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JY GAS LIMITED
交运燃气有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1407)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

- Revenue for the six months ended 30 June 2025 (the “**Period**”) amounted to RMB180.2 million, a decrease of 6.9% as compared to the corresponding period in 2024.
- Gross profit for the Period amounted to RMB28.6 million, which remained stable as compared to RMB28.1 million for the corresponding period in 2024. The gross profit margin for the Period was 15.9%, which improved as compared to 14.5% for the corresponding period in 2024.
- Net profit for the Period amounted to RMB13.4 million, a decrease of 14.1% as compared to the corresponding period in 2024.
- The Board has resolved not to declare an interim dividend for the six months ended 30 June 2025.

UNAUDITED INTERIM RESULTS

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of JY GAS LIMITED (the “**Company**”) announces the unaudited interim consolidated financial results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the Period with comparative figures for the corresponding period in 2024 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2025

		Unaudited Six months ended 30 June	
	Note	2025 RMB'000	2024 RMB'000
Revenue	5	180,185	193,629
Cost of sales	6	(151,591)	(165,555)
Gross profit		28,594	28,074
Administrative expenses	6	(11,326)	(10,236)
(Provision)/reversal of net impairment losses on financial assets		(179)	247
Other income		1,789	1,789
Other gains/(losses) , net		794	1,489
Operating profit		19,672	21,363
Finance income	7	290	1,321
Finance costs	7	(1,591)	(1,472)
Finance income and costs, net	7	(1,301)	(151)
Profit before income tax		18,371	21,212
Income tax expense	8	(4,972)	(5,639)
Profit and total comprehensive income for the Period		13,399	15,573
Profit and total comprehensive income attributable to:			
Owners of the Company		13,101	15,248
Non-controlling interests		298	325
		13,399	15,573
Basic and diluted earnings per share for profit attributable to owners of the Company (expressed in RMB per share)	9	0.030	0.035

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2025

		Unaudited	Audited
		30 June	31 December
	<i>Note</i>	2025	2024
		RMB'000	RMB'000
Assets			
Non-current assets			
Property, plant and equipment		147,530	149,997
Investment properties		68,200	68,200
Right-of-use assets		9,527	9,696
Intangible assets		6,146	6,380
Trade receivables	<i>10</i>	8,797	10,946
Other non-current assets		5,243	5,536
		245,443	250,755
Current assets			
Inventories		9,593	8,587
Contract assets		5,318	10,546
Trade and other receivables	<i>10</i>	89,768	78,552
Prepayments and other current assets		7,047	15,983
Cash and bank balances		219,839	224,160
		331,565	337,828
Total assets		577,008	588,583

CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2025

	<i>Note</i>	Unaudited 30 June 2025 RMB'000	Audited 31 December 2024 RMB'000
Equity			
Share capital		310	310
Share premium and reserves		131,107	145,344
Retained earnings		164,438	152,330
Equity attributable to owners of the Company		295,855	297,984
Non-controlling interests		16,260	15,962
Total equity		312,115	313,946
Liabilities			
Non-current liabilities			
Lease liabilities		1,761	1,804
Trade payables	11	11,485	13,534
Borrowings	12	8,500	—
Deferred income tax liabilities		7,653	7,683
		29,399	23,021
Current liabilities			
Trade and other payables	11	73,759	65,380
Contract liabilities		96,192	121,822
Current income tax liabilities		4,771	4,133
Borrowings	12	60,561	60,072
Lease liabilities		211	209
		235,494	251,616
Total liabilities		264,893	274,637
Total equity and liabilities		577,008	588,583

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

1 General information

JY GAS LIMITED (the “**Company**”) was incorporated in the Cayman Islands on 9 March 2021 as an exempted company with limited liability under the Companies Act (Cap.22, Act 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is 3-212 Governors Square, 23 Lime Tree Bay Avenue, P. O. Box 30746, Seven Mile Beach, Grand Cayman, KY1-1203, Cayman Islands.

The shares of the Company (the “**Shares**”) have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 16 November 2022.

The Group is principally engaged in the sale of natural gas, mainly piped natural gas (“**PNG**”), compressed natural gas (“**CNG**”) and liquefied natural gas (“**LNG**”), the provision of construction and installation services and the sale of gas-burning appliances in Gaomi City, Shandong Province, the People’s Republic of China (the “**PRC**”).

These interim condensed consolidated financial information are presented in Renminbi Yuan (“**RMB**”), unless otherwise stated.

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2025 has not been audited. The interim condensed consolidated financial information have been approved for issue by the Board of Directors on 27 August 2025.

2 Basis of preparation

This interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34. This interim condensed consolidated financial information does not include all the notes of the type normally included in annual consolidated financial statements. Accordingly, the interim condensed consolidated financial information should be read in conjunction with the annual report for the year ended 31 December 2024, which has been prepared in accordance with HKFRS Accounting Standards (“**HKFRSs**”), and any public announcements made by the Company during the interim reporting period.

The preparation of this interim condensed consolidated financial information in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the interim financial information, are disclosed in note 4 below.

3 Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024 as described in those annual financial statements except for the adoption of new and amended standards as set out below. Taxes on income in the interim periods are accrued using tax rate that would be applicable to expected total earnings.

(a) New and amended standards adopted by the Group

The following amended standards are mandatory for the first time for the Group's financial year beginning on 1 January 2025 and are applicable for the Group:

Amendments to HKAS 21 and HKFRS 21	Lack of Exchangeability
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Amendments to HKFRSs effective for the financial year beginning on 1 January 2025 do not have a material impact on the Group's interim financial information.

(b) Impact of standards issued but not yet applied by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for this reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

4 Critical accounting estimates and judgments

The preparation of the interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

5 Revenue and segment information

The Company's executive directors are the Group's chief operating decision maker ("CODM"). The CODM reviews the performance of the Group on a regular basis.

As substantial business operations of the Group relate to the sale of piped natural gas, the CODM makes decisions about resources allocation and performance assessment based on the entity-wide consolidated financial information. Accordingly, there is only one single operating segment for the Group qualified as reportable segment under HKFRS 8 "Operating Segments". No separate segmental analysis is presented in the interim condensed consolidated financial information. The Group's total revenues are all from domestic customers in the PRC. Accordingly, no geographical information is presented.

	<i>Unaudited</i>	
	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Revenue recognised at a point in time:		
Revenue from PNG sales	165,067	167,522
Revenue from CNG and LNG sales	7,330	10,009
Revenue from sales of gas-burning appliance	2,046	4,109
	174,443	181,640
Revenue recognised over time:		
Revenue from construction and installation services	5,742	11,989
Total	180,185	193,629

During the six months ended 30 June 2025 and 2024, no revenue was derived from transactions with a single customer representing 10% or more of the Group's total revenue.

6 Expenses by nature

Expenses included in cost of sales and administrative expenses are analysed as follows:

	<i>Unaudited</i>	
	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Cost of natural gas	138,613	147,528
Materials used in construction and installation services	100	4,498
Cost of gas-burning appliance sold	924	2,545
Employee benefit expenses	6,337	5,813
Depreciation and amortisation		
– Property, plant and equipment	5,898	5,678
– Right-of-use assets	169	169
– Intangible assets	234	183
Taxes and surcharges	372	470
Repairs and maintenance costs	1,998	2,382
Utility costs	395	428
Vehicle costs	218	365
Outsourced construction labour cost	3,081	2,011
Other expenses	4,578	3,721
Total cost of sales and administrative expenses	162,917	175,791

7 Finance income and costs, net

	<i>Unaudited</i>	
	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Interest income:		
– Bank deposits	81	306
– Loans to a related party	–	737
– Imputed interest income on trade receivables	209	278
Total finance income	290	1,321
Interest expense:		
– Bank borrowings	(1,527)	(1,406)
– Interest expense of lease liabilities	(64)	(66)
Total finance costs	(1,591)	(1,472)
Finance income and costs, net	(1,301)	(151)

8 Income tax expense

	<i>Unaudited</i>	
	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Current income tax:		
– PRC enterprise income tax	5,002	5,394
– Deferred income tax	(30)	245
	<u>4,972</u>	<u>5,639</u>

9 Earnings per share

Basic earnings per share for the six months ended 30 June 2025 and 2024 are calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period.

	<i>Unaudited</i>	
	Six months ended 30 June	
	2025	2024
Profit attributable to owners of the Company (<i>RMB'000</i>)	13,101	15,248
Weighted average number of issued ordinary shares	440,000,000	440,000,000
Basic earnings per share (<i>expressed in RMB per share</i>)	<u>0.030</u>	<u>0.035</u>

As the Company has no dilutive instruments during the six months ended 30 June 2025 (six months ended 30 June 2024: nil), the Group's diluted earnings per share equals to its basic earnings per share.

10 Trade and other receivables

	Unaudited 30 June 2025 RMB'000	Audited 31 December 2024 RMB'000
Non-current		
Trade receivables		
– Third parties	9,210	11,460
Less: provision for impairment of trade receivables	(413)	(514)
	<u>8,797</u>	<u>10,946</u>
Current		
Trade receivables		
– Related parties	5,217	3,819
– Third parties	78,360	71,112
Less: provision for impairment of trade receivables	(3,494)	(3,133)
	<u>80,083</u>	<u>71,798</u>
Trade receivables – net		
	<u>80,083</u>	<u>71,798</u>
Other receivables		
– Related parties	8,450	6,500
– Third parties	26,792	25,690
	<u>35,242</u>	<u>32,190</u>
Less: provision for impairment of other receivables	(25,557)	(25,436)
	<u>9,685</u>	<u>6,754</u>
Other receivables – net		
	<u>89,768</u>	<u>78,552</u>
Total trade and other receivables, net	<u>98,565</u>	<u>89,498</u>

- (a) Aging analysis of trade receivables (before provision of impairment) at each balance sheet date based on their initial recognition dates were as follows:

	Unaudited 30 June 2025 RMB'000	Audited 31 December 2024 RMB'000
Within 1 year	15,382	16,849
1 – 2 years	26,219	17,909
2 – 3 years	27,109	28,986
Over 3 years	24,077	22,647
	92,787	86,391

Trade receivables are mainly recorded based on the dates of transaction. The aging of trade receivables based on their initial recognition dates is basically by reference to their respective dates of invoice.

Most of the Group's trade receivables are related to its construction and installation services for which the credit period is implemented in accordance with the relevant contracts.

Movements in allowance for impairment of trade receivables is as follows:

	Unaudited Six months ended 30 June 2025 RMB'000	2024 RMB'000
At beginning of period	3,647	3,538
Provision	260	313
Reversal	–	(169)
At the end of the period	3,907	3,682

The carrying amounts of trade receivables approximate their fair values.

11 Trade and other payables

	Unaudited 30 June 2025 RMB'000	Audited 31 December 2024 RMB'000
Non-current		
Trade payables		
– Third parties	<u>11,485</u>	<u>13,534</u>
Current		
Trade payables		
– Third parties	<u>38,051</u>	<u>40,415</u>
– Related parties	<u>4,447</u>	<u>4,141</u>
	<u>42,498</u>	<u>44,556</u>
Other payables		
– Value-added tax payable	9,746	11,364
– Other taxes payable	322	398
– Amounts due to related parties	1,817	1,817
– Salaries and staff welfare payable	1,796	3,072
– Dividend payable	15,230	226
– Others	<u>2,350</u>	<u>3,947</u>
	<u>31,261</u>	<u>20,824</u>
	<u>73,759</u>	<u>65,380</u>
Total trade and other payables	<u><u>85,244</u></u>	<u><u>78,914</u></u>

The carrying amounts of trade and other payables approximate their fair values.

Aging analysis of trade payables at each balance sheet date based on their initial recognition dates were as follows:

	Unaudited 30 June 2025 RMB'000	Audited 31 December 2024 RMB'000
Less than 1 year	8,741	27,596
1 – 2 years	16,609	20,399
2 – 3 years	19,741	6,812
Over 3 years	8,892	3,283
	53,983	58,090

Trade payables are mainly recorded based on the dates of transaction. The aging of trade payables based on their recording dates is basically by reference to their respective dates of invoice.

12 Borrowings

	Unaudited 30 June 2025 RMB'000	Audited 31 December 2024 RMB'000
Bank borrowings		
– Guaranteed by related parties	68,980	59,990
Interests payable	81	82
	69,061	60,072
Borrowings		
– Current	60,561	60,072
– Non-current	8,500	–
	69,061	60,072

As at 30 June 2025, bank borrowings of RMB68,980,000 were guaranteed by certain related parties (31 December 2024: RMB59,990,000).

13 Dividends

As approved by the shareholders at the Annual General Meeting held on 18 June 2025, a final dividend of HKD0.037 per ordinary share of the Company for the year ended 31 December 2024, totalling HKD16,280,000 (equivalent to RMB15,230,000), was distributed to shareholders on 1 August 2025.

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

With the aim to accelerate the establishment of a clean, low-carbon, safe and efficient new energy system, the PRC government has introduced a series of regulations and policies. These include the Energy Law of the People's Republic of China (《中華人民共和國能源法》), which came into effect on 1 January 2025, as well as the Work Plan for Accelerating the Construction of a Dual Control System for Carbon Emissions (《加快碳排放雙控體系建設工作計劃》). In line with these state-level policies, market-oriented reforms in the power sector have accelerated, and the pace of renewable energy entering the market has quickened.

Driven by the PRC government's policies and market expansion, Shandong Province has prioritised development of green energy and implemented policy measures, such as the 14th Five-Year Energy Development Plan of Shandong Province (《山東省能源發展「十四五」規劃》), and the Shandong Province Carbon Peaking Implementation Plan (《山東省碳達峰實施方案》), which clearly set the target of increasing the proportion of non-fossil energy consumption to around 13% by 2025. These policies provide strong support for the development of the green energy industry. Meanwhile, as global demand for clean energy continues to grow, the green energy market in Shandong Province is set to experience significant growth.

The Group will continue to follow the government's green and low carbon transformation initiatives, and capture growth opportunities by implementing government subsidised clean energy construction projects to enhance access to natural gas supply of rural residents and enterprises of Gaomi City.

DEVELOPMENT STRATEGY AND OUTLOOK

As Gaomi City's largest natural gas provider, the Group's business is supported by a strong customer base which grows steadily with the expansion of the Group's pipeline network and increasing completion of clean energy projects in rural areas.

The Group will continue to strengthen the efficiency and safety of its operations to solidify its market position as the largest natural gas operator in Gaomi City. In addition to carrying out comprehensive safety inspections and strengthening technical capacities, the Group will also continue to promote and provide gas safety training and education to ensure that all personnel of the Group, to ensure safe use of natural gas by its customers.

BUSINESS REVIEW

The Group is a natural gas operator in Gaomi City, Weifang Municipality of Shandong Province, the PRC. The Group has an exclusive right under its concession agreement with Gaomi City Bureau of Municipal Affairs Administration to operate PNG sales and related businesses within a specified operating area which represents approximately 70% of the total administrative area of Gaomi City (the “**Operating Area**”). The concession has an effective term of 30 years until August 2039.

During the Period, the Group primarily generated revenue from its sale of natural gas in Gaomi City. The sale of PNG is its principal business. The Group saw an overall slight decline of its revenue, gross profit which remained stable, and an improvement of its gross profit margin, as compared to the corresponding period in 2024. As at the end of the Period, the Group’s customers of its sale of PNG business included (a) retail customers which comprised 153,541 active residential PNG end-users, 399 active industrial PNG end-users and 5,477 active commercial PNG end-users, representing a change of approximately 0.8%, 6.7% and 6.7% from that as at 31 December 2024; and (b) two wholesale customers, one of which is a natural gas refuelling station operator in Gaomi City and the other is a piped natural gas operator in Weifang City. The Group’s sales volume of PNG dropped slightly to approximately 45.4 million m³ for the Period from approximately 47.6 million m³ for the six months ended 30 June 2025. As at the end of the Period, the Group’s urban pipeline network was comprised of approximately 733.4 kilometres of completed mid-pressure pipelines.

The Group also engages in the sale of CNG and LNG at its CNG and LNG refuelling stations, the provision of construction and installation services, and the sale of gas-burning appliances.

In the first half of 2025, the volatile international geopolitical landscape has greatly affected the economy of China. In particular, uncertainty surrounding American trade and tariff policies resulted in less demand for manufacturing activities, which led to weakened natural gas consumption. This negatively impacted the Group, as the majority of its PNG customers are industrial PNG end-users, many of which operate textile or manufacturing factories for export purposes.

During the six months ended 30 June 2025, the Group’s PNG procurement price and LNG procurement price were generally lower than those during the six months ended 30 June 2024, which was in line with the market price of natural gas as a whole.

SEGMENTAL ANALYSIS

1. PNG Sales

The Group supplies PNG to retail customers comprising residential, industrial and commercial PNG end-users, as well as wholesale customers. During the Period, the total revenue of the Group generated from its PNG sales business was RMB165.1 million, representing a slight decrease of 1.4% from RMB167.5 million for the corresponding period in 2024. The Group's sales volume of PNG was approximately 45.4 million m³, representing a decrease of 4.6% from approximately 47.6 million m³ for the corresponding period in 2024.

Sales to retail customers: Revenue generated from PNG sales to retail customers was RMB161.0 million for the Period, representing a decrease of 1.5% from RMB163.5 million for the corresponding period in 2024. During the Period, PNG sales to industrial PNG end-users accounted for the largest portion of the Group's total PNG sales. During the Period, PNG sales volume to the Group's industrial, residential and commercial PNG end-users was 21.8 million m³, 20.3 million m³ and 2.0 million m³, respectively, accounting for approximately 49.5%, 46.0% and 4.5% of the Group's total PNG sales volume to retail customers. Comparatively, for the corresponding period in 2024, PNG sales volume to industrial, residential and commercial PNG end-users was 25.0 million m³, 18.4 million m³ and 2.8 million m³, respectively, representing approximately 54.1%, 39.8% and 6.1% of the Group's total PNG sales volume to retail customers. The aforementioned decrease in revenue generated from the Group's PNG sales to retail customers was mainly due to a decrease in revenue from sales to the Group's industrial and commercial PNG end-users (from RMB111.1 million for the corresponding period in 2024 to RMB102.2 million for the Period) resulting from the slowdown in market growth, changes in consumer demand, and intensified competition in the industrial and commercial sector. In particular, uncertainty due to American trade and tariffs policy and decreased consumer spending especially in the catering industry led to significant drop in industrial and commercial gas consumption in the current period compared to the corresponding period in 2024. Although revenue from sales to residential PNG end-users increased, it was not sufficient to offset the overall decline caused by industrial and commercial PNG end-users.

Sales to our wholesale customer: Revenue generated from PNG sales to our wholesale customers were RMB4.0 million for the Period, which remained at RMB4.0 million for the corresponding period in 2024. During the Period, PNG sales volume to our wholesale customers were 1.4 million m³, which remained stable compared to 1.4 million m³ for the corresponding period in 2024.

2. CNG and LNG Sales

The Group supplies CNG and LNG to vehicle users at its CNG and LNG refuelling stations in Gaomi City. During the Period, revenue of the Group generated from its CNG and LNG sales business was RMB7.3 million, representing a decrease of 27.0% from RMB10.0 million for the corresponding period in 2024. Such decrease was mainly due to (i) the slowdown of industrial and economic activities in Gaomi City resulting in less vehicle use as a whole; and (ii) preference for using electric vehicles by some vehicle users.

3. Construction and Installation Services

The Group provides construction and installation services to property developers, residential PNG end-users and non-residential PNG end-users. During the Period, revenue of the Group generated from its construction and installation services was RMB5.7 million, representing a decrease of 52.5% as compared to RMB12.0 million for the corresponding period in 2024. Such decrease was mainly due to the weak economy as a whole, which muted demand for new properties, resulting in a drop in completion and delivery of new property developments and construction projects.

4. Sale of Gas-burning Appliances

The Group sells gas-burning appliances such as gas stoves, wall-hung gas boilers and water heaters, primarily to property owners and property occupiers. During the Period, revenue of the Group generated from its sale of gas-burning appliances was RMB2.0 million, representing a decrease of 51.2% as compared to RMB4.1 million for the corresponding period in 2024. Such decrease was mainly due to decrease in demand for installation of gas stoves and wall-hung gas boilers as the clean energy projects have all completed by the first half of 2025.

FINANCIAL REVIEW

Revenue

The Group's revenue for the Period was RMB180.2 million, representing a decrease of 6.9% as compared to RMB193.6 million for the corresponding period in 2024. Such decrease was mainly due to the decrease in revenue from the Group's sale of PNG to industrial and commercial PNG end-users, and the construction and installation services as mentioned above.

Gross Profit

The Group's gross profit for the Period was RMB28.6 million, which remained stable as compared to RMB28.1 million for the corresponding period in 2024. The Group's gross profit margin increased to 15.9% for the Period from 14.5% for the corresponding period in 2024. This is primarily because, despite the decrease in the Group's revenue, the Group has taken cost control measures by directly procuring more PNG from upstream PNG suppliers as its source of natural gas supply, rather than converting from LNG, which lowers its average cost of PNG.

Administrative expenses

The Group's administrative expenses for the Period was RMB11.3 million, representing an increase of 10.8% as compared to RMB10.2 million for the corresponding period in 2024. Such increase was mainly due to the increase in employee costs and consultation fee.

Provision of net impairment losses on financial assets

The Group recorded a provision of net impairment losses on financial assets of RMB179,000 during the Period, as compared to a reversal of net impairment losses on financial assets of RMB247,000 for the corresponding period in 2024. This was primarily due to the increase in trade receivables from clean energy construction projects.

Other Income

The Group's other income for the Period was RMB1.8 million, which remained as RMB1.8 million for the corresponding period in 2024.

Other gains/(losses), net

The Group recorded other net gains for the Period amounting RMB794,000, as compared to other net gains of RMB1.5 million for the corresponding period in 2024. This was mainly due to the decrease in fair value gain on financial assets.

Finance Costs

The Group's finance costs for the Period were RMB1.6 million, which remained stable as compared to RMB1.5 million for the corresponding period in 2024.

Income Tax Expense

The Group's income tax expense for the Period was RMB5.0 million, representing a decrease of 10.7% as compared to RMB5.6 million for the corresponding period in 2024. Such decrease was primarily attributable to a decrease in the Group's profit before income tax. The effective tax rate for the Period was 27.1% (the effective tax rate for the corresponding period in 2024 was 26.6%).

Profit Attributable to Owners of the Company

Profit attributable to owners of the Company for the Period was RMB13.1 million, representing a decrease of 13.8% as compared to RMB15.2 million for the corresponding period in 2024, which was mainly due to a decrease in the Group's revenue and the gross profit as mentioned above.

Trade and Other Receivables

The Group's trade and other receivables was RMB98.6 million as at 30 June 2025, representing an increase of 10.2% as compared to RMB89.5 million as at 31 December 2024, which was mainly due to the transfer from contract assets related to clean energy construction projects to trade receivables.

Trade and Other Payables

The Group's trade and other payables was RMB85.2 million as at 30 June 2025, representing an increase of 8.0% as compared to RMB78.9 million as at 31 December 2024, which was mainly due to the declaration and payment of final dividends of HK\$0.037 per ordinary share for the year ended 31 December 2024.

Liquidity and Financial Position

The Group's current assets amounted to RMB331.6 million as at 30 June 2025, representing a decrease of 1.8% as compared to RMB337.8 million as at 31 December 2024. As at 30 June 2025, the Group's cash and bank balances amounted to RMB219.8 million.

As at 30 June 2025, the current ratio (current assets/current liabilities) of the Group was 140.8% (134.3% as at 31 December 2024) and the debt ratio of the Group (total liabilities/total assets) was 45.9% (46.7% as at 31 December 2024). As at 30 June 2025, the Group's utilised bank loans amounted to RMB69.0 million, all of which were denominated in RMB, bearing an annual interest rate of 4.3 %. As at 30 June 2025, the Group had no unutilised bank credit. As at 30 June 2025, the Group had lease liabilities of RMB2.0 million, of which RMB0.2 million is analysed as current portion, and RMB1.8 million is analysed as non-current portion.

The gearing ratio of the Group was 22.8% as at 30 June 2025 (19.8% as at 31 December 2024). The ratio was calculated by dividing total debt (borrowings and lease liabilities) by total equity as at the end of the relevant year. As at 30 June 2025, the Group maintained a net cash position. The Group has maintained a strong cash position and expects its cash and bank balances, and cash generated from operations, to be adequate to meet its working capital requirements.

Exchange Rate Fluctuation Risk

While Group's businesses are principally denominated in RMB, it has certain deposits denominated in Hong Kong dollars which expose it to exchange rate fluctuation risk. Currently, the Group does not have any hedging policy on foreign currency. The Group's management will closely monitor the exchange rate fluctuation risk and take appropriate measures such as hedging measures to control the exchange rate fluctuation risk when necessary.

Contingent Liabilities

As at 30 June 2025, the Group had no material contingent liabilities.

Financial Guarantee Obligations

As at 30 June 2025, the Group had no material financial guarantee obligations.

Pledge of Assets

As at 30 June 2025, the Group had not pledged any assets (nil as at 31 December 2024).

Significant Investment

During the Period, the Group did not hold any significant investment.

Material Acquisition and Disposal

During the Period, the Group did not make any material acquisition or disposal of subsidiaries, associates and joint ventures.

Human Resources and Employee Compensation

As at 30 June 2025, the Group employed a total of 148 employees in the PRC as compared to 154 as at 31 December 2024. During the Period, the total employee costs of the Group were RMB6.3 million. The Group manages its personnel actively, including but not limited to providing training on relevant policies and regulations, safety management and professional knowledge in order to improve management skills, strengthen employees' professional skills and enhance the competitiveness of the Group.

EVENTS AFTER THE PERIOD

The Board was informed by Mr. Song Yujie (“**Mr. Song**”), a substantial shareholder of the Company, that on 4 July 2025, Mr. Song has entered into a share transfer agreement with Huiguo Energy Technology Limited 匯國能源科技有限公司 (“**Huiguo**”), pursuant to which Mr. Song agreed to dispose of, and Huiguo agreed to purchase 88,000,000 ordinary shares of the Company (“**Shares**”) from Mr. Song (the “**Disposal**”). Huiguo is an independent third party. The Disposal was conducted off-market at a consideration of HK\$0.86 per Share. Completion of the Disposal took place on 15 July 2025. Immediately after completion of the Disposal, Huiguo held an aggregate of 88,000,000 Shares, representing 20.0% of the total issued share capital of the Company. Accordingly, Mr. Song ceased to be, and Huiguo has become, a substantial shareholder of the Company.

On 15 August 2025, the Company was informed by Huiguo that it further purchased 22,000,000 Shares (the “**Additional Shares**”), representing 5.0% of the total issued share capital of the Company. Such Additional Shares were purchased off-market from other shareholders of the Company, who are independent third parties, at an average consideration of HK\$0.578 per Share. Immediately after completion of such purchase of the Additional Shares, Huiguo held an aggregate of 110,000,000 Shares, representing 25.0% of the total issued share capital of the Company.

Saved as disclosed above, there are no events causing material impact on the Group from the end of the Period to the date of this announcement.

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the Period. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the Period and up to the date of this announcement.

NET PROCEEDS FROM THE GLOBAL OFFERING

The Shares were listed on the Main Board of the Stock Exchange on 16 November 2022, with a total of 110,000,000 Shares issued pursuant to the global offering of Shares (“**Global Offering**”). After deducting the underwriting fees and relevant expenses, net proceeds from the Global Offering (the “**Net Proceeds**”) amounted to approximately HK\$111.6 million (equivalent to RMB101.2 million). The following table sets out the intended use and actual use of the Net Proceeds as at 30 June 2025:

Designated use of Net Proceeds	% of Net Proceeds	Allocated amount (RMB million)	Utilised (RMB million)	Unutilised (RMB million)	Expected to be utilised prior to the following date
Expanding the sale of PNG business through construction of new mid-pressure pipelines of approximately 101.0 km in the Operating Area	48.5%	49.1	33.12	15.98	By the end of 2026
Upgrading approximately 43.4 km of the urban pipeline network	20.5%	20.7	11.53	9.17	By the end of 2026
Replacing existing gas meters with Goldcard Meters for over 19,500 households in the Operating Area	6.9%	7.0	7.0	–	–
Construction of an aggregate of approximately 18.0 km PNG end-user pipelines that connect the urban pipeline network for implementing the Clean Energy Projects to serve over 5,500 households in the Operating Area	14.1%	14.3	14.3	–	–
Working capital and other general corporate purposes	10.0%	10.1	6.75	3.35	By the end of 2026

As at the date of this announcement, the unutilised Net Proceeds are deposited in an interest-bearing account opened with a licensed bank.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to achieving high corporate governance standards to safeguard the interests of its stakeholders. The Company has applied the principles in the Corporate Governance Code (“**CG Code**”) in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) by conducting its business by reference to the principles of the CG Code and emphasising such principles in the Company’s governance framework. To the best knowledge of the Directors, the Company has complied with all applicable code provisions under the CG Code (as amended from time to time) during the Period, save for the deviation discussed below.

Pursuant to code provision C.1.7 of the CG Code, the Company should arrange appropriate insurance cover in respect of legal action against its directors. The Company has not arranged any insurance cover in respect of any potential legal action against the Directors. Given the nature of the Company’s business, the Directors believe that the likelihood of legal actions against the Directors is very slight, and the Company can still achieve adequate corporate governance through various management and monitoring mechanisms so as to reduce risk, including periodic reviews on the effectiveness of the Company’s internal control system, clear division of duties and training for staff and management. The Board will review, on a regular basis, whether it is necessary to arrange insurance cover in respect of potential legal action against the Directors.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) in Appendix C3 to the Listing Rules as the code of conduct for the Directors in their dealings in the Company’s securities. Having made specific enquires with each Director, the Company confirmed that the Directors had complied with the required standard as set out in the Model Code during the Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (including treasury shares, as defined under the Listing Rules) during the Period. As at 30 June 2025, the Company did not hold any treasury shares.

REVIEW OF INTERIM RESULTS BY AUDIT COMMITTEE

The Company established the audit committee with written terms of reference in compliance with the Listing Rules and the CG Code (the “**Audit Committee**”). As at the date of this announcement, the Audit Committee consists of three independent non-executive Directors, namely Ms. Liu Xiaoye, Mr. Wei Yi and Mr. Tian Qiang. The chairlady of the Audit Committee is Ms. Liu Xiaoye.

The Audit Committee has discussed with the management the accounting principles and policies adopted by the Group, and has reviewed the Group’s unaudited interim condensed consolidated financial information for the six months ended 30 June 2025. The Audit Committee has agreed with the management of the Company on the interim result of the Group for the Period.

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2025.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The announcement has been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.gmjtq.com). The interim report for the six months ended 30 June 2025 (containing all information set forth in Appendix D2 to the Listing Rules) will be despatched to shareholders of the Company (if requested) and made available on the above websites in due course.

By Order of the Board
JY GAS LIMITED
Luan Linjiang
Chairman of the Board

Hong Kong, 27 August 2025

As at the date of this announcement: (1) the chairman and executive Director is Mr. Luan Linjiang; (2) the executive Directors are Mr. Luan Xiaolong and Mr. Luan Linxin; and (3) the independent non-executive Directors are Mr. Wei Yi, Mr. Tian Qiang and Ms. Liu Xiaoye.