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天津津燃公用事業股份有限公司

**TIANJIN JINRAN PUBLIC UTILITIES COMPANY LIMITED**

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01265)

**ANNOUNCEMENT  
2024 ANNUAL RESULTS**

The board (the “**Board**”) of directors (the “**Directors**”) of Tianjin Jinran Public Utilities Company Limited (the “**Company**”) announces the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024 (the “**Reporting Period**”) as follows:

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

31 December 2024

(Expressed in Renminbi Yuan)

	Note IV	31 December 2024	31 December 2023
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and bank balances		694,923,802.41	789,606,526.80
Accounts receivables	1	238,095,204.64	192,300,181.77
Receivables financing	2	16,197,905.68	93,811,058.30
Prepayments		3,099,572.73	1,235,236.74
Other receivables		1,013,407.94	1,914,926.56
Inventories	3	1,680,286.67	2,035,300.70
Other current assets		874,941.53	896,986.69
<b>Total current assets</b>		<b>955,885,121.60</b>	<b>1,081,800,217.56</b>
<b>NON-CURRENT ASSETS</b>			
Long-term equity investments		53,606,944.82	53,896,495.69
Fixed assets	4	756,053,139.59	790,024,131.72
Construction in progress	5	31,605,432.27	18,783,002.67
Right-of-use assets		1,721,287.53	1,115,054.30
Intangible assets		10,192,438.16	10,674,909.70
Deferred tax assets		70,679,182.54	69,048,094.71
Other non-current assets	6	151,004,476.20	152,056,630.68
<b>Total non-current assets</b>		<b>1,074,862,901.11</b>	<b>1,095,598,319.47</b>
<b>TOTAL ASSETS</b>		<b>2,030,748,022.71</b>	<b>2,177,398,537.03</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION***31 December 2024**(Expressed in Renminbi Yuan)*

	<i>Note IV</i>	<b>31 December 2024</b>	31 December 2023
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payables	7	<b>192,298,693.30</b>	296,882,410.08
Contract liabilities		<b>281,684,127.55</b>	277,406,667.12
Employee benefits payables		<b>16,685,508.79</b>	18,654,491.01
Taxes and surcharges payables	8	<b>2,729,703.68</b>	8,548,069.90
Other payables		<b>23,225,605.31</b>	23,146,201.41
Non-current liabilities due within one year		<b>1,214,547.60</b>	557,280.42
Other current liabilities		<b>25,351,571.39</b>	24,950,086.32
<b>Total current liabilities</b>		<b>543,189,757.62</b>	650,145,206.26
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		<b>561,502.17</b>	577,964.91
Deferred income		<b>103,356,380.07</b>	96,941,785.44
<b>Total non-current liabilities</b>		<b>103,917,882.24</b>	97,519,750.35
<b>TOTAL LIABILITIES</b>		<b>647,107,639.86</b>	747,664,956.61
<b>SHAREHOLDERS' EQUITY</b>			
Share capital		<b>183,930,780.00</b>	183,930,780.00
Capital reserve		<b>790,332,352.18</b>	790,332,352.18
Specialised reserve		<b>3,014.70</b>	361.02
Surplus reserve		<b>128,277,523.13</b>	128,277,523.13
Retained earnings		<b>281,802,899.37</b>	328,132,030.25
<b>Total equity attributable to shareholders of the Parent</b>		<b>1,384,346,569.38</b>	1,430,673,046.58
Non-controlling interests		<b>(706,186.53)</b>	(939,466.16)
<b>Total shareholders' equity</b>		<b>1,383,640,382.85</b>	1,429,733,580.42
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>2,030,748,022.71</b>	2,177,398,537.03

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

2024

(Expressed in Renminbi Yuan)

	Note IV	2024	2023
Operating income	9	1,595,299,972.10	1,780,527,288.76
Less: Operating costs	9	1,628,041,790.88	1,852,080,540.87
Taxes and surcharges		1,734,852.07	1,554,146.67
Administrative expenses		34,579,493.67	34,432,350.23
Financial expense, net	10	(15,066,721.94)	(24,597,721.17)
including: interest expenses		93,227.79	62,080.97
interest income		(15,392,937.62)	(24,888,696.81)
Add: Other income	11	5,454,907.94	5,057,193.03
Investment (loss)/income	12	(292,204.55)	(753,438.05)
including: share of (loss)/profit of an associate		(292,204.55)	(753,438.05)
(Loss)/profit of credit impairment		(75,185.47)	690,798.90
Asset impairment (loss)/income		—	(86,914,475.13)
Operating (loss)/profit		(48,901,924.66)	(164,861,949.09)
Add: Non-operating income		2,500,039.50	4,219.69
Less: Non-operating expenses		1,325,053.92	602,583.38
Total (loss)/profit		(47,726,939.08)	(165,460,312.78)
Less: Income tax expense	13	(1,631,087.83)	(10,265,324.96)
Net (loss)/profit		(46,095,851.25)	(155,194,987.82)
Classified by continuity of operations			
Net (loss)/profit from continuing operations		(46,095,851.25)	(155,194,987.82)
Classified by ownership			
Net (loss)/profit attributable to shareholders of the parent company		(46,329,130.88)	(155,172,721.73)
Net (loss)/profit attributable to non-controlling interests		233,279.63	(22,266.09)
Other comprehensive income, net of tax			
Total comprehensive (loss)/income		(46,095,851.25)	(155,194,987.82)
Total comprehensive (loss)/income attributable to shareholders of the company		(46,329,130.88)	(155,172,721.73)
Total comprehensive (loss)/income attributable to non-controlling interests		233,279.63	(22,266.09)
(Loss)/earning per share			
Basic (loss)/earning per share		(0.025)	(0.084)
Diluted (loss)/earning per share		(0.025)	(0.084)

# NOTES TO FINANCIAL STATEMENTS

2024

(Expressed in Renminbi Yuan)

## I. BASIC INFORMATION

The consolidated results set out in this announcement do not constitute the Group's consolidated financial statements for the year ended 31st December 2024 but are extracted from those audited consolidated financial statements.

Tianjin Jinran Public Utilities Company Limited (the “**Company**”) is a joint stock limited company registered in Tianjin, the People's Republic of China (the “**PRC**”) on 16 December 1998. The Company's overseas listed foreign shares (“**H shares**”) were listed on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company's headquarters is located at 5th Floor, Court A, No. 28 Nankai Fourth Road, Nankai District, Tianjin, PRC.

The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) are sales of piped gas, sales of gas appliance, gas pipeline connection services, and gas pipeline transportation services.

The Company's previous parent company was Tianjin Gas Group Company Limited (天津市燃氣集團有限公司) (“**Tianjin Gas**”). On 28 April 2022, Tianjin Gas and 津燃華潤燃氣有限公司 (“**Jinran China Resources**”, a joint venture of Tianjin Gas and China Resources Gas (Hong Kong) Investment Limited) entered into a domestic share transfer agreement for the transfer of 1,297,547,800 Domestic Shares (representing 70.54% of the total issued share capital of the Company) held by Tianjin Gas to Jinran China Resources at a price of RMB0.899 per share amounting to a total consideration of RMB1,167,166,362.82. The share transfer was completed on 25 May 2022. Since then, the Company's holding company became Jinran China Resources.

## II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared on a going concern basis.

The financial statements are prepared in accordance with “Accounting Standards for Business Enterprises – General Principles” issued by the Ministry of Finance of the People's Republic of China, together with specific accounting standards, application guidance, interpretations and other related regulations issued and revised thereafter (“**Accounting Standards for Business Enterprises**”, collectively). The financial statements are prepared under the historical cost convention, except for certain financial instruments. If the assets are impaired, corresponding provisions for impairment shall be made according to relevant rules.

### III. TAXES

#### 1. Major categories of taxes and respective tax rates

Value-added tax (VAT)	- Revenue from sales of piped gas, gas connection and gas transportation is taxable to output VAT at a tax rate of 9% and revenue from gas appliances and other goods are taxable to output VAT at a tax rate of 13% which was levied after deducting deductible input VAT for the current period
City maintenance and construction tax	- It is levied at 7% on the turnover taxes paid
Education supplementary tax	- It is levied at 3% on the turnover taxes paid
Local education supplementary tax	- It is levied at 2% on the turnover taxes paid
Corporate income tax	- Corporate income tax is levied at 25% on the taxable profit

### IV. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS

#### 1. Accounts receivables

The credit period of trade receivables is usually 90 to 180 days. The trade receivables bear no interest.

The ageing of trade receivables based on the invoice date is analysed below:

Ageing	31 December 2024	31 December 2023
Within 1 year	237,663,499.89	192,305,596.54
1 to 2 years	519,376.99	8,047.00
2 to 3 years	975.00	48,383.89
Over 3 years	11,741,877.29	11,693,493.40
Sub-total	<u>249,925,729.17</u>	<u>204,055,520.83</u>
Less: Provision for bad debts of accounts receivables	11,830,524.53	11,755,339.06
Total	<u><u>238,095,204.64</u></u>	<u><u>192,300,181.77</u></u>

#### IV. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS (Continued)

##### 1. Accounts receivables (Continued)

The category of trade receivables is analysed below:

Category	31 December 2024					31 December 2023				
					Net carrying amount					Net carrying amount
	Gross carrying amount		Provision for bad debts			Gross carrying amount		Provision for bad debts		
	Percentage		Percentage			Percentage		Percentage		
	Amount	(%)	Amount	(%)		Amount	(%)	Amount	(%)	
Provision for bad debts on individual basis	11,776,398.25	4.71	11,776,398.25	100.00	–	11,741,877.29	5.75	11,741,877.29	100.00	–
Provision for bad debts by credit risk characteristic group	238,149,330.92	95.29	54,126.28	0.02	238,095,204.64	192,313,643.54	94.25	13,461.77	0.01	192,300,181.77
Total	249,925,729.17	100.00	11,830,524.53	4.73	238,095,204.64	204,055,520.83	100.00	11,755,339.06	5.76	192,300,181.77

The provision for bad debts by credit risk characteristic group is as follows:

Age	31 December 2024			31 December 2023		
	Gross carrying amount	Expected credit loss rate (%)	Expected credit loss	Gross carrying amount	Expected credit loss rate (%)	Expected credit loss
1 to 6 months	237,554,586.27	–	–	192,052,454.96	–	–
6 months to 1 year	108,913.62	5.00	5,445.68	253,141.58	5.00	12,657.07
1 to 2 years	484,856.03	10.00	48,485.60	8,047.00	10.00	804.70
2 to 3 years	975.00	20.00	195.00	–	20.00	–
Over 3 years	–	40.00	–	–	40.00	–
Total	<u>238,149,330.92</u>	<u>0.02</u>	<u>54,126.28</u>	<u>192,313,643.54</u>	<u>0.01</u>	<u>13,461.77</u>

The movements in the provision for bad debts of trade receivables are as follows:

	Opening balance	Provision for the year	Reversal during the year	Closing balance
2024	11,755,339.06	75,185.47	–	11,830,524.53
2023	12,446,137.96	–	(690,798.90)	11,755,339.06

##### 2. Receivables financing

Item	31 December 2024	31 December 2023
Bank acceptance bills receivable	920,000.00	56,511,058.30
Financial company acceptance bills receivable	15,277,905.68	37,300,000.00
Total	<u>16,197,905.68</u>	<u>93,811,058.30</u>

#### IV. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS (Continued)

##### 3. Inventories

Category of inventories	31 December 2024	31 December 2023
Gas appliances and others	<u>1,680,286.67</u>	<u>2,035,300.70</u>

As at 31 December 2024, the management of the Group considered that there was no provision for impairment of inventories (31 December 2023: Nil).

##### 4. Fixed assets

Item	31 December 2024	31 December 2023
Fixed assets	<b>756,017,471.33</b>	790,024,131.72
Disposal of fixed assets	<u>35,668.26</u>	<u>—</u>
Total	<u><b>756,053,139.59</b></u>	<u>790,024,131.72</u>

##### 2024

Item	Buildings	Pipelines	Machinery	Vehicles	Electronics, furniture and fixtures	Mining structures	Total
<b>Cost</b>							
Opening balance	48,990,991.60	1,314,033,562.54	296,849,118.08	6,052,602.50	11,160,756.23	4,558,482.24	1,681,645,513.19
Purchase	—	—	398,168.03	21,648.52	65,576.39	—	485,392.94
Transferred from construction in progress	—	15,383,609.84	17,391,981.08	—	—	—	32,775,590.92
Disposal or scrap	—	2,227,469.13	839,313.83	485,840.00	178,185.63	—	3,730,808.59
Closing balance	<u>48,990,991.60</u>	<u>1,327,189,703.25</u>	<u>313,799,953.36</u>	<u>5,588,411.02</u>	<u>11,048,146.99</u>	<u>4,558,482.24</u>	<u>1,711,175,688.46</u>
<b>Accumulated depreciation</b>							
Opening balance	19,039,760.91	678,247,316.34	83,761,068.52	4,969,360.92	8,064,027.99	2,747,063.24	796,828,597.92
Provision	1,062,015.60	45,177,477.17	19,156,422.15	50,097.86	449,443.04	—	65,895,455.82
Disposal or scrap	—	1,052,174.59	655,648.37	437,256.00	158,425.07	—	2,303,504.03
Closing balance	<u>20,101,776.51</u>	<u>722,372,618.92</u>	<u>102,261,842.30</u>	<u>4,582,202.78</u>	<u>8,355,045.96</u>	<u>2,747,063.24</u>	<u>860,420,549.71</u>
<b>Impairment provision</b>							
Opening balance	606,570.17	64,039,984.70	27,887,683.41	119,794.78	327,331.49	1,811,419.00	94,792,783.55
Provision	—	—	—	—	—	—	—
Disposal or scrap	—	27,482.72	21,874.29	3,975.87	1,783.25	—	55,116.13
Closing balance	<u>606,570.17</u>	<u>64,012,501.98</u>	<u>27,865,809.12</u>	<u>115,818.91</u>	<u>325,548.24</u>	<u>1,811,419.00</u>	<u>94,737,667.42</u>
<b>Net carrying amount</b>							
At end of the year	<u>28,282,644.92</u>	<u>540,804,582.35</u>	<u>183,672,301.94</u>	<u>890,389.33</u>	<u>2,367,552.79</u>	<u>—</u>	<u>756,017,471.33</u>
At beginning of the year	<u>29,344,660.52</u>	<u>571,746,261.50</u>	<u>185,200,366.15</u>	<u>963,446.80</u>	<u>2,769,396.75</u>	<u>—</u>	<u>790,024,131.72</u>

#### IV. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS (Continued)

##### 4. Fixed assets (Continued)

2023

Item	Buildings	Pipelines	Machinery	Vehicles	Electronics, furniture and fixtures	Mining structures	Total
<b>Cost</b>							
Opening balance	48,990,991.60	1,296,365,869.44	256,458,795.55	5,662,876.27	11,069,076.07	4,558,482.24	1,623,106,091.17
Purchase	–	64,397.24	5,368,503.82	400,409.99	134,871.56	–	5,968,182.61
Transferred from construction in progress	–	18,282,106.55	37,083,976.00	–	19,470.00	–	55,385,552.55
Disposal or scrap	–	678,810.69	2,062,157.29	10,683.76	62,661.40	–	2,814,313.14
Closing balance	<u>48,990,991.60</u>	<u>1,314,033,562.54</u>	<u>296,849,118.08</u>	<u>6,052,602.50</u>	<u>11,160,756.23</u>	<u>4,558,482.24</u>	<u>1,681,645,513.19</u>
<b>Accumulated depreciation</b>							
Opening balance	17,956,243.77	628,917,672.55	68,567,884.74	4,883,683.17	7,330,719.89	2,747,063.24	730,403,267.36
Provision	1,083,517.14	49,832,878.76	16,925,347.11	95,293.13	789,271.38	–	68,726,307.52
Disposal or scrap	–	503,234.97	1,732,163.33	9,615.38	55,963.28	–	2,300,976.96
Closing balance	<u>19,039,760.91</u>	<u>678,247,316.34</u>	<u>83,761,068.52</u>	<u>4,969,360.92</u>	<u>8,064,027.99</u>	<u>2,747,063.24</u>	<u>796,828,597.92</u>
<b>Impairment provision</b>							
Opening balance	–	–	5,994,508.25	59,716.88	12,664.29	1,811,419.00	7,878,308.42
Provision	606,570.17	64,039,984.70	21,893,175.16	60,077.90	314,667.20	–	86,914,475.13
Disposal or scrap	–	–	–	–	–	–	–
Closing balance	<u>606,570.17</u>	<u>64,039,984.70</u>	<u>27,887,683.41</u>	<u>119,794.78</u>	<u>327,331.49</u>	<u>1,811,419.00</u>	<u>94,792,783.55</u>
<b>Net carrying amount</b>							
At end of the year	<u>29,344,660.52</u>	<u>571,746,261.50</u>	<u>185,200,366.15</u>	<u>963,446.80</u>	<u>2,769,396.75</u>	<u>–</u>	<u>790,024,131.72</u>
At beginning of the year	<u>31,034,747.83</u>	<u>667,448,196.89</u>	<u>181,896,402.56</u>	<u>719,476.22</u>	<u>3,725,691.89</u>	<u>–</u>	<u>884,824,515.39</u>

As at 31 December 2024, the Group had fixed assets leased out under an operating lease, and recorded rentals of RMB11,000.92 in 2024 (31 December 2023: Nil).

As at 31 December 2024, the Group had no fixed assets pending certificates of property ownership (31 December 2023: Nil).



#### IV. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS (Continued)

##### 5. Construction in progress

Item	31 December 2024	31 December 2023
Construction in progress	<b>32,937,382.54</b>	20,226,922.94
Engineering materials	<b>111,970.00</b>	—
Less: Provision for impairment	<b>1,443,920.27</b>	1,443,920.27
Total	<b>31,605,432.27</b>	18,783,002.67

##### Basic information of construction in progress

Item	31 December 2024			31 December 2023		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
Buildings	2,209,340.38	—	2,209,340.38	2,209,340.38	—	2,209,340.38
Gas station improvement and others	22,068,068.29	1,035,000.00	21,033,068.29	4,833,294.78	1,035,000.00	3,798,294.78
Pipeline reconstruction	8,251,053.60	—	8,251,053.60	12,775,367.51	—	12,775,367.51
Mines	408,920.27	408,920.27	—	408,920.27	408,920.27	—
Total	<b>32,937,382.54</b>	<b>1,443,920.27</b>	<b>31,493,462.27</b>	<b>20,226,922.94</b>	<b>1,443,920.27</b>	<b>18,783,002.67</b>

#### IV. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS (Continued)

##### 6. Other non-current asset

Item	31 December 2024	31 December 2023
Certificates of deposit ( <i>Note 1</i> )	89,458,834.25	86,877,000.00
Prepaid construction cost	632,198.50	526,857.53
Renovation of indoor gas facilities	60,913,443.45	64,652,773.15
Total	<u>151,004,476.20</u>	<u>152,056,630.68</u>

*Note 1:* The certificates of deposit are 3-year time deposits with a fixed interest rate of 2.9% per annum, which can be withdrawn before maturity, and early withdrawal of the certificates bears interest at the demand deposit rate.

##### 7. Accounts payables

The ageing of trade payables based on the invoice date is analysed below:

Ageing	31 December 2024	31 December 2023
Within 1 year	122,022,774.86	225,401,299.34
Over 1 year	70,275,918.44	71,481,110.74
Total	<u>192,298,693.30</u>	<u>296,882,410.08</u>

##### 8. Taxes and surcharges payables

Item	31 December 2024	31 December 2023
Value-added tax	2,254,277.53	8,013,254.31
Other taxes and surcharges	475,426.15	534,815.59
Total	<u>2,729,703.68</u>	<u>8,548,069.90</u>

#### IV. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS (Continued)

##### 9. Operating income and operating costs

Item	2024		2023	
	Revenue	Cost of sales	Revenue	Cost of sales
Primary operating business	1,595,278,614.93	1,628,041,790.88	1,780,511,003.01	1,852,080,540.87
Other operating business	21,357.17	—	16,285.75	—
Total	<u>1,595,299,972.10</u>	<u>1,628,041,790.88</u>	<u>1,780,527,288.76</u>	<u>1,852,080,540.87</u>

Breakdown of operating income:

Item	2024	2023
Revenue from contracts with customers	1,595,288,971.18	1,780,527,288.76
Rentals	11,000.92	—
Total	<u>1,595,299,972.10</u>	<u>1,780,527,288.76</u>

Disaggregation of revenue from contracts with customers is as follows:

	2024	2023
<b>Revenue recognition</b>		
<b>Revenue recognised at a point in time</b>	<b>1,561,471,384.45</b>	<b>1,729,420,471.58</b>
Sales of piped gas	1,559,157,167.04	1,724,927,637.16
Sales of gas appliances and others	2,314,217.41	4,492,834.42
<b>Revenue recognised over time</b>	<b>33,828,587.65</b>	<b>51,106,817.18</b>
Gas connection income	33,828,587.65	50,917,178.62
Gas transportation	—	189,638.56
Total	<u>1,595,299,972.10</u>	<u>1,780,527,288.76</u>

Revenue recognised that was included in contract liabilities at the beginning of the year:

Item	2024	2023
Sales of piped gas	125,341,355.78	214,589,812.91
Gas connection income	7,387,027.03	31,021,080.65
Sales of gas appliances and others	—	1,347,660.71
Total	<u>132,728,382.81</u>	<u>246,958,554.27</u>

#### IV. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS (Continued)

##### 9. Operating income and operating costs (Continued)

As at 31 December 2024, the transaction price allocated to the remaining performance obligation was RMB281,515,791.55 (31 December 2023: RMB277,406,667.12) and the Group will recognise this amount as revenue in future upon delivery of the products or based on the progress of completion of gas connection.

##### 10. Finance net income

Item	2024	2023
Interest income	(15,392,937.62)	(24,888,696.81)
Interest expense on lease liabilities	93,227.79	62,080.97
Others	<u>232,987.89</u>	<u>228,894.67</u>
Total	<u>(15,066,721.94)</u>	<u>(24,597,721.17)</u>

##### 11. Other income

Item	2024	2023	
Deferred income (Note 1)	5,428,605.37	5,026,225.04	Related to assets
Others	<u>26,302.57</u>	<u>30,967.99</u>	Related to income
Total	<u>5,454,907.94</u>	<u>5,057,193.03</u>	

Note 1: Deferred income represents government grants related to the Group's renovation works.

#### IV. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS (Continued)

##### 12. Investment (loss)/income

Item	2024	2023
(Loss)/profit from long-term equity investments under the equity method	<u>(292,204.55)</u>	<u>(753,438.05)</u>

##### 13. Income tax expense

Item	2024	2023
Current income tax expense	–	–
Deferred tax expense	<u>(1,631,087.83)</u>	<u>(10,265,324.96)</u>
Total	<u>(1,631,087.83)</u>	<u>(10,265,324.96)</u>

The reconciliation from total loss to income tax expense is as follows:

Item	2024	2023
Total (loss)/profit	(47,726,939.08)	(165,460,312.78)
Income tax expense at statutory tax rate	(11,931,734.76)	(41,365,078.20)
Effect of non-taxable losses	73,051.14	188,359.51
Expenses not deductible for tax	735.27	40,909.71
Effect of utilisation of deductible tax losses of unrecognised deferred tax assets in previous years	(486,006.13)	–
Deductible temporary differences and tax losses not recognised	10,712,866.65	30,800,810.34
Tax filing differences	<u>–</u>	<u>69,673.68</u>
Income tax expense at the Group's effective tax rate	<u>(1,631,087.83)</u>	<u>(10,265,324.96)</u>

##### 14. Dividend

The directors of the Company do not recommend the payment of dividend for the 12 months ended 31 December 2024.

#### IV. NOTES TO KEY ITEMS OF THE FINANCIAL STATEMENTS (Continued)

##### 15. (Loss)/earnings per share

	2024 <i>RMB/Share</i>	2023 <i>RMB/Share</i>
Basic (loss)/earning per share	(0.025)	(0.084)
Diluted (loss)/earning per share	<u>(0.025)</u>	<u>(0.084)</u>

The calculation of basic (loss)/earning per share is based on the net (loss)/earning for the period attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares in issue.

The calculation of the basic (loss)/earning per share is as follows:

	2024	2023
(Loss)/profit		
Net (loss)/profit for the period attributable to ordinary shareholders of the Company	<u>(46,329,130.88)</u>	<u>(155,172,721.73)</u>
Shares		
Weighted average number of ordinary shares in issue of the Company	<u>1,839,307,800.00</u>	<u>1,839,307,800.00</u>

The Company did not have potentially dilutive ordinary shares as at the date of approval of the financial statements.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The Company endeavours in promoting the Group's sustainable development by enhancing the Group's revenue-earning potential through promotion of value-added services to existing customers and looking for new markets, and by enhancing the Group's expenses management through optimizing the cost efficiency and streamlining daily operations of the Group in the Reporting Period.

### FINANCIAL REVIEW

For the Reporting Period, the Group recorded revenue of approximately RMB1,595,300,000 (for the year ended 31 December 2023 (the **"Previous Year"**): RMB1,780,527,000), representing a decrease of approximately 10.40% from the Previous Year. The gross profit margin for the Reporting Period was loss of approximately 2.05% (Previous Year: loss of 4.02%). The loss before tax for the Reporting Period was approximately RMB47,727,000 (Previous Year: loss before tax of RMB165,460,000). Such decrease was mainly because the provision for impairment of fixed assets for the Previous Year (Previous Year: RMB86,914,000) did not recur for the Reporting Period. Excluding the above effect of impairment, the improvement in operation was due to, among others, the decline in the gas sourcing price of the Company resulting from the decline in the gas sourcing price of the upstream gas source entity as impacted by the declining global natural gas price.

### SEGMENTAL INFORMATION ANALYSIS

During the Reporting Period, the Group has continued to implement its formulated development strategies to provide piped gas connections to the users in the Group's operational locations in Tianjin City and Jining District, Wulanchabu City, Inner Mongolia Autonomous Region. Sales of piped gas is the major source of income for the Group in the Reporting Period, followed by gas connection and others.

### LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 December 2024, total equity attributable to shareholders of the Company amounted to approximately RMB1,384,347,000 (31 December 2023: RMB1,430,673,000). The Company's registered capital was RMB183,930,780 as at 31 December 2024 (with 1,839,307,800 ordinary shares with a nominal value of RMB0.1 each (the **"Shares"**) in issue, comprising 1,339,247,800 domestic shares and 500,060,000 H shares).

The Group is generally funded by equity financing.

As at 31 December 2024, the Group did not have any bank borrowings (31 December 2023: Nil). As at 31 December 2024, the Group's consolidated net current assets was approximately RMB412,695,000 (31 December 2023: RMB431,655,000), including cash and cash equivalent of approximately RMB694,790,000 (31 December 2023: RMB789,473,000) which was principally denominated in Renminbi.

The Group mostly uses Renminbi in its ordinary business operation. It had not used any financial instrument for currency hedging purposes, as it considers that its exposure to fluctuations in exchange rates in its ordinary business operation is minimal. During the Reporting Period, the Group did not employ any major financial instruments for hedging purposes.

The Group's gearing ratio (total liabilities to total asset ratio) as at 31 December 2024 was approximately 0.32 (31 December 2023: approximately 0.34).

## **SIGNIFICANT INVESTMENTS**

The Group did not hold any significant investments for the Reporting Period (Previous Year: Nil).

## **MATERIAL ACQUISITION AND DISPOSAL, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

During the Reporting Period, there had been no material acquisition or disposal of subsidiaries, associates and joint ventures by the Group.

As of 31 December 2024 and the date of this announcement, the Group had no specific plan for material investments or capital assets that have been approved by the Board.

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

As at 31 December 2024, none of the Group's assets was pledged as security for liability.

## **CONTINGENT LIABILITIES**

As at 31 December 2024, the Group had no material contingent liabilities or guarantees (31 December 2023: Nil).

## **TREASURY POLICY**

To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time. The Company may also use its idle funds (if any) to place deposit or to purchase bank deposit products, provided that (among other things) it would not affect the Company's normal operation, would be conducted in compliance with the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), the Company's articles of association and other laws and regulations, and within the limit as the Board may authorize the Company's general manager from time to time.

## **STAFF AND EMOLUMENT POLICY**

As at 31 December 2024, the Group had a workforce of 562 full-time employees (31 December 2023: 615). Total staff costs for the Reporting Period was approximately RMB112,299,000 (Previous Year: RMB128,952,000).



Emoluments of employees are determined in line with common practice of the industry as well as individual performance. In addition to regular salaries, the Group also pays discretionary bonus to eligible employees subject to the Group's operating results and individual performance of the employees. The Group also makes contributions to medical welfare and retirement funds as well as other benefits to all employees.

The Group provides pre-job and on-the-job training and development opportunities to its staff, which cover areas such as managerial skills, sales and procurement, customer services, safety inspections, workplace ethics and training of other areas relevant to the gas industry.

## **DIVIDEND**

No dividends were declared or proposed during the Reporting Period. The Board does not recommend a distribution of dividend for the Reporting Period (Previous Year: Nil).

## **PROSPECTS**

The China's Long-Range Objectives Through Year 2035 (2035年遠景目標) envisages that China's carbon emission will be stabilized and decreased, implying a trend of using cleaner energy source. Also, China's 14th Five-Year Plan proposes to enhance the reserves and productivity (增儲上產) of oil and natural gas in the future, while also speeding up the construction of natural gas pipeline, perfecting the grid network for oil and natural gas. The Group expects that the PRC natural gas sector and natural gas consumption will benefit from the above and experience persistent growth. The Group may be particularly benefited from such growth as the 14th Five-Year Development Plan also emphasizes that Beijing, Tianjin and Hebei shall jointly prevent and control (京津冀協同防控) air pollution and use of clean energy for heating will be promoted in northern China. Together with policies such as the Plan of Action for the Prevention of Air Pollution (《大氣污染防治行動計劃》), the Detailed Rules for Implementation of the Action Plans for the Prevention and Control of Air Pollution in the Beijing-Tianjin-Hebei Region and the Surrounding Regions (《京津冀及周邊地區落實大氣污染防治行動計劃實施細則》), and the Plan for Strengthening the Prevention and Control of Atmospheric Pollution in Energy Industry (《能源行業加強大氣污染防治工作方案》), the Group remains optimistic about the PRC gas sector as a whole and that natural gas will remain as a preferred energy source in the PRC.

Natural gas is expected to become a main fuel of urban residents. In respect of the industrial field, the progress of substituting natural gas as industrial fuel will be fully accelerated, especially in Bohai Bay Rim area, where coal-burning boilers will be substituted, and traditional industries, such as iron, steel and ceramics etc., will be upgraded so as to manage air pollution, and central and western regions where the industrial structure of traditional industries will be transferred to. As such, the natural gas consumption in industrial field will be promoted. In respect of natural gas power generation, natural gas peak power stations will be orderly developed and natural gas distributed energy development will be the priority in air pollution control districts such as Beijing, Tianjin, Hebei and Shandong, Yangtze River Delta and the Pearl River Delta. Looking ahead, based on the analysis in respect of external environment and inner abilities as well as resources, the Company is positioned as a clean energy integrated solution provider, aiming to maximise returns for its shareholders. The Company plans to expand in the following areas:

- on the premise of ensuring the strategic direction and business needs, lay emphasis on five principles, which are strategic orientation, economical efficiency, financing matching, risk prevention and prioritization, to achieve continuing growth of net cash flows;
- continue to improve the financial management system, with a view to reduce operating costs, and maximise the benefits from project operations;

- continue to strengthen the support of scientific and technological innovation to the businesses of the Company, enhance the introduction and development of advanced technologies, as well as apply such advanced technologies to production management and internal management;
- continue to improve the operations management system and mechanism, with emphasis on operation security, optimise management methods and means and promote the pre-control safety management, so as to ensure safe operation; and
- continue to strengthen the talent team construction, drive management change with strategic change, expand existing businesses with incremental business and inspire employees with entrepreneurial teams, so as to contribute a chain reaction to the corporation.

The Company will continue to (i) focus on the principal business, prioritize market expansion and maintain the existing market while capturing the incremental market by continuously optimizing and consolidating the basics through the customer-centered operation and the security guarantee system to develop new customers; (ii) proactively optimize the gas source structure to reduce gas sourcing costs; (iii) improve internal management and reduce administrative expenses; (iv) develop new value growth poles, explore user needs, focus on promoting integrated services and integrated energy business to fully nurture new vitality for enterprise development.

## **REVIEW OF ANNUAL RESULTS BY AUDIT COMMITTEE**

The audit committee of the Company comprises three independent non-executive Directors (namely Mr. Bai Mo, Mr. Yu Jian Jun and Ms. Ji Xuefeng). The primary duties of the audit committee are to review and to provide supervision over the financial reporting system and risk management and internal control systems of the Group.

The audit committee has reviewed the Company's consolidated financial results for the Reporting Period and this announcement.

## **SCOPE OF WORK OF WUYIGE CERTIFIED PUBLIC ACCOUNTANTS LLP**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Group's auditor, Wuyige Certified Public Accountants LLP, to the amounts set out in the Group's audited consolidated financial statements for the Reporting Period. The work performed by Wuyige Certified Public Accountants LLP in this respect did not constitute an assurance engagement in accordance with China Standards on Auditing issued by the Chinese Institute of Certified Public Accountants and consequently no assurance has been expressed by Wuyige Certified Public Accountants LLP on this announcement.

## OTHER INFORMATION

### Significant Events During the Reporting Period

#### *Change of auditors*

KPMG Huazhen LLP retired as the Company's independent auditor with effect from the conclusion of annual general meeting held on 27 June 2024 (“**2023 AGM**”) upon expiration of its term of appointment and in accordance with the requirement of the Company's articles of association. The Company conducted a selection process of auditors with respect to the Reporting Period. Through such selection process, and with the recommendation of the audit committee of the Company and the approval of the shareholders of the Company at the 2023 AGM, Wuyige Certified Public Accountants LLP has been appointed as the new independent auditor of the Company for the Reporting Period. More information is set out in the Company's circular dated 5 June 2024.

#### *Change of composition of the Board of Directors and Supervisory Committee*

The following changes of Directors and supervisors of the Company (the “**Supervisor(s)**”) took place during the Reporting Period:

- (1) With effect from 19 February 2024, Mr. Wang Cong has become the Chairman of the Board, an executive Director, and the Chairman of the nomination committee of the Company, in place of Mr. Chen Tao (whose resignation became effective on the same date).
- (2) On 27 June 2024, with new sessions of the Board of Directors and the supervisory committee of the Company having been elected, the following changes of Directors and Supervisors became effective:
  - (i) Ms. Sha Caiping and Mr. Yang Zufeng became non-executive Directors; Ms. Ji Xuefeng and Mr. Bai Mo became independent non-executive Directors; and Mr. Bian Hong became an independent Supervisor; and
  - (ii) Ms. Wu Fang and Ms. Guan Na retired as non-executive Directors; Mr. Zhang Ying Hua and Mr. Guo Jia Li retired as independent non-executive Directors; and Ms. Xu Hui retired as an independent Supervisor.

The aforementioned Directors appointed during the Reporting Period have obtained the legal advice from a firm of solicitors under Rule 3.09D of the Listing Rules. Mr. Wang Cong has confirmed that he understood his obligations as a Director on 19 February 2024, and Ms. Sha Caiping, Mr. Yang Zufeng, Ms. Ji Xuefeng and Mr. Bai Mo have confirmed that he/she understood his/her obligations as a Director on 27 June 2024.

Mr. Bai Mo has undertaken to waive his remuneration for his position in, and services to, the Group (including his fee as a director).

More information is set out in the Company's circulars dated 30 January 2024 and 5 June 2024, respectively.

## ***Connected transactions***

### ***Renewal of gas supply contract with Jinran China Resources***

The gas supply contract dated 15 November 2022 entered into between the Company and Jinran China Resources Gas Co., Ltd (“**Jinran China Resources**”) in respect of the supply of natural gas by Jinran China Resources to the Company expired on 31 March 2024. The Company and Jinran China Resources entered into a new city gas supply and usage contract on 7 February 2024 for the period from 1 April 2024 to 31 March 2027 (“**Gas Supply Contract**”). The annual caps under the Gas Supply Contract are RMB1,326 million for the period from 1 April to 31 December 2024, RMB2,282 million for year 2025, RMB2,473 million for year 2026, and RMB992 million for the period from 1 January to 31 March 2027, respectively. The Gas Supply Contract was subject to (among other things) the reporting, announcement, independent shareholders’ approval and annual review requirements under Chapter 14A of the Listing Rules. It has been approved by the independent shareholders of the Company at an extraordinary general meeting held on 28 March 2024. More information is set out in the Company’s circular dated 5 March 2024.

### ***Procurement of engineer goods and materials from Tianjin Yunfu***

The Company and Tianjin Yunfu Gas Technology and Trading Co., Ltd. (“**Tianjin Yunfu**”) entered into the engineer materials procurement framework agreement dated 27 June 2024, setting out the arrangements under which the Company may procure engineer goods and materials from Tianjin Yunfu. The aggregate maximum purchase price for goods and materials under such agreement is RMB9 million (tax inclusive). Tianjin Yunfu is a subsidiary of Jinran China Resources. Such agreement was subject to (among other things) the reporting, announcement and annual review requirements, but was exempt from the circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules. More information is set out in the Company’s announcement dated 27 June 2024.

### **Potential disposal of assets of Jining Branch Company**

References are made to the announcements of the Company dated 4 September 2020, 24 September 2020 and 20 August 2021 in relation to the potential disposal of assets of Jining Branch. As no successful bidders were identified in the listing conducted at the Tianjin Property Rights Exchange, the Company is exploring different options regarding the assets of the Jining Branch. The Company will make further announcement(s) as and when appropriate in compliance with the Listing Rules (if required).

More information is set out in the Company’s announcement dated 20 August 2021.

### **Significant Events After the Reporting Period**

#### ***Change of Shareholders’ Representative Supervisor***

With effect from 14 March 2025, Ms. Hao Yunhe has been appointed as the new shareholders’ representative Supervisor in place of Mr. Xu Peng (whose resignation became effective on the same date). More information is set out in the Company’s circular dated 25 February 2025.

## **Purchase, Sale or Redemption of Listed Securities**

The Company and its subsidiaries did not purchase, sell or redeem any of its listed securities (including sale of treasury shares as defined under the Listing Rules) during the Reporting Period. As of 31 December 2024, the Company did not hold any treasury shares.

## **Compliance with the Corporate Governance Code**

The Company recognises the value and importance of achieving high corporate governance standards to enhance corporate performance, transparency and accountability, earning the confidence of shareholders and the public. The Board strives to adhere to the principles of corporate governance, and the Company adopts corporate governance practices with an aim to meet the legal and commercial standards by focusing on areas such as internal control, fair disclosure and accountability to all shareholders. The Company's corporate governance practices are based on the principles set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules. The Company complied with all applicable code provisions set out in Part 2 of the Corporate Governance Code during the Reporting Period.

## **Securities Transactions by Directors and Supervisors**

The Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules has been adopted as a code of securities transactions for Directors and Supervisors of the Company (the “**Securities Code**”). On specific enquiries made, all Directors and Supervisors have confirmed that they have complied with the required standards set out in the Securities Code during the Reporting Period.

## **Forthcoming Annual General Meeting and Book Closure Period**

The annual general meeting of the Company (“**AGM**”) is expected to be held on 27 June 2025 (Friday) and notice of the AGM will be published in due course.

To ascertain the eligibility to attend, speak and vote at the AGM, the register of members of the Company will be closed from 24 June 2025 (Tuesday) to 27 June 2025 (Friday) (both days inclusive) during which no transfer of shares will be registered. In order to be eligible to attend, speak and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on 23 June 2025 (Monday).

## **Annual Report**

This announcement is published on the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.jinrangongyong.com](http://www.jinrangongyong.com)). The 2024 annual report will be available on these websites in due course.

By order of the Board  
**Tianjin Jinran Public Utilities Company Limited**  
**Wang Cong**  
*Chairman of the Board*

Tianjin, the PRC, 28 March 2025

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Wang Cong (Chairman of the Board), Ms. Tang Jie and Mr. Sun Liangchuan, three non-executive Directors, namely Mr. Zhang Jinghan, Ms. Sha Caiping and Mr. Yang Zufeng and three independent non-executive Directors, namely Mr. Yu Jian Jun, Ms. Ji Xuefeng and Mr. Bai Mo.*

*In this announcement, the English names of certain PRC entities and persons are translations of their Chinese names and included herein for identification purpose only. If there is any inconsistency, the Chinese names shall prevail.*

*Certain figures in this announcement have been subject to rounding adjustments.*

*This announcement contains forward-looking statements that reflect the Company's beliefs, plans or expectations about the future. These statements are based on a number of assumptions, current estimates and projections, and are therefore subject to inherent risks, uncertainties and other factors which may or may not be beyond the Company's control. The actual outcomes may differ materially and/or adversely. Nothing contained in these statements is, or shall be, relied upon as any assurance or representation as to the future or as a representation or warranty otherwise. Neither the Company nor its directors, supervisors, officers, employees, agents, affiliates, advisers or representatives assume any responsibility to update, supplement or correct these statements or to adapt them to future events or developments.*