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湖州燃气股份有限公司

Huzhou Gas Co., Ltd.*

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

(Stock Code: 06661)

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

FINANCIAL HIGHLIGHTS

- The sales volume of natural gas for the Year was 571.32 million m³, representing a decrease of 5.21% as compared with the year ended 31 December 2024.
- Revenue for the Year was RMB2,275.91 million, representing a decrease of 4.08% as compared with the year ended 31 December 2024.
- Profit attributable to owners of the Group for the Year was RMB94.68 million, representing a decrease of 19.62% as compared with the year ended 31 December 2024.
- The Board has proposed to pay the final dividend of RMB0.30 (tax inclusive) per share for the year ended 31 December 2025, which remains unchanged compared with the final dividend for the year ended 31 December 2024.

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue	4	2,275,914	2,372,643
Cost of sales		<u>(2,011,657)</u>	<u>(2,094,450)</u>
Gross profit		264,257	278,193
Other income and gains	5	25,012	30,650
Selling and distribution expenses		(35,860)	(35,740)
Administrative expenses		(49,212)	(48,612)
Impairment losses on financial assets, net		(1,236)	(3,319)
Other expenses		(12,192)	(12,634)
Finance costs	7	(2,117)	(2,458)
Share of profits and losses of:			
Joint ventures		<u>266</u>	<u>(63)</u>
PROFIT BEFORE TAX	6	188,918	206,017
Income tax expense	8	<u>(39,915)</u>	<u>(36,871)</u>
PROFIT FOR THE YEAR		<u>149,003</u>	<u>169,146</u>
Attributable to:			
Owners of the parent		94,677	117,792
Non-controlling interests		<u>54,326</u>	<u>51,354</u>
		<u>149,003</u>	<u>169,146</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	<i>10</i>		
Basic and diluted			
– For profit for the year (<i>RMB</i>)		<u>0.47</u>	<u>0.58</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*Year ended 31 December 2025*

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
PROFIT FOR THE YEAR	149,003	169,146
OTHER COMPREHENSIVE INCOME		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Debt investments at fair value through other comprehensive income:		
Changes in fair value	(4)	34
Income tax effect	<u>1</u>	<u>(8)</u>
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>(3)</u>	<u>26</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	<u>(3)</u>	<u>26</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>149,000</u>	<u>169,172</u>
Attributable to:		
Owners of the parent	94,674	117,818
Non-controlling interests	<u>54,326</u>	<u>51,354</u>
	<u>149,000</u>	<u>169,172</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*31 December 2025*

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS			
Lease receivables		3,626	3,697
Property, plant and equipment		1,115,557	1,045,193
Investment properties		925	244
Right-of-use assets		72,784	72,774
Goodwill		28,506	28,506
Other intangible assets		62,021	69,427
Investments in joint ventures		12,252	11,986
Deferred tax assets		20,192	10,080
Time deposits		306,390	–
		<hr/>	<hr/>
Total non-current assets		1,622,253	1,241,907
CURRENT ASSETS			
Inventories		14,675	14,868
Lease receivables		1,360	1,360
Trade and bills receivables	<i>11</i>	54,216	54,466
Debt investments at fair value through other comprehensive income		417	–
Prepayments, other receivables and other assets		30,200	30,253
Due from related parties		8,801	8,497
Pledged deposits		20	20
Time deposits		203,031	30,000
Cash and cash equivalents		309,434	828,524
		<hr/>	<hr/>
Total current assets		622,154	967,988
CURRENT LIABILITIES			
Trade payables	<i>12</i>	124,188	127,743
Other payables and accruals		113,627	147,837
Contract liabilities		299,762	262,964
Interest-bearing bank borrowings	<i>13</i>	900	300
Due to related parties		26,994	35,938
Tax payables		25,610	31,454
Lease liabilities		1,296	1,021
		<hr/>	<hr/>
Total current liabilities		592,377	607,257
NET CURRENT ASSETS			
		29,777	360,731
TOTAL ASSETS LESS CURRENT LIABILITIES			
		1,652,030	1,602,638

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
NON-CURRENT LIABILITIES			
Contract liabilities		66,693	105,537
Interest-bearing bank borrowings	<i>13</i>	21,800	14,550
Deferred tax liabilities		16,801	21,652
Deferred income		124,358	71,505
Other non-current liabilities		24,023	30,367
Lease liabilities		25,378	23,810
		<hr/>	<hr/>
Total non-current liabilities		279,053	267,421
		<hr/>	<hr/>
Net assets		1,372,977	1,335,217
		<hr/>	<hr/>
EQUITY			
Equity attributable to owners of the parent			
Share capital	<i>14</i>	202,715	202,715
Reserves		1,069,293	1,035,433
		<hr/>	<hr/>
		1,272,008	1,238,148
		<hr/>	<hr/>
Non-controlling interests		100,969	97,069
		<hr/>	<hr/>
Total equity		1,372,977	1,335,217
		<hr/>	<hr/>

NOTES TO CONSOLIDATED FINANCIAL INFORMATION

31 December 2025

1. CORPORATE AND GROUP INFORMATION

Huzhou Gas Co., Ltd. is a joint stock company with limited liability established in the People's Republic of China (the "PRC"). The registered office of the Company is located at No. 227, Sizhong Road, Wuxing District, Huzhou, Zhejiang Province, China.

During the year, the Group was involved in the following principal activities:

- the sale of gas, mainly piped natural gas ("PNG") (under the concessions) and liquefied natural gas ("LNG") in Huzhou;
- the provision of construction and installation services to construct and install end-user pipeline network and gas facilities for customers such as property developers and owners or occupants of residential and non-residential properties;
- others, including the sale of household gas appliances and relevant equipment, energy, distributed photovoltaic power and the leasing of properties in Chinese mainland.

The Company has been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 13 July 2022.

2 ACCOUNTING POLICIES

2.1 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 debt investments at fair value through other comprehensive income 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 of the subsidiary, 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.

2.2 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.

3. OPERATING SEGMENT INFORMATION

The Group has only one reportable operating segment which engages in (i) the sale of gas, mainly PNG (under the concessions) and LNG in Huzhou; (ii) the provision of construction and installation services; and (iii) others, including the sale of energy, household gas appliances and relevant equipment, distributed photovoltaic power and the leasing of properties. 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 Chinese mainland and all of the non-current assets of the Group are located in Chinese mainland.

Information about major customers

Revenue of approximately RMB171,749,000 (2024: RMB205,897,000) was derived from sales by the natural gas operation segment to one customer, Group A. Group A represents three customers under the control of the same shareholder.

4. REVENUE, OTHER INCOME AND GAINS

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers		
Sale of goods	2,123,884	2,184,761
Provision of construction and installation services	150,396	181,560
Others	4,704	9,784
	<hr/>	<hr/>
Subtotal	2,278,984	2,376,105
	<hr/>	<hr/>
Revenue from other sources		
Gross rental income from investment property operating leases	290	362
	<hr/>	<hr/>
	2,279,274	2,376,467
Less: Government surcharges	(3,360)	(3,824)
	<hr/>	<hr/>
Total	2,275,914	2,372,643
	<hr/>	<hr/>

Revenue from contracts with customers

(a) Disaggregated revenue information

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Types of goods or services		
Sale of PNG	1,878,259	2,063,361
Sale of LNG	160,457	59,632
Sale of household gas appliances and relevant equipment	31,881	27,144
Sale of energy	32,075	20,995
Sale of distributed photovoltaic power	21,212	13,629
Provision of construction and installation services	150,396	181,560
Others	4,704	9,784
	<hr/>	<hr/>
Subtotal	2,278,984	2,376,105
Less: Government surcharges	(3,360)	(3,824)
	<hr/>	<hr/>
Total	<u>2,275,624</u>	<u>2,372,281</u>
Geographical market		
Chinese mainland	<u>2,275,624</u>	<u>2,372,281</u>
Timing of revenue recognition		
Goods or services transferred at a point in time	2,128,588	2,194,545
Services transferred over time	150,396	181,560
	<hr/>	<hr/>
Subtotal	2,278,984	2,376,105
Less: Government surcharges	(3,360)	(3,824)
	<hr/>	<hr/>
Total	<u>2,275,624</u>	<u>2,372,281</u>

The following table shows the amounts of revenue recognised in this 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:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Sale of natural gas	177,120	204,896
Construction and installation services	76,957	99,331
Sale of household gas appliances and relevant equipment	8,664	5,831
Sale of energy	223	293
	<hr/>	<hr/>
Total	<u>262,964</u>	<u>310,351</u>

There was no revenue recognised from performance obligations satisfied in previous years or not previously recognised due to constraints on variable consideration.

(b) Performance obligations

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

Sale of goods

The performance obligation is satisfied upon delivery of the PNG, LNG, energy, household gas appliances and relevant equipment and distributed photovoltaic power, and payment is generally due within 30 to 90 days from delivery except for customers who purchased prepaid cards.

Construction and installation 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. The remaining percentage of payment generally should be paid before completion of construction and installation.

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

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Amounts expected to be recognised as revenue:		
Within one year	299,762	262,964
After one year	66,693	105,537
	<hr/>	<hr/>
Total	366,455	368,501
	<hr/>	<hr/>

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised after one year relate to construction and installation services of gas pipelines, of which the performance obligations are to be satisfied within two to three 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.

5. OTHER INCOME AND GAINS

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
<u>Other income</u>		
Bank interest income	5,036	22,772
Time deposit interest income	9,867	–
Finance income on the net investment in a lease	728	739
Government grants	6,371	5,040
Others	638	1,338
	<hr/>	<hr/>
Total other income	22,640	29,889
	<hr/>	<hr/>
<u>Gains</u>		
Gain on foreign exchange differences	34	–
Gain on disposal of items of property, plant and equipment	1,088	–
Fair value gains on wealth management products	1,250	761
	<hr/>	<hr/>
Total gains	2,372	761
	<hr/>	<hr/>
Total other income and gains	25,012	30,650
	<hr/>	<hr/>

6. 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	1,935,466	2,001,440
Cost of services provided	76,191	93,010
Depreciation of property, plant and equipment	70,501	64,037
Depreciation of investment properties	31	216
Depreciation of right-of-use assets	3,007	2,623
Amortisation of other intangible assets	7,441	7,449
Lease payments not included in the measurement of lease liabilities	228	259
Auditor's remuneration	2,340	2,340
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages and salaries	77,183	79,272
Pension scheme contributions	10,152	10,345
Social security contributions and accommodation benefits	12,198	11,972
Total	99,533	101,589
Impairment of financial assets, net:		
Impairment of trade receivables	1,480	3,216
Impairment of financial assets included in prepayments, other receivables and other assets	(244)	103
Total	1,236	3,319
(Gain)/loss on foreign exchange differences	(34)	358
Bank interest income	(5,036)	(22,772)
Time deposit interest income	(9,867)	–
Fair value gains on wealth management products	(1,250)	(761)
Government grants	(6,371)	(5,040)
Interest on lease liabilities	1,336	1,045
(Gain)/loss on disposal of items of property, plant and equipment	(1,088)	1,413
Write-down of inventories to net realisable value	(43)	(43)

7. FINANCE COSTS

An analysis of finance costs is set out as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on bank loans, overdrafts and other loans	781	1,413
Interest on lease liabilities	<u>1,336</u>	<u>1,045</u>
Total interest expenses on financial liabilities not at fair value through profit or loss	<u>2,117</u>	<u>2,458</u>

8. 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.

The provision for current income tax in Chinese mainland is calculated based on the statutory rate of 25% (2024: 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 three certain subsidiaries of the Group in Chinese mainland that carried out production and operation of distributed photovoltaic power, which are subject to a preferential rate as below (including Deqing Xinrui New Energy Co., Ltd., which qualifies as a small and micro enterprise), and a subsidiary of the Group in Chinese mainland that is a High-Tech Enterprise, which is subject to a preferential rate of 15%.

In accordance with the relevant provisions of the Notice on the Implementation of the Catalogue of Enterprise Income Tax Preferences for Public Infrastructure Projects issued by the Ministry of Finance and the State Taxation Administration, the subsidiaries of the Company, namely Huzhou Huran New Energy Development Co., Ltd. (“**Huran New Energy**”), Deqing Xinrui New Energy Co., Ltd. (“**Deqing Xinrui**”) and Nanxun Xinao Gas Development Co., Ltd. (“**Nanxun Xinao Development**”), enjoy the preferential policy of enterprise income tax. For enterprises engaged in public infrastructure projects that meet the relevant conditions and technical standards and the relevant provisions of the state investment management in the Catalogue of Preferential Enterprise Income Tax for Public Infrastructure Projects approved on 1 January 2008, their income from investment and operation will be exempted from enterprise income tax for three years from the year in which the production and operation income of distributed photovoltaic power is first generated, and the enterprise income tax will be reduced by half for another three years. 2022 was the tax year in which the production and operation income of distributed photovoltaic power was first generated for Huran New Energy, Deqing Xinrui and Nanxun Xinao Development, therefore the income tax of Huran New Energy, Deqing Xinrui and Nanxun Xinao Development was exempted from 2022 to 2024 and the enterprise income tax will be reduced by half from 2025 to 2027. In November 2025, Huzhou Huxun Fuel New Energy Development Co., Ltd. (“**Huxun Fuel New Energy**”) and Huzhou Huqingran New Energy Development Co., Ltd. (“**Huqingran New Energy**”) were absorbed into Huran New Energy, resulting in the subsequent deregistration of both Huxun Fuel New Energy and Huqingran New Energy.

In accordance with the relevant provisions of the Measures for the Administration of the Recognition of High-Tech Enterprises issued by the Ministry of Finance and the State Taxation Administration, Huzhou Xinao Gas Development Co., Ltd. (“**Xinao Development**”), a subsidiary of the Group, was recognised as a High-Tech Enterprise in 2024. As a result, Xinao Development was subject to a preferential corporate income tax rate of 15% in 2025.

Pursuant to the Corporate Income Tax of the PRC and the respective regulations, Deqing Xinrui, a subsidiary of the Group, was qualified as a small and micro enterprise in 2021, and was entitled to a preferential income tax rate of 5% for the first RMB3,000,000 of assessable profits.

The major components of income tax expense are set out as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax- Chinese mainland		
Charge for the year	54,877	61,218
Deferred tax	<u>(14,962)</u>	<u>(24,347)</u>
Total tax charge for the year	<u>39,915</u>	<u>36,871</u>

A reconciliation of the tax expense/(credit) applicable to profit before tax at the statutory rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rate is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit before tax	<u>188,918</u>	<u>206,017</u>
Tax at the statutory tax rate	47,230	51,504
Lower tax rates for certain subsidiaries	(7,134)	(10,991)
Impact of tax rate changes on the opening balance of deferred tax	–	(3,388)
Expenses not deductible for tax	616	709
Adjustments in respect of current tax of previous periods	348	–
Income tax credit for special equipment	(134)	(127)
Extra tax deduction for research and development expenses	(945)	(852)
Profits and losses attributable to joint ventures	<u>(66)</u>	<u>16</u>
Tax charge at the Group's effective rate	<u>39,915</u>	<u>36,871</u>

9. DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Proposed final – RMB0.30 (2024: RMB0.30) per ordinary share	<u>60,814</u>	<u>60,814</u>

On 31 March 2026, the board of directors proposed the payment of a final dividend of RMB0.30 per share, amounting to RMB60,814,350 (tax inclusive), for the year ended 31 December 2025. The source of the proposed dividend payment is from the retained profits. The proposed final dividend is subject to the approval by shareholders of the Company at the forthcoming annual general meeting.

10. 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 for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 202,714,500 (2024: 202,714,500) outstanding during the year.

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

The calculation of basic earnings per share is based on:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings		
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation:	<u>94,677</u>	<u>117,792</u>
	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	<u>202,714,500</u>	<u>202,714,500</u>

11. TRADE AND BILLS RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	49,630	43,833
Impairment	<u>(7,668)</u>	<u>(6,188)</u>
	41,962	37,645
Bills receivable	<u>12,254</u>	<u>16,821</u>
	54,216	54,466
Net carrying amount	<u>54,216</u>	<u>54,466</u>

The Group's trading terms with its industrial and commercial customers are mainly on credit except for certain new customers, where payment in advance is required. The average credit period range for trade receivables is within 30 to 90 days. The average maturity period of bills receivable is 3 to 6 months, and bills receivable were neither past due nor impaired. 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. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	38,564	35,669
3 months to 6 months	3,134	1,634
6 months to 1 year	264	342
More than 1 year	–	–
Total	<u>41,962</u>	<u>37,645</u>

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At beginning of year	6,188	2,972
Impairment losses, net	<u>1,480</u>	<u>3,216</u>
At end of year	<u>7,668</u>	<u>6,188</u>

An impairment analysis is performed at each reporting date using a provision matrix to measure the expected credit losses. The provision rates are based on days past due for groupings of various customer segments 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 reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on 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	1.36%	3.93%	58.94%	100.00%	15.45%
Gross carrying amount (<i>RMB'000</i>)	38,999	3,360	643	6,628	49,630
Expected credit losses (<i>RMB'000</i>)	529	132	379	6,628	7,668

As at 31 December 2024

	Current	Past due			Total
		Less than 6 months	6 to 12 months	Over 1 year	
Expected credit loss rate	0.81%	2.29%	37.13%	100.00%	14.12%
Gross carrying amount (<i>RMB'000</i>)	35,372	2,270	544	5,647	43,833
Expected credit losses (<i>RMB'000</i>)	287	52	202	5,647	6,188

12. TRADE PAYABLES

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	95,580	101,996
3 to 6 months	15,715	10,511
6 to 12 months	8,448	11,059
Over 1 year	4,445	4,177
Total	<u>124,188</u>	<u>127,743</u>

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

13. INTEREST-BEARING BANK AND OTHER BORROWINGS

	Effective interest rate	Maturity	2025 <i>RMB'000</i>	Effective interest rate	Maturity	2024 <i>RMB'000</i>
Current						
Bank loans – secured	Loan Prime Rate-40bps	2026	<u>900</u>	Loan Prime Rate-40bps	2025	<u>300</u>
Non-current						
Bank loans – secured	Loan Prime Rate-40bps	2027-2036	<u>21,800</u>	Loan Prime Rate-40bps	2026-2036	<u>14,550</u>
Total			<u>22,700</u>			<u>14,850</u>

Analysed into:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within one year or on demand	900	300
In the second year	1,100	500
In the third to fifth years, inclusive	5,100	2,700
Beyond five years	15,600	11,350
Total	<u>22,700</u>	<u>14,850</u>

The Group's bank loans are secured by the pledge of future photovoltaic income of six photovoltaic projects of a subsidiary of the Company.

14. SHARE CAPITAL

Shares

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Issued and fully paid:		
202,714,500 (2024: 202,714,500) ordinary shares	202,715	202,715

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Share capital <i>RMB'000</i>
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	202,714,500	202,715

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

Against the backdrop of the slowdown in the global economic growth and profound adjustments in the international energy landscape in 2025, China's urban gas industry, as a core component of the modern urban energy system, has not only demonstrated strong development resilience, but also achieved comprehensive upgrades across the supply system, demand structure, regulatory framework and industrial transformation, becoming a key pillar in advancing the development of a new energy system and supporting the realisation of the "dual carbon" goals.

The supply system is developing towards greater diversification and enhanced security of supply. Traditional natural gas remains the mainstay of supply, with domestic exploration and development technology upgrades driving the steady growth in domestic gas production. The dual-channel layout of pipeline imports and LNG maritime imports continues to improve, while the construction of LNG receiving terminals and the installation of gas storage and peak-shaving facilities are accelerating, further enhancing the supply stability and emergency response capabilities. The market demand structure shows a trend of optimisation. Residential gas consumption grows steadily alongside the improvement of urbanisation process and living standards. Industrial gas consumption accelerates the "coal-to-gas" switch under the constraint of environmental protection policies. The demand for cascading utilisation of distributed energy systems in large commercial complexes is growing, injecting multi-dimensional momentum into the industry's development.

The top-level design of the industry regulation has accelerated its implementation, with the policy focus shifting from "establishing rules and regulations" to "law enforcement and accountability". The Measures for the Regulation of Fair Access to Oil and Gas Pipeline Network Facilities (《油氣管網設施公平開放監管辦法》), jointly issued by the National Development and Reform Commission and the National Energy Administration, have introduced administrative penalty clauses for the first time, providing a legal safeguard for urban gas enterprises to access upstream resources on an equal footing. The end-user price pass-through mechanism has been implemented gradually nationwide, alleviating the operational pain point of "cost inversion" for small and medium-sized urban gas enterprises. Government regulatory efforts in safety production, market access and price control continue to strengthen. A comprehensive system of regulations and standards safeguards the healthy and orderly development of the industry.

The integration and innovation of digital technology with the gas industry have become the core driver of the industry's transformation, propelling the urban gas industry from a traditional public utility towards a high-tech infrastructure sector that is data-driven and provides clean energy and intelligent services. AI, big data and IoT technologies are deeply integrated into the entire gas business process. The Company continues to strengthen the construction of its "Smart Cloud" platform, driving a comprehensive shift in safety governance from "passive response" to "active prevention". Concurrently, actively responding to national policies, the Company vigorously advances its "Gas+" business layout, focusing on large public projects, industrial and construction sectors. It assists customers in energy conservation and emission reduction through energy expense trusteeship and digital-intelligent management, with the first industrial energy storage project put into operation within the year, creating a new growth driver for enterprise profitability. This enables the Company to play a greater role in ensuring urban energy security and promoting synergistic innovation in pollution reduction and carbon reduction.

DEVELOPMENT STRATEGY AND OUTLOOK

Currently, as the international order undergoes profound adjustments, intertwined with geopolitical tensions and trade protectionism, the international energy supply chain faces challenges. The uncertainty in the external macro-environment is transmitting to the domestic economy, increasing external variables for the development of the natural gas industry. However, China's energy sector is entering a period of intensive policy dividends, with the industry's fundamentals for development continuing to improve. The Ecological and Environmental Code of the People's Republic of China (《中華人民共和國生態環境法典》) to be implemented in August 2026, designates natural gas as the statutory alternative energy source within zones where coal burning is prohibited. This provision uses the force of law to drive the deeper advancement of the "coal-to-gas" switch, establishing the core position of natural gas as a clean energy source from a legal perspective, and opening up incremental consumption space in sectors such as industry and commerce. The construction and renovation of urban underground pipeline networks have been incorporated into the national key investment direction, providing robust policy support for upgrading the gas infrastructure and optimising the pipeline network safety governance. The industry is poised for dual development opportunities of infrastructure quality enhancement and market demand expansion. The opportunity for a "second growth curve" in the natural gas industry has arrived.

Aligning with national energy strategy requirements and being grounded in the industry's development trends, the Company will adhere to its core strategic vision of becoming a premier "green integrated energy service provider". It remains committed to the development philosophy of "safety first, green priority, innovation-driven and efficiency-oriented", anchoring its development path on the dual drivers of "natural gas + emerging green energy". The Company will unwaveringly advance its strategic transformation and upgrade, comprehensively reshaping its integrated energy service capabilities with a focus on customer value creation, and constructing a new pattern of high-quality development. It will demonstrate the responsibility of a state-owned enterprise by ensuring urban energy security, promoting synergistic innovation in pollution reduction and carbon reduction, and contributing to the building of a leading energy nation.

Deepen customer value to unlock end-use energy potential. The Company will build a comprehensive and refined customer service system. For major customers, the Company will implement customised “one enterprise, one policy” services to enhance strategic cooperation stickiness. For industrial and commercial customers, the Company will integrate safety retrofitting with energy efficiency improvement services, broadening the scope of service coverage and improving service quality assurance so as to help customers achieve efficient and low-carbon transformation. For residential users, the Company will simultaneously enhance residential gas supply security and promote the service upgrades, fully unlocking the demand for integrated energy services.

Strengthen the development foundation by optimising safety operation levels. Seizing the strategic opportunities presented by the market-oriented reform of the natural gas industry, the Company will steadily promote the implementation of the residential gas price pass-through mechanism to rationalise the price transmission system. The Company will accelerate the systematic renovation of ageing gas pipeline networks, leveraging national policies for underground pipeline network construction and renovation to upgrade pipeline network infrastructure and eliminate safety hazards. Concurrently, the Company will continuously improve the safety production management system, strengthen the whole-process safety control, consolidate the foundation for safe operations, and comprehensively elevate the refined management standards for the enterprise.

Persist in technology empowerment to build a solid foundation for digital-intelligent development. With technological innovation as the core driving force, the Company will construct a smart energy management system centred on AI-driven analysis and application. This will enable real-time diagnosis and trend prediction of vast monitoring data, comprehensively upgrading capabilities for automatic hazard warning, precise positioning and closed-loop resolution, thereby advancing the intelligence and automation of gas safety governance and operational management. The Company will continue to increase its research, development and application efforts in smart gas equipment, enhance the functionality of the “Smart Cloud” platform, and achieve data-driven management across the entire gas business processes.

Deepen reform and transformation to enhance market competitiveness. Seizing the opportunity for the “second growth curve” in the industry, and focusing on core areas of industrial energy conservation, the Company will build an integrated energy service system centred on energy trusteeship and system optimisation, providing one-stop energy services. This will establish an integrated energy business brand with distinctive Huzhou Gas characteristics, facilitating the enterprise’s transition from a single traditional “gas-selling” energy supplier to an integrated “service-selling” energy solution provider. The Company will accelerate the pace of external expansion by acquiring high-quality urban gas enterprises, continuously expanding its market footprint and optimising operating cost structures. By combining endogenous growth with exogenous expansion, the Company will achieve a dual enhancement in revenue scale and profitability.

Looking ahead, the Company will remain grounded in the national energy transition strategy, expand the boundaries of clean energy applications, and build a diversified, complementary, smart and efficient modern energy service system. By deeply integrating into the process of building a new energy system, the Company will take concrete actions to support the achievement of the “dual carbon” strategic goals, contributing greater strength to promote the construction of a leading energy nation and the sustainable urban development.

BUSINESS REVIEW

Since 2004 and 2009, as a concession grantee, the Group has been the exclusive distributor of piped natural gas (“PNG”) in its operating areas in Wuxing district and Nanxun district of Huzhou, respectively. The main businesses include the sale of PNG (under the concessions) and liquefied natural gas (“LNG”) in Huzhou, the provision of services to construct and install end-user pipeline network and gas facilities, and the sale of household gas appliances and relevant equipment, energy, distributed photovoltaic power and the leasing of properties within the People’s Republic of China (the “PRC”). As at the end of the Reporting Period, the Group provided gas supply services to 340,663 residential users and 3,936 industrial and commercial users, with a gas sales volume of approximately 571.32 million m³, representing a decrease of approximately 5.21% as compared with the previous year.

As at the end of the Reporting Period, the Group was the largest PNG distributor in Huzhou city, Zhejiang province, the PRC, and the length of the natural gas pipeline network operated within the Group’s operating areas in Huzhou was approximately 1,768.1 kilometers.

FINANCIAL OVERVIEW

Revenue

The Group’s revenue for the Year was RMB2,275.91 million, representing a decrease of 4.08% as compared with RMB2,372.64 million in the previous year. The decrease in revenue was primarily attributable to two factors: first, the decrease in natural gas sales revenue was attributable to the downward adjustment of natural gas sales prices for non-residential users during the Reporting Period, coupled with a slowdown in the pace of macroeconomic recovery, which led to a decline in gas demand from some industrial and commercial users and a year-on-year decrease in the volume of natural gas sold; and second, revenue from pipeline construction and installation decreased due to the sustained regulatory adjustments in the real estate market.

Gross Profit

The Group’s gross profit for the Year was RMB264.26 million, representing a decrease of 5.01% as compared with RMB278.19 million in the previous year. During the Reporting Period, the decrease in the Group’s gross profit from pipeline natural gas sales was mainly due to the macroeconomic environment, which led to a decline in natural gas sales volume in 2025. Meanwhile, affected by the sustained regulatory adjustments in the real estate market, the gross profit from pipeline construction and installation also decreased.

Other Income and Gains

The Group’s other income and gains for the Year were RMB25.01 million, representing a decrease of 18.40% as compared with RMB30.65 million in the previous year. It was mainly due to the decrease in interest income during the Reporting Period. Affected by the downturn in market interest rates, the average yield of the Group’s bank deposits and wealth management products decreased, resulting in a decrease in interest income.

Finance Costs

The Group's finance costs for the Year were RMB2.12 million, representing a decrease of 13.82% as compared with RMB2.46 million in the previous year. It was mainly due to the decrease in interest expenses resulting from the Group's reduction in short-term borrowings as part of its efforts to optimize its debt structure during the Year. The Group will continue to optimize the debt structure, reduce the pressure of short-term debt repayment, control finance costs and ensure financial sustainability.

Income Tax Expense

The Group's income tax expense for the Year increased by 8.27% to RMB39.92 million from RMB36.87 million in the previous year. The effective tax rate for the Year was 21.13% (2024: 17.90%). Xinao Development, a subsidiary of the Group, is a High-Tech Enterprise and is subject to a preferential enterprise income tax rate of 15%. The increase in income tax expense and the increase in effective tax rate were due to the decrease in the tax benefits of Xinao Development as a result of its decline in profit before tax for the Year; coupled with the fact that the proportion of profits of subsidiaries that did not enjoy preferential tax rate increased, which increased the overall tax rate.

Profit attributable to Owners of the Parent

Profit attributable to owners of the parent for the Year was RMB94.68 million, representing a decrease of 19.62% as compared with RMB117.79 million in the previous year. The decrease in profit attributable to owners of the parent was affected by multiple factors: first, the decrease in natural gas sales volume due to the decline in gas consumption demand from certain industrial and commercial users as a result of the economic environment; second, affected by the sustained regulatory adjustments in the real estate market, the gross profit from pipeline construction and installation also decreased; and third, due to the downturn in market interest rates, the average yield of the Group's bank deposits and wealth management products decreased, resulting in a reduction in interest income for the Year. These factors collectively contributed to the decrease in profit attributable to owners of the parent as compared with the previous year.

Liquidity and Financial Position

As at 31 December 2025, the current assets of the Group amounted to RMB622.15 million (31 December 2024: RMB967.99 million), of which cash and cash equivalents amounted to RMB309.43 million and were mainly denominated in RMB.

As at 31 December 2025, the current ratio (current assets/current liabilities) of the Group was 1.05 (31 December 2024: 1.59) and the asset-liability ratio (total liabilities/total assets) was 38.83% (31 December 2024: 39.58%). As at 31 December 2025, the unutilised bank credit balance was RMB255.0 million. The Group issued a letter of guarantee of RMB30.0 million by using the banking facilities for the performance bond required to be paid to China Oil & Gas Pipeline Network Corporation (國家石油天然氣管網集團有限公司) under the Agreement on the Access of New Download Point Off-load Facilities of Natural Gas Infrastructure (《天然氣基礎設施新增下載點分輸設施接入協議》) entered into by Huzhou Nanxun Xinao Gas Company Limited* (湖州南潯新奧燃氣有限公司), a non-wholly owned subsidiary of the Group, and National Pipeline Network Group Sichuan to East Natural Gas Pipeline Co., Ltd.* (國家管網集團川氣東送天然氣管道有限公司), and the term of the letter of guarantee was from 1 September 2022 to 30 June 2027. The Group obtained a bank loan of RMB14.6 million by using the banking facilities, all of which were denominated in RMB and bear interest at Loan Prime Rate (LPR) -40bps, and the loan term was from 28 February 2024 to 27 February 2036. The Group obtained a bank loan of RMB8.2 million by using the banking facilities, all of which were denominated in RMB and bear interest at LPR-40bps, and the loan term was from 1 January 2025 to 17 July 2035. The above two loans were used for the expansion of the photovoltaic business of Huzhou Huran New Energy Development Co., Ltd.* (湖州湖燃新能源開發有限公司), a non-wholly owned subsidiary of the Company.

As at 31 December 2025, the gearing ratio of the Group was approximately 3.60% (31 December 2024: 2.97%). The ratio was calculated by dividing total interest-bearing liabilities by the total equity of the Group. As at 31 December 2025, the Group maintained a net cash position.

Exchange Rate Fluctuation Risk

As the Group operates all its businesses in the PRC, substantially all of its revenue and expenses are denominated in RMB. The foreign exchange risks the Group faces are mainly related to cash and cash equivalents (mainly denominated in Hong Kong dollars), mainly consisting of negligible expenses such as dividend payments and reimbursement of service fees for future professional organizations, and there is no significant exchange rate risk. The Group will closely monitor the interest rate and exchange rate in the market and take appropriate countermeasures when necessary.

Contingent Liabilities

As at 31 December 2025, the Group had no material contingent liabilities.

Financial Guarantee Obligations

As at 31 December 2025, the Group had no material financial guarantee obligations.

Pledge of Assets

As at 31 December 2025, the Group had no pledge of assets.

Significant Investments Held, Material Acquisitions or Disposals, and Future Plans for Material Investments or Capital Assets

There were no significant investments held, or material acquisitions or disposals of subsidiaries, associates or joint ventures by the Group during the Reporting Period, and the Company does not have any future plan for material investments or capital assets as at the date of this announcement.

Human Resources and Employee Compensation

As at 31 December 2025, the Group employed a total of 448 employees in China (31 December 2024: 441). During the Reporting Period, the total employee costs of the Group were approximately RMB110.30 million. The Group further strengthened the training of employees to enhance their professional level and overall quality, by providing targeted training courses to the management, management personnel at various positions, professional technical personnel and service personnel, and by distributing relevant policies and regulations, industry information and knowledge documents to employees. The Group also provided employees with competitive remuneration packages, which is generally structured with reference to market terms and individual merits and reviewed by the management on a regular basis, so as to encourage them to work hard and show their talents when serving customers.

EVENTS AFTER THE REPORTING PERIOD

In the meeting of the Board held on 31 March 2026, the Board proposed the payment of a final dividend of RMB0.30 per share, amounting to RMB60,814,350 (tax inclusive), for the year ended 31 December 2025. The source of the proposed dividend payment is from the retained profits. The proposed final dividend is subject to the approval by Shareholders at the forthcoming annual general meeting.

On 25 February 2026, the Group entered into the Property Sale and Purchase Contract with Huzhou Ruxin Construction Development Co., Ltd. (“**Ruxin Construction**”), pursuant to which the Group acquired the property located in Huzhou City, for a consideration of RMB42,750,000. Ruxin Construction is 100% indirectly owned by Huzhou City Investment and Development Group Co., Ltd., a controlling shareholder of the Company. Further details are set out in the Company’s announcement dated 25 February 2026.

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.

USE OF NET PROCEEDS FROM LISTING

The H shares of the Company (the “**H Share(s)**”) were officially listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 13 July 2022. The net proceeds from the global offering of the H Shares (the “**Global Offering**”) (including proceeds from the additional H Shares issued and allotted pursuant to the exercise of the over-allotment option, and deducting the underwriting commissions and other estimated expenses in connection with the Global Offering and exercise of the over-allotment option) were approximately HK\$276.3 million (equivalent to RMB236.9 million) (the “**Net Proceeds**”). The Company has utilised and will utilise the Net Proceeds in accordance with the proportion of use allocation as stated under the section headed “Future Plans and Use of Proceeds” in the prospectus. As at 31 December 2025, the details of the use of the above Net Proceeds were as follows:

Designated use of Net Proceeds	% of Net Proceeds from the Global Offering	Net Proceeds from the Global Offering and use of proceeds			Expected to be utilised prior to the following date
		Amount allocated (RMB'000)	Utilised (RMB'000)	Unutilised (RMB'000)	
Enhance the sales volume of PNG by upgrading the Company’s pipeline network and operational facilities	20%	47,400	47,400	0	
Expand the Company’s business to other geographical areas through strategic acquisition	30%	71,000	0	71,000	By the end of 2026
Expand into distributed photovoltaic power generation business	30%	71,000	71,000	0	
Promote the use of heat energy from vapour generated by the Company’s natural gas through natural gas boilers	10%	23,800	13,440	10,360	By the end of 2026
Working capital and general corporate purposes	10%	23,700	23,700	0	
Total	100%	236,900	155,540	81,360	

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

ANNUAL GENERAL MEETING

The annual general meeting (“**AGM**”) of the Company will be held on Friday, 5 June 2026. A notice convening the AGM will be published in accordance with the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) in due course.

FINAL DIVIDEND

The Board resolved to propose the payment of a final dividend of RMB0.30 (tax inclusive) per share for the Year (the “**2025 Final Dividend**”) with an aggregate amount of RMB60,814,350 (tax inclusive) to Shareholders (whether holders of H Shareholders or Shareholders of domestic shares) with their names appearing on the Company’s register of members on Friday, 12 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 around Friday, 3 July 2026.

Dividends will be paid in Renminbi for Shareholders of domestic shares, and dividends will be paid in Hong Kong dollars for H Shareholders. 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 H Shareholders who are overseas non-resident enterprises (including HKSCC Nominees Limited, other enterprise nominees or trustees, or other organizations and groups) with their names appearing on the H Share register of members on Friday, 12 June 2026.

According to the requirement under Guo Shui Han [2011] No. 348 from the State Taxation Administration (國家稅務總局國稅函[2011]348號) and the relevant laws and regulations, for individual H Shareholders who are residents in Hong Kong or Macau, and residents in other countries which have 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 who are residents in the countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate lower than 10%, the Company will withhold the individual income tax on the dividends at the rate of 10%. For individual H Shareholders who are residents in the countries which have 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 who are residents in the countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate higher than 20%, or residents in the countries which have not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold the individual income tax at the rate of 20%.

The Company will determine the residential status of the individual H Shareholders based on the registered address as recorded in the H Share register of members of the Company on Friday, 12 June 2026. If the residential status of individual H Shareholders is not the same as their registered address or if the individual H Shareholders would like to apply for a refund of the additional amount of tax that has been withheld, the individual H Shareholders shall notify and provide relevant supporting documents to the Company on or before Wednesday, 10 June 2026. Upon the supporting documents being reviewed by the relevant tax authorities, the

Company will follow the guidance from the tax authorities to implement relevant withholding provisions and arrangements. Individual H Shareholders may either personally or appoint an agent to handle the relevant procedures in accordance with the relevant requirements under the tax treaties notice if they fail to provide the relevant supporting documents to the Company before the time limit stated above.

The Company assumes no responsibility and disclaims any 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 withholding 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 H Share register of members of the Company will be closed in the following periods, the details of which are set out as below:

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

Latest time to lodge transfer documents of shares 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	Friday, 5 June 2026

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

Latest time to lodge transfer documents of shares for registration	4:30 p.m. on Wednesday, 10 June 2026
Closure of register of members (both days inclusive)	Thursday, 11 June 2026 to Friday, 12 June 2026
Record date	Friday, 12 June 2026

During the above relevant periods, the H Share register of members of the Company will be closed. In order to ascertain the right to be eligible to attend and vote at the AGM, and to qualify for the 2025 Final Dividend, all transfer documents of shares, accompanied by the relevant share 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 Reporting Period (including sales of treasury shares). As of the end of the Reporting Period, there were no treasury shares held by the Company or its subsidiaries.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in Part 2 of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices. The Company has complied with all the code provisions set out in the CG Code during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding dealings in the Company's securities by the Directors and supervisors of the Company (the "**Supervisors**") 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 (the "**Code of Conduct**").

Having made specific enquiries to all Directors and Supervisors, they have confirmed that all of them have complied with the Code of Conduct during 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 during the Reporting Period.

AUDIT COMMITTEE AND REVIEW OF ANNUAL FINANCIAL STATEMENTS

The audit committee of the Board (the "**Audit Committee**") comprising three independent non-executive Directors and two non-executive Directors was established by the Company with its terms of reference in compliance with the requirements under 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 2025 ANNUAL REPORT

This announcement will be made available at the websites of the Company (<http://www.hzrqgf.com>) and the Stock Exchange (<https://www.hkexnews.hk>). The 2025 annual report of the Company will be published on the websites of the Company and the Stock Exchange in accordance with the requirements of the Listing Rules in due course, and will be despatched to Shareholders in hard copy upon request.

As at the date of this announcement, to the best knowledge of the Directors, the information contained in this announcement will be consistent with the information contained in the 2025 annual report of the Company.

By Order of the Board
Huzhou Gas Co., Ltd.*
Wang Hua
Chairman

Huzhou, Zhejiang Province, the PRC
31 March 2026

As at the date of this announcement, the Board comprises Mr. Wang Hua, Mr. Wang Tao and Ms. Sun Xiaohui as executive Directors; Mr. Gong Luojian and Mr. Sun Xiaowei as non-executive Directors; Mr. Chang Li Hsien Leslie, Dr. Lau Suet Chiu Frederic and Mr. Zhou Xinfu as independent non-executive Directors; and Ms. Yao Yanli as employee representative Director

* *For identification purposes only*