JY GAS LIMITED
交运燃气有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1407)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- Revenue for the six months ended 30 June 2026 (the "**Period**") amounted to RMB163.0 million, a decrease of 9.5% as compared to the corresponding period in 2025.

- Gross profit for the Period amounted to RMB21.8 million, a decrease of 23.9% as compared to RMB28.6 million for the corresponding period in 2025. The gross profit margin for the Period was 13.4%, as compared to 15.9% for the corresponding period in 2025.

- Net profit for the Period amounted to RMB9.0 million, a decrease of 32.7% as compared to the corresponding period in 2025.

- The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026.

UNAUDITED INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**" and each a "**Director**") of JY GAS LIMITED (the "**Company**") announces the unaudited interim consolidated financial results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the Period with comparative figures for the corresponding period in 2025 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

		Unaudited	
		Six months ended 30 June	
	Note	**2026**	2025
		RMB'000	*RMB'000*
Revenue	*5*	**163,030**	180,185
Cost of sales	*6*	**(141,259)**	(151,591)
Gross profit		**21,771**	28,594
Administrative expenses	*6*	**(9,800)**	(11,326)
Provision of net impairment losses on financial assets		**(147)**	(179)
Other income		**2,677**	1,789
Other gains/(losses), net		**(98)**	794
Operating profit		**14,403**	19,672
Finance income	*7*	**78**	290
Finance costs	*7*	**(1,553)**	(1,591)
Finance income and costs, net	*7*	**(1,475)**	(1,301)
Profit before income tax		**12,928**	18,371
Income tax expense	*8*	**(3,907)**	(4,972)
Profit and total comprehensive income for the Period		**9,021**	13,399
Profit and total comprehensive income attributable to:			
Owners of the Company		**8,784**	13,101
Non-controlling interests		**237**	298
		9,021	13,399
Basic and diluted earnings per share for profit attributable to owners of the Company (expressed in RMB per share)	*9*	**0.02**	0.03

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2026

	Note	**Unaudited 30 June 2026** *RMB'000*	Audited 31 December 2025 *RMB'000*
Assets			
Non-current assets			
Property, plant and equipment		**140,466**	145,048
Investment properties		**72,131**	72,131
Right-of-use assets		**6,382**	6,333
Intangible assets		**5,676**	5,910
Trade receivables	*10*	**5,596**	6,492
Other non-current assets		**4,370**	4,370
		234,621	240,284
Current assets			
Inventories		**7,717**	8,021
Contract assets		**2,398**	3,543
Trade and other receivables	*10*	**81,972**	86,570
Prepayments and other current assets		**8,243**	18,253
Cash and bank balances		**232,072**	221,396
		332,402	337,783
Total assets		**567,023**	578,067

CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2026

	Note	**Unaudited 30 June 2026** *RMB'000*	Audited 31 December 2025 *RMB'000*
Equity			
Share capital		**310**	310
Share premium and reserves		**131,950**	134,541
Retained earnings		**184,707**	177,505
Equity attributable to owners of the Company		**316,967**	312,356
Non-controlling interests		**17,221**	16,984
Total equity		**334,188**	329,340
Liabilities			
Non-current liabilities			
Lease liabilities		**1,680**	1,731
Trade payables	*11*	**1,964**	2,973
Borrowings	*12*	**8,500**	9,010
Deferred income tax liabilities		**8,008**	8,054
		20,152	21,768
Current liabilities			
Trade and other payables	*11*	**67,503**	61,428
Contract liabilities		**81,223**	95,772
Current income tax liabilities		**5,062**	10,279
Borrowings	*12*	**58,351**	59,280
Lease liabilities		**544**	200
		212,683	226,959
Total liabilities		**232,835**	248,727
Total equity and liabilities		**567,023**	578,067

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

1 General information

JY GAS LIMITED (the "**Company**") was incorporated in the Cayman Islands on 9 March 2021 as an exempted company with limited liability under the Companies Act (Cap.22, Act 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Palm Grove Unit 4, 265 Smith Road, George Town, P. O. Box 52A Edgewater Way, #1653, Grand Cayman KY1-9006, Cayman Islands.

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

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

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

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 has not been audited. The interim condensed consolidated financial information have been approved for issue by the Board on 25 August 2026.

2 Basis of preparation

This interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34. This interim condensed consolidated financial information does not include all the notes of the type normally included in annual consolidated financial statements. Accordingly, the interim condensed consolidated financial information should be read in conjunction with the annual report for the year ended 31 December 2025, which has been prepared in accordance with HKFRS Accounting Standards ("**HKFRS**"), and any public announcements made by the Company during the interim reporting period.

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

3 Accounting policies

The accounting policies applied by the Group are consistent with those of the annual financial statements for the year ended 31 December 2025 as described in those annual financial statements except for the adoption of new and amended standards as set out below. Taxes on income in the interim periods are accrued using tax rate that would be applicable to expected total earnings.

(a) New and amended standards adopted by the Group

The following amended standards are mandatory for the first time for the Group's financial year beginning on 1 January 2026 and are applicable for the Group:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

Amendments to HKFRSs effective for the financial year beginning on 1 January 2026 do not have a material impact on the Group's interim financial information.

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

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

4 Critical accounting estimates and judgments

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

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

5 Revenue and segment information

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

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

	Unaudited	
	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Revenue recognised at a point in time:		
Revenue from PNG sales	**154,761**	165,067
Revenue from CNG and LNG sales	**4,349**	7,330
Revenue from sales of gas-burning appliance	**471**	2,046
	159,581	174,443
Revenue recognised over time:		
Revenue from construction and installation services	**3,449**	5,742
Total	**163,030**	180,185

During the six months ended 30 June 2026 and 2025, no revenue was derived from transactions with a single customer representing 10% or more of the Group's total revenue.

6 Expenses by nature

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

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Cost of natural gas	**129,154**	138,613
Materials used in construction and installation services	**72**	100
Cost of gas-burning appliance sold	**392**	924
Employee benefit expenses	**6,947**	6,337
Depreciation and amortisation		
– Property, plant and equipment	**5,767**	5,898
– Right-of-use assets	**281**	169
– Intangible assets	**234**	234
Taxes and surcharges	**650**	372
Repairs and maintenance costs	**1,880**	1,998
Utility costs	**255**	395
Vehicle costs	**118**	218
Outsourced construction labour cost	**3,129**	3,081
Other expenses	**2,180**	4,578
Total cost of sales and administrative expenses	**151,059**	162,917

7 Finance income and costs, net

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interest income:		
– Bank deposits	**46**	81
– Imputed interest income on trade receivables	**32**	209
Total finance income	**78**	290
Interest expense:		
– Bank borrowings	**(1,484)**	(1,527)
– Interest expense of lease liabilities	**(69)**	(64)
Total finance costs	**(1,553)**	(1,591)
Finance income and costs, net	**(1,475)**	(1,301)

8 Income tax expense

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Current income tax:		
– PRC enterprise income tax	**3,953**	5,002
– Deferred income tax	**(46)**	(30)
	3,907	4,972

9 Earnings per share

Basic earnings per share for the six months ended 30 June 2026 and 2025 are calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period.

	Unaudited Six months ended 30 June	
	2026	2025
Profit attributable to owners of the Company *(RMB'000)*	**8,784**	13,101
Weighted average number of issued ordinary shares	**440,000,000**	440,000,000
Basic earnings per share *(expressed in RMB per share)*	**0.02**	0.03

As the Company has no dilutive instruments during the six months ended 30 June 2026 (six months ended 30 June 2025: nil), the Group's diluted earnings per share equals to its basic earnings per share.

10 Trade and other receivables

	Unaudited 30 June 2026 *RMB'000*	Audited 31 December 2025 *RMB'000*
Non-current		
Trade receivables		
– Third parties	**5,770**	6,694
Less: provision for impairment of trade receivables	**(174)**	(202)
	5,596	6,492
Current		
Trade receivables		
– Related parties	**5,217**	5,217
– Third parties	**75,930**	72,141
Less: provision for impairment of trade receivables	**(1,584)**	(1,510)
Trade receivables – net	**79,563**	75,848
Other receivables		
– Related parties	**1,950**	10,400
– Third parties	**26,192**	25,954
	28,142	36,354
Less: provision for impairment of other receivables	**(25,733)**	(25,632)
Other receivables – net	**2,409**	10,722
	81,972	86,570
Total trade and other receivables, net	**87,568**	93,062

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

	Unaudited	Audited
	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
Within 1 year	**7,237**	9,867
1 – 2 years	**6,452**	16,512
2 – 3 years	**15,914**	12,813
Over 3 years	**57,314**	44,860
	86,917	84,052

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

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

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

	Unaudited	
	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
At beginning of period	**1,712**	3,647
Provision	**46**	260
At the end of the period	**1,758**	3,907

The carrying amounts of trade receivables approximate their fair values.

11 Trade and other payables

	Unaudited 30 June 2026 *RMB'000*	Audited 31 December 2025 *RMB'000*
Non-current		
Trade payables		
– Third parties	**1,964**	2,973
Current		
Trade payables		
– Third parties	**41,347**	38,788
– Related parties	**5,282**	5,077
	46,629	43,865
Other payables		
– Value-added tax payable	**8,398**	10,360
– Other taxes payable	**315**	377
– Amounts due to related parties	**2,385**	2,279
– Listing expenses payable	**61**	61
– Salaries and staff welfare payable	**2,810**	1,619
– Dividends payable	**4,173**	338
– Others	**2,732**	2,529
	20,874	17,563
	67,503	61,428
Total trade and other payables	**69,467**	64,401

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

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

	Unaudited 30 June 2026	Audited 31 December 2025
	RMB'000	*RMB'000*
Less than 1 year	**10,670**	8,251
1 – 2 years	**8,983**	15,784
2 – 3 years	**17,654**	14,069
Over 3 years	**11,286**	8,734
	48,593	46,838

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

12 Borrowings

	Unaudited 30 June 2026	Audited 31 December 2025
	RMB'000	*RMB'000*
Bank borrowings		
– Guaranteed by related parties	**66,780**	68,200
Interests payable	**71**	90
	66,851	68,290
Borrowings		
– Current	**58,351**	59,280
– Non-current	**8,500**	9,010
	66,851	68,290

As at 30 June 2026, bank borrowings of RMB66,780,000 were guaranteed by certain related parties (31 December 2025: RMB68,200,000).

13 Dividends

As approved by the shareholders at the Annual General Meeting held on 17 June 2026, a final dividend of HKD0.011 per ordinary share of the Company for the year ended 31 December 2025, totalling HKD4,799,000 (equivalent to RMB4,173,000), was distributed to shareholders on 5 August 2026.

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

The PRC government continues to advance its national strategy of reducing air pollution and greenhouse gas emissions, with natural gas positioned as an important transitional fuel in the country's low carbon energy transformation. In line with China's dual carbon objectives of achieving carbon peaking and carbon neutrality, the Group expects national and provincial authorities to further strengthen policy support for low carbon and clean energy development. These measures are anticipated to sustain long-term growth in natural gas consumption.

In April 2026, Shandong Province implemented the provincial 15th Five-Year Energy Development Plan of Shandong Province (《山東省能源發展「十五五」規劃》) (the "**15th Plan**"), which sets out the "Four Reforms, One Cooperation" (四個革命、一個合作) new energy security strategy. This strategy promotes the large-scale development of clean energy alongside the clean and efficient use of fossil fuels in a coordinated manner. In addition, the Energy Administration of Shandong Province issued the Shandong Province 2026 High-level New Energy Consumption Action Plan (《山東省2026年新能源高水平消納行動方案》) (the "**Action Plan**"), introducing 22 measures across six key areas to support new energy consumption. The Action Plan emphasizes the importance of strategic planning, including the formulation of the 15th Plan and dedicated plans for renewable energy and electricity. These initiatives are expected to further strengthen the foundation for clean energy development and consumption in Shandong Province, thereby creating a favorable environment for the Group's business.

Guided by national and provincial policy directions, the Group will continue to strengthen its natural gas supply network and act as a reliable source of energy in Gaomi City, while contributing to the sustainable development of the Group's business.

DEVELOPMENT STRATEGY AND OUTLOOK

As Gaomi City's largest natural gas provider, the Group's business is supported by a strong customer base which grows steadily with the public's heightened awareness and increased adoption of clean energy.

The Group remains committed to improving the safety management of its natural gas operations by prioritizing investment in operational safety. In addition to conducting comprehensive safety inspections and strengthening technical capabilities, the Group will continue to promote and provide gas safety training and education to ensure that all personnel are equipped to support the safe use of natural gas by its customers.

Looking ahead, the Group will actively align with provincial and national energy strategies, further enhance its supply network and operational standards, and seize new opportunities arising from the accelerated development of clean energy and energy storage in Shandong Province.

BUSINESS REVIEW

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

During the Period, the Group primarily generated revenue from its sale of natural gas in Gaomi City. The sale of PNG is its principal business. As at the end of the Period, the Group's customers of its sale of PNG business included (a) retail customers which comprised 162,398 active residential PNG end-users, 391 active industrial PNG end-users and 5,306 active commercial PNG end-users, representing a change of approximately 1.1%, 0% and 1.2% from that as at the year end of 2025; and (b) two wholesale customers, one of which is a natural gas refuelling station operator in Gaomi City and the other is a piped natural gas operator in Weifang City. The Group's sales volume of PNG was approximately 45.4 million m^3 for the Period, which remained relatively stable as compared to that for the six months ended 30 June 2025. As at the end of the Period, the Group's urban pipeline network was comprised of approximately 800.2 kilometres of completed mid-pressure pipelines.

While sale of PNG continues to be the Group's core business, it also engages in the sale of CNG and LNG at its CNG and LNG refuelling stations, the provision of construction and installation services, and the sale of gas-burning appliances.

In the first half of 2026, the Middle East military conflict has restricted maritime trades and disrupted global energy markets, which led to tightened supply of PNG. The Group procured more LNG in order to meet customer demands for natural gas, which led to higher procurement cost, and resulted in lower gross profit during the Period as compared to the corresponding period in 2025.

Moreover, the Group continued to be affected by the weak property market. A reduction in new property development and construction activities in Gaomi City led to decreased demand for construction and installation services and sale of gas-burning appliances, which are business segments with relatively higher profit margins for the Group.

SEGMENTAL ANALYSIS

1. PNG Sales

The Group supplies PNG to retail customers comprising residential, industrial and commercial PNG end-users, as well as wholesale customers. During the Period, the total revenue of the Group generated from its PNG sales business was RMB154.8 million, representing a decrease of 6.2% from RMB165.1 million for the corresponding period in 2025. The Group's sales volume of PNG was approximately 45.4 million m^3, which remained relatively stable as compared to 45.4 million m^3 for the corresponding period in 2025.

Sales to retail customers: Revenue generated from PNG sales to retail customers was RMB150.4 million for the Period, representing a decrease of 6.6% from RMB161.0 million for the corresponding period in 2025. During the Period, PNG sales to industrial PNG end-users accounted for the largest portion of the Group's total PNG sales. During the Period, PNG sales volume to the Group's industrial, residential and commercial PNG end-users was 21.8 million m^3, 20.1 million m^3 and 1.8 million m^3, respectively, accounting for approximately 49.9%, 46.0% and 4.1% of the Group's total PNG sales volume to retail customers. Comparatively, for the corresponding period in 2025, PNG sales volume to industrial, residential and commercial PNG end-users was 21.8 million m^3, 20.3 million m^3 and 2.0 million m^3, respectively, representing approximately 49.5%, 46.0% and 4.5% of the Group's total PNG sales volume to retail customers.

During the Period, PNG sales to industrial end-users accounted for the largest portion of the Group's total PNG sales to retail customers. The PNG sales volume to industrial and residential end-users remained stable, while that to commercial end-users decreased slightly, as compared to the corresponding period in 2025. Due to the downward adjustment of PNG selling price for industrial and commercial PNG end-users in accordance with applicable government guidance since the winter season of 2025–2026, lower revenue was generated from PNG sales to retail customers as compared to the corresponding period in 2025.

Sales to our wholesale customer: Revenue generated from PNG sales to our wholesale customers was RMB4.4 million for the Period, representing an increase of 10.0% from RMB4.0 million as compared to the corresponding period in 2025. During the Period, PNG sales volume to our wholesale customers was 1.7 million m^3, representing an increase of 21.4% from 1.4 million m^3 as compared to the corresponding period in 2025. The aforementioned increase in revenue generated from the Group's PNG sales to wholesale customers was mainly due to an increase in sales volume, which was partially offset by the downward adjustment in PNG selling prices.

2. CNG and LNG Sales

The Group supplies CNG and LNG to vehicle users at its CNG and LNG refuelling stations in Gaomi City. During the Period, revenue of the Group generated from its CNG and LNG sales business was RMB4.3 million, representing a decrease of 40.7% from RMB7.3 million for the corresponding period in 2025. Such decrease was mainly due to (i) the increasing popularity of electric vehicles as a result of its low charging costs, thereby leading to fewer use of CNG and LNG vehicles as a whole; and (ii) the Group's closure of another one of its gas refuelling stations in the second half of 2025 due to high procurement and management costs and a low gross profit margin.

3. Construction and Installation Services

The Group provides construction and installation services to property developers, residential PNG end-users and non-residential PNG end-users. During the Period, revenue of the Group generated from its construction and installation services was RMB3.4 million, representing a decrease of 39.9% as compared to RMB5.7 million for the corresponding period in 2025. Such decrease was primarily attributable to (i) minimal installation work carried out during the Period, as the clean energy projects all completed in 2025; and (ii) less construction and delivery of new properties as a result of the weak property market in Gaomi City.

4. Sale of Gas-burning Appliances

The Group sells gas-burning appliances such as gas stoves, wall-hung gas boilers and water heaters, primarily to property owners and property occupiers. During the Period, revenue of the Group generated from its sale of gas-burning appliances was RMB0.5 million, representing a decrease of 77.0% as compared to RMB2.0 million for the corresponding period in 2025. Such decrease was primarily attributable to a decrease in demand for installation of gas stoves and wall-hung gas boilers as (i) the clean energy projects all completed in 2025; and (ii) less delivery of new properties as a result of the weak property market in Gaomi City.

FINANCIAL REVIEW

Revenue

The Group's revenue for the Period was RMB163.0 million, representing a decrease of 9.5% as compared to RMB180.2 million for the corresponding period in 2025. Such decrease was due to the decrease in revenue from PNG, mainly due to the decrease in PNG selling prices and also from the drop in the Group's sale of CNG and LNG, sale of gas-burning appliances and the construction and installation services for reasons as mentioned above.

Gross Profit

The Group's gross profit for the Period was RMB21.8 million, representing a decrease of 23.9% as compared to RMB28.6 million for the corresponding period in 2025. The Group's gross profit margin decreased to 13.4% for the Period from 15.9% for the corresponding period in 2025, primarily attributable to lower revenue generated as a whole and higher PNG procurement costs as a result of the Middle East military conflict abovementioned.

Administrative expenses

The Group's administrative expenses for the Period was RMB9.8 million, representing a decrease of 13.5% as compared to RMB11.3 million for the corresponding period in 2025, primarily attributable to lower professional service fees incurred during the Period.

Provision of net impairment losses on financial assets

The Group recorded a provision of net impairment losses on financial assets of RMB147,000 during the Period, representing a decrease of 17.9% as compared to RMB179,000 for the corresponding period in 2025. This was primarily due to the completion of all clean energy projects in 2025, which resulted in a slow down of the increase in trade receivables when compared to the corresponding period in 2025.

Other Income

The Group's other income for the Period was RMB2.7 million, representing an increase of 49.6% as compared to RMB1.8 million for the corresponding period in 2025. This was primarily because the Group received rental payment for certain properties leased to third parties.

Other gains/(losses), net

The Group recorded other net losses for the Period amounting to RMB98,000, as compared to other net gains of RMB794,000 for the corresponding period in 2025. This was primarily due to an asset loss arising from the disposal of an unused compressor and system.

Finance Costs

The Group's finance costs for the Period were RMB1.6 million, which remained stable as compared to RMB1.6 million for the corresponding period in 2025.

Income Tax Expense

The Group's income tax expense for the Period was RMB3.9 million, representing a decrease of 21.4% as compared to RMB5.0 million for the corresponding period in 2025. Such decrease was primarily attributable to a decrease in the Group's profit before income tax. The effective tax rate for the Period was 30.2% (the effective tax rate for the corresponding period in 2025 was 27.1%).

Profit Attributable to Owners of the Company

Profit attributable to owners of the Company for the Period was RMB8.8 million, representing a decrease of 33.0% as compared to RMB13.1 million for the corresponding period in 2025, which was mainly due to a decrease in the Group's revenue and the gross profit as mentioned above.

Trade and Other Receivables

The Group's trade and other receivables was RMB87.6 million as at 30 June 2026, representing a decrease of 5.9% as compared to RMB93.1 million as at 31 December 2025, which was mainly due to the repayment of other receivables (comprising of rent in respect of certain properties leased by the Group) from a related party.

Trade and Other Payables

The Group's trade and other payables was RMB69.5 million as at 30 June 2026, representing an increase of 7.9% as compared to RMB64.4 million as at 31 December 2025, which was mainly due to the increase in dividends payable.

Liquidity and Financial Position

The Group's current assets amounted to RMB332.4 million as at 30 June 2026, representing a decrease of 1.6% as compared to RMB337.8 million as at 31 December 2025. As at 30 June 2026, the Group's cash and bank balances amounted to RMB232.1 million.

As at 30 June 2026, the current ratio (current assets/current liabilities) of the Group was 156.3% (as at 31 December 2025: 148.8%) and the debt ratio of the Group (total liabilities/total assets) was 41.1% (as at 31 December 2025: 43.0%). As at 30 June 2026, the Group's utilised bank loans amounted to RMB66.8 million, all of which were denominated in RMB, bearing an annual interest rate of 4.4%. As at 30 June 2026, the Group had no unutilised bank credit. As at 30 June 2026, the Group had lease liabilities of RMB2.2 million, of which RMB0.5 million is analysed as current portion, and RMB1.7 million is analysed as non-current portion.

The gearing ratio of the Group was 20.7% as at 30 June 2026 (as at 31 December 2025: 21.3%). The ratio was calculated by dividing total debt (borrowings and lease liabilities) by total equity as at the end of the relevant year. As at 30 June 2026, the Group maintained a net cash position. The Group has maintained a strong cash position and expects its cash and bank balances, and cash generated from operations, to be adequate to meet its working capital requirements.

Exchange Rate Fluctuation Risk

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

Contingent Liabilities

As at 30 June 2026, the Group had no material contingent liabilities.

Financial Guarantee Obligations

As at 30 June 2026, the Group had no material financial guarantee obligations.

Pledge of Assets

As at 30 June 2026, the Group had not pledged any assets (as at 31 December 2025: nil).

Significant Investment

During the Period, the Group did not hold any significant investment. As of 30 June 2026, the Group did not have future plans for material investments and capital assets.

Material Acquisition and Disposal

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

Human Resources and Employee Compensation

As at 30 June 2026, the Group employed a total of 142 employees in the PRC (as at 31 December 2025: 151). During the Period, the total employee costs of the Group were RMB6.9 million. The Group manages its personnel actively, including but not limited to providing training on relevant policies and regulations, safety management and professional knowledge in order to improve management skills, strengthen employees' professional skills and enhance the competitiveness of the Group.

NO MATERIAL CHANGES

Save as disclosed in this announcement, there has been no material change in the business of the Group since the publication of the last annual report of the Company that needs to be disclosed under the Listing Rules.

EVENTS AFTER THE PERIOD

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

MATERIAL LITIGATION

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

NET PROCEEDS FROM THE GLOBAL OFFERING

The Shares were listed on the Main Board of the Stock Exchange on 16 November 2022, with a total of 110,000,000 Shares issued pursuant to the global offering of Shares ("**Global Offering**"). After deducting the underwriting fees and relevant expenses, net proceeds from the Global Offering (the "**Net Proceeds**") amounted to approximately HK$111.6 million (equivalent to RMB101.2 million). The following table sets out the intended use and actual use of the Net Proceeds as at 30 June 2026:

Designated use of Net Proceeds	% of Net Proceeds	Net Proceeds from the Global Offering Allocated amount *(RMB million)*	Utilised *(RMB million)*	Unutilised *(RMB million)*	Expected to be utilised prior to the following date
Expanding the sale of PNG business through construction of new mid-pressure pipelines of approximately 101.0 km in the Operating Area	48.5%	49.1	45.64	3.46	By the end of 2026
Upgrading approximately 43.4 km of the urban pipeline network	20.5%	20.7	18.88	1.82	By the end of 2026
Replacing existing gas meters with Goldcard Meters for over 19,500 households in the Operating Area	6.9%	7.0	7.0	–	–
Construction of an aggregate of approximately 18.0 km PNG end-user pipelines that connect the urban pipeline network for implementing the Clean Energy Projects to serve over 5,500 households in the Operating Area	14.1%	14.3	14.3	–	–
Working capital and other general corporate purposes	10.0%	10.1	9.63	0.47	By the end of 2026

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

CORPORATE GOVERNANCE PRACTICES

The Group is committed to achieving high corporate governance standards to safeguard the interests of its stakeholders. The Company has applied the principles in the Corporate Governance Code ("**CG Code**") in Appendix C1 to the Listing Rules by conducting its business by reference to the principles of the CG Code and emphasising such principles in the Company's governance framework. To the best knowledge of the Directors, the Company has complied with all applicable code provisions under the CG Code (as amended from time to time) during the Period, save for the deviations from Code Provisions C.1.7 and C.2.1 discussed below.

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

Pursuant to Code Provision C.2.1 of the CG Code, the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. However, the Company does not have a separate chairman and chief executive officer and Mr. Luan Xiaolong currently assumes both roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and the three independent non-executive Directors. The Board will continue to review the effectiveness of the corporate governance structure of the Group and consider segregating the roles of chairman of the Board and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") in Appendix C3 to the Listing Rules as the code of conduct for the Directors and relevant employees who, because of such office or employment, are likely to possess inside information in relation to the Company or its securities. Having made specific enquires with each Director, the Company confirmed that the Directors had complied with the required standard as set out in the Model Code during the Period. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company during the Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including treasury shares (as defined under the Listing Rules)) during the Period. As at 30 June 2026, the Company did not hold any treasury shares (as defined under the Listing Rules), and no Shares have been repurchased but pending cancellation.

REVIEW OF INTERIM RESULTS BY AUDIT COMMITTEE

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

The Audit Committee has discussed with the management the accounting principles and policies adopted by the Group, and has reviewed the Group's unaudited interim condensed consolidated financial information for the six months ended 30 June 2026. The Audit Committee has agreed with the management of the Company on the interim result of the Group for the Period.

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The announcement has been published on the websites of the Stock Exchange (**www.hkexnews.hk**) and the Company (**www.gmjytrq.com**). The interim report for the six months ended 30 June 2026 (containing all information required as set forth in Appendix D2 to the Listing Rules) will be despatched to shareholders of the Company (if requested) and made available on the above websites in due course.

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

Hong Kong, 25 August 2026

As at the date of this announcement: (1) the Chairman and executive Director is Mr. Luan Xiaolong; (2) the executive Directors are Mr. Luan Linxin and Ms. Xu Huanxia; (3) the non-executive Director is Mr. Lui Chun Pong; and (4) the independent non-executive Directors are Mr. Wei Yi, Mr. Tian Qiang and Ms. Liu Xiaoye.