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**JiaXing Gas Group Co., Ltd.\***  
**嘉興市燃氣集團股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 9908)**

**ANNUAL RESULTS ANNOUNCEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

**Financial Highlights**

- Revenue for the Year was RMB3,121.2 million, representing a decrease of 8.74% over last year.
- Profit attributable to the owners of the Company for the Year was RMB150.7 million, representing a decrease of 19.67% over last year.
- Total sales volume of natural gas for the Year was 878 million m<sup>3</sup>, representing a decrease of 3.09% over last year.
- The Board has proposed a final dividend of RMB0.25 per share (tax inclusive) for the year ended 31 December 2025.

The board (the “**Board**”) of directors (the “**Directors**”) of JiaXing Gas Group Co., Ltd. (the “**Company**”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**” or the “**Year**”), together with comparative figures for the corresponding year ended 31 December 2024 as follows:

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

*For the year ended 31 December 2025*

	<i>Notes</i>	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>REVENUE</b>	5	<b>3,121,230</b>	3,420,317
Cost of sales		<u>(2,914,139)</u>	<u>(3,065,422)</u>
<b>Gross profit</b>		<b>207,091</b>	354,895
Other income and gains	6	<b>35,952</b>	21,121
Selling and distribution costs		<b>(28,688)</b>	(26,343)
Administrative expenses		<b>(76,526)</b>	(74,177)
Impairment losses on financial and contract assets, net		<b>10,647</b>	(5,678)
Other expenses		<b>(456)</b>	(895)
Finance costs	8	<b>(13,521)</b>	(16,285)
Share of profits and losses of:			
Joint venture		<b>24,590</b>	35
Associates		<b>38,052</b>	9,466
<b>PROFIT BEFORE TAX</b>	7	<b>197,141</b>	262,139
Income tax expense	9	<b>(32,295)</b>	(60,679)
<b>PROFIT FOR THE YEAR</b>		<b><u>164,846</u></b>	<u>201,460</u>
<b>Profit attributable to:</b>			
Owners of the parent	11	<b>150,742</b>	187,623
Non-controlling interests		<b>14,104</b>	13,837
		<b><u>164,846</u></b>	<u>201,460</u>

	<i>Notes</i>	<b>2025</b> <b>RMB'000</b>	2024 RMB'000
<b>OTHER COMPREHENSIVE INCOME</b>			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Fair value reserve of financial assets at fair value through other comprehensive income:			
Initial recognition of bills receivable as settlement of trade receivables		<b>10</b>	119
Changes in fair value		<b>(14)</b>	(65)
Income tax effect		<b>1</b>	(13)
Exchange differences on translation of foreign operations		<b>487</b>	183
		<hr/>	<hr/>
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		<b>484</b>	224
		<hr/>	<hr/>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>			
		<b>484</b>	224
		<hr/>	<hr/>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>			
		<b>165,330</b>	201,684
		<hr/>	<hr/>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent		<b>151,226</b>	187,847
Non-controlling interests		<b>14,104</b>	13,837
		<hr/>	<hr/>
		<b>165,330</b>	201,684
		<hr/>	<hr/>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic and diluted			
For profit for the year (RMB)	<i>11</i>	<b>1.09</b>	1.36
		<hr/>	<hr/>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	<i>Notes</i>	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>832,486</b>	670,467
Investment properties		<b>227,044</b>	234,329
Right-of-use assets		<b>134,936</b>	137,249
Other intangible assets		<b>4,459</b>	4,595
Investment in a joint venture		<b>485,460</b>	471,070
Investments in associates		<b>304,222</b>	177,379
Financial assets at fair value through profit or loss		<b>65,074</b>	60,597
Deferred tax assets		<b>136,386</b>	124,552
Goodwill		<b>42</b>	42
Other non-current assets		<b>1,071</b>	1,527
		<hr/>	<hr/>
Total non-current assets		<b>2,191,180</b>	1,881,807
<b>CURRENT ASSETS</b>			
Inventories		<b>118,682</b>	174,095
Trade and bills receivables	<i>12</i>	<b>223,692</b>	359,193
Debt investments at fair value through other comprehensive income		<b>15,559</b>	–
Contract assets		<b>2,990</b>	9,547
Prepayments, other receivables and other assets		<b>235,114</b>	166,095
Financial assets at fair value through profit or loss		<b>2,465</b>	2,807
Term deposits and pledged deposits		<b>90,809</b>	90,231
Debt investments at amortised cost		<b>45,700</b>	2,700
Cash and cash equivalents		<b>595,778</b>	297,374
		<hr/>	<hr/>
Total current assets		<b>1,330,789</b>	1,102,042
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	<i>13</i>	<b>849,007</b>	729,375
Other payables and accruals		<b>58,495</b>	104,410
Contract liabilities		<b>110,601</b>	116,818
Deferred income		<b>12,857</b>	–
Interest-bearing bank borrowings	<i>14</i>	<b>29,380</b>	212,440
Lease liabilities		<b>20,639</b>	18,101
Tax payable		<b>5,686</b>	14,702
		<hr/>	<hr/>
Total current liabilities		<b>1,086,665</b>	1,195,846
		<hr/>	<hr/>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>244,124</b>	(93,804)
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>2,435,304</b>	1,788,003
		<hr/>	<hr/>

	<i>Notes</i>	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
<b>NON-CURRENT LIABILITIES</b>			
Contract liabilities		<b>303,858</b>	320,755
Deferred income		<b>68,571</b>	–
Interest-bearing bank borrowings	<i>14</i>	<b>615,260</b>	140,460
Lease liabilities		<b>133,020</b>	141,173
Deferred tax liabilities		<b>25,200</b>	22
		<hr/>	<hr/>
Total non-current liabilities		<b>1,145,909</b>	602,410
		<hr/>	<hr/>
Net assets		<b>1,289,395</b>	1,185,593
		<hr/>	<hr/>
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	<i>15</i>	<b>137,845</b>	137,845
Reserves		<b>1,088,945</b>	992,857
		<hr/>	<hr/>
		<b>1,226,790</b>	1,130,702
		<hr/>	<hr/>
Non-controlling interests		<b>62,605</b>	54,891
		<hr/>	<hr/>
<b>TOTAL EQUITY</b>		<b>1,289,395</b>	1,185,593
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**Sun Lianqing**  
*Director*

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2025*

### 1. CORPORATE AND GROUP INFORMATION

JiaXing Gas Group Co., Ltd. (the “Company”) is a joint stock company with limited liability established in the People’s Republic of China (“PRC”). The registered office of the Company is located at Building 3, Hualong Plaza, 32 Qinyi Road, Jiaxing, China.

The principal business activities of the Group during the year included (i) the sale of gas, mainly piped natural gas (“PNG”) (under the concessions), liquefied natural gas (“LNG”) and liquefied petroleum gas (“LPG”) in Jiaxing; (ii) provision of construction and installation services; and (iii) other activities, including provision of natural gas transportation services, sale of vapour and construction materials, and leasing of properties, etc.

On 16 July 2021, the concert parties, namely Zhejiang Taiding Investment Company Limited (“Taiding”), Fengye Holdings Group Company Limited (“Fengye”), Mr. Xu Songqiang (徐松強) and Ms. Xu Hua (徐華), entered into concert party agreements with respect to their interests in the Company. Pursuant to the concert party agreements, Fengye, Mr. Xu Songqiang and Ms. Xu Hua agreed to delegate their voting rights at general meetings of the Company to Taiding from 16 July 2021 to 15 July 2023. Concert parties have interests in each other’s interests. As of 15 July 2023, the concert parties held an approximately 25.42% equity interest of the Company, while Jiaxing City Investment & Development Group Co., Ltd. held an approximately 23.76% equity interest of the Company.

On 16 July 2023, the concert parties, Taiding, Zhuji Yujia New Energy Technology Company Limited (“Zhuji Yujia”), Mr. Xu Songqiang (徐松強) and Ms. Xu Hua (徐華), entered into concert party agreements with respect to their interests in the Company. Pursuant to the concert party agreements, Zhuji Yujia, Mr. Xu Songqiang and Ms. Xu Hua agreed to delegate their voting rights at general meetings of the Company to Taiding from 16 July 2023 to 15 July 2026. Concert parties have interests in each other’s interests. On 23 December 2025, the concert parties entered into an agreement for termination of the concert party agreement with effect from the date thereof (the “termination agreement”), upon which the concert party agreement shall be of no further force or effect and all of the respective rights and obligations of the concert parties thereunder the concert party agreement shall cease and determine. Accordingly, with effect from the date of the termination agreement, Taiding is no longer entitled to exercise the voting rights of Zhuji Yujia, Mr. Xu Songqiang and Ms. Xu Hua in respect of resolutions to be proposed at general meetings of the Company. As of 31 December 2025, there was no concert parties anymore, whilst a director, Mr Sun Lianqing, held approximately 1.94% directly equity interest and indirectly held 27.26% equity interest of the Company. Accordingly, there was no controlling shareholder for the Company under IFRS Accounting Standards.

The shares of the Company have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 16 July 2020.

## 2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and interpretations) as issued by the International Accounting Standards Board (“IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention except for financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”), and all values are rounded to the nearest thousand except when otherwise indicated.

### **Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### **3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

The Group has adopted amendments to IAS 21 Lack of Exchangeability for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, joint ventures and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

### **4. SEGMENT INFORMATION**

The Group has only one reportable operating segment which engages in (i) the sale of gas, mainly PNG (under the concessions), LNG and LPG in Jiaxing; (ii) the provision of construction installation services; and (iii) others, including the provision of natural gas transportation services, provision of labour services sales of vapour and construction materials, and leasing of properties in the year. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

#### **Geographical information**

Geographical information is not presented since all of the Group's revenue from external customers is generated in Mainland China and all of the non-current assets of the Group are located in Mainland China.

#### **Information about major customers**

Revenue from continuing operations of approximately RMB155,800,000 (2024: RMB223,685,000) was derived from sales to a single customer, including sales to a group of entities which are known to be under common control with that customer.

## 5. REVENUE

An analysis of the Group's revenue is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<i>Revenue from contracts with customers</i>		
Sales of goods	2,916,253	3,184,033
Provision of construction services	115,724	108,179
Provision of installation and management services	49,669	50,804
Provision of commission services	11,349	65,828
Provision of gas transportation services	5,393	2,901
Provision of labour services	8,200	81
Others	10,847	6,092
	<u>3,117,435</u>	<u>3,417,918</u>
<i>Revenue from other sources</i>		
Gross rental income	<u>12,288</u>	<u>13,760</u>
	3,129,723	3,431,678
Less: Government surcharges	<u>(8,493)</u>	<u>(11,361)</u>
Total	<u>3,121,230</u>	<u>3,420,317</u>
<b>Revenue from contracts with customers</b>		
<i>(i) Disaggregated revenue information</i>		
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Sales of PNG	1,706,841	1,753,477
Sales of LNG	1,007,152	1,195,212
Sales of LPG	64,717	98,384
Sales of other gas	91,836	96,034
Sales of vapour	28,924	31,937
Sales of construction materials	15,229	7,276
Sales of electricity	1,554	1,713
Provision of construction services	115,724	108,179
Provision of installation and management services	49,669	50,804
Provision of commission services	11,349	65,828
Provision of gas transportation services	5,393	2,901
Provision of labour services	8,200	81
Others	10,847	6,092
	<u>3,117,435</u>	<u>3,417,918</u>
Total	<u>3,117,435</u>	<u>3,417,918</u>
<b>Timing of revenue recognition</b>		
Goods or services transferred at a point in time	2,952,042	3,258,935
Services transferred over time	<u>165,393</u>	<u>158,983</u>
Total	<u>3,117,435</u>	<u>3,417,918</u>

The following table shows the amounts of revenue recognised in the reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Provision of installation and management services	<b>40,330</b>	42,193
Provision of construction services	<b>20,470</b>	25,059
Sales of goods	<b>56,018</b>	51,421
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Total	<b>116,818</b>	118,673
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There was no revenue recognised from performance obligations satisfied in previous years or not previously recognised due to constraints on variable consideration.

(ii) *Performance obligations*

Information about the Group's performance obligations is summarised below:

Sales of goods

The performance obligation is satisfied upon delivery of the PNG, LNG, LPG, vapour and construction materials, and payment is generally due within 30 days from deliver, except for customers who purchased store-value cards.

Provision of construction and installation services and management of gas pipelines services

The performance obligation is satisfied over time as services are rendered and short-term advances are normally required before or during the rendering of the services, and payment is generally due within 180 days from rendering.

Provision of gas transportation services

The performance obligation is satisfied upon completion of gas transportation and payment is generally due within 30 days from completion.

Provision of commission services

The performance obligation is satisfied upon completion of commission services and payment is generally due within 30 days from completion.

Provision of labour services

The performance obligation is satisfied upon completion of labour services and payment is generally due within 30 days from completion

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Amounts expected to be recognised as revenue:		
Within one year	<b>110,601</b>	116,818
After one year	<b>303,858</b>	320,755
	<hr/>	<hr/>
Total	<b>414,459</b>	437,573
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The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised after one year relate to installation and management of gas pipelines, of which the performance obligations are to be satisfied within two to fifteen years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

## 6. OTHER INCOME AND GAINS

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Other income</b>		
Interest income	<b>12,994</b>	10,352
Government grants	<b>16,897</b>	4,693
Dividends received from financial assets at fair value through profit or loss	<b>9</b>	–
Others	<b>1,609</b>	1,708
	<hr/>	<hr/>
Total other income	<b>31,509</b>	16,753
	<hr/>	<hr/>
<b>Gains</b>		
Gain on financial assets measured at amortised cost	<b>3,972</b>	2,673
Fair value gain on financial assets at fair value through profit or loss	–	1,520
Gain on disposal of items of property, plant and equipment	<b>201</b>	175
Gain on foreign exchange differences	<b>69</b>	–
Gain on disposal of associate	<b>201</b>	–
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Total gains	<b>4,443</b>	4,368
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Total other income and gains	<b>35,952</b>	21,121
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## 7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost of inventories sold	2,799,574	2,978,858
Cost of services provided	114,565	86,564
Depreciation of property, plant and equipment	73,378	72,391
Depreciation of investment properties	10,121	7,966
Depreciation of right-of-use assets	17,121	14,356
Amortisation of intangible assets	1,685	2,000
Lease payments not included in the measurement of lease liabilities	2,084	1,292
Auditor's remuneration	2,580	2,600
Employee benefit expense (excluding Director s' and chief executive's remuneration ( <i>note 9</i> )):		
Wages and salaries	60,540	65,839
Pension scheme contributions	6,026	5,781
Social security contributions and accommodation benefits	9,287	8,582
Foreign exchange Loss/(gain)	(64)	259
Impairment of financial and contract assets, net:		
Impairment of trade receivables, net	(10,200)	5,153
Impairment of financial assets included in prepayments, other receivables and other assets	(447)	525
Gain on disposal of an associate	(201)	–
Fair value losses/(gain) on financial assets at fair value through profit or loss	342	(1,520)
Dividend income from financial assets at fair value through profit or loss	(9)	–
Interest income	(12,994)	(10,352)
Gain on disposal of items of property, plant and equipment	(138)	(165)

## 8. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on interest-bearing bank borrowings	13,832	15,183
Interest expense on leases liabilities	8,155	8,490
Total interest expense on financial liabilities not at fair value through profit or loss	21,987	23,673
Less: Interest capitalised	(8,466)	(7,388)
Total	13,521	16,285

## 9. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. According to the Inland Revenue Department's Departmental Interpretation and Practice Notes (DIPN) No. 34 (Revised) Exemption from Profits Tax (Interest Income) Order 1998, exempted bank interest income should not be taxed. Since the profit before tax of Jiaxing Gas Hong Kong net of exempted bank interest is Nil (2024:Nil), Jiaxing Gas Hong Kong didn't accrued taxes on profits.

The provision for Mainland China current income tax is based on the statutory rate of 25% of the assessable profits of the PRC subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008 (the "New Corporate Income Tax Law"), except for a small and micro enterprise of the Group in Mainland China: For a qualified small low-profit enterprise, whose annual taxable income shall be included in the taxable income at 25% of its taxable income, such taxable income is taxed at a preferential rate of 20%.

The major components of income tax expense are as follows:

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Current tax:		
Income tax in for the year	<b>18,950</b>	60,179
Deferred tax	<b>13,345</b>	500
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Total tax charge for the year	<b>32,295</b>	60,679
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A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the country in which the Company and the major operating subsidiaries are domiciled and/or operate to the tax expense at the effective tax rates is as follows:

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Profit before tax	<b>197,141</b>	262,139
	<hr/>	<hr/>
Tax at the statutory tax rate	<b>48,511</b>	64,937
Lower tax rate for specific provinces or enacted by local authority	<b>(1,494)</b>	(1,306)
Adjustments in respect of current tax of previous periods	<b>(1,003)</b>	(1,237)
Expenses not deductible for tax	<b>707</b>	425
Income not subject to tax	<b>(111)</b>	(1,220)
Tax losses not recognised	<b>1,369</b>	1,478
Profits attributable to joint ventures and associates	<b>(15,660)</b>	(2,375)
Others	<b>(24)</b>	(23)
	<hr/>	<hr/>
Tax charge at the Group's effective rate	<b>32,295</b>	60,679
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## 10. DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interim – RMB0.15 (2024: RMB0.2) per ordinary share	20,677	27,569
Proposed final dividends – RMB0.25 (2024: RMB0.25) per ordinary share	<u>34,461</u>	<u>34,461</u>

The proposed final dividend for the year ended 31 December 2025 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

## 11. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 137,844,500 (2024: 137,844,500) outstanding during the year, as adjusted to reflect the rights issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2025 and 2024.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Earnings</b>		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	<u>150,742</u>	<u>187,623</u>
	<b>Number of shares</b>	
	2025	2024
<b>Shares</b>		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	<u>137,844,500</u>	<u>137,844,500</u>

## 12. TRADE AND BILLS RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	248,902	391,944
Bills receivables	<u>14</u>	<u>2,673</u>
	248,916	394,617
Impairment	<u>(25,224)</u>	<u>(35,424)</u>
Net carrying amount	<u>223,692</u>	<u>359,193</u>

The Group's trading terms with its customers are mainly on credit except for certain new customers where payment in advance is required. The Group's trading terms for the sale of natural gas are paid in advance or due within 30 days from delivery for different customers, while the trading terms for rendering of the construction and connection of gas pipelines services are mainly on credit and the average trade credit period is 180 days. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly and actively monitored by senior management to minimise credit risk. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

Trade and bills receivables are unsecured and non-interest-bearing.

An aging analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	<b>2025</b> <b>RMB'000</b>	2024 <b>RMB'000</b>
Within one year	<b>198,662</b>	326,521
Over one year	<b>25,030</b>	32,672
Total	<b><u>223,692</u></b>	<b><u>359,193</u></b>

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	<b>2025</b> <b>RMB'000</b>	2024 <b>RMB'000</b>
At beginning of year	<b>35,424</b>	30,310
Impairment losses, net ( <i>note 7</i> )	<b>(10,200)</b>	5,153
Amount written off as uncollectible	<b>–</b>	(39)
At end of year	<b><u>25,224</u></b>	<b><u>35,424</u></b>

An impairment analysis is performed at the end of the year using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customers with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the end of the year about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

**As at 31 December 2025**

	Current	Past due			Total
		Less than 6 months	6 to 12 months	Over 1 year	
Expected credit loss rate	<b>1.19%</b>	<b>15.50%</b>	<b>37.59%</b>	<b>41.82%</b>	<b>10.13%</b>
Gross carrying amount ( <i>RMB'000</i> )	<b>188,861</b>	<b>6,677</b>	<b>8,699</b>	<b>44,665</b>	<b>248,902</b>
Expected credit losses ( <i>RMB'000</i> )	<b>2,240</b>	<b>1,035</b>	<b>3,270</b>	<b>18,679</b>	<b>25,224</b>

**As at 31 December 2024**

	Current	Past due			Total
		Less than 6 months	6 to 12 months	Over 1 year	
Expected credit loss rate	1.51%	15.86%	37.83%	41.45%	9.04%
Gross carrying amount ( <i>RMB'000</i> )	306,355	16,064	15,870	53,655	391,944
Expected credit losses ( <i>RMB'000</i> )	4,633	2,547	6,004	22,240	35,424

**13. TRADE AND BILLS PAYABLES**

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Trade payables	<b>446,149</b>	374,528
Bills payables	<b>402,858</b>	354,847
Total	<b><u>849,007</u></b>	<u>729,375</u>

An ageing analysis of the outstanding trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 1 year	<b>846,601</b>	727,413
1 to 2 years	<b>2,172</b>	1,269
Over 2 years	<b>234</b>	693
Total	<b><u>849,007</u></b>	<u>729,375</u>

The trade payables are non-interest-bearing and are normally settled on 30-day terms.

#### 14. INTEREST-BEARING BANK BORROWINGS

	2025			2024		
	Effective Interest rate (%)	Maturity	RMB'000	Effective Interest rate (%)	Maturity	RMB'000
<b>Current</b>						
Bank-loans						
– credited	LPR+ 0.02 %	2026	22,880	LPR+0.05%	2025	7,260
– credited	2.08 %	2026	5,000	LPR-0.13%	2025	78,000
– credited	LPR-0.62 %	2026	1,500	2.50%	2025	110,000
				LPR+0.02%	2025	17,180
Total-current			<u>29,380</u>			<u>212,440</u>
<b>Non-Current</b>						
Bank-loans						
– credited	LPR-0.52 %	2026-2051	200,000	LPR+0.02%	2026-2028	108,640
– credited	LPR-0.52 %	2026-2042	120,000	LPR+0.05%*	2026-2029	31,820
– credited	LPR-0.62 %	2026-2045	109,500			
– credited	LPR+0.02 %	2026-2028	85,760			
– credited	LPR-0.58 %	2026-2045	60,000			
– credited	LPR-0.56 %	2026-2051	40,000			
Total-non-current			<u>615,260</u>			<u>140,460</u>
Total			<u>644,640</u>			<u>352,900</u>

\* The group prepaid the loan in one lump sum in 2025.

	2025 RMB'000	2024 RMB'000
Analysed into:		
Bank loans and borrowings repayable:		
Within one year or on demand	29,380	212,440
In the second year	25,880	30,140
In the third to fifth years, inclusive	91,093	110,320
Beyond five years	498,287	–
Total	<u>644,640</u>	<u>352,900</u>

#### Notes:

- i. All borrowings are in RMB.
- ii. The Group's unutilised banking facilities amounted to RMB585,077,000 (2024: RMB473,035,000) at the end of the reporting period.

## 15. SHARE CAPITAL

### Shares

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Issued and fully paid: 137,844,500 (2024: 137,844,500) ordinary shares	<b>137,845</b>	137,845
	<b>Number of shares</b>	<b>Nominal value <i>RMB'000</i></b>
At 31 December 2024	137,844,500	137,845
<b>At 31 December 2025</b>	<b>137,844,500</b>	<b>137,845</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Overview

In 2025, the reforms of the systems and mechanisms in the oil and gas sector were further deepened. The State introduced a series of detailed regulatory policies focusing on key aspects such as the planning, construction, operation management of natural gas infrastructure, and the open access to oil and gas pipeline networks, aiming to further strengthen the regulatory framework governing natural monopoly segments. Concurrently, the pricing policies for natural gas pipeline transportation were enhanced. These measures effectively regulated market order and promoted market-based allocation and efficient flow of resources, creating a more standardized, transparent, and predictable development environment for market participants, including our Company. This will facilitate the Company's flexible resource allocation across a broader geographical scope and expansion of its trading business.

### Results Review

The Group, being the largest city gas operator in Jiaxing, a major prefecture-level city in Zhejiang Province, PRC, is mainly engaged in the sale of PNG (subject to concessions), LNG and LPG, as well as the provision of construction and installation services. As at the end of the Reporting Period, the Group provided gas supply services for approximately 516,000 residential users and 2,670 industrial and commercial users.

During the Reporting Period, the Group's total gas sales volume reached 878 million m<sup>3</sup>, representing a decrease of 0.28% compared with the same period in 2024. Segment-wise, the PNG business performed steadily, with gas sales volume reaching 538 million m<sup>3</sup>, achieving a modest growth of 0.75%; LNG sales volume amounted to 339 million m<sup>3</sup>, representing a year-on-year decrease of 8.87%. The decline in LNG sales volume was primarily due to factors such as the overall trend towards a looser supply-demand balance in the natural gas market in 2025 and the narrowing of the buy-sell price spread.

As at the end of the Reporting Period, the Group operated a natural gas pipeline network in its operating area, with a total length of 1,278.74 km (comprising 848.52 km of self-constructed pipeline network and 430.22 km of leased urban pipeline network, and excluding 31.4 km of urban pipeline network under construction, among which 12.9 km was self-constructed).

### Development Strategy and Outlook

Looking ahead, China's firm commitment to transitioning its energy structure towards clean and low-carbon sources remains unwavering, and the role of natural gas as a key transitional energy source is becoming increasingly clear. Based on the long-term trend of a rising share of natural gas, the deepening reforms, and the new situation characterized by long-term positive development, the Company's management will actively seize opportunities and proactively adapt to the new requirements of intensified industry supervision and pricing mechanism reforms. We will actively diversify and expand domestic and international gas source procurement channels, advance infrastructure interconnection and market expansion, continuously optimizing resource allocation to lay a solid foundation for capturing the incremental market brought by future energy structure transformation.

The Group is confident about the future and will continue to uphold the principles of prudent operation and innovative development. While strengthening its core natural gas business, it will explore integrated development models combining natural gas and new energy to cultivate a second growth curve for the Group, thereby ensuring the Group's sustainable development, creating sustainable value for shareholders, and contributing to the green transformation of China's energy sector.

## **FINANCIAL OVERVIEW**

### **Revenue**

For the Year, the revenue of the Group was RMB3,121.2 million, representing a decrease of 8.74% compared with RMB3,420.3 million last year, mainly due to the overall trend towards a looser supply-demand balance in the natural gas market during the Year and the narrowing of the buy-sell price spread. The LNG sales volume decreased by 30 million m<sup>3</sup> during the Year, representing a decrease of 8.87% over last year. Revenue from LNG sales decreased by RMB188.1 million, a decline of 15.74%, as a result of the decrease in sales volume and the narrowing of the buy-sell price spread. Although the sales volume of PNG increased by 0.75%, sales revenue decreased by RMB46.6 million, down 2.66%, due to a corresponding reduction in selling prices for industrial and commercial users following a decrease in upstream procurement prices.

### **Gross Profit**

For the Year, the gross profit of the Group was RMB207.1 million, representing a decrease of 41.65% compared with RMB354.9 million last year, which was mainly due to the decrease in gross profit of RMB72.3 million arising from the decreased LNG sales volume and the narrowing of price spreads, and the decrease in gross profit of RMB54.5 million arising from provision of LNG commission services.

### **Other Income and Gains**

For the Year, other income and gains of the Group were RMB35.95 million, representing an increase of 70.22% compared with RMB21.1 million last year, which was primarily attributable to the increase in government subsidies recognized during the Year by RMB12.2 million over last year, with the majority being subsidies received for gas pipeline network and gas facility equipment renovation projects, and an increase in investment gain from financial assets measured at amortised cost, up by RMB1.3 million compared to last year.

## **Other Expenses**

For the Year, other expenses of the Group were RMB0.5 million, representing a decrease of 44.44% compared with RMB0.9 million last year. Other expenses for the Year mainly comprised a loss of RMB0.3 million arising from fair value changes of financial assets held for trading, along with a small loss on disposal of fixed assets, late tax payment fines, and exchange losses resulting from exchange rate fluctuations.

## **Finance Costs**

For the Year, the finance costs of the Group were RMB13.5 million, representing a decrease of 17.18% compared with RMB16.3 million last year. This was primarily due to the fact that, as the LNG business scaled up last year, the Group used methods such as discounting bank acceptance and borrowing short-term borrowings to pay for natural gas purchases. As most short-term borrowings were repaid during the Year, and interest expenses arising from discounting of bank acceptance decreased compared with last year, the resulting interest expenses were lower than those in the same period of last year.

## **Income Tax Expense**

For the Year, income tax expense of the Group decreased from RMB60.7 million last year to RMB32.3 million. The effective tax rate for the Year was 24.01%. The overall income tax expense was relatively lower due to the decrease in profit, which has led to a reduction in income tax, as well as the higher recognized share of profit for the Year compared to that of last year.

## **Profit Attributable to Owners of the Parent**

For the Year, the profit attributable to owners of the parent was RMB150.7 million, representing a decrease of 19.67% compared with RMB187.6 million last year. During the Year, the gross profit of the Group's core natural gas business showed a divergent performance. In particular, due to changes in the supply and demand dynamics of the natural gas market and the narrowing of price spreads, the gross profit from LNG sales and commission services decreased by a total of RMB126.8 million compared with last year. Concurrently, the gross profit from the PNG business decreased by RMB16.4 million compared with last year, primarily due to a slight increase in costs from using higher-priced LNG as a supplementary gas source and the provision of preferential policies for industrial users. At the same time, the Group actively adjusted its operating strategies to effectively respond to the new market situation, achieving certain results. Although domestic LNG demand growth was relatively moderate, the Group seized opportunities arising from fluctuations in international natural gas market supply and demand. Through international resales under long-term natural gas procurement agreements signed with suppliers, it successfully locked in the gross profit from LNG sales, thereby enhancing profitability. The gross profit contributed by this business to the Group increased by RMB24.6 million compared with the same period of last year. Furthermore, Yancheng Xingzhou Jiayuan Real Estate Development Co., Ltd.\* (鹽城星洲佳源房地產開發有限公司) (“**Yancheng Xingzhou**”), a company in which the Group holds 40% equity interest, had a period of stable sales during the Year and generated gross profit. The Group recognized a share of profit of RMB34.3 million therefrom (no such contribution in the same period of last year).

## **Liquidity, Financial Position and Capital Structure**

As at 31 December 2025, the current assets of the Group amounted to RMB1,330.8 million (31 December 2024: RMB1,102.0), of which cash and bank balance were equivalent to RMB686.6 million (31 December 2024: RMB387.6 million).

As at 31 December 2025, the current ratio (current assets/current liabilities) of the Group was 1.22 (31 December 2024: 0.92) and the asset-liability ratio (total liabilities/total assets) was 63.39% (31 December 2024: 60.27%). As of 31 December 2025, the utilised bank loans were RMB644.64 million, all of which were denominated in RMB, with the annual interest rate of 2.08%-3.52%, RMB29.4 million of which was wholly repayable within one year or on demand and RMB615.3 million was wholly repayable in the second year, in the third to fifth year, or wholly repayable beyond five years. All the utilised bank loans are floating interest rate loans. As at 31 December 2025, the unutilised bank credit balance was RMB585.1 million. As at 31 December 2025, the Group also had lease liabilities of RMB153.6 million, of which RMB20.6 million is analyzed as current portion, and RMB133.0 million analyzed as non-current portion.

The gearing ratio of the Group was about 8.35% as at 31 December 2025 (as at 31 December 2024: about 9.92%). The ratio was calculated as net debt divided by total capital and net debt of the Group.

## **Exchange Rate Fluctuation Risk**

As the Group operates all its businesses in the PRC, most of its revenues and expenses are denominated in RMB. The Group's foreign exchange exposure was mainly due to LNG trade in US dollars of Zhejiang Hangjiaxin Clean Energy Company Limited\* (浙江杭嘉鑫清洁能源有限公司) (“**Hangjiaxin**”), a joint venture of the Company under the applicable accounting standards and a subsidiary of the Company pursuant to the Listing Rules, which affected the profit and loss attributable to the Group as a result of the impact of exchange rate fluctuations on Hangjiaxin's profits. Hangjiaxin has been reselling a certain percentage of purchase under a long-term LNG purchase and sales contract it entered into and under execution to reduce its price risks and exchange rate risks, thereby avoiding the adverse impact on the Group's business operations arising from factors such as international energy price fluctuations and exchange rate changes. The Group will closely monitor the interest rate and exchange rate in the market and take appropriate measures when necessary.

## **Contingent Liabilities**

As at 31 December 2025, the Group had no material contingent liabilities (31 December 2024: nil).

## **Financial Guarantee Obligations**

As at 31 December 2025, the Group had no financial guarantee obligations (as at 31 December 2024, the Group had no financial guarantee obligations).

## **Pledge of Assets**

As at 31 December 2025, there were no assets being pledged by the Group (31 December 2024: nil).

## **Significant Investments and Future Plans for Material Investments or Capital Assets**

Among the investments in a joint venture and associates, the investment in joint venture in relation to Hangjiixin constituted a significant investment of the Group, with the Company holding a 51% interest in the joint venture. As at 31 December 2025, the Group had paid approximately RMB357.0 million as capital contribution to Hangjiixin and the carrying amount of the Group's investment as at 31 December 2025 was approximately RMB485.5 million, representing approximately 13.78% of the Group's total assets. Hangjiixin was established in 2017 for the construction and operation of a LNG storage and transportation station in Dushan Port, which is a coastal area, for the import and storage of LNG for diversification of the source of natural gas of the Group and to meet the demand for natural gas in Jiaxing and neighbouring cities such as Shanghai, Hangzhou and Suzhou in the Yangtze River Delta. During the Reporting Period, Hangjiixin was in full operation, and the Group recorded an investment gain of approximately RMB24.6 million from its investment in Hangjiixin and did not receive any dividend. The Board is of the view that Hangjiixin will continue to be an important supplier of LNG to the Group and will continue to bring investment gain to the Group. As such, the Company will continue holding its investment in relation to Hangjiixin.

On 17 January 2025, the Group acquired 13.5% of the equity interest in Yancheng Xingzhou for a consideration of RMB89.0 million (i.e. the 2025 Acquisition (as defined below)). As at 31 December 2025, the Group had paid approximately RMB232.72 million as capital contribution to Yancheng Xingzhou and the carrying amount of the Group's investment as at 31 December 2025 was approximately RMB266.91 million, representing approximately 7.58% of the Group's total assets. Yancheng Xingzhou is a limited liability company established under the laws of the PRC which principally engaged in property development, property management and carpark management. As at 31 December 2025, Yancheng Xingzhou held the land use rights in relation to a piece of commercial and residential land in Yancheng, Jiangsu Province with an aggregate site area of 130,827.0 square metres. During the Reporting Period, the Group recognized a share of profit of RMB34.3 million from its investment in Yancheng Xingzhou and no dividend was received. The Board is of the view that Yancheng Xingzhou will continue to bring investment gain to the Group. As such, the Company will continue holding its investment in relation to Yancheng Xingzhou.

As at the date of this announcement, the Group does not have any future plans for material investments or capital assets.

## **Material Acquisition and Disposal**

References are made to the announcements of the Company dated 17 January 2025 and 23 January 2025.

On 30 November 2024, JiaXing Gas Group (Hong Kong) Holdings Limited (嘉燃集團 (香港) 控股有限公司), a direct wholly-owned subsidiary of the Company, as purchaser, entered into an equity transfer agreement with Yancheng Xiangyuan Real Estate Co., Ltd.\* (鹽城祥源房地產有限公司) (“**Yancheng Xiangyuan**”) for the acquisition of 6.5% equity interest in Yancheng Xingzhou Jiayuan Real Estate Development Co., Ltd.\* (鹽城星洲佳源房地產開發有限公司) (“**Yancheng Xingzhou**”) from Yancheng Xiangyuan for a consideration of US\$5,560,652.83 (the “**2024 Acquisition**”). The 2024 Acquisition was completed on 30 November 2024 upon registration with the market supervision and management authority. Since all of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the 2024 Acquisition were less than 5%, the 2024 Acquisition did not constitute a notifiable transaction and was not subject to the requirements under Chapter 14 of the Listing Rules.

On 17 January 2025, Jiaxing Jiaran Construction Co., Ltd.\* (嘉興市嘉燃建設有限公司) (“**Jiaran Construction**”), a direct wholly-own subsidiary of the Company, entered into an equity transfer agreement with Yancheng Xiangyuan, pursuant to which Jiaran Construction agreed to purchase from Yancheng Xiangyuan 13.5% of the equity interest in Yancheng Xingzhou for a consideration of RMB89.0 million (the “**2025 Acquisition**”). Given that such equity transfer agreement was entered into within the 12-month period from the completion date of the 2024 Acquisition, pursuant to Rule 14.22 of the Listing Rules, the 2024 Acquisition and the 2025 Acquisition should be aggregated and treated as if they were one transaction. As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the 2024 Acquisition and the 2025 Acquisition as aggregated exceed(s) 5% but all such ratios fall below 25%, such transactions collectively constituted a discloseable transaction and were subject to the requirements applicable to a discloseable transaction under Chapter 14 of the Listing Rules. For the avoidance of doubt, the 2024 Acquisition and the 2025 Acquisition do not constitute one transaction from the accounting treatment perspective.

## **Human Resources and Employee Compensation**

As at 31 December 2025, the Group had a total of 402 (31 December 2024: 402) employees in the PRC. The total employee costs of the Group for the Year were approximately RMB76.0 million. The Group further strengthens the training of employees to enhance their professional level and overall quality, by providing targeted training courses to the management team, managers at various positions, professional technicians and service employees, and by distributing relevant policies and regulations, industry information and knowledge documents to employees. The Group also provides employees with competitive remuneration packages which are determined with reference to their qualifications and performance to incentivise them for hard work and better customer service.

## **Material Litigation**

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

## **EVENTS AFTER THE REPORTING PERIOD**

There was no significant event in respect of the Company occurred after the Reporting Period and up to the date of this announcement.

## **ANNUAL GENERAL MEETING**

The annual general meeting of the Company (the “**AGM**”) will be held on Friday, 5 June 2026. A notice convening the AGM will be issued to the shareholders of the Company (the “**Shareholders**”) in accordance with the requirements of the Listing Rules in due course.

## **FINAL DIVIDEND**

The Board resolved to recommend the payment of a final dividend of RMB0.25 (tax inclusive) per share for the Year (the “**2025 Final Dividend**”) with an aggregate amount of RMB34,461,125 (tax inclusive) to Shareholders (whether holders of H shares or domestic share of the Company) whose names appear on the Company’s register of members as at Tuesday, 16 June 2026, subject to the approval by the Shareholders at the AGM. Subject to the passing of the relevant resolution at the AGM, the 2025 Final Dividend is expected to be paid on Friday, 3 July 2026.

Dividends will be paid in Renminbi for holders of domestic shares of the Company, and dividends for H share shareholders of the Company (the “**H Shareholders**”) will be paid in Hong Kong dollars. The relevant exchange rate will be the average of the mid-point rates of Renminbi to Hong Kong dollars as announced by the People’s Bank of China for the week prior to the date of approval of declaration of dividends at the AGM.

## **TAX**

Under the requirements of the Law of the People’s Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法》) and the Regulations for the Implementation of the Law of the People’s Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法實施條例》) implemented in 2008, the Company has the obligation to withhold enterprise income tax at a rate of 10% on dividends when it pays the 2025 Final Dividend to its H Shareholders who are overseas non-resident enterprises (including HKSCC Nominees Limited, other institutional nominees and trustees, or other organizations or groups) listed on the H share register of members of the Company on Tuesday, 16 June 2026.

According to the requirement under Guo Shui Han [2011] No. 348 issued by the State Administration of Taxation (國家稅務總局國稅函[2011]348號規定) and the relevant laws and regulations, for individual H Shareholders who are Hong Kong or Macau residents and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold the individual income tax at the rate of 10%. For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate lower than 10%, the Company will withhold the individual income tax at a tax rate of 10% of dividend. For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate higher than 10% but lower than 20%, the Company will withhold the individual income tax at the effective tax rate under the relevant tax treaty. For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate higher than 20%, or a country which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H Shareholders.

The Company will determine the country of domicile of the individual H Shareholders based on the registered address as recorded in the H share register of members of the Company on Tuesday, 16 June 2026. If the country of domicile of an individual H Shareholders is not the same as the registered address or if the individual H Shareholders would like to apply for a refund of the additional amount of tax finally withheld and paid, the individual H Shareholders shall notify and provide relevant supporting documents to the Company on or before Thursday, 11 June 2026. Upon examination of the supporting documents by the relevant tax authorities, the Company will follow the guidance given by the tax authorities to implement relevant tax withholding and payment provisions and arrangements. Individual H Shareholders may either personally or appoint a representative to attend to the procedures in accordance with the requirements under the tax treaties notice if they do not provide the relevant supporting documents to the Company within the time period stated above.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the H Shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the H Shareholders or any disputes relating to the tax withholding and payment mechanism or arrangements.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the rights of H Shareholders to attend and vote at the AGM and their entitlements to the 2025 Final Dividend, the register of H Shareholders will be closed, the details of which are set out below:

(1) For determining the rights of H Shareholders to attend and vote at the AGM

Latest time to lodge transfer documents for registration	4:30 p.m. on Monday, 1 June 2026
Closure of register of members (both days inclusive)	Tuesday, 2 June 2026 to Friday, 5 June 2026
Record date	Tuesday, 2 June 2026

(2) For determining the entitlements of H Shareholders to the 2025 Final Dividend

Latest time to lodge transfer documents for registration	4:30 p.m. on Thursday, 11 June 2026
Closure of register of members (both days inclusive)	Friday, 12 June 2026 to Tuesday, 16 June 2026
Record date	Tuesday, 16 June 2026

During the above closure periods, no transfer of H Shares will be registered. To be eligible to attend and vote at the AGM, and to qualify for the 2025 Final Dividend, all transfer documents, accompanied by the relevant certificates, must be lodged with the Company's H Share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration, by no later than the aforementioned latest times.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2025. As at 31 December 2025, the Company had no treasury shares.

## **CORPORATE GOVERNANCE PRACTICES**

The Company believes that maintaining high standards of corporate governance is the foundation for effective management and successful business growth. The Company is committed to developing and maintaining robust corporate governance practices to safeguard the interests of its shareholders and to enhance corporate value, accountability and transparency of the Company.

The Company has adopted the principles and code provisions of the Corporate Governance Code (the “**CG Code**”)\* as set out in Appendix C1 to the Listing Rules as the basis of the Company’s corporate governance practices.

The Board is of the view that throughout the Reporting Period, the Company has complied with all the code provisions in Part 2 of the CG Code effective during the Year with the exception of code provisions C.2.1 and F.1.1.

Pursuant to code provision C.2.1. of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. However, the roles of the chairman and the chief executive officer of the Company are not separated and are performed by the same individual, Mr. Sun Lianqing (“**Mr. Sun**”). Mr. Sun, who has been responsible for overall strategic planning and management of the Group since 1998. The Board meets regularly to consider major matters affecting the operations of the Group, as such, the Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Group and believes that this structure will enable the Group to make and implement decisions promptly and efficiently. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

Pursuant to code provision F.1.1 of the CG Code, the issuer should have a policy on payment of dividends. The Company has not adopted a formal dividend policy. As the Company is still in its development phase and the performance will continue to be impacted by the relevant industry’s and economic outlook in the foreseeable future, the Board is of the opinion that it is not appropriate to adopt a dividend policy at this stage. There is no assurance that dividends of any amount will be declared or be distributed in any year. The Board will review the Company’s status periodically and consider adopting a dividend policy if and when appropriate.

\* The amendments to the CG Code effective on 1 July 2025 will apply to corporate governance reports and annual reports for financial years commencing on or after 1 July 2025. For this annual results announcement, the Company shall refer to the then effective CG Code.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company adopted its own code of conduct regarding Directors’ and the Company’s supervisors’ (“**Supervisors**”) dealings in the Company’s securities (the “**Code of Conduct**”) on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules.

Specific enquiry has been made of all the Directors and Supervisors, and all the Directors and Supervisors have confirmed that they have complied with the Code of Conduct throughout the Reporting Period.

The Code of Conduct also applies to employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Code of Conduct by the employees was noted by the Company throughout the Reporting Period.

## AUDIT COMMITTEE AND REVIEW OF ANNUAL FINANCIAL STATEMENTS

The audit committee of the Company (“**Audit Committee**”) comprising three independent non-executive Directors was established with terms of reference in compliance with the CG Code.

The Audit Committee has reviewed together with the management, the accounting principles and policies adopted by the Group and the audited consolidated annual results of the Group for the Year.

## PUBLICATION OF ANNUAL RESULTS AND THE 2025 ANNUAL REPORT

This announcement is published on the websites of the Company (<http://www.jxrqgs.com>) and the Stock Exchange (<http://www.hkexnews.hk>). The annual report of the Company for the Year will be published on the websites of the Company and the Stock Exchange in accordance with the requirements to the Listing Rules in due course.

By Order of the Board  
**JiaXing Gas Group Co., Ltd.\***  
**Sun Lianqing**  
*Chairman and Executive Director*

Jiaying, the PRC  
27 March 2026

*As at the date of this announcement, the executive Directors are Mr. Sun Lianqing and Mr. Xu Songqiang, the non-executive Directors are Mr. Yu Jianming, Mr. Zheng Huanli, Mr. Fu Songquan and Ms. Ruan Zeyun and the independent non-executive Directors are Mr. Yu Youda, Mr. Cheng Hok Kai Frederick and Mr. Zhou Xinfu.*

\* *For identification purpose only*