shandong Province	<b>4</b>	4	–
– Jilin Province	<b>4</b>	4	–
– Fujian Province	<b>1</b>	1	–
– Heilongjiang Province	<b>2</b>	2	–
– Zhejiang Province	<b>2</b>	2	–
– Anhui Province	<b>3</b>	3	–
– Inner Mongolia	<b>1</b>	1	–
– Jiangxi Province	<b>1</b>	1	–
Connectable population ('000) ( <i>Note b</i> )	<b>25,540</b>	24,575	3.9%
Connectable residential households ('000)	<b>7,283</b>	7,008	3.9%
New piped gas connections by the Group made during the year			
– Residential households	<b>254,257</b>	276,125	(7.9)%
– Industrial customers	<b>317</b>	352	(9.9)%
– Commercial customers	<b>3,518</b>	3,071	14.6%
Accumulated number of connected piped gas customers			
– Residential households	<b>5,191,750</b>	4,938,517	5.1%
– Industrial customers	<b>4,578</b>	4,271	7.2%
– Commercial customers	<b>26,630</b>	23,116	15.2%
Penetration rate of residential pipeline connection ( <i>Note c</i> )	<b>71.3%</b>	70.5%	0.8%
Unit of piped natural gas sold to retail customers ('000 m <sup>3</sup> )			
– Residential households	<b>769,536</b>	766,298	0.4%
– Industrial customers	<b>1,323,493</b>	1,334,500	(0.8)%
– Commercial customers	<b>151,758</b>	149,552	1.5%

	2024	2023	Increase/ (Decrease)
Unit of gas sold to wholesale customers ('000 m <sup>3</sup> )			
– Piped natural gas	502,163	270,497	85.6%
– LNG	394,586	462,737	(14.7)%
Total unit of gas sold ('000 m <sup>3</sup> )	3,141,536	2,983,584	5.3%
Number of CNG/LNG vehicle filling stations			
– Accumulated	56	56	–
– Under construction	7	7	–
Unit of natural gas sold to vehicles ('000 m <sup>3</sup> )	54,638	53,763	1.6%
Total length of existing intermediate and main pipelines (km)	28,201	27,754	1.6%
Average selling price of natural gas (pre-tax) (RMB per m <sup>3</sup> )			
– Residential households	2.65	2.59	2.3%
– Industrial customers	3.54	3.76	(5.9)%
– Commercial customers	3.92	4.10	(4.4)%
– Wholesale customers	2.52	3.03	(16.8)%
– Wholesale customers (LNG)	3.05	3.16	(3.5)%
– CNG/LNG vehicle filling stations	3.53	3.93	(10.2)%
Average purchase cost of natural gas (RMB per m <sup>3</sup> ) (Note d)	2.71	2.86	(5.2)%
Average connection fee for residential households (RMB)	3,087	2,977	3.7%
Accumulated number of integrated energy projects in operation	283	260	8.8%
Sales volume of integrated energy (million kWh)	2,441	1,566	55.9%

*Note a:* The number of operational locations represents the gas projects with exclusive rights which are operated by the Group in different cities and regions in the PRC.

*Note b:* The information is quoted from the website of the PRC government.

*Note c:* The penetration rates of residential pipeline connection refers to the accumulated number of the Group's connected residential households to the estimated aggregate number of connectable residential households in its operation regions expressed in percentages.

*Note d:* The amounts do not include the average distribution costs of natural gas, which is RMB0.19 per m<sup>3</sup> (2023: RMB0.19 per m<sup>3</sup>).



## FINANCIAL REVIEW

### Overall

The Group's turnover for the year ended 31st December, 2024 decreased by 1.3% to HK\$13,472,199,000 (2023: HK\$13,643,682,000). The Group's profit attributable to owners of the Company decreased by 40.7% to HK\$146,384,000 (2023: HK\$246,720,000). The basic and diluted earnings per share attributable to the owners of the Company were HK5.25 cents and HK5.25 cents respectively for the year ended 31st December, 2024, as compared with that of HK8.74 cents and HK8.74 cents respectively for the corresponding period last year.

### Turnover

An analysis of the Group's turnover by products and services for the year, together with the comparative figures for the corresponding period last year, are as follows:

	Year ended 31st December,				
	2024 HK\$'000	% of total	2023 HK\$'000	% of total	Increase/ (Decrease)
Sales of Gas	10,734,109	79.7%	10,997,172	80.6%	(2.4)%
Gas Pipeline Construction	1,003,736	7.4%	1,056,548	7.8%	(5.0)%
Smart Energy	1,154,291	8.6%	944,669	6.9%	22.2%
Value-added Services	368,462	2.7%	410,574	3.0%	(10.3)%
Sales of CNG/LNG in Vehicle Filling Stations	211,601	1.6%	234,719	1.7%	(9.8)%
Total	<u>13,472,199</u>	<u>100%</u>	<u>13,643,682</u>	<u>100%</u>	<u>(1.3)%</u>

The turnover for the year ended 31st December, 2024 amounted to HK\$13,472,199,000 (2023: HK\$13,643,682,000). Turnover expressed in RMB for the year under review, without including the impact of HK\$ translation, is slightly increased by 0.1%. Increase in revenue of smart energy outweighed the decrease in revenue from other segments. Overall performance remains stable.

### *Sales of gas*

Sales of gas for the year ended 31st December, 2024 amounted to HK\$10,734,109,000 (2023: HK\$10,997,172,000), representing a decrease of 2.4% over the corresponding period last year. Revenue from sales of gas expressed in RMB for the year under review decreased by 1.1%. The further decrease in revenue from sales of gas expressed in HK\$ was mainly due to the impact of the depreciation of RMB against HK\$ in 2024.

Sales of gas for the year ended 31st December, 2024 contributed 79.7% of the total turnover of the Group, as compared with 80.6% during the corresponding period last year. Sales of gas continued to be the major source of turnover for the Group. The following table set forth the breakdown of revenue from sales of gas by customers.

#### *Sales of gas by customers*

	Year ended 31st December,				
	2024	%	2023	%	Increase/ (Decrease)
	HK\$'000	of total	HK\$'000	of total	
Industrial customers	<b>5,135,123</b>	<b>47.8%</b>	5,574,599	50.7%	(7.9)%
Residential households	<b>2,237,578</b>	<b>20.9%</b>	2,206,843	20.1%	1.4%
Commercial customers	<b>652,642</b>	<b>6.1%</b>	682,109	6.2%	(4.3)%
Wholesale customers	<b>2,708,766</b>	<b>25.2%</b>	2,533,621	23.0%	6.9%
Total	<b><u>10,734,109</u></b>	<b><u>100%</u></b>	<u>10,997,172</u>	<u>100%</u>	<u>(2.4)%</u>

#### *Industrial customers*

The sales of gas to the Group's industrial customers for the year ended 31st December, 2024 decreased by 7.9% to HK\$5,135,123,000 from HK\$5,574,599,000 for the corresponding period last year. Revenue from sales of gas to industrial customers expressed in RMB for the year under review decreased by 6.7%. The further decrease in revenue from sales of gas to industrial customers expressed in HK\$ was mainly due to the impact of the depreciation of RMB against HK\$ in 2024. During the year ended 31st December, 2024, the Group connected 317 new industrial customers and the piped natural gas usage provided by the Group to its industrial customers decreased by 0.8% to 1,323,493,000 m<sup>3</sup> (2023: 1,334,500,000 m<sup>3</sup>). In response to lower cost of natural gas from suppliers for gas sales, the average selling price of natural gas for industrial customers for the year under review was adjusted downwards by 5.9% to RMB3.54 per m<sup>3</sup> (2023: RMB3.76 per m<sup>3</sup>).

The sales of gas to our industrial customers for the year ended 31st December, 2024 contributed 47.8% of the total sales of gas of the Group (2023: 50.7%) and continues to be the major source of sales of gas of the Group.

### *Residential households*

The sales of gas to our residential households for the year ended 31st December, 2024 increased by 1.4% to HK\$2,237,578,000 from HK\$2,206,843,000 for the corresponding period last year. Revenue from sales of gas to residential households expressed in RMB for the year under review, excluding the impact of HK\$ translation, further increased by 2.7%. The performance remains stable as it was supported by continuous construction work for gas pipeline connection and the growth in population in the Group's existing project cities in the PRC. In recent years, as the PRC has been promoting the establishment of the price linkage mechanism for natural gas, governments at local level have made price adjustment to the natural gas consumed by residential households, leading to an increase in the price of natural gas consumed for residential households. Furthermore, after years of promotion of clean energy heating plan, more residential households are willing to use natural gas for indoor heating in the winter, which led to stable gas consumption of residential households for indoor as well. During the year under review, the Group provided new natural gas connections for 254,257 residential households and the piped natural gas usage provided by the Group to residential households increased by 0.4% to 769,536,000 m<sup>3</sup> (2023: 766,298,000 m<sup>3</sup>). The average selling price of natural gas for residential customers increased by 2.3% to RMB2.65 per m<sup>3</sup> (2023: RMB2.59 per m<sup>3</sup>).

The sales of gas to our residential households for the year under review contributed 20.9% of the total sales of gas of the Group (2023: 20.1%).

### *Commercial customers*

The sales of gas to our commercial customers for the year ended 31st December, 2024 decreased by 4.3% to HK\$652,642,000 from HK\$682,109,000 for the corresponding period last year. Revenue from sales of gas to commercial customers expressed in RMB for the year under review decreased by 3.0%. The further decrease in revenue from sales of gas to commercial customers expressed in HK\$ was due to the impact of the depreciation of RMB against HK\$ in 2024. The sales of gas to commercial customers for the year under review contributed 6.1% of the total sales of gas of the Group (2023: 6.2%). During the year ended 31st December, 2024, the Group connected 3,518 new commercial customers. As at 31st December, 2024, the number of commercial customers of the Group reached 26,630, representing an increase of 15.2% as compared with 23,116 commercial customers as at 31st December, 2023.

The demand of gas by restaurants, schools and recreational facilities increased in 2024. The gas consumption of commercial customers increased by 1.5% to 151,758,000 m<sup>3</sup> (2023: 149,552,000 m<sup>3</sup>) for the year under review. In response to the lower cost of natural gas from suppliers in gas sales, the average selling price of natural gas for commercial customers was adjusted downwards by 4.4% to RMB3.92 per m<sup>3</sup> (2023: RMB4.10 per m<sup>3</sup>) when compared to the corresponding period last year.

### *Wholesale customers*

The sales of gas to our wholesale customers for the year end 31st December, 2024 increased by 6.9% to HK\$2,708,766,000 from HK\$2,533,621,000 for last year. Revenue from sales of gas to wholesale customers expressed in RMB for the year under review, excluding the impact of HK\$ translation, further increased by 8.3%. The sales of gas to wholesale customers for the year under review contributed 25.2% of the total sales of gas of the Group (2023: 23.0%).

During the year under review, piped natural gas usage provided by the Group to its wholesale customers increased by 85.6% to 502,163,000 m<sup>3</sup> (2023: 270,497,000 m<sup>3</sup>). The increase in volume of natural gas sold was offset by the decline in selling price. The average selling price of natural gas for wholesale customers for the year under review was adjusted downwards by 16.8% to RMB2.52 per m<sup>3</sup> (2023: RMB3.03 per m<sup>3</sup>) in response to the lower cost of natural gas from gas suppliers.

During the year under review, the LNG provided by the Group to its wholesale customers declined by 14.7% to 394,586,000 m<sup>3</sup> (2023: 462,737,000 m<sup>3</sup>). The average selling price of LNG for wholesale customers for the year under review, which was affected by the decrease of international LNG price, was adjusted downwards by 3.5% to RMB3.05 per m<sup>3</sup> (2023: RMB3.16 per m<sup>3</sup>).

### *Gas Pipeline Construction*

Revenue from gas pipeline construction for the year ended 31st December, 2024 amounted to HK\$1,003,736,000 (2023: HK\$1,056,548,000), representing a decrease of 5.0% over last year.

Gas pipeline construction contributed 7.4% of the total turnover of the Group, as compared with 7.8% during the corresponding period last year. The following table sets forth the breakdown of revenue from gas pipeline construction by customers.

#### Revenue from gas pipeline construction by customers

	Year ended 31st December,				
	2024	%	2023	%	Increase/ (Decrease)
	of total		of total		
	HK\$'000		HK\$'000		
Residential households	<b>860,734</b>	<b>85.8%</b>	913,303	86.4%	(5.8)%
Non-residential customers	<b>143,002</b>	<b>14.2%</b>	143,245	13.6%	(0.2)%
Total	<b><u>1,003,736</u></b>	<b><u>100%</u></b>	<u>1,056,548</u>	<u>100%</u>	<u>(5.0)%</u>

During the year ended 31st December, 2024, revenue from gas pipeline construction for residential households decreased by 5.8% to HK\$860,734,000 (2023: HK\$913,303,000). Revenue from gas pipeline construction for residential households expressed in RMB for the year under review decreased by 4.5%. The further decrease in revenue from gas pipeline construction for residential households expressed in HK\$ was mainly due to the impact of the depreciation of RMB against HK\$ in 2024. The drop was mainly attributable to the decrease in construction work for gas pipeline connection completed by the Group for residential households to 254,257 from 276,125 for the corresponding period last year. Such drop was offset by the increase in connection fee. The average connection fee rose to RMB3,087 in 2024 from RMB2,977 in 2023.

The gross profit margin for gas pipeline construction for the year under review remained relatively stable at 69.7% (2023: 68.7%).

The connection fee charged to industrial/commercial customers by the Group was significantly higher than that charged to residential households and was determined on a case-by-case basis. During the year ended 31st December, 2024, revenue from gas pipeline construction for non-residential customers slightly decreased by 0.2% to HK\$143,002,000 from HK\$143,245,000 for last year. Revenue from gas pipeline construction for non-residential customers expressed in RMB for the year under review increased by 1.2%. The decrease in revenue from gas pipeline construction for non-residential customers expressed in HK\$ was mainly due to the impact of the depreciation of RMB against HK\$ in 2024.

As at 31st December, 2024, the Group's penetration rates of residential pipeline connection amounted to 71.3% (2023: 70.5%) (calculated by the accumulated number of the Group's connected residential households over the estimated aggregate number of connectable residential households in regions it operates in and expressed in percentages). In view of the favourable energy policies in the PRC, the Group aims to continuously increase its market coverage by acquisitions when suitable opportunities arise.

### ***Smart energy***

Revenue from smart energy for the year ended 31st December, 2024 increased by 22.2% to HK\$1,154,291,000 from HK\$944,669,000 for last year. Leveraging the huge market and customer base of its gas projects, the Group is currently establishing an extensive network of new businesses in the PRC, including natural gas-fired distributed energy, photovoltaic power generation, incremental distribution network and charging stations. It seeks to comprehensively utilise energy with years of cumulative experience in market development and technical innovation, in an effort to provide customers with highly efficient integrated energy that addresses their needs for steam, heating, electricity and cooling. The smart energy business contributed 8.6% (2023: 6.9%) of the total turnover of the Group for the year ended 31st December, 2024. The Group will continuously explore the operation model of energy business, and promote the expansion of energy projects to meet the diversified energy demand of customers.

### ***Value-added Services***

Revenue from value-added services for the year ended 31st December, 2024 amounted to HK\$368,462,000 (2023: HK\$410,574,000), representing a decrease of 10.3% over last year. It contributed 2.7% of the total turnover of the Group, as compared with 3.0% of last year.

Since 2017, the Group placed greater efforts in value-added services such as sales of stoves and safe and reliable kitchenware, including gas water heaters, gas cooking appliances and wall-hang boilers under its own brand name, “Zhongyu Phoenix” (中裕鳳凰), to residential customers. The decrease in revenue of value-added services for the year under review was mainly due to decrease in the sales of wall-hang boilers, self-closing valve, bellows and alarm by 21.3% to HK\$129,942,000 from HK\$165,129,000 for last year. During the year ended 31st December, 2024, other than sales of wall-hang boilers, self-closing valve, bellows and alarm, revenue from sales of stoves and provision of other related services expressed in RMB decreased by 1.5% as compared to last year. With the increasing number of connected residential customers and brand recognition developed in recent years, as well as the establishment of the online shopping platform “Zhongyu iFamille” (中裕i家), the independent supply platform, customer service platform and customer online community, the value-added services is expected to contribute stable revenue to the Group.

### ***Sales of CNG/LNG in Vehicle Filling Stations***

Revenue from operating CNG/LNG vehicle filling stations for the year ended 31st December, 2024 amounted to HK\$211,601,000 (2023: HK\$234,719,000), representing a decrease of 9.8% compared to last year. Revenue from operating CNG/LNG vehicle filling stations expressed in RMB for the year under review decreased by 8.6%. The further decrease in revenue from operating CNG/LNG vehicle filling stations expressed in HK\$ was due to the impact of the depreciation of RMB against HK\$ in 2024. The unit of natural gas sold to vehicles increased by 1.6% to 54,638,000 m<sup>3</sup> (2023: 53,763,000 m<sup>3</sup>) and the average selling price of natural gas for CNG/LNG vehicle filling stations decreased by 10.2% to RMB3.53 per m<sup>3</sup> (2023: RMB3.93 per m<sup>3</sup>) for the year ended 31st December, 2024.

During the year ended 31st December, 2024, the turnover derived from operating CNG/LNG vehicle filling stations accounted for 1.6% (2023: 1.7%) of the total turnover of the Group. As at 31st December, 2024, the Group had 56 CNG/LNG vehicle filling stations and 7 CNG/LNG vehicle filling stations under construction in the PRC.

### **Gross profit margin**

The overall gross profit margin for the year ended 31st December, 2024 was 13.1% (2023: 14.0%). The slight decline in overall gross profit margin for the year ended 31st December, 2024 was mainly due to decrease of gross profit margin of sales of gas, smart energy and sales of CNG/LNG in vehicle filling stations.



The gross profit margin for the sales of piped natural gas decreased to 7.4% (2023: 8.4%) as the decrement of average selling price of natural gas for industrial, commercial and wholesale customers outweighed the decrement of average purchase cost of natural gas. The Group's energy trading business has been strengthened to secure stable gas supply from different sources and contracts have been signed with suppliers to secure more piped gas supply with lower average cost. The gross profit margin for gas pipeline construction remained stable at 69.7% for the year under review (2023: 68.7%). The gross profit margin of smart energy slightly decreased to 9.2% (2023: 10.0%) mainly because of the rapid development of the Group's comprehensive energy business in 2024 which provides multiple forms of energy such as steam, coldness, heat, electricity, hydrogen and photovoltaic in order to meet the diversified energy demand of customers. Such comprehensive energy business offers a range of smart energy product and services with varying gross profit margins. Additionally, the comprehensive energy business of the Group is gradually maturing, with the number of projects being put into operation increased year by year, the close relationship between city gas and smart energy business leads to continuous improvement in management and operation. The gross profit margin for value-added services increased to 78.2% (2023: 73.4%) mainly due to the increase in gross profit margin of pipe gas transportation services and sales of self-closing valve. The gross profit margin for the sales of CNG/LNG in vehicle filling stations decreased to 1.5% (2023: 13.0%) as a result of the decline in average selling price of CNG/LNG sold in vehicle refilling station.

#### **Other gains and losses**

The Group recognised other net losses of HK\$15,586,000 in 2024 (2023: HK\$45,920,000). The amount was mainly derived from net foreign exchange loss of HK\$12,805,000 (2023: HK\$44,647,000) mainly arising from the Group's bank borrowings denominated in US\$ and HK\$ as a result of the depreciation of RMB in 2024.

Every year, the Group performs impairment assessment under expected credit loss model according to HKFRS 9 on trade receivables and contract assets based on provision matrix except for the debtors with credit-impaired balances which are assessed individually. During the year ended 31st December, 2024, the Group made an impairment loss of HK\$6,433,000 (2023: a reversal of impairment loss of HK\$4,788,000) on trade receivables and an impairment loss of HK\$1,506,000 (2023: HK\$970,000) on contract assets in consideration of the likelihood of recovery of those aged receivables. In addition, the Group recognised an impairment loss of HK\$4,071,000 (2023: a reversal of impairment loss of HK\$4,000) on other receivables, based on the individual assessment of the recoverability of the relevant receivables. The amount was considered as credit-impaired and full provision has been made.

#### **Other income**

Other income decreased to HK\$206,515,000 in 2024 from HK\$208,999,000 in 2023. The balance in 2024 represented the bank interest income of HK\$4,503,000 (2023: HK\$11,869,000), interest income from loans to employees of HK\$23,319,000 (2023: HK\$23,319,000), government subsidies of HK\$124,517,000 (2023: HK\$141,205,000) and sundry income of HK\$54,176,000 (2023: HK\$32,606,000).



## **Selling and distribution costs and administrative expenses**

Selling and distribution costs increased by 3.7% to HK\$246,302,000 in 2024 from HK\$237,463,000 in 2023. The increase was mainly attributable to (i) increased staff costs and related expenses as a result of increased number of headcount and increased social security contribution; and (ii) the increase in commission expenses due to more revenue derived from businesses with higher commission rate when compared to the corresponding period last year. Administrative expenses decreased by 1.1% to HK\$623,557,000 in 2024 from HK\$630,568,000 in 2023. The decrease was mainly attributable to the decrease in professional fee and the decrease in depreciation expenses arisen from the revaluation loss of pipelines in the prior year.

## **Finance costs**

Finance costs decreased by 4.1% to HK\$629,488,000 in 2024 from HK\$656,065,000 in 2023. The decrease was mainly attributable to decrement of effective interest rate.

## **Income tax expenses**

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries of the Company is 25% for both years.

Under the EIT Law of the PRC, withholding tax is imposed on the dividend declared to non-PRC tax residents in respect of profits earned by PRC subsidiaries from 1st January, 2008 onwards. During the year ended 31st December, 2024, withholding tax amounting to HK\$17,493,000 (2023: HK\$4,833,000) was charged by the PRC tax authority on the dividends paid to overseas group entities.

Accordingly, the income tax expenses in 2024 amounted to HK\$247,553,000 (2023: HK\$284,844,000).

## **Non-HKFRS EBITDA**

For the purposes of this announcement, non-HKFRS EBITDA is defined as earnings from continuing operations before finance costs, taxation, depreciation, amortisation, foreign exchange gain/loss, impairment losses/reversal of impairment losses and share option expenses. Non-HKFRS EBITDA is a non-HKFRS measure used by the management for monitoring the actual business performance of the Group. The Company considers that the non-HKFRS EBITDA can provide shareholders and potential investors of the Company with useful supplementary information on the performance of the Group’s core operations. Foreign exchange gain/loss and share option expenses are considered not directly resulting from the actual business activities of the Group. They, together with the impairment losses/reversal of impairment losses, are non-cash items which we do not believe are reflective of the core operating performance of the Group. The non-HKFRS EBITDA may not be comparable to similar measures presented by other companies.

The Group's non-HKFRS EBITDA was approximately HK\$1,721,595,000 for the year ended 31st December, 2024, representing a decrease of 8.7% as compared with that of approximately HK\$1,885,251,000 for last year. To avoid the impact of HK\$ translation and to demonstrate the actual business performance of the Group, non-HKFRS EBITDA expressed in RMB was approximately RMB1,570,095,000 for the year ended 31st December, 2024, representing a decrease of 7.5% as compared with that of approximately RMB1,696,726,000 for last year.

### **Profit attributable to owners of the Company**

As a result of the above, profit attributable to owners of the Company was HK\$146,384,000 in 2024, representing a decrease of 40.7% as compared with that of HK\$246,720,000 in 2023.

### **Net profit margin**

For the year ended 31st December, 2024, the net profit margin, representing a ratio of profit attributable to owners of the Company to turnover, was 1.1% (2023: 1.8%).

### **Earnings per share**

The basic and diluted earnings per share attributable to the owners of the Company were HK5.25 cents and HK5.25 cents respectively in 2024, as compared with that of HK8.74 cents and HK8.74 cents respectively in 2023.

### **Net assets value per share**

The net assets value per share attributable to the owners of the Company was HK\$2.66 as at 31st December, 2024, representing a decrease of 3.6% as compared with that of HK\$2.76 as at 31st December, 2023.

## **DIVIDENDS**

The Board has recommended the payment of a final dividend of HK2 cents (2023: nil) per ordinary share for the year ended 31st December, 2024. Final dividend is proposed to be paid to shareholders whose names appear on the register of members of the Company on 12th June, 2025 and expected to be paid in cash on or about 15th July, 2025. The payment of dividends shall be subject to the approval of the shareholders at the forthcoming annual general meeting of the Company.

## **CORPORATE GOVERNANCE CODE**

The Company has adopted the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Part 2 of Appendix C1 of the Listing Rules. During the year under review, the Company has complied with all the applicable code provisions under the CG Code.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted and complied with the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as the code of conduct regarding securities transactions by Directors. Having made specific enquiry of all Directors, they have all confirmed their compliance with the required standard of dealings and the Model Code regarding securities transactions by Directors adopted by the Company during the year ended 31st December, 2024.

## AUDIT COMMITTEE

The Company’s Audit Committee, comprising Mr. Li Chunyan, Dr. Key Ke Liu and Ms. Liu Yu Jie, all being independent non-executive Directors, has reviewed with the Company’s management the accounting principles and practices adopted by the Group and financial reporting matters including a review of the annual results of the Group for the year ended 31st December, 2024. There were no disagreements within the Audit Committee in relation to the accounting treatment adopted by the Company.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the year ended 31st December, 2024, the Company repurchased on The Stock Exchange of Hong Kong Limited a total of 16,504,000 shares of the Company at a total consideration of HK\$79,131,950. The repurchase of the Company’s shares was made for the benefit of the shareholders with a view to enhancing the net asset value per share and earnings per share of the Company. Such repurchased shares were cancelled on 21st June, 2024 and 19th March, 2025. Details of the share repurchases are summarised as follows:

Month of repurchase	Total number of shares repurchased	Repurchased price per share		Aggregate consideration (HK\$)
		Lowest (HK\$)	Highest (HK\$)	
April 2024	9,300,000	4.85	5.00	45,944,750
December 2024	7,204,000	4.48	4.75	33,187,200

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the year ended 31st December, 2024.

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

This announcement is required to be published on the website of The Hong Kong Exchanges and Clearing Limited (“HKEX”) at [www.hkex.com.hk](http://www.hkex.com.hk) under “Latest Listed Company Information” and the Company at [www.zhongyuenergy.com](http://www.zhongyuenergy.com) under “Announcement And Circulars” respectively. The annual report of the Company for the year ended 31st December, 2024 will be published on the websites of the HKEX and the Company in April 2025.

## **SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31st December, 2024 as set out in this preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on 28th March, 2025. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on this preliminary announcement.

## **CLOSURE OF REGISTER OF MEMBERS**

Shareholders whose names appear on the Company’s register of members on Monday, 2nd June, 2025 will be eligible to attend and vote at the forthcoming annual general meeting of the Company. The Company’s transfer books and register of members will be closed from Wednesday, 28th May, 2025 to Monday, 2nd June, 2025 (both days inclusive) during which period no transfer of shares will be registered. In order to attend and vote at the forthcoming annual general meeting of the Company, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on Tuesday, 27th May, 2025.

Shareholders whose names appear on the Company’s register of members on Thursday, 12th June, 2025 will qualify for the proposed final dividend. The Company’s transfer books and register of members will be closed from Wednesday, 11th June, 2025 to Thursday, 12th June, 2025 (both days inclusive) for the purpose of ascertaining shareholders’ entitlement to the proposed final dividend. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on Tuesday, 10th June, 2025. The proposed final dividend (the payment of which is subject to the shareholders’ approval at the forthcoming annual general meeting) are expected to be paid on or about Tuesday, 15th July, 2025 to shareholders whose names appear on the register of members of the Company on Thursday, 12th June, 2025.

## **BOARD OF DIRECTORS**

As at the date of this announcement, the Board comprises Mr. Wang Wenliang (Chairman), Mr. Yiu Chi Shing (Vice Chairman), Mr. Lui Siu Keung (Chief Executive Officer), Mr. Jia Kun (Executive President), Mr. Lu Zhaoheng and Mr. Li Yan as the executive Directors, and Mr. Li Chunyan, Dr. Key Ke Liu and Ms. Liu Yu Jie, as the independent non-executive Directors.

By Order of the Board  
**ZHONGYU ENERGY HOLDINGS LIMITED**  
**Wang Wenliang**  
*Chairman*

Hong Kong, 28th March, 2025