CHINA GAS HOLDINGS LIMITED
中國燃氣控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 384)

ANNUAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2025

The Board of Directors (the "**Board**") of China Gas Holdings Limited (the "**Company**") announces the audited consolidated financial results of the Company and its subsidiaries (the "**Group**") for the year ended 31 March 2025, together with the comparative figures for the year ended 31 March 2024, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	**Year ended 31 March 2025** *HK$'000*	Year ended 31 March 2024 *HK$'000*
Revenue	*3*	**79,258,009**	81,410,133
Cost of sales		**(67,994,836)**	(70,106,010)
Gross profit		**11,263,173**	11,304,123
Other income		**996,758**	1,212,899
Other gains and losses		**(163,555)**	(763,954)
Selling and distribution costs		**(2,441,024)**	(2,551,377)
Administrative expenses		**(3,111,288)**	(3,163,135)
Finance costs		**(1,802,182)**	(2,121,753)
Share of results of associates		**187,465**	297,253
Share of results of joint ventures		**253,835**	398,389
Profit before taxation		**5,183,182**	4,612,445
Taxation	*4*	**(993,203)**	(759,558)
Profit for the year	*5*	**4,189,979**	3,852,887

	Note	Year ended 31 March 2025 HK$'000	Year ended 31 March 2024 HK$'000
Other comprehensive (expense) income			
Items that will not be reclassified to profit or loss:			
Exchange differences arising on translation		**(693,879)**	(4,424,886)
Decrease in fair value of investments in equity instruments at fair value through other comprehensive income		**(52,564)**	(169,551)
		(746,443)	(4,594,437)
Items that may be reclassified subsequently to profit or loss:			
Fair value gain on hedging instruments designated as cash flow hedge		**96,174**	32,936
Reclassification to profit or loss on realisation of cash flow hedge		**(108,879)**	(25,181)
		(12,705)	7,755
Other comprehensive expense for the year		**(759,148)**	(4,586,682)
Total comprehensive income (expense) for the year		**3,430,831**	(733,795)
Profit for the year attributable to:			
Owners of the Company		**3,251,614**	3,184,939
Non-controlling interests		**938,365**	667,948
		4,189,979	3,852,887
Total comprehensive income (expense) for the year attributable to:			
Owners of the Company		**2,583,414**	(1,000,398)
Non-controlling interests		**847,417**	266,603
		3,430,831	(733,795)
Earnings per share			
Basic	*6*	**HK$0.60**	HK$0.59
Diluted		**HK$0.60**	HK$0.59

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Non-current assets			
Investment properties		**2,513,161**	2,596,454
Property, plant and equipment		**68,749,408**	67,521,253
Right-of-use assets		**2,313,285**	2,420,802
Investments in associates		**9,786,048**	10,005,754
Investments in joint ventures		**11,774,449**	12,033,619
Equity instruments at fair value through other comprehensive income		**800,442**	753,585
Goodwill		**2,989,853**	3,078,353
Other intangible assets		**3,031,174**	3,244,551
Deposits for acquisition of property, plant and equipment		**175,049**	240,822
Deposits for acquisition of subsidiaries, joint ventures and associates and other deposits		**101,464**	96,315
Deferred tax assets		**1,438,737**	1,459,037
		103,673,070	103,450,545
Current assets			
Inventories		**4,284,695**	4,731,280
Contract assets		**11,753,650**	10,260,982
Trade and other receivables	*8*	**15,562,499**	15,519,598
Amounts due from associates	*9*	**177,144**	76,172
Amounts due from joint ventures	*10*	**3,506,016**	6,314,715
Derivative financial instruments		**64,098**	36,512
Held-for-trading investments		**35,602**	27,585
Pledged bank deposits		**310,447**	185,999
Cash and cash equivalents		**8,853,349**	8,094,336
		44,547,500	45,247,179

	Notes	2025 HK$'000	2024 HK$'000
Current liabilities			
Trade and other payables	*11*	**16,746,886**	17,628,751
Amounts due to associates	*9*	**57,770**	81,760
Amounts due to joint ventures	*10*	**498,058**	366,502
Contract liabilities		**7,921,488**	8,568,261
Derivative financial instruments		**51,415**	28,757
Tax payable		**480,090**	606,660
Lease liabilities		**64,578**	58,146
Bank and other borrowings – due within one year		**21,081,999**	23,043,420
		46,902,284	50,382,257
Net current liabilities		**(2,354,784)**	(5,135,078)
Total assets less current liabilities		**101,318,286**	98,315,467
Equity			
Share capital		**54,482**	54,356
Reserves		**53,810,213**	53,873,299
Equity attributable to owners of the Company		**53,864,695**	53,927,655
Non-controlling interests		**6,862,010**	6,819,698
Total equity		**60,726,705**	60,747,353
Non-current liabilities			
Bank and other borrowings – due after one year		**39,148,798**	36,021,935
Lease liabilities		**128,933**	114,904
Deferred tax liabilities		**1,313,850**	1,431,275
		40,591,581	37,568,114
		101,318,286	98,315,467

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (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 (the "**Listing Rules**") and by the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

As at 31 March 2025, the Group's net current liabilities amounted to HK$2,354,784,000. The consolidated financial statements have been prepared on a going concern basis because the directors of the Company believe that the Group has sufficient funds to finance its current working capital requirements taking account of the cash flows from operations and assuming the continuing ability to utilise the available bank facilities. As at 31 March 2025, the Group had available unutilised bank facilities of HK$93,461,572,000.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments that are measured at fair values at the end of each reporting period.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on or after 1 April 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 HKFRS Accounting Standards 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 the consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue arises from contracts with customers for the sales of natural gas, gas connection, engineering design and construction, sales of liquefied petroleum gas ("**LPG**"), value-added services and other businesses by the Group.

Information reported to the Group's chief operating decision maker ("**CODM**"), being the Chairman and President of the Group, for the purposes of resources allocation and assessment of segment performance focuses on types of goods or services rendered which is also consistent with the basis of organisation of the Group.

The CODM reviews the results of Zhongyu Energy Holdings Limited ("**Zhongyu Energy**"), an associate of the Group, being accounted for under equity accounting separately and thus Zhongyu Energy is presented as a single operating and reportable segment.

The Group's operating and reportable segments under HKFRS 8 "Operating Segments" are as follows:

(i) Sales of natural gas;

(ii) Gas connection;

(iii) Engineering design and construction;

(iv) Sales of LPG;

(v) Value-added services;

(vi) Other businesses; and

(vii) Zhongyu Energy.

Information regarding the above segments is presented below.

Segment revenues and results

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

For the year ended 31 March 2025

	Sales of natural gas *HK$'000*	Gas connection *HK$'000*	Engineering design and construction *HK$'000*	Sales of LPG *HK$'000*	Value-added services *HK$'000*	Other businesses *HK$'000*	Zhongyu Energy *HK$'000*	Segment total *HK$'000*
Total segment revenue	49,049,432	3,628,360	4,984,858	19,575,477	3,731,560	1,509,725	–	82,479,412
Inter-segment revenue	–	–	(3,221,403)	–	–	–	–	(3,221,403)
External segment revenue	49,049,432	3,628,360	1,763,455	19,575,477	3,731,560	1,509,725	–	79,258,009
Segment profit	3,306,003	508,455	584,377	52,007	1,749,601	407,749	76,078	6,684,270
Changes in fair value of investment properties								(41,344)
Changes in fair value of held-for-trading investments								8,017
Changes in fair value of derivative financial instruments								5,881
Interest and other gains and losses								(48,438)
Unallocated corporate expenses								(650,303)
Finance costs								(1,073,835)
Exchange loss on translation of foreign currency monetary items into functional currency								(7,685)
Gain on disposal of interest/partial interests in associates and deemed acquisition of additional interests in an associate								43,822
Gain on disposal and winding up of subsidiaries								472,146
Loss on disposal of a joint venture								(3,624)
Share of results of associates (other than Zhongyu Energy)								111,387
Share of results of joint ventures								253,835
Share-based payment expense								(2,919)
Impairment losses recognised on trade receivables and contract assets, net								(568,028)
Profit before taxation								5,183,182

For the year ended 31 March 2024

	Sales of natural gas *HK$'000*	Gas connection *HK$'000*	Engineering design and construction *HK$'000*	Sales of LPG *HK$'000*	Value-added services *HK$'000*	Other businesses *HK$'000*	Zhongyu Energy *HK$'000*	Segment total *HK$'000*
Total segment revenue	52,444,694	4,014,539	5,217,659	17,980,918	3,654,898	1,777,457	–	85,090,165
Inter-segment revenue	–	–	(3,680,032)	–	–	–	–	(3,680,032)
External segment revenue	52,444,694	4,014,539	1,537,627	17,980,918	3,654,898	1,777,457	–	81,410,133
Segment profit	3,062,678	681,461	622,741	120,064	1,582,032	426,410	215,837	6,711,223
Changes in fair value of investment properties								(94,639)
Changes in fair value of held-for-trading investments								(76,951)
Interest and other gains and losses								(119,407)
Unallocated corporate expenses								(747,211)
Finance costs								(1,139,162)
Exchange gain on translation of foreign currency monetary items into functional currency								30,033
Gain on disposal of interest/partial interests in associates and deemed acquisition of additional interests in an associate								187,831
Loss on disposal and winding up of subsidiaries								(14,282)
Share of results of associates (other than Zhongyu Energy)								81,416
Share of results of joint ventures								398,389
Share-based payment expense								(2,813)
Gain arising on lease modifications								83,616
Impairment losses recognised on trade receivables and contract assets, net								(685,598)
Profit before taxation								4,612,445

Inter-segment revenue are charged at prevailing market rates.

The accounting policies of the operating segments are the same as the Group's accounting policies. Except for segment profit of Zhongyu Energy, segment profit for the remaining reportable segments represents the profit earned by each segment without allocation of changes in fair value of investment properties, changes in fair value of held-for-trading investments and derivative financial instruments, certain interest and other gains and losses, corporate expenses, gain on disposal of interests/partial interests in associates and deemed acquisition of additional interests in an associate, gain (loss) on disposal and winding up of subsidiaries, loss on disposal of a joint venture, share of results of associates (other than Zhongyu Energy), share of results of joint ventures, share-based payment expense, impairment losses recognised on trade receivables and contract assets, gain arising on lease modifications, certain exchange (loss) gain on translation of foreign currency monetary items into functional currency and certain finance costs. The segment profit of Zhongyu Energy represents share of results of Zhongyu Energy. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

4. TAXATION

	2025	2024
	HK$'000	*HK$'000*
Current tax	**1,142,024**	1,192,547
Deferred tax credit	**(148,821)**	(432,989)
	993,203	759,558

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group had no assessable profit arising in or derived from Hong Kong for both years.

The major operating income are derived from the People's Republic of China (the "**PRC**"). Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and the Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years, except for certain PRC subsidiaries that are subject to tax relief explained below.

Certain PRC subsidiaries are entitled to the preferential tax rate pursuant to the relevant regulations applicable to enterprises situated in the western region of the PRC and high-technology enterprises. The applicable tax rate of those PRC subsidiaries is 15% for both years.

The Company's subsidiary in Singapore is subject to Singapore Corporate Income Tax at 17% (2024: Nil).

5. PROFIT FOR THE YEAR

	2025	2024
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging (crediting):		
Auditor's remuneration	**26,346**	15,500
Depreciation of property, plant and equipment	**2,687,011**	2,430,372
Depreciation of right-of-use assets	**149,891**	298,720
Amortisation of intangible assets	**178,525**	181,405
Staff costs	**4,054,192**	4,320,091
Cost of inventories recognised as expenses	**65,396,208**	67,729,632
Rental income from investment properties less outgoings of HK$8,144,000 (2024: HK$5,333,000)	**(36,763)**	(28,091)

6. 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:

	2025	2024
	HK$'000	*HK$'000*
Earnings		
Profit for the year attributable to owners of the Company for the purposes of basic and diluted earnings per share	**3,251,614**	3,184,939

	2025	2024
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**5,384,981**	5,383,521
Effect of dilutive potential ordinary shares in respect of share awards granted	**–**	12
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**5,384,981**	5,383,533

The weighted average number of ordinary shares is arrived at after deducting the treasury shares held by the trustee under the share award scheme.

During the years ended 31 March 2025 and 2024, the computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options as the adjusted exercise price of those share options is higher than the average market price of the shares for the years ended 31 March 2025 and 2024.

7. DIVIDENDS

	2025	2024
	HK$'000	*HK$'000*
Final dividend in respect of the year ended 31 March 2024 of HK$0.35 (2024: HK$0.40 in respect of the year ended 31 March 2023) per share		
– Cash Dividend	**1,890,116**	2,176,134
– Scrip Dividend	**12,335**	–
Interim dividend in respect of the six months ended 30 September 2024 of HK$0.15 (2024: HK$0.15 in respect of the six months ended 30 September 2023) per share		
– Cash Dividend	**747,649**	815,336
– Scrip Dividend	**67,966**	–
	2,718,066	2,991,470

A final dividend of HK$0.35 in respect of the year ended 31 March 2025 (2024: final dividend of HK$0.35 in respect of the year ended 31 March 2024) per share in an aggregate amount of HK$1,906,853,000 (2024: HK$1,902,451,000) has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

8. TRADE AND OTHER RECEIVABLES

	2025	2024
	HK$'000	*HK$'000*
Trade receivables from contracts with customers	**6,748,869**	6,684,417
Less: Allowance for credit losses	**(1,049,187)**	(1,060,618)
Trade receivables, net	**5,699,682**	5,623,799
Deposits paid for construction and other materials	**1,286,794**	1,474,578
Deposits paid for purchase of natural gas and LPG	**2,706,018**	3,067,304
Advance payments to sub-contractors	**1,055,454**	1,046,921
Rental and utilities deposits	**433,036**	521,239
Other tax recoverable	**664,278**	663,550
Other receivables and deposits	**2,039,018**	1,675,697
Consideration receivable from disposal and winding up of subsidiaries	**282,021**	–
Prepaid operating expenses	**1,323,650**	1,376,951
Amounts due from non-controlling interests of subsidiaries	**72,548**	69,559
Total trade and other receivables	**15,562,499**	15,519,598

Other than certain major customers with good repayment history which the Group allows a longer credit period or settlement by instalment basis, the Group generally allows an average credit period of 30 to 180 days to its trade customers.

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on invoice date at the end of the reporting period:

	2025	2024
	HK$'000	*HK$'000*
0–180 days	**2,377,423**	2,400,788
181–365 days	**561,230**	576,011
Over 365 days	**2,761,029**	2,647,000
	5,699,682	5,623,799

The Group has policies for allowance for credit losses which are based on the evaluation of collectability and aged analysis of trade receivables and on the management's judgment including the current creditworthiness, the past collection history of customers as well as relevant forward-looking information.

9. AMOUNTS DUE FROM (TO) ASSOCIATES

Included in the balance of amounts due from associates are balances of trade nature of HK$80,557,000 (2024: HK$44,971,000) and aged within 180 days based on invoice date. A credit period of 30 to 180 days is granted to the associates for trade amounts.

As at 31 March 2025, amounts due to associates are balances of trade nature and aged within 180 days based on invoice date.

10. AMOUNTS DUE FROM (TO) JOINT VENTURES

Included in the balance of amounts due from joint ventures are balances of trade nature of HK$741,372,000 (2024: HK$2,008,153,000) and aged within 180 days based on invoice date. A credit period of 180 days is granted to the joint ventures for trade amounts.

As at 31 Mach 2025, amounts due to joint ventures are balances of trade nature of HK$153,618,000 (2024: HK$180,704,000) and aged within 180 days based on invoice date.

11. TRADE AND OTHER PAYABLES

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The following is an aged analysis of trade and bill payables presented based on the invoice date at the end of the reporting period:

	2025	2024
	HK$'000	*HK$'000*
0–90 days	**7,482,865**	6,901,648
91–180 days	**1,175,594**	1,731,838
Over 180 days	**3,868,100**	4,336,448
Trade and bill payables	**12,526,559**	12,969,934
Other payables and accrued charges	**1,358,934**	1,756,140
Consideration payables	**101,818**	283,200
Construction cost payables	**735,848**	582,990
Retention payables and security deposits received	**1,252,940**	1,318,370
Accrued staff costs	**250,291**	150,980
Loan interest payables	**395,105**	375,488
Amounts due to non-controlling interests of subsidiaries *(Note)*	**125,391**	191,649
Total trade and other payables	**16,746,886**	17,628,751

Note: The amounts due to non-controlling interests of subsidiaries are non-trade in nature, unsecured, non-interest bearing and repayable on demand.

The average credit period on trade purchases and ongoing costs is 90 to 180 days.

FINAL DIVIDEND

The Board resolved to recommend payment of a final dividend of HK35 cents per share to shareholders whose names appear on the register of members of the Company on 29 August 2025 (Friday) (the record date for determining the entitlement of the shareholders to receive the proposed final dividend). Together with the interim dividend of HK15 cents per share paid to the shareholders on 18 February 2025, the total dividend for the year ended 31 March 2025 amounts to HK50 cents per share (total dividend for the year ended 31 March 2024 amounted to HK50 cents per share).

The final dividend, if approved by the shareholders at the forthcoming annual general meeting, is expected to be payable on or around 9 October 2025 (Thursday).

CLOSURE OF REGISTER OF MEMBERS

To be eligible to attend and vote at the forthcoming annual general meeting

For the purpose of determining the shareholders who are entitled to attend and vote at the forthcoming annual general meeting, the register of members of the Company will be closed from 18 August 2025 (Monday) to 21 August 2025 (Thursday) (both days inclusive), during which no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the forthcoming annual general meeting to be held on 21 August 2025 (Thursday), all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 15 August 2025 (Friday).

To qualify for the proposed final dividend

For the purpose of determining the shareholders who are entitled to receive the proposed final dividend for the year ended 31 March 2025, the register of members of the Company will be closed from 27 August 2025 (Wednesday) to 29 August 2025 (Friday) (both days inclusive), during which no transfer of shares will be registered. Subject to the approval of the shareholders at the forthcoming annual general meeting, the final dividend will be payable to the shareholders whose names appear on the register of members of the Company on 29 August 2025 (Friday). In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 26 August 2025 (Tuesday).

MANAGEMENT DISCUSSION AND ANALYSIS

ABOUT CHINA GAS

The Group is one of China's largest trans-regional integrated energy suppliers and service providers. With a primary presence in China, it specializes in the investment, construction and operations of city and township gas pipelines, gas terminals, storage and transportation facilities and logistics systems, delivering natural gas and liquefied petroleum gas (LPG) to residential, industrial, and commercial customers. The Group also builds and operates compressed natural gas (CNG) and liquefied natural gas (LNG) fueling stations while developing and applying natural gas and LPG technologies. At China Gas, years of exploration and growth were translated into a full-fledged business portfolio centered around piped gas, stretching across LPG, LNG, smart energy services, gas equipment and kitchen appliances and grid-based new retail in the private domain backed by stores.

BUSINESS REVIEW AND OUTLOOK

Over the past year, the rise of global protectionism has led to turbulent economic development, with growth falling short of expectations. Affected by climate-related disturbances, frequent geopolitical conflicts and short-term supply fluctuations, global natural gas prices have shown an overall upward trend.

Amid frequent outbreaks of geopolitical conflicts and prolonged regional stalemates, the energy supply chain is undergoing accelerated regional restructuring. In Europe, the pressure from the energy crisis was alleviated through diversified import channels and dynamic inventory management; however, in the Asia-Pacific region, supply-demand imbalances of LNG intensified and the demand for heating surged during winter. This drove global natural gas prices further upward. On the monetary front, global cross-border capital flows remained generally subdued, while short-term liquidity pressures in emerging markets were temporarily eased after major central banks launched rate-cut cycles in the second half of 2024. In early 2025, the so-called "reciprocal tariffs" imposed by the United States triggered a chain reaction worldwide. Combined with the spillover effects of geopolitical conflicts, heightened international trade tensions, and rising risk of supply chain disruptions, the global trading system is now undergoing systemic restructuring.

In 2024, despite facing dual pressures from cyclical and structural factors, China's economy maintained steady growth. In the first quarter of 2025, its GDP grew by 5.4% with growth momentum continuing to strengthen. Meanwhile, its economy had to tackle multiple challenges, including mounting employment pressure, weak consumer sentiment, sluggish foreign trade exports, and lingering risks in the real estate market. In 2024, the apparent natural gas consumption in China maintained steady growth, but residential and industrial demand remained temporarily subdued due to the warm winter and the short-term contraction of industrial orders.

Since September 2024, a series of policies have been introduced to stabilize and boost the economy, resulting in positive developments across multiple sectors. Driven by the "dual carbon" strategy, China has refined its green energy policy system and deepened market-oriented reforms to align with the diverse energy needs of enterprises, thereby accelerating the transition of the energy market towards multi-energy complementarity and structural optimization. The General Office of the Communist Party of China Central Committee and the General Office of the State Council have jointly issued the Opinions on Improving the Price Governance Mechanism (《關於完善價格治理機制的意見》), which aims to accelerate the establishment of a residential gas supply system co-driven by "government guidance, corporate responsibility and market adjustment". In 2025, the funds from ultra-long special treasury bonds are being used to intensify the implementation of major national strategies and the construction of security capabilities in key areas, with a focus on the construction and renovation of urban underground pipeline networks. The central budgetary investment for 2025 will be placed mainly on urban underground pipeline networks and related facilities.

During the period under review, China continued promoting the renovation of old pipelines, rural revitalization and the optimization of the energy structure, creating new development opportunities for gas companies. The Group, in collaboration with the government, took real action to perform its responsibility of ensuring people's livelihood by playing a core role in the supply of residential gas. Local governments have taken series of measures, such as improving the price transmission mechanism and strengthening emergency reserves, to fully ensure gas demands for people's daily life, maintain market stability and ensure supply safety.

During the period, the Group's turnover decreased by 2.6% year-on-year to HK$79,258,009,000; profit attributable to owners of the Company increased by 2.1% year-on-year to HK$3,251,614,000. Basic earnings per share were HK$0.60, a year-on-year increase of 1.7%. The free cash flow reached HK$4,661,031,000. The proposed final dividend was HK35 cents, with a an annual payout ratio of 83.3%.

SAFETY MANAGEMENT

The Group has always regarded safety management as a core take, and is committed to building intelligent security safeguards and establishing a new system for long-term safety management and control. Meanwhile, the Group has continued to promote the transformation of the HSE system to achieve full-cycle integrated management covering design, construction, and acceptance. Such system features a visualization system that forms a management chain of "dynamic traceability of cloud-based drawings – transparent validation of concealed works – closed-loop tracking of rectification orders (雲端圖紙動態溯源–隱蔽工程透視校驗–整改指令閉環追蹤)". In addition, the Group has bolstered its full-process management and actively advanced the renovation and maintenance of old gas pipelines and users' facilities to foster a safe and stable environment for its high-quality and sustainable development.

During the period, the Group intensified the application of alarm system through rectification of the issues identified in the special inspection of digital system applications. Safety management and operational efficiency have been improved through operations management. A three-tier training system was also set up to provide targeted training for key personnel, safety supervisors, and relevant business staff, thereby enhancing their safety knowledge and skills.

Financial and Operational Highlights
for the year ended 31 March

	2025	2024	Change
Turnover *(HK$'000)*	**79,258,009**	81,410,133	(2.6%)
Gross profit *(HK$'000)*	**11,263,173**	11,304,123	(0.4%)
Profit attributable to owners of the Company *(HK$'000)*	**3,251,614**	3,184,939	2.1%
Basic earnings per share *(in HK$)*	**0.60**	0.59	1.7%
Free cash flow *(HK$'000)*	**4,661,031**	4,288,773	8.7%
Operational performance			
Number of piped-gas projects	**662**	662	–
Connectable residential users for city gas projects *(million households)*	**54.8**	54.4	0.4
Penetration rate of residential users for city gas projects *(%)*	**72.9%**	70.9%	2.0 pts
Total natural gas sale volume *(million m³)*	**39,959.8**	41,698.4	(4.2%)
Natural gas sold through city and township gas projects	**23,518.1**	23,513.1	0.02%
Natural gas sold through direct-supply pipelines and trade	**16,441.8**	18,185.3	(9.6%)
Sales of natural gas in city and township gas projects (customer breakdown) *(million m³)*			
Residential	**8,487.7**	8,666.6	(2.1%)
Industrial	**11,360.5**	11,249.3	1.0%
Commercial	**3,242.7**	3,127.5	3.7%
CNG/LNG stations	**427.2**	469.7	(9.0%)
New connections			
Residential	**1,400,521**	1,656,570	(15.5%)
Industrial	**2,573**	2,368	8.6%
Commercial	**44,206**	30,263	46.1%
Accumulated number of connected customers and gas stations			
Residential	**48,451,788**	47,051,267	3.0%
Industrial	**27,049**	24,476	10.5%
Commercial	**403,804**	359,598	12.3%
CNG/LNG stations	**488**	516	(5.4%)

New Projects

Throughout the financial year, in line with prudent financial policy as always, no city piped gas project was added to the existing network. As of 31 March 2025, the Group had secured 662 piped gas projects with concession rights in 30 provinces, municipalities, and autonomous regions in China, as well as 32 long-distance natural gas pipeline projects, 488 CNG and LNG refilling stations for vehicles and vessels, one coalbed methane development project, and 120 LPG distribution projects.

Natural Gas

Pipeline Construction and Connections

City gas pipelines form the backbone of operations for gas supply enterprises. By building trunk and branch pipelines, the Group connects its gas network to residential, industrial, and commercial users, charging them for connection and gas usage.

As of 31 March 2025, the Group had cumulatively built 562,729 km of gas pipelines.

User Acquisition

User acquisition in the gas industry continued to decline amid prolonged downturn in China's real estate market, as shown by persistently weak new housing starts. During the period, the Group connected new residential users by 1,400,521 households, down by approximately 15.5% year-on-year; as of 31 March 2025, the Group had cumulatively connected 48,451,788 residential users, up by approximately 3.0% year-on-year.

During the period, the Group connected 2,573 new industrial users and 44,206 new commercial users. As of 31 March 2025, the Group had cumulatively connected 27,049 industrial users and 403,804 commercial users, representing a year-on-year increase of approximately 10.5% and 12.3% respectively.

Users in the Transportation Sector (CNG and LNG Refilling Stations for Vehicles and Vessels)

As of 31 March 2025, the Group boasted 488 CNG and LNG refilling stations for vehicles and vessels. The faster penetration of new energy vehicles has brought a diversion pressure on the transportation energy market in the long run, which has traditionally been natural gas-based. However, given the cost and environmental advantages of natural gas in heavy-duty truck transport, marine fuel and industrial fields, the structural demand in these segments is not diminishing. Operating amid such changes in the market, the Group has adopted a dual-track strategy to promote business upgrading. On one hand, the Group increased end-user loyalty and improved the efficiency of existing assets by optimizing and integrating the assets of inefficient refilling stations, enhancing strategic cooperation with upstream gas suppliers and extending customer resource networks; on the other hand, in response to the national policy that encourages the transformation of traditional oil and gas fueling stations into integrated-energy service stations supplying oil, gas, electricity and hydrogen altogether, the Group has been exploring and tweaking business strategies to facilitate the transformation of its stations into ones that supply various types of fuel, aiming to serve different kinds of vehicles at one place.

Natural Gas Sales

Adhering to the business philosophy of "boosting payment collection, expanding gross margin, cutting costs as well as upskilling the workforce for quality and development", the Group has born some fruits in the market-based reforms and stabilization of supply and prices of natural gas, generating more impetus for natural gas markets at home to progress in stability. Endeavors on price pass-through, another highlight, translated into 25 provincial policies to this end, and as of 31 March 2025, price pass-through was applied to an aggregate of approximately 68% of residential gas consumption.

During the period, warm winter and sluggish industrial demand have together posed challenges to the Group's natural gas sales, with total natural gas sales of 39.96 billion m^3, a year-on-year decrease of 4.2%. Sales via city and township pipelines accounted for 23.52 billion m^3, a year-on-year increase of 0.02%, while trading and direct-supply pipelines contributed 16.44 billion m^3, a year-on-year decrease of 9.6%.

LPG

The Group is committed to developing an integrated LPG industrial chain spanning upstream, midstream and downstream operations, while advancing quality and efficiency of services in the industry. China Gas prides itself on the most extensive network of LPG import and intelligent distribution in China, as one of the country's fully integrated LPG operator and service provider with the most rounded industrial chain, covering as widely as international and domestic resource procurement, international and domestic trading, ocean shipping, wharf loading and unloading, tank farm storage, in-park processing, road logistics, refueling-specific retail and store-based distribution. With an LPG arm stretching across 21 provinces, municipalities and autonomous regions in China, the Group operates 5 LPG terminals and 5 large storage and logistics bases for petrochemical products, which come with an annual throughput capacity of over 10 million tons and a total storage capacity of over 800,000 m^3 for LPG.

During the period, the Group reduced inventory costs, boosted gross margins and made breakthroughs in international trade profitability through mechanism optimization, business model innovation and precise management, with an aim to further the development of core upstream capabilities and enhance trading performance. For its footing in the downstream, the operation efficiency of terminal business increased gradually after solidifying its existing markets, advancing market integration and optimization, and refining the operation.

During the period, the Group's LPG sales volume reached 3.868 million tons, representing a year-on-year decrease of 3.2%. The LPG sales revenue totaled HK$19,575,477,000 (for the 12 months ended 31 March 2024: HK$17,980,918,000), up by 8.9% year-on-year, and operating profit amounted to HK$52,007,000 (for the 12 months ended 31 March 2024: HK$120,064,000), representing a year-on-year decrease of 56.7%.

Value-Added Services

According to the National Bureau of Statistics, the total retail sales of consumer goods was RMB48,789.5 billion in 2024 and RMB12,467.1 billion from January to March 2025, representing a year-on-year increase of 3.5% and 4.6%, or a year-on-year increase of 3.8% and 5.1% other than automobiles. As a whole, China's consumption maintained a steady momentum. Since last year, a series of government policies have been introduced to stimulate consumption and expand domestic demand. For instance, according to the Notice on Further Strengthening and Expanding the Implementation of the Policy on Large-scale Renewal of Equipment and Trading-in of Consumer Goods in 2025 (《關於2025年加力擴圍實施大規模設備更新和消費品以舊換新政策的通知》), it was stressed that support funds from ultra-long special treasury bonds would be increased from RMB150 billion to RMB300 billion; trade-in product categories would be expanded from 8+N to 12+N; apart from these, subsidies would continue to be provided for home renovation items and materials, and local governments are encouraged to explore subsidy programs based on renovation contracts.

For the full financial year, through strengthened retail and channel capabilities, deepened business model innovation and improved traffic operations, the Group's revenue from value-added services amounted to HK$3,731,560,000, representing a year-on-year increase of 2.1% and operating profit amounted to HK$1,749,601,000, representing a year-on-year increase of 10.6%. Although for the moment, the penetration rates of main offerings of value-added services are relatively low, our constant upgrades of the operation strategy for traditional channels, product portfolio diversifying into broader assortments, new businesses growing at pace and China's favorable policies as consumption catalysts all make up the enormous potential for this segment.

Integrated Energy

Strategically positioned as a "green city operator", the Group aligns with China's "dual carbon" strategy, focusing on behind-the-meter energy storage for industrial and commercial users while integrating non-storage energy services such as photovoltaic power generation, electricity trading and EV charging. Such multi-energy complementarity means that the Group is now offering customers low-carbon and diversified energy solutions, through which we are aiming to set a benchmark for the industry as an integrated-energy service provider.

Leveraging its extensive user base and market reach accumulated through its gas projects, the Group has been expanding its integrated energy business through both organic and external growth. During the period, the Group defined its orientation and objectives, focusing on the investment in and operations of diverse businesses such as energy storage for industrial and commercial users, distributed photovoltaics, energy saving for boilers, energy saving for industrial and commercial users, energy efficiency of buildings, charging piles and biomass energy. In addition, the Group's active engagement in electricity sales drives the rapid expansion of its green electricity and green certificates, virtual power plants and other offerings. This is how it served customers with efficient integrated energy catering to their diverse needs for gas, heat, electricity and cooling. During the period, the Group has secured a total contracted capacity of 816.7 MWh in the segment of energy storage for industrial and commercial users, with 207.1 MWh in operation, 59.5 MW in photovoltaic projects installed and launched and 5.4 billion kWh in electricity sales.

Human Resources

Building a robust talent pipeline is central to the Group's sustainable development strategy. We are deeply committed to a human capital-driven approach, and have fostered a comprehensive talent development system and mechanisms for better organizational effectiveness. Hence, the Group has already established a full-fledged talent acquisition and internal training system, and has always been nurturing young management in its staff so as to refine the age structure company-wide. With external certification and internal accreditation schemes rolling in full steam, it has been building job-specific competencies for its workforce on which its staff members will be able to perform better and deliver more. Up and running are also its platforms for vocational training, knowledge exchange, and experience sharing, as engines of employee satisfaction and workplace wellbeing, hence more China Gasers of excellence joining and staying.

In respect of remuneration policies, the Group has developed a differentiated incentive system, taking into account the personal qualification and professional experience of its employees, as well as the specific remuneration levels of industry peers and the local job market. In addition to basic salaries and pension fund contributions, benefits such as discretionary bonuses, rewards, share options or share awards are also granted to eligible employees based on the Group's financial results and their performance.

Taking talents as a core driving force for sustainable development, the Group never ceases to be committed to supporting employee development, and establishes more knowledge sharing platforms, incentive mechanisms and training programs to empower employees in achieving personal growth and improvement, thus injecting more doses of contributions and wisdom into the Group's story ahead.

Financial Review

For the 12 months ended 31 March 2025, the Group's turnover amounted to HK$79,258,009,000 (for the 12 months ended 31 March 2024: HK$81,410,133,000), representing a year-on-year decrease of 2.6%. The gross profit amounted to HK$11,263,173,000 (for the 12 months ended 31 March 2024: HK$11,304,123,000), representing a year-on-year decrease of 0.4%. The overall gross profit margin was 14.2% (for the 12 months ended 31 March 2024: 13.9%). Profit attributable to owners of the Company amounted to HK$3,251,614,000 (for the 12 months ended 31 March 2024: HK$3,184,939,000), representing a year-on-year increase of 2.1%.

Earnings per share amounted to HK60 cents (for the 12 months ended 31 March 2024: HK59 cents), representing a year-on-year increase of 1.7%.

Finance Costs

For the 12 months ended 31 March 2025, the finance costs decreased by 15.1% to approximately HK$1,802,182,000 from the same period last year.

Share of Results of Associates

For the 12 months ended 31 March 2025, the share of results of associates amounted to HK$187,465,000 (for the 12 months ended 31 March 2024: HK$297,253,000).

Share of Results of Joint Ventures

For the 12 months ended 31 March 2025, the share of results of joint ventures amounted to approximately HK$253,835,000 (for the 12 months ended 31 March 2024: HK$398,389,000).

Income Tax Expenses

For the 12 months ended 31 March 2025, the income tax expenses increased by 30.8% to HK$993,203,000 (for the 12 months ended 31 March 2024: HK$759,558,000).

Free Cash Flow

During the period, the Group effectively controlled its capital expenditure with free cash flow amounting to HK$4,661,031,000 (for the 12 months ended 31 March 2024: HK$4,288,773,000).

Liquidity

The Group's primary business generates cash flow that steadily increases over time. Coupled with an effective and well-established capital management system, the Group continued to maintain stable operations development and healthy cash flow even amid ongoing uncertainties in the macro-economy and capital market.

As at 31 March 2025, the Group's total assets amounted to HK$148,220,570,000 (31 March 2024: HK$148,697,724,000). Bank balances and cash amounted to HK$9,163,796,000 (31 March 2024: HK$8,280,335,000). The Group had a current ratio of 0.95 (31 March 2024: 0.90). The net gearing ratio was 0.788 (31 March 2024: 0.794), as calculated on the basis of net borrowings of HK$47,864,989,000 (total borrowings of HK$60,230,797,000 less trade facilities related to short-term letters of credit for the gas imports of HK$3,202,012,000 and bank balances and cash of HK$9,163,796,000) and net assets of HK$60,726,705,000 as of 31 March 2025.

The Group follows a prudent financial management policy, under which the majority of its available cash is deposited in reputable banks as demand and time deposits.

Financial Resources

The Group has been actively building long-term partnerships with principal banks in China and abroad and has developed effective RMB debt financing instruments that serve the long run with the National Association of Financial Market Institutional Investors (NAFMII) of China. As the Group's principal partners, Industrial and Commercial Bank of China, Bank of Communications, China Construction Bank, Agricultural Bank of China, Bank of China, Industrial Bank and China CITIC Bank have offered comprehensive financial services across all operations, including credit facilities for a maximum term of 15 years, providing strong financial support for the Group's project investments and stable operations. Other major overseas banks, such as Asian Development Bank, HSBC, NCB, MUFG Bank, Sumitomo Mitsui Banking Corporation, and Australia and New Zealand Banking Group, have also granted long-term credit lines to the Group. As of 31 March 2025, over 30 banks had offered the Group with syndicated loans and stand-by credit facilities. Such bank loans are generally applied to support the Group's operations and project investments.

The Company and the Group's wholly-owned subsidiaries incorporated in China are all active in issuing RMB debt financing instruments on interbank markets in China. As of 31 March 2025, the Group had a total approved issuance quota of RMB18.5 billion for long-term debt instruments registered with NAFMII.

As at 31 March 2025, the Group's total bank loans and other loans amounted to HK$60,230,797,000.

The Group's operating expenses and CAPEX have been financed by operating cash flow, indebtedness, and equity financing. The Group has maintained a sufficient source of funds to fulfil its future CAPEX and working capital requirements.

Foreign Exchange and Interest Rate

As always, the Group attaches great importance to the management and control of foreign exchange and interest rate risks. It continuously monitors the global macroeconomic trends and changes in market interest rates and exchange rates, and optimizes its debt structure accordingly, with an aim to effectively mitigate potential risks arising from financial market fluctuations.

In terms of exchange risk management, the Group adheres to a prudent and measured policy orientation, adjusts domestic (RMB) and foreign currency debt structures flexibly and offsets risks from a small portion of foreign currency debts by leveraging exchange rate and interest rate hedging and other derivatives, in order to significantly reduce potential exchange risk and mitigate the effect of exchange gains and losses on its performance.

In terms of interest rates risk management, the Group maintains flexibility in the control over foreign currency debt by adjusting financing currencies and maturity profiles in response to market conditions in time and on an as needed basis. During the period, in view of the sustained downward trend in domestic interest rates, the Group took full advantage of the sources of financing available in such environment to effectively bring down its overall financing costs and enhance capital utilization efficiency.

Leveraging the above comprehensive management measures, the Group has maintained steady and resilient performance amid a complex and evolving financial environment, with continuously enhanced risk management capabilities that lays solid foundations for sustaining its high-quality development.

Cash Flows, Contract Assets/Liabilities, Trade Receivables, and Trade and Bill Payables

As at 31 March 2025, the Group recorded contract assets of HK$11,753,650,000 (31 March 2024: HK$10,260,982,000), contract liabilities of HK$7,921,488,000 (31 March 2024: HK$8,568,261,000), trade receivables of HK$5,699,682,000 (31 March 2024: HK$5,623,799,000), and trade and bill payables of HK$12,526,559,000 (31 March 2024: HK$12,969,934,000).

During the period, the Group further strengthened its prudent investment approach by controlling the capital expenditure while managing its operating and free cash flows effectively to continue to improve full-year free cash flow.

Charge on Assets

As of 31 March 2025, the Group pledged property, plant and equipment and investment properties of HK$6,898,021,000 (31 March 2024: HK$8,562,336,000) and pledged bank deposits of HK$310,447,000 (31 March 2024: HK$185,999,000). In addition, equity interests in certain subsidiaries were pledged to banks to secure loan facilities.

Capital Commitments

As at 31 March 2025, the Group had capital commitments in respect of the acquisition of property, plant and equipment, construction materials for property, plant and equipment and properties under development contracted for but not provided in the consolidated financial statements amounting to HK$88,690,000 (31 March 2024: HK$132,262,000), HK$142,016,000 (31 March 2024: HK$85,156,000) and HK$167,537,000 (31 March 2024: HK$171,213,000), respectively, which would require the utilization of the Group's cash on hand and external financing. It had undertaken to acquire shares of certain Chinese enterprises and set up joint ventures in China.

Contingent Liabilities

As at 31 March 2025, the Group did not have any material contingent liabilities (31 March 2024: nil).

EVENTS AFTER THE REPORTING PERIOD

There have not been any significant events affecting the Group after 31 March 2025.

CORPORATE GOVERNANCE

The Company complied with the code provisions (the "**Code Provision**") set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules throughout the financial year ended 31 March 2025, except for the deviations for the following:

Code Provision C.2.1

Under the Code Provision C.2.1, the roles of chairman and chief executive should be separate and performed by different individuals. Under the current structure of the Company, the functions of chief executive officer are performed by the Chairman Mr. LIU Ming Hui. Mr. LIU provides leadership for the Board and undertakes the management of the group's business and overall operation, with the support from other executive directors, vice presidents and senior management. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company, and has been effective in discharging its functions satisfactorily. The Board will review the reasonableness and effectiveness of the structure from time to time.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules, and all the Directors confirmed that they have complied with the required standards set out in the Model Code throughout the financial year ended 31 March 2025.

REVIEW OF ANNUAL RESULTS

The Audit Committee of the Board has reviewed the accounting principles and practices adopted by the Group and the annual results for the year ended 31 March 2025.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year ended 31 March 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any shares of the Company.

ANNUAL GENERAL MEETING

The annual general meeting will be held on 21 August 2025 (Thursday). The notice of the annual general meeting, which constitutes part of a circular to shareholders, will be sent together with the annual report of the Company for the year ended 31 March 2025. The notice, the circular which sets out details of the business to be conducted at the annual general meeting, and the proxy form will be available on the Company's website. The results of the voting on the proposed resolutions will be published on the Company's website shortly after the annual general meeting is held. Shareholders may appoint the Chairman of the annual general meeting as their proxy to vote on the resolutions, instead of attending the meeting in person.

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

The results announcement is required to be published on the websites of Hong Kong Exchanges and Clearing Limited ("**HKEX**") at www.hkex.com.hk under "Latest Listed Company Information" and the Company at www.chinagasholdings.com.hk under "Announcements" respectively. The annual report of the Company for the year ended 31 March 2025 will be dispatched to the shareholders and published on the websites of HKEX and the Company in due course.

On behalf of the Board
China Gas Holdings Limited
LIU MING HUI
Chairman and President

Hong Kong, 27 June 2025

As at the date of this announcement, Mr. LIU Ming Hui, Mr. HUANG Yong, Mr. ZHU Weiwei, Ms. LI Ching, Ms. LIU Chang and Mr. ZHAO Kun are the executive directors of the Company; Mr. XIONG Bin, Prof. LIU Mingxing, Mr. Ayush GUPTA and Ms. ZHOU Xueyan are the non-executive directors of the Company; and Mr. ZHAO Yuhua, Dr. MAO Erwan, Ms. CHEN Yanyan, Mr. ZHANG Ling and Dr. MA Weihua are the independent non-executive directors of the Company.

* *For identification purpose only*