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天津津燃公用事業股份有限公司

TIANJIN JINRAN PUBLIC UTILITIES COMPANY LIMITED

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

(Stock Code: 01265)

2025 INTERIM RESULTS ANNOUNCEMENT

The board (the “**Board**”) of directors (the “**Directors**”) of Tianjin Jinran Public Utilities Company Limited (the “**Company**”) presents the unaudited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**” or “**first half of 2025**”), together with the unaudited comparative figures for the six months ended 30 June 2024 (“**2024-1H**” or “**first half of 2024**”) as follows:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*30 June 2025**(Expressed in Renminbi Yuan)*

	<i>Note IV</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
ASSETS			
CURRENT ASSETS			
Cash and bank balances		467,199,235.62	694,923,802.41
Trade receivables	<i>(I)</i>	272,019,660.95	238,095,204.64
Receivables under financing	<i>(II)</i>	37,722,646.55	16,197,905.68
Prepayments		3,208,282.18	3,099,572.73
Other receivables		1,081,382.71	1,013,407.94
Inventories	<i>(III)</i>	1,173,371.35	1,680,286.67
Other current assets		7,641,587.43	874,941.53
Total current assets		790,046,166.79	955,885,121.60
NON-CURRENT ASSETS			
Long-term equity investments		51,397,491.95	53,606,944.82
Fixed assets	<i>(IV)</i>	726,174,981.20	756,053,139.59
Construction in progress	<i>(V)</i>	38,187,492.97	31,605,432.27
Right-of-use assets		1,139,858.07	1,721,287.53
Intangible assets		9,955,514.24	10,192,438.16
Deferred tax assets		70,127,539.02	70,679,182.54
Other non-current assets		150,403,248.33	151,004,476.20
Total non-current assets		1,047,386,125.78	1,074,862,901.11
TOTAL ASSETS		<u>1,837,432,292.57</u>	<u>2,030,748,022.71</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*30 June 2025**(Expressed in Renminbi Yuan)*

	<i>Note IV</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade payables	(VI)	118,660,861.95	192,298,693.30
Contract liabilities		213,177,245.81	281,684,127.55
Employee benefits payable		5,750,239.63	16,685,508.79
Taxes payable	(VII)	288,224.43	2,729,703.68
Other payables		22,953,034.77	23,225,605.31
Non-current liabilities due within one year		1,235,891.32	1,214,547.60
Other current liabilities		19,185,952.41	25,351,571.39
Total current liabilities		381,251,450.32	543,189,757.62
NON-CURRENT LIABILITIES			
Lease liabilities		283,131.66	561,502.17
Deferred income		100,539,304.29	103,356,380.07
Total non-current liabilities		100,822,435.95	103,917,882.24
Total liabilities		482,073,886.27	647,107,639.86
SHAREHOLDERS' EQUITY			
Share capital		183,930,780.00	183,930,780.00
Capital reserve		790,332,352.18	790,332,352.18
Specialised reserve		372,468.12	3,014.70
Surplus reserve		128,277,523.13	128,277,523.13
Retained earnings		253,162,330.62	281,802,899.37
Total equity attributable to shareholders of the parent		1,356,075,454.05	1,384,346,569.38
Non-controlling interests		(717,047.75)	(706,186.53)
Total shareholders' equity		1,355,358,406.30	1,383,640,382.85
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>1,837,432,292.57</u>	<u>2,030,748,022.71</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

(Expressed in Renminbi Yuan)

	Note IV	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Revenue	(VIII)	824,200,195.76	873,429,018.15
Less: Cost of sales	(VIII)	846,735,210.07	898,716,423.05
Taxes and surcharges		634,884.65	1,067,007.30
Administrative expenses		11,540,825.08	13,604,721.76
Finance costs, net	(IX)	(6,505,768.46)	(8,926,806.99)
including: interest income		6,670,110.55	9,101,440.24
Add: Other income	(X)	2,830,596.70	2,731,538.59
Investment (loss) income	(XI)	(2,578,906.29)	(709,525.15)
including: share of (loss) profit of an associate		(2,578,906.29)	(709,525.15)
Credit impairment (losses) income		(295,011.43)	(72,211.74)
Operating profit		(28,248,276.60)	(29,082,525.27)
Add: Non-operating income		130,700.77	22.53
Less: Non-operating expenses		(17,789.38)	
Total profit		(28,099,786.45)	(29,082,502.74)
Less: Income tax expense	(XII)	551,643.52	(6,937,700.54)
Net loss (profit)		<u>(28,651,429.97)</u>	<u>(22,144,802.20)</u>
Classified by continuity of operations			
Net profit from continuing operations		(28,651,429.97)	(22,144,802.20)
Net profit from discontinued operations			
Classified by ownership			
Net profit attributable to shareholders of the parent		(28,640,568.75)	(22,131,747.39)
Profit or loss attributable to non-controlling interests		(10,861.22)	(13,054.81)
Other comprehensive income, net of tax			
Total comprehensive income		<u>(28,651,429.97)</u>	<u>(22,144,802.20)</u>
Total comprehensive income attributable to shareholders of the Company		(28,640,568.75)	(22,131,747.39)
Total comprehensive income attributable to non-controlling interests		(10,861.22)	(13,054.81)
(Loss) earnings per share			
Basic earning per share		<u>(0.016)</u>	<u>(0.012)</u>
Diluted earning per share		<u>(0.016)</u>	<u>(0.012)</u>

NOTES TO FINANCIAL STATEMENTS

For the six months ended June 2025

(Expressed in Renminbi Yuan)

I. BASIC INFORMATION

Tianjin Jinran Public Utilities Company Limited (the “**Company**”) is a joint stock limited company registered in Tianjin, the People’s Republic of China on 16 December 1998. The Company’s H shares were listed on the Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”). The Company’s registered capital is RMB183,930,780, the legal representative is Wang Cong, and the registered place is located at Weishan Road, Chang Qing Science, Industry and Trade Park, Jinnan District, Tianjin.

The business scope of the Company includes: operation of gas; installation and repair of gas-fired appliance; gas vehicles refueling business; project construction (for items that are subject to approval in accordance with the laws, business activities can only be conducted after obtaining approval(s) from the relevant departments, and the actual business projects as approved under the approval documents or license documents granted by the relevant departments shall prevail); technical services, technology development, technology consulting, technology exchange, technology transfer, technology promotion; exclusive insurance agency business within the scope authorized by the insurance company (operating under authorization); sales agency; lease of non-residential real estate; sales of non-electric household appliances; pipeline transportation over land; lease of special equipment (except for items subject to approval according to law, independently carry out business activities according to law with business license); technology intermediary services; information advisory services; mining investment.

These financial statements were approved for issue by the Board of Directors of the Company on 28 August 2025.

II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Company have been prepared on a going concern basis in respect of actual transactions and matters, in accordance with the “Accounting Standards for Business Enterprises – General Principles” and specific accounting standards (together referred to as the “**Accounting Standards for Business Enterprises**”) promulgated by the Ministry of Finance, and based on the following significant accounting policies and estimates.

III. TAXES

(I) Major categories of taxes and respective tax rates

Categories of taxes	Tax basis	Tax rates
Value-added tax (VAT)	sales revenue	9%, 13%
City maintenance and construction tax	turnover taxes paid	7%
Education supplementary tax	turnover taxes paid	3%
Local education supplementary tax	turnover taxes paid	2%
Corporate income tax	taxable profit	25%

IV. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS

(I) Accounts receivables

The credit terms of accounts receivables are generally 90-180 days and accounts receivables are non-interest bearing.

The ageing of accounts receivables based on the date of transaction is analysed below:

1. Disclosure of trade receivables by ageing:

Ageing	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Within 1 year	271,497,947.35	237,663,499.89
1 to 2 years	727,222.23	519,376.99
2 to 3 years	278,150.04	975.00
Over 3 years	11,641,877.29	11,741,877.29
Sub-total	<u>284,145,196.91</u>	<u>249,925,729.17</u>
Ageing	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Less: provision for bad debts in accounts receivable	12,125,535.96	11,830,524.53
Total	<u>272,019,660.95</u>	<u>238,095,204.64</u>

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

(I) Accounts receivables (Continued)

2. Trade receivables disclosed by classification of provision method for bad debts:

Type	Balance as at 30 June 2025 (Unaudited)				Carrying amount
	Gross carrying amount		Provision for bad debts		
	Amount	Percentage (%)	Amount	Expected credit loss	
				rate/accruing percentage (%)	
Trade receivables for which provision for bad debts is made on an individual basis	11,676,398.25	4.11	11,676,398.25	100.00	
Trade receivables for which provision for bad debts is made by credit risk characteristic group	272,468,798.66	95.89	449,137.71	0.16	272,019,660.95
Including: Aging group	272,468,798.66	95.89	449,137.71	0.16	272,019,660.95
Other groups					
Total	284,145,196.91	100.00	12,125,535.96	—	272,019,660.95

Type	Balance as at 31 December 2024 (Audited)				
	Gross carrying amount		Provision for bad debts		
	Amount	Percentage (%)	Amount	Expected	Carrying amount
				credit loss rate/accruing percentage (%)	
Trade receivables for which provision for bad debts is made on an individual basis	11,776,398.25	4.71	11,776,398.25	100.00	
Trade receivables for which provision for bad debts is made by credit risk characteristic group	238,149,330.92	95.29	54,126.28	0.02	238,095,204.64
Including: Aging group	238,149,330.92	95.29	54,126.28	0.02	238,095,204.64
Other groups					
Total	249,925,729.17	100.00	11,830,524.53		238,095,204.64

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

(I) Accounts receivables (Continued)

2. Trade receivables disclosed by classification of provision method for bad debts: (Continued)

Other receivables for which provision for bad debts is made on an individual basis at the end of the period

Name of debtor	Gross carrying amount (Unaudited)	Provision for bad debts (Unaudited)	Expected credit loss rate (%)	Reason for provision
Old House Renovation Investment Center of the Administration of State Land, Resources and Housing* (國土房管舊房改造投資中心)	4,651,500.00	4,651,500.00	100.00	Unrecoverable
Tianjin Jingjin Boke Co. Ltd.* (天津市京津玻殼股份有限公司)	3,394,681.40	3,394,681.40	100.00	Unrecoverable
Yili Baiwang Garden (Jinwei Construction Group Co. Ltd.)* (億利百旺家苑(金威建設集團有限公司))	1,600,000.00	1,600,000.00	100.00	Unrecoverable
Ulanqab Jining District Jiayuan Real Estate Development Co. Ltd.* (烏蘭察布市集寧區嘉苑房地產開發有限公司)	1,000,224.00	1,000,224.00	100.00	Unrecoverable
Ulanqab Yongliang Real Estate—Yongliang Hot Spring Apartment* (烏蘭察布市永亮房地產—永亮溫泉公寓)	307,200.00	307,200.00	100.00	Unrecoverable
Ulanqab Zhiming Real Estate—Xi Lin Wan* (烏蘭察布市志明房地產-溪林灣)	304,272.00	304,272.00	100.00	Unrecoverable
Zhongtian Xingye Real Estate Company* (中天興業房地產公司)	300,000.00	300,000.00	100.00	Unrecoverable
Ulanqab Wanji Real Estate Company (Yi Jing Ming Yuan)* (烏蘭察布市萬基房地產公司(怡景茗苑))	127,499.89	127,499.89	100.00	Unrecoverable
Gongshang Apartment* (工商公寓)	56,500.00	56,500.00	100.00	Unrecoverable
North China Agricultural Machinery* (華北農機)	34,520.96	34,520.96	100.00	Unrecoverable
Total	<u>11,676,398.25</u>	<u>11,676,398.25</u>	<u>100.00</u>	

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

(I) Accounts receivables (Continued)

2. Trade receivables disclosed by classification of provision method for bad debts: (Continued)

Analysis of bad debt provisions calculated based on credit risk characteristic group:

Ageing	30 June 2025 (Unaudited)			31 December 2024 (Audited)		
	Gross carrying amount	Expected credit loss rate (%)	Expected credit loss	Gross carrying amount	Expected credit loss rate (%)	Expected credit loss
1 to 6 months	265,013,195.80			237,554,586.27		
6 months to 1 year	6,484,751.55	5.00	324,237.57	108,913.62	5.00	5,445.68
1 to 2 years	692,701.27	10.00	69,270.13	484,856.03	10.00	48,485.60
2 to 3 years	278,150.04	20.00	55,630.01	975.00	20.00	195.00
Over 3 years						
Total	<u>272,468,798.66</u>		<u>449,137.71</u>	<u>238,149,330.92</u>		<u>54,126.28</u>

3. The top five outstanding trade receivables by debtors as at 30 June 2024

Name of debtor	Gross carrying amount (Unaudited)	Percentage of total trade receivables (%)	Provision for bad debts
Tianjin Binran Pipe Network Construction Co., Ltd.* (天津濱燃管網建設有限公司)	138,667,932.63	48.80%	
Tianjin Steel Pipe Co., Ltd.* (天津鋼管有限責任公司)	68,214,895.93	24.01%	
Taigang stainless steel Products Co., Ltd.* (太鋼不銹鋼製品有限公司)	17,468,263.56	6.15%	
Tianjin Tian Guan Yuan Tong Pipe Materials and Products Co., Ltd.* (天津天管元通管材製品有限公司)	5,434,076.00	1.91%	
Old House Renovation Investment Center of the Administration of State Land, Resources and Housing* (國土房管舊房改造投資中心)	<u>4,651,500.00</u>	<u>1.64%</u>	<u>4,651,500.00</u>
Total	<u>234,436,668.12</u>	<u>82.51%</u>	<u>4,651,500.00</u>

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

(II) Receivables under financing

Item	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Bank acceptance bills receivable	970,000.00	920,000.00
Financial company acceptance bills receivable	36,752,646.55	15,277,905.68
Total	37,722,646.55	16,197,905.68

(III) Inventories

Item	Balance as at 30 June 2025(Unaudited)			Balance as at 31 December 2024(Audited)		
	Gross carrying amount	Inventory falling price reserves	Carrying amount	Gross carrying amount	Inventory falling price reserves	Carrying amount
Gas appliances and others	1,173,371.35		1,173,371.35	1,680,286.67		1,680,286.67
Total	1,173,371.35		1,173,371.35	1,680,286.67		1,680,286.67

(IV) Fixed assets

Item	Closing carrying amount (Unaudited)	Opening carrying amount (Audited)
Fixed assets	726,166,575.10	756,017,471.33
Disposal of fixed assets	8,406.10	35,668.26
Total	726,174,981.20	756,053,139.59

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

(IV) Fixed assets (Continued)

1. Details of fixed assets

Item	Buildings	Pipelines	Machinery	Vehicles	Electronics, furniture and fixtures	Mining structures	Total
I. Original carrying amount							
1. Balance as at 31 December							
2024(Audited)	48,990,991.60	1,327,189,703.25	313,799,953.36	5,588,411.02	11,048,146.99	4,558,482.24	1,711,175,688.46
2. Increase			3,151,812.20	95,467.69	69,557.52		3,316,837.41
(1) Purchase			2,575,835.25	95,467.69	69,557.52		2,740,860.46
(2) Transferred from construction in progress			575,976.95				575,976.95
3. Decrease			525,780.68	126,918.32	36,653.65	4,558,482.24	5,247,834.89
(1) Disposal or scrap			525,780.68	126,918.32	36,653.65	4,558,482.24	5,247,834.89
4. Balance as at 30 June 2025							
(Unaudited)	48,990,991.60	1,327,189,703.25	316,425,984.88	5,556,960.39	11,081,050.86		1,709,244,690.98
II. Accumulated depreciation							
1. Balance as at 31 December							
2024(Audited)	20,101,776.51	722,372,618.92	102,261,842.30	4,582,202.78	8,355,045.96	2,747,063.24	860,420,549.71
2. Increase	531,007.80	22,135,983.49	10,240,581.47	63,712.68	227,259.81		33,198,545.25
(1) Provision	531,007.80	22,135,983.49	10,240,581.47	63,712.68	227,259.81		33,198,545.25
3. Decrease			284,125.32	84,048.45	26,913.15	2,747,063.24	3,142,150.16
(1) Disposal or scrap			284,125.32	84,048.45	26,913.15	2,747,063.24	3,142,150.16
(2) Other							
4. Balance as at 30 June 2025							
(Unaudited)	20,632,784.31	744,508,602.41	112,218,298.45	4,561,867.01	8,555,392.62		890,476,944.80
III. Impairment provision							
1. Balance as at 31 December							
2024(Audited)	606,570.17	64,012,501.98	27,865,809.12	115,818.91	325,548.24	1,811,419.00	94,737,667.42
2. Increase							
(1) Provision							
3. Decrease			272,466.97	42,869.87	9,740.50	1,811,419.00	2,136,496.34
(1) Disposal or scrap			272,466.97	42,869.87	9,740.50	1,811,419.00	2,136,496.34
4. Balance as at 30 June 2025							
(Unaudited)	606,570.17	64,012,501.98	27,593,342.15	72,949.04	315,807.74		92,601,171.08
IV. Carrying amount							
1. Carrying amount as at							
30 June 2025(Unaudited)	27,751,637.12	518,668,598.86	176,614,344.28	922,144.34	2,209,850.50		726,166,575.10
2. Carrying amount as at							
31 December 2024(Audited)	<u>28,282,644.92</u>	<u>540,804,582.35</u>	<u>183,672,301.94</u>	<u>890,389.33</u>	<u>2,367,552.79</u>	<u></u>	<u>756,017,471.33</u>

As of 30 June 2025, the Company had no fixed assets pending certificates of property ownership.

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

(V) Construction in progress

Type	Balance as at 30 June 2025 (Unaudited)	Balance as at 31 December 2024 (Audited)
Construction in progress	39,627,133.24	32,937,382.54
Engineering materials	4,280.00	111,970.00
Less: Provision for impairment	1,443,920.27	1,443,920.27
Total	<u>38,187,492.97</u>	<u>31,605,432.27</u>

1. Information of construction in progress

(1) Basic information of construction in progress

Item	Balance as at 30 June 2025(Unaudited)			Balance as at 31 December 2024(Audited)		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
Buildings	2,209,340.38		2,209,340.38	2,209,340.38		2,209,340.38
Gas station improvement and others	26,537,857.14	1,035,000.00	25,502,857.14	22,068,068.29	1,035,000.00	21,033,068.29
Pipeline reconstruction	10,471,015.45		10,471,015.45	8,251,053.60		8,251,053.60
Mines	408,920.27	408,920.27		408,920.27	408,920.27	
Total	<u>39,627,133.24</u>	<u>1,443,920.27</u>	<u>38,183,212.97</u>	<u>32,937,382.54</u>	<u>1,443,920.27</u>	<u>31,493,462.27</u>

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

(V) Construction in progress (Continued)

2. Engineering materials

Item	As at 30 June 2025(Unaudited)			Balance as at 31 December 2024(Audited)		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
Ji Ning Engineering materials	4,280.00		4,280.00	111,970.00		111,970.00
Total	<u>4,280.00</u>		<u>4,280.00</u>	<u>111,970.00</u>		<u>111,970.00</u>

(VI) Trade payables

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

Aging	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Within 1 year	60,933,780.22	122,022,774.86
Over 1 year	<u>57,727,081.73</u>	<u>70,275,918.44</u>
Total	<u>118,660,861.95</u>	<u>192,298,693.30</u>

(VII) Taxes payable

Item	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Value-added tax	9,548.68	2,254,277.53
Others	<u>278,675.75</u>	<u>475,426.15</u>
Total	<u>288,224.43</u>	<u>2,729,703.68</u>

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

(VIII) Revenue and cost of sales

Item	Amount incurred for the six months ended 30 June 2025 (Unaudited)		Amount incurred for the six months ended 30 June 2024 (Unaudited)	
	Revenue	Cost of sales	Revenue	Cost of sales
Principal operations	824,200,063.02	846,735,210.07	873,429,018.15	898,716,423.05
Others	132.74			
Total	<u>824,200,195.76</u>	<u>846,735,210.07</u>	<u>873,429,018.15</u>	<u>898,716,423.05</u>

1. Revenue is stated as follows:

Item	Amount incurred for the six months ended 30 June 2025 (Unaudited)	Amount incurred for the six months ended 30 June 2024 (Unaudited)
Revenue from contracts with customers	824,189,194.84	873,418,017.23
Rentals	<u>11,000.92</u>	<u>11,000.92</u>
Total	<u>824,200,195.76</u>	<u>873,429,018.15</u>

2. Disaggregation of revenue from contracts with customers is as follows:

Item	Amount incurred for the six months ended 30 June 2025 (Unaudited)		Amount incurred for the six months ended 30 June 2024 (Unaudited)	
	Revenue	Cost of sales	Revenue	Cost of sales
Revenue recognised at a point in time	815,063,353.89	844,633,714.98	863,619,623.67	890,057,109.04
Sales of piped gas	815,063,221.15	844,633,714.98	863,598,266.50	890,056,749.04
Sales of gas appliances and others	132.74		21,357.17	360.00
Revenue recognised over time	9,125,840.95	2,101,495.09	9,798,393.56	8,659,314.01
Gas connection income	7,755,023.52	2,101,495.09	9,798,393.56	8,659,314.01
Gas transportation				
Entrusted management and operation and maintenance service income	<u>1,370,817.43</u>			
Total	<u>824,189,194.84</u>	<u>846,735,210.07</u>	<u>873,418,017.23</u>	<u>898,716,423.05</u>

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

(VIII) Revenue and cost of sales (Continued)

3. Revenue recognised that was included in contract liabilities at the beginning of the period

Item	Amount incurred for the six months ended 30 June 2025 (Unaudited)	Amount incurred for the six months ended 30 June 2024 (Unaudited)
Sales of piped gas	129,516,024.26	154,187,686.93
Gas connection	4,085,484.97	2,647,085.28
Sales of gas appliances and others		
Total	<u>133,601,509.23</u>	<u>156,834,772.21</u>

Notes:

- 1) Sales of piped gas: The performance obligation is satisfied upon delivery of the products and payment is generally due within 90 to 180 days from delivery with respect to large scale industrial and commercial customers. For other customers, payment in advance is normally required.
- 2) Sales of gas appliances and others: The performance obligation is satisfied upon delivery of the products and payment in advance is normally required before delivering the products.
- 3) Gas connection: The performance obligation is satisfied over time as services are rendered and payment in advance is normally required before rendering the construction services.
- 4) Gas transportation: The performance obligation is satisfied over time as services are rendered and the payment is generally due within 90 to 180 days from the date of rendering the services.
- 5) As at 30 June 2025, the transaction price allocated to the remaining performance obligation was RMB213,177,245.81 (31 December 2024: RMB281,684,127.55) and the Group will recognize this amount as revenue in future upon delivery of the products or based on the progress of completion of gas connection.

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

(IX) Net financial income

Items	Amount incurred for the six months ended 30 June 2025 (Unaudited)	Amount incurred for the six months ended 30 June 2024 (Unaudited)
Interest expenses	30,947.50	20,876.41
Less: Interest income	6,670,110.55	9,101,440.24
Exchange losses		
Less: Exchange gains		
Handling fee	133,394.59	127,509.86
Other expenses		26,246.98
Total	<u>(6,505,768.46)</u>	<u>(8,926,806.99)</u>

(X) Other income

Items	Type	Amount incurred for the six months ended 30 June 2025 (Unaudited)	Amount incurred for the six months ended 30 June 2024 (Unaudited)
Deferred income	Relating to assets	2,817,075.78	2,705,236.02
Tax refund subsidy	Relating to revenue	13,520.92	26,302.57
Others	Relating to revenue		
Total		<u>2,830,596.70</u>	<u>2,731,538.59</u>

(XI) Investment (loss)/income

Source of investment income	Amount incurred for the six months ended 30 June 2025 (Unaudited)	Amount incurred for the six months ended 30 June 2024 (Unaudited)
Profit from long-term equity investments under the equity method	<u>(2,578,906.29)</u>	<u>(709,525.15)</u>
Total	<u>(2,578,906.29)</u>	<u>(709,525.15)</u>

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

(XII) Income tax expense

1. Income tax expense

Items	Amount incurred for the six months ended 30 June 2025 (Unaudited)	Amount incurred for the six months ended 30 June 2024 (Unaudited)
Current income tax expense		2.29
Deferred income tax expense	551,643.52	(6,937,702.83)
Others		
Total	<u>551,643.52</u>	<u>(6,937,700.54)</u>

2. Reconciliation between accounting profit and income tax expenses

Items	Amount for the current period (Unaudited)
Total profit	(28,099,786.45)
Income tax expenses at statutory/applicable tax rates	(7,024,946.61)
Effect of income not subject to tax	(644,726.57)
Effect of non-deductible costs, expenses and losses	348,777.59
Effect of deductible losses for which no deferred income tax asset was recognized in the prior period of use	
Effect of deductible temporary differences or deductible losses for which deferred income tax assets are not recognized in the current period	<u>7,872,539.11</u>
Income tax expenses	<u>551,643.52</u>

(XIII) Dividend

The Directors of the Company do not recommend an interim dividend for the six months ended 30 June 2025.

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

(XIV) Earnings per share

Items	For the six months ended 30 June 2025 RMB/Share (Unaudited)	For the six months ended 30 June 2024 RMB/Share (Unaudited)
Basic (loss)/earnings per share		
Continuing operations	<u>(0.016)</u>	<u>(0.012)</u>
Diluted (loss)/earnings per share		
Continuing operations	<u>(0.016)</u>	<u>(0.012)</u>

The calculation of basic (loss)/earnings per share is based on the net profit/(loss) for the period attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares in issue. The number of newly issued ordinary shares is determined according to the specific terms of the issue contract and calculated from the date of consideration receivable (normally the stock issue date).

The calculation of the basic (loss)/earnings per share and diluted (loss)/earnings per share is as follows:

	For the six months ended 30 June 2025 RMB/Share (Unaudited)	For the six months ended 30 June 2024 RMB/Share (Unaudited)
(Loss)/earnings		
1. Net profit/(loss) for the period attributable to ordinary shareholders of the Company	<u>(28,640,568.75)</u>	<u>(22,131,747.39)</u>
Shares		
2. Weighted average number of ordinary shares in issue of the Company	<u>183,930,780.00</u>	<u>183,930,780.00</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's principal activities are the operation and management of gas pipeline infrastructure and the sale and distribution of piped gas in China. The Company endeavours to promote the Group's sustainable development by enhancing the Group's revenue-earning potential through promotion of value-added services to existing customers and looking for new markets, and by enhancing the Group's expenses management through optimizing the cost efficiency and streamlining daily operations of the Group in the Reporting Period.

FINANCIAL REVIEW

For the Reporting Period, the Group recorded revenue of approximately RMB824.2 million (2024-1H: RMB873.4 million), representing a decrease of approximately 5.63% from 2024-1H. The loss before tax for the Reporting Period was approximately RMB28.1 million (2024-1H: loss before tax from continuing operation of approximately RMB29.1 million), and a loss attributable to shareholders of the parent of approximately RMB28.6 million (2024-1H: RMB22.1 million). The business for the period remained relatively stable compared to the same period last year, with revenue of approximately RMB824,200,000 (same period in 2024: RMB873,400,000) and total profit of approximately RMB-28,100,000 (same period in 2024: RMB-29,100,000).

Segmental Information

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

Liquidity, Financial Resources and Capital Structure

As of 30 June 2025, total equity attributable to shareholders of the Company amounted to approximately RMB1,356.08 million (31 December 2024: RMB1,384.35 million). The Company's registered capital was RMB183,930,780 as of 30 June 2025 (with 1,839,307,800 ordinary shares with a nominal value of RMB0.1 each in issue, comprising 1,339,247,800 domestic shares and 500,060,000 H shares). The Group is generally funded by equity financing and fund flow from operating activities. As of 30 June 2025, the Group did not have any bank borrowings (31 December 2024: Nil). As of 30 June 2025, the Company's consolidated net current assets was approximately RMB408.790 million (31 December 2024: RMB412.690 million), including cash and cash equivalent of approximately RMB467.07 million (31 December 2024: RMB694.79 million) which was principally denominated in Renminbi.

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

Significant Investments

The Group did not hold any significant investments for the Reporting Period (2024-1H: Nil).

Material Acquisition and Disposal, and Future Plans for Material Investments or Capital Assets

During the Reporting Period, there had been no material acquisition or disposal of subsidiaries, associates and joint ventures by the Group. As of 30 June 2025 and the date of this announcement, the Group had no specific plan for material investments or capital assets that have been approved by the Board.

Charges on the Group's Assets

As of 30 June 2025, none of the Group's assets was pledged as security for liability.

Contingent Liabilities

As of 30 June 2025, the Group had no material contingent liabilities or guarantees (31 December 2024: Nil).

Treasury Policy

The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time. The Company may use its idle funds (if any) to place deposit or to purchase bank deposit products, provided that (among other things) it would not affect the Company's normal operation, would be within the limit as the Board may authorize the Company's general manager from time to time, and would be in compliance with applicable regulatory requirements and the Company's articles of association.

Staff and Emolument Policy

As of 30 June 2025, the Group had a workforce of 542 full-time employees (30 June 2024: 596). Total staff costs for the Reporting Period was approximately RMB44,800,000 (2024-1H: RMB51.3 million).

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

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

Dividend

No dividends were declared or proposed during the Reporting Period. The Board does not recommend a distribution of dividend for the Reporting Period (2024-1H: Nil).

PROSPECTS

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

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

- on the premise of ensuring the strategic direction and business needs, lay emphasis on five principles, which are strategic orientation, economical efficiency, financing matching, risk prevention and prioritization, to continue to expand the gas market, develop integrated energy businesses, and enhance the Company's operational scale and profitability;
- continue to improve the financial management system, with a view to reduce operating costs, and maximise the benefits from project operations;
- continue to strengthen the support of scientific and technological innovation to the businesses of the Company, enhance the introduction and development of advanced technologies, as well as apply such advanced technologies to production management and internal management;
- continue to improve the operations management system and mechanism, with emphasis on operation security, optimise management methods and means and promote the pre-control safety management, so as to ensure safe operation; and
- continue to strengthen the talent team construction, drive management change with strategic change, expand existing businesses with incremental business and inspire employees with entrepreneurial teams, so as to contribute a chain reaction to the corporation.

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

REVIEW OF RESULTS BY AUDIT COMMITTEE

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

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

OTHER INFORMATION

Significant Events During the Reporting Period

Change of Supervisor

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

Connected transactions

Procurement of materials from Jinran China Resources

The Company and Jinran China Resources Gas Co., Ltd ("**Jinran China Resources**", a controlling shareholder and thus a connected person of the Company) entered into a products procurement framework agreement on 30 June 2025 regarding the procurement of products required for the Group's business (the "**Framework Agreement**") for a term commencing from the effective date of the Framework Agreement and ending on 31 December 2027. The annual caps under the Framework Agreement are RMB11.5 million for the period from the effective date of the Framework Agreement to 31 December 2025, RMB13.5 million for 2026 and RMB12.5 million for 2027, respectively. The Framework Agreement was subject to (among other things) the reporting, announcement, independent shareholders' approval and annual review requirements under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). It has been approved by the independent shareholders of the Company at an extraordinary general meeting held on 13 August 2025. More information is set out in the Company's circular dated 24 July 2025.

Potential disposal of assets of Jining Branch Company

References are made to the announcements of the Company dated 4 September 2020, 24 September 2020 and 20 August 2021 in relation to the potential disposal of assets of Jining Branch. With no successful bidders identified in the listing of the Jining Branch Company's assets conducted at the Tianjin Property Rights Exchange, the Company is exploring different options such assets. As of 30 June 2025, there has been no material change to the information disclosed in the Company's 2024 annual report relating to the potential disposal of assets of Jining Branch.

Subsequent event

The Company has had no material event since the end of the Reporting Period and up to the date of this announcement.

Purchase, Sale or Redemption of the Company's Listed Securities

The Company and its subsidiaries did not purchase, sell or redeem any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period. As of 30 June 2025, the Company did not hold any treasury shares.

Compliance with the Corporate Governance Code

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

Securities Transactions by Directors and Supervisors

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

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

Tianjin, the PRC, 28 August 2025

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

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

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

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