CHINA GAS INDUSTRY INVESTMENT HOLDINGS CO. LTD.

(Incorporated in the Cayman Islands with members' limited liability)
(Stock code: 1940)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- The revenue of the Group for the Reporting Period amounted to approximately RMB999.14 million, representing an increase of approximately 42.36% from the revenue of approximately RMB701.86 million for the six months ended 30 June 2025.

- The gross profit of the Group for the Reporting Period was approximately RMB229.17 million, representing an increase of approximately 36.05% from the gross profit of approximately RMB168.44 million for the six months ended 30 June 2025.

- The net profit of the Group for the Reporting Period amounted to approximately RMB114.57 million, representing an increase of approximately 53.57% from the net profit of approximately RMB74.60 million for the six months ended 30 June 2025.

- The basic and diluted earnings per Share attributable to equity shareholders of the Company for the Reporting Period were approximately RMB0.10 and RMB0.10, respectively, compared with basic and diluted earnings per Share of approximately RMB0.06 and RMB0.06, respectively, for the six months ended 30 June 2025.

- As at 30 June 2026, the gearing ratio of the Group was 14.45% as compared to 15.41% as at 31 December 2025.

- During the Reporting Period, the Group completed three loan assignment transactions with recorded proceeds of RMB118 million. Given that the carrying value of these loans was Nil as at 31 December 2025, the resulting proceeds directly increased the Group's net assets and total equity by RMB118 million as at 30 June 2026.

- The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 RMB (Unaudited)	2025 RMB (Unaudited)
Revenue	*4*	**999,139,833**	701,859,449
Cost of revenue	*8*	**(769,971,942)**	(533,416,793)
Gross profit		**229,167,891**	168,442,656
Selling and marketing expenses	*8*	**(1,840,075)**	(1,435,746)
Administrative expenses	*8*	**(10,522,215)**	(17,979,358)
Credit loss allowance for trade receivables		**(25,673,994)**	(12,111,377)
Research and development expenses	*8*	**(41,149,457)**	(36,775,653)
Other income	*5*	**9,451,774**	6,433,977
Other gains/(losses), net	*6*	**33,703**	(61,575)
Operating profit		**159,467,627**	106,512,924
Finance costs, net	*7*	**(2,671,046)**	(8,535,919)
Profit before income tax		**156,796,581**	97,977,005
Income tax expense	*9*	**(42,228,696)**	(23,373,604)
Profit for the period attributable to owners of the Company		**114,567,885**	74,603,401
Other comprehensive (expense)/income, net of tax			
Item that may be subsequently reclassified to profit or loss:			
Currency translation differences		**(1,830,719)**	682,521
Total comprehensive income for the period		**112,737,166**	75,285,922
Total comprehensive income attributable to owners of the Company		**112,737,166**	75,285,922
Earnings per share – Basic and diluted	*11*	**0.10**	0.06

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

	Notes	**As at 30 June 2026** *RMB* **(Unaudited)**	As at 31 December 2025 *RMB* (Audited)
Non-current assets			
Property, plant and equipment	*12*	**1,433,933,559**	1,481,078,307
Right-of-use assets	*13*	**40,185,874**	39,316,069
Deferred tax assets		**15,306,324**	11,484,617
Other assets		**256,896**	290,683
		1,489,682,653	1,532,169,676
Current assets			
Inventories		**5,129,562**	6,528,456
Trade receivables	*14*	**740,312,149**	650,644,220
Prepayments, deposits and other receivables	*15*	**24,352,157**	27,139,381
Financial assets at fair value through other comprehensive income		**147,944,738**	81,527,682
Cash and cash equivalents	*16*	**318,811,298**	150,038,542
		1,236,549,904	915,878,281
Current liabilities			
Trade and other payables	*17*	**278,081,632**	272,830,051
Contract liabilities	*4*	**16,053,645**	11,103,455
Borrowings		**113,726,833**	112,953,989
Lease liabilities	*13*	**2,081,833**	1,766,533
Income tax payable		**35,249,759**	22,848,187
		445,193,702	421,502,215
Net current assets		**791,356,202**	494,376,066

	Notes	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Total assets less current liabilities		**2,281,038,855**	2,026,545,742
Non-current liabilities			
Borrowings		**174,936,194**	161,846,543
Lease liabilities	*13*	**1,226,515**	165,149
Deferred tax liabilities		**83,742,165**	68,313,015
		259,904,874	230,324,707
NET ASSETS		**2,021,133,981**	1,796,221,035
Capital and reserves			
Equity attributable to owners of the Company			
Share capital		**836,016**	836,016
Other reserves		**1,499,785,085**	1,374,814,623
Retained earnings		**520,512,880**	420,570,396
TOTAL EQUITY		**2,021,133,981**	1,796,221,035

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the six months ended 30 June 2026

1. GENERAL INFORMATION

China Gas Industry Investment Holdings Co. Ltd. (the "**Company**") was incorporated in the Cayman Islands on 4 August 2006 as an exempted company with limited liability. The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of its subsidiaries is the People's Republic of China (the "**PRC**" or "**China**").

The principal activity of the Company is investment holding. The Company and its subsidiaries ("**the Group**") are engaged in the production and supply of industrial gases and the provision of related services in the PRC.

The interim condensed consolidated financial information comprises the interim condensed consolidated statement of financial position as at 30 June 2026, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six months then ended, and selected explanatory notes (the "**Interim Financial Information**"). The Interim Financial Information is presented in Renminbi ("**RMB**"), unless otherwise stated.

The Interim Financial Information have been reviewed, not audited.

2. BASIS OF PREPARATION

The Interim Financial Information of the Group has been prepared in accordance with International Accounting Standard ("**IAS**") 34, "**Interim Financial Reporting**" and applicable disclosure provisions of the Rules Governing the Listing of Securities ("**the Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The preparation of the Interim Financial Information requires management to make judgments, 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 the Interim Financial Information, the significant judgments 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.

The Interim Financial Information do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

3. ACCOUNTING POLICIES

The accounting policies and basis of preparation used in the preparation of the Interim Financial Information for the six months ended 30 June 2026 are consistent with those used in the annual financial statements for the year ended 31 December 2025 except for the adoption of the new and amendments to International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board and interpretations (collectively "**IFRS Accounting Standards**") as set out below.

New and amendments to standards adopted by the Group

Amendments to IFRS 9 and IFRS 7	Financial Instruments – Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature – Dependent Electricity
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

The Directors concluded that the application of the amendments have no significant impact on the interim condensed consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

The executive directors of the Company have been identified as the chief operating decision-makers ("**CODM**") of the Group who review the Group's internal reporting in order to assess performance of the Group on a regular basis and allocate resources.

The Group is primarily engaged in the production and supply of industrial gas in the PRC. Additionally, the Group is involved in production and supply of liquefied natural gas ("**LNG**") and related gas transmission service. The Group also provides technical support and management services. The CODM assesses performance of the business based on a measure of operating results and considers the business from the product perspective. Information reported to the CODM for the purposes of resources allocation and performance assessment focuses on the operation results of the Group as a whole as the Group's resources are integrated. Accordingly, the Group has identified three (six months ended 2025: three) operating segments during the six months period ended 2026 as follows:

– Supply of industrial gas

– LNG and gas transmission service

– Technical support and management services

CODM assesses the performance of the reportable segments based on their revenue and gross profit. No analysis of the reportable segments' assets and liabilities is regularly provided to the CODM for review.

(i) The segment information provided to the CODM for the reportable segments for the six months ended 30 June 2026 and 2025 are as follows:

	Six months ended 30 June 2026 (Unaudited)			
	Supply of industrial gas (pipeline and liquefied) *RMB*	**LNG and gas transmission service** *RMB*	**Technical support and management service** *RMB*	**Total** *RMB*
External revenue	**846,580,653**	**143,147,088**	**9,412,092**	**999,139,833**
Inter-segment revenue	**21,251,431**	**–**	**–**	**21,251,431**
Segment revenue	**867,832,084**	**143,147,088**	**9,412,092**	**1,020,391,264**
Segment profit	**213,322,006**	**9,856,719**	**5,989,166**	**229,167,891**

	Six months ended 30 June 2025 (Unaudited)			
	Supply of industrial gas (pipeline and liquefied)	LNG and gas transmission service	Technical support and management service	Total
	RMB	*RMB*	*RMB*	*RMB*
External revenue	580,443,170	112,866,597	8,549,682	701,859,449
Inter-segment revenue	12,483,064	–	–	12,483,064
Segment revenue	592,926,234	112,866,597	8,549,682	714,342,513
Segment profit	156,841,357	6,111,289	5,490,010	168,442,656

(ii) Geographic information

The Company is domiciled in the Cayman Islands while the Group mainly operates its business in the PRC and all its revenue is derived in the PRC. Accordingly, no geographical information on the total revenue is presented.

(iii) Information about major customers

Revenue from customers contributing over 10% or more of the Group's revenue is as follow:

	Six months ended 30 June	
	2026	2025
	RMB	*RMB*
	(Unaudited)	(Unaudited)
Customer A	**790,014,261**	527,644,509

(iv) Revenue

All the Group's revenue is derived from contracts with customers.

The Group is principally engaged in the production and supply of industrial gases, LNG and related gas transmission service in the PRC. An analysis of the Group's revenue by category for the six months ended 30 June 2026 and 2025 is disclosed as follows:

	Six months ended 30 June	
	2026	2025
	RMB	*RMB*
	(Unaudited)	(Unaudited)
Supply of pipeline industrial gas	**748,069,370**	512,590,082
Supply of liquefied industrial gas	**95,095,578**	62,688,500
Supply of LNG and gas transmission service	**143,147,088**	112,866,597
Technical support and management services	**9,412,092**	8,549,682
Others	**3,415,705**	5,164,588
	999,139,833	701,859,449

Except for gas transmission service of RMB20,787,889 (six months ended 30 June 2025: RMB19,116,768) as well as technical support and management services of RMB9,412,092 (six months ended 30 June 2025: RMB8,549,682) which is recognised over time, all of the Group's revenue is recognised at a point in time.

(v) Contract liabilities

The Group presents advances from customers for which the Group has an obligation to transfer goods or service to a customer.

The Group has recognised the following contract liabilities:

	As at 30 June 2026	As at 31 December 2025
	RMB	*RMB*
	(Unaudited)	(Audited)
Contract liabilities arising from:		
– Supply of liquefied industrial gas	**8,570,033**	4,563,526
– Supply of LNG	**7,163,293**	6,219,610
– Others	**320,319**	320,319
	16,053,645	11,103,455

Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in each of the period relates to carried-forward contract liabilities at the beginning of the period:

	Six months ended 30 June	
	2026	2025
	RMB	*RMB*
	(Unaudited)	(Unaudited)
Supply of liquefied industrial gas	**884,010**	2,028,365
Supply of LNG	**2,680,297**	7,498,361
	3,564,307	9,526,726

5. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB	*RMB*
	(Unaudited)	(Unaudited)
Government grants *(note (i))*	**3,610,204**	2,683,740
Others *(note (ii))*	**5,841,570**	3,750,237
	9,451,774	6,433,977

Notes:

(i) Government grants are all income related and there are no unfulfilled conditions or other contingencies attached to these government grants.

(ii) The amounts mainly represent reversal of production safety fund over-provided of RMB5,824,220 (six months ended 30 June 2025: the proceeds from sale of scrap of RMB2,105,949 and reversal overprovision of value-added-tax ("VAT") of RMB1,622,629).

6. OTHER GAINS/(LOSSES), NET

	Six months ended 30 June	
	2026	2025
	RMB	*RMB*
	(Unaudited)	(Unaudited)
Net foreign exchange gains/(losses)	**63,601**	(1,575)
Others	**(29,898)**	(60,000)
	33,703	(61,575)

7. FINANCE COSTS, NET

	Six months ended 30 June	
	2026	2025
	RMB	*RMB*
	(Unaudited)	(Unaudited)
Finance income:		
Interest income from bank deposits	**341,805**	727,599
Finance costs:		
Interest expenses on bank borrowings	**(4,518,169)**	(10,467,000)
Interest expense on lease liabilities	**(28,953)**	(61,518)
Add: amount capitalised	**1,534,271**	1,265,000
Finance costs expensed	**(3,012,851)**	(9,263,518)
Finance costs, net	**(2,671,046)**	(8,535,919)

Finance costs have been capitalized on qualifying assets at average interest rates of 3.10% per annum for the six months ended 30 June 2026 (six months ended 30 June 2025: 3.78% per annum).

8. EXPENSES BY NATURE

	Six months ended 30 June	
	2026	2025
	RMB	*RMB*
	(Unaudited)	(Unaudited)
Auditor's remuneration	**750,000**	750,000
Consumption of utilities	**600,243,052**	402,151,626
Consumption of raw materials and low value consumables	**73,280,655**	62,767,218
Changes in inventories of finished goods	**219,679**	(67,896)
Depreciation of property, plant and equipment	**65,648,052**	58,021,118
Amortisation of right-of-use assets	**1,051,820**	1,075,253
Employee benefits expenses	**27,298,906**	28,179,287
Freight expenses	**5,935,081**	3,877,574
Equipment maintenance expenses	**31,340,683**	18,362,910
Tax surcharges	**5,838,724**	4,370,770
Outsourcing labour costs	**3,145,866**	2,658,032
Professional service fee	**2,627,250**	2,349,255
Others	**6,103,921**	5,112,403
	823,483,689	589,607,550

9. INCOME TAX EXPENSE

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the statutory tax rate of 25% in the PRC, being the tax rate applicable to the majority of consolidated entities as follows:

	Six months ended 30 June	
	2026	2025
	RMB	*RMB*
	(Unaudited)	(Unaudited)
Current tax		
– PRC enterprise income tax	**30,621,253**	14,479,703
Deferred tax		
– Charged to profit or loss for the period	**11,607,443**	8,893,901
Income tax expense	**42,228,696**	23,373,604

Notes:

(a) Cayman Islands income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Cayman Islands Companies Law and is not subject to income tax. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax will be imposed.

(b) PRC enterprise income tax

Income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the period, based on the existing legislation, interpretations and practises in respect thereof. The general corporate income tax rate in the PRC is 25%. Tangshan Tangsteel Gases Co., Ltd. and Luanxian Tangsteel Gases Co., Ltd., subsidiaries of the Group, were approved as High and New Technology Enterprise in the PRC and was entitled to a preferential income tax rate of 15%.

(c) PRC withholding tax

According to the applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after 1 January 2008 are generally subject to a 10% withholding income tax. The Company has recognised deferred tax liabilities for undistributed profits of its subsidiaries in the PRC.

(d) Super Deduction for research and development expense

According to the relevant laws and regulations promulgated by the State Tax Bureau of the PRC (the "**State Tax Bureau**") that was effective from March 2023 enterprises engaging in research and development activities are entitled to claim 200% of their research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that period ("**Super Deduction**").

(e) Income not subject to tax

According to the relevant laws and regulations promulgated by the State Tax Bureau, the Group's subsidiaries in the PRC are entitled to deduct 10% of their revenue generated from supply of self-produced industrial hydrogen gas when determining their assessable profits during the period.

10. DIVIDENDS

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2026 (2025: Nil).

11. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB	*RMB*
	(Unaudited)	(Unaudited)
Earnings		
Profit for the period attributable to owners of the Company	**114,567,885**	74,603,401

	Six months ended 30 June	
	2026	2025
	Number	*Number*
	(Unaudited)	(Unaudited)
Number of shares		
Weighted average number of ordinary shares	**1,200,000,000**	1,200,000,000

Diluted earnings per share were the same as the basic earnings per Share as there was no dilutive potential ordinary shares existed during the six months ended 30 June 2026 and 2025.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment including construction in progress with an aggregate cost of amounting to RMB18,503,304 (six months ended 30 June 2025: RMB114,656,837). No property, plant and equipment were disposed of during the six months ended 30 June 2026 and 2025.

In preparation for the Group's future development on its industrial gas business, the management has performed an impairment assessment of the Group's related property, plant and equipment during the current period, taking into account the Group's future operating plans and the outlook of the industry. The assessment was performed on the relevant assets or cash generating unit ("CGU") level when there are indicators of possible impairment of that assets or CGU. The recoverable amount has been determined based on the higher value-in-use and fair value less costs of disposal.

There is no impairment provision on property, plant and equipment during the six months ended 30 June 2026 and 2025.

13. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

During the six months ended 30 June 2026, right-of-use assets and lease liabilities of RMB1,898,981 and RMB1,898,981 were recognised by the Group respectively (six months ended 30 June 2025: RMBNil).

	Leased liabilities
	RMB
As at 1 January 2025 (Audited)	3,382,628
Interest expenses	113,015
Lease payments	(875,868)
Exchange alignment	(22,093)
Other non-cash movement	(666,000)
As at 31 December 2025 and 1 January 2026 (Audited)	**1,931,682**
Interest expenses	**28,953**
Addition	**1,898,981**
Lease payments	**(512,940)**
Exchange alignment	**(38,328)**
As at 30 June 2026 (Unaudited)	**3,308,348**

	As at 30 June 2026	As at 31 December 2025
	RMB	*RMB*
	(Unaudited)	(Audited)
Current liabilities	**2,081,833**	1,766,533
Non-current liabilities	**1,226,515**	165,149
	3,308,348	1,931,682

14. TRADE RECEIVABLES

	As at 30 June 2026	As at 31 December 2025
	RMB	*RMB*
	(Unaudited)	(Audited)
Trade receivables	**800,067,578**	684,725,655
Less: allowance for impairment	**(59,755,429)**	(34,081,435)
	740,312,149	650,644,220

Notes:

(a) As at 30 June 2026 and 31 December 2025, the fair values of the trade receivables of the Group approximated their carrying amounts.

(b) Aging analysis of trade receivables (net of allowance) based on invoice date is as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB	*RMB*
	(Unaudited)	(Audited)
Up to 6 months	**625,092,932**	473,032,423
6 months to 1 year	**90,025,468**	162,981,765
1 to 2 years	**24,816,553**	12,216,660
Over 2 years	**377,196**	2,413,372
	740,312,149	650,644,220

The Group's trade receivables are generally settled within 180 days (2025: 180 days) from the invoice date. No interest is charged on the trade receivables.

(c) As at 30 June 2026 and 31 December 2025, the carrying amount of the Group's gross trade receivables are denominated in RMB.

(d) The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which requires expected lifetime losses to be recognised from initial recognition. The expected loss rates are based on the payment profiles of related customers and the corresponding historical credit losses. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

15. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2026	As at 31 December 2025
	RMB	*RMB*
	(Unaudited)	(Audited)
VAT recoverable	**9,317,410**	12,282,007
Receivables due from related parties	**40,880**	40,880
Utilities and other prepayments	**11,663,404**	11,397,692
Deposits	**2,322,176**	2,260,707
Others	**1,008,287**	1,158,095
	24,352,157	27,139,381

16. CASH AND CASH EQUIVALENTS

	As at 30 June 2026	As at 31 December 2025
	RMB	*RMB*
	(Unaudited)	(Audited)
Denominated in:		
RMB	**311,466,747**	142,704,634
USD	**4,720,041**	4,714,073
HKD	**2,624,510**	2,619,835
	318,811,298	150,038,542

17. TRADE AND OTHER PAYABLES

	As at 30 June 2026	As at 31 December 2025
	RMB	*RMB*
	(Unaudited)	(Audited)
Trade payables	**250,122,476**	183,169,455
Payables for construction and equipment	**3,345,286**	15,136,884
Dividend payable	**–**	50,671,500
Payables for operating service fee	**6,081,868**	6,081,868
Other taxes payable	**7,611,634**	5,607,370
Salaries and bonus payable	**3,244,846**	2,194,752
Payables for professional service fee	**3,168,665**	4,171,051
Deposits	**3,216,727**	3,028,855
Others	**1,290,130**	2,768,316
	278,081,632	272,830,051

Ageing analysis of trade payables of the Group, based on invoice dates, was as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB	*RMB*
	(Unaudited)	(Audited)
Less than 1 year	**216,747,816**	151,135,106
1 to 2 years	**2,047,067**	2,097,646
2 to 3 years	**4,634,838**	5,307,102
Over 3 years	**26,692,755**	24,629,601
	250,122,476	183,169,455

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the production and supply of industrial gases in the PRC.

The Group's key products, industrial gases, are mainly used in the production of iron and steel. The Group's revenue is derived mainly from iron and steel production companies. According to the preliminary accounting data released by National Bureau of Statistics of China (the "**Statistic Bureau**") on 15 July 2026, GDP of China in the first half of 2026 was approximately RMB69,570.4 billion, representing an increase of approximately 4.7% over the first half of 2025 at a constant price.

According to the data released by China Iron and Steel Association, China's crude steel output was approximately 500 million tons in the first half of 2026, representing a year-on-year decrease of 3.0%, and the pig iron output was approximately 427 million tons, representing a year-on-year decrease of 2.8%; the production of steel was approximately 719 million tons, representing a year-on-year decrease of 0.9%.

The Group's pipeline and liquefied industrial gas business during the six months ended 30 June 2026 (the "**Reporting Period**") increased by 46.57% in aggregate as compared to the corresponding period last year, while the revenue of the LNG products and pipeline transmission from Luanxian plant increased by 26.83%, and the revenue of the technical support and management services increased by 10.09%. The Group's revenue in the first half of 2026 was approximately RMB999.14 million.

Supply of Pipeline Industrial Gas

The Group's pipeline industrial gas is produced and transmitted to its customers via pipelines. The Group's production facilities are all located on, or in close proximity to, the production facilities of its pipeline industrial gas customers for the convenience of those customers being provided with industrial gas products. During the Reporting Period, the Group had two pipeline industrial gas production plants in operation, namely the TTG Laoting Branch (唐鋼氣體樂亭分公司) plant and the TTG new district plant (formerly known as the Zhongqi Investment (Tangshan) plant).

Supply of Liquefied Industrial Gas

To maximise the utilisation of its designed production capacity and increase its revenue, the Group also engages in the supply of liquefied industrial gas. The Group's liquefied industrial gas products include oxygen, nitrogen, argon and carbon dioxide. Among the oxygen and nitrogen in gas form and liquefied oxygen, nitrogen and argon generated in its air separations unit(s) ("**ASUs**"), liquefied oxygen, nitrogen and argon can be sold directly as liquid products, whereas oxygen and nitrogen in gas form generated by the ASUs can be further processed through the liquefier to obtain liquefied oxygen and nitrogen. After meeting all the demand for oxygen and nitrogen in gas form in the pipeline, the Group utilises the spare design capacity to produce and sell liquefied nitrogen, thereby maximising the use of the ASUs. Carbon dioxide is produced in a separate production line independent from the production of oxygen, nitrogen and argon.

Provision of Technical Support and Management Services

The Group provides technical support and management services. Such services include management of organisation and planning, equipment inspections, equipment maintenance, routine maintenance, safety, labour and personnel etc. in respect of the production and supply of the industrial gas products.

Supply of LNG and the Provision of Gas Transmission Services

The Group's LNG-related business includes the supply of LNG and the provision of gas transmission services. The supply of LNG refers to the production and sales of LNG products by the Group. The provision of gas transmission services refers to the Group's coke oven gas pressurization and transmission services provided via pipelines which are separate from those used for its supply of pipeline industrial gas. The Group's Luanxian plant produces LNG and also provides gas transmission services, and has relevant equipment and machinery used for the Group's LNG supply business.

The revenue and gross profit of the Group from each segment for the Reporting Period are set out as follows:

	Six months ended 30 June 2026 (Unaudited)			Six months ended 30 June 2025 (Unaudited)		
	Revenue *RMB*	**Gross profit** *RMB*	**Gross profit margin**	Revenue *RMB*	Gross profit *RMB*	Gross profit margin
Supply of industrial gas (pipeline and liquefied)	**846,580,653**	**213,322,006**	**25.20%**	580,443,170	156,841,357	27.02%
LNG and gas transmission service	**143,147,088**	**9,856,719**	**6.89%**	112,866,597	6,111,289	5.41%
Technical support and management services	**9,412,092**	**5,989,166**	**63.63%**	8,549,682	5,490,010	64.21%
The Group	**999,139,833**	**229,167,891**	**22.94%**	701,859,449	168,442,656	24.00%

Operation of the Group

In the first half of 2026, the total sales of the Group's pipeline industrial gas reached approximately 2,637.76 million Nm^3 (same period in 2025: approximately 1,935.36 million Nm^3), with revenue of approximately RMB748.07 million (same period in 2025: approximately RMB511.84 million); the sales of liquefied industrial gas totalled approximately 155,905 tons (same period in 2025: approximately 97,129 tons), with revenue of approximately RMB95.10 million (same period in 2025: approximately RMB63.44 million); the revenue generated from LNG and gas transmission service was approximately RMB143.15 million (same period in 2025: approximately RMB112.86 million); the revenue from technical support and management service was approximately RMB9.41 million (same period in 2025: approximately RMB8.55 million); and other revenue was approximately RMB3.42 million (same period in 2025: approximately RMB5.16 million).

OUTLOOK

Impact of external factors

While setting its GDP growth target at around 5% for 2026, China's GDP in the first half of 2026 grew by 5.3% year-on-year at a constant price. The year 2026 was a challenging year for the steel industry which was affected by the high raw fuel prices and the falling steel prices, resulting a significant decline in profitability.

In the current global economic environment, gas supply companies face multiple risks, particularly in their business of supplying gas to iron and steel plants in China. The two main risk factors are changes in the US trade policy towards other countries and the impact of the US-China trade war. Firstly, the increase in tariffs by the US will have profound impact on global trade, which will not only affect the imported raw materials of iron and steel plants, but may also trigger adjustments to the entire supply chain. As our major customers, iron and steel plants may change their production plans and market demand due to the impact of trade policies, which may expose our gas demand to fluctuations, affecting sales forecast and inventory management. In summary, as policy uncertainty in the US market increases, our market position will be challenged.

Secondly, the continued escalation of the US-China trade war has exacerbated the instability of the global trade environment. As bilateral trade relations become tense, iron and steel plants may face challenges such as reduced market demand and higher trade barriers, which not only affect their production operations, but may also lead to changes in their demand for gas supply. Iron and steel plants may consider alternative sources of supply in response to the trade war, which could further reduce our market share. To address such risks, we need to formulate flexible business strategies, enhance our market analysis capabilities and risk forecasting capabilities, build a diversified customer base and supply chain to reduce our reliance on a single market, and strengthen our communication and co-operation with iron and steel plants to better understand the changes in their demand. In addition, we should also consider expanding into other markets and identifying new business opportunities, so as to maintain our competitiveness in an uncertain trading environment and ensure stable business development.

Opportunities brought by industry development prospect

China's industrial gas industry has developed rapidly under the influence of national policies, foreign investment, the development of high tech and so on. With the rapid development of the industry and the explosive surge in demand for emerging gas represented by electronic special gases, the industrial gas market in China is expected to continue growing.

As a leading industrial gas enterprise in Northern China, the Group has a clear advantage in the bulk industrial gas market. Meanwhile, the Group also keeps abreast of the industry development trends, actively develops special gas products, and expands the market share of electronic special gas products, so as to enhance its prospect for future development.

Opportunities brought by gas supply model development

The industrial gas supply model can be categorised into self-established equipment gas supply and outsourced gas supply. As compared to the self-established equipment gas supply model, the outsourced gas supply model has low operating cost and one-off financial cost with high gas supply stability and efficient resources utilisation. Therefore, the market share of outsourced gas supply has been growing steadily. It is expected that the outsourced gas supply model will gradually replace the self-established equipment gas supply model in the future.

The Group will fully leverage on its successful experience and technical advantages as an outsourced gas supplier to keep pace with the market trends of changes in gas supply models and explore external development opportunities.

Group's business development

The Group's business development is supported by customers with strong backgrounds. Based on the increasing demand for industrial gas products resulting from the expansion of customers' production capacity, the Group expects stable growth in its business in the future.

The increase in demand for industrial gas products will mainly be reflected by the following aspects:

1. TTG plans to construct a 48,000Nm³/hr vacuum pressure swing adsorption oxygen generation unit to support the oxygen-enriched blast furnace process at the coastal base of HBIS Group Tangshang Branch.

2. TTG plans to construct a rare gas (helium, neon, krypton, xenon) refining unit project.

FINANCIAL REVIEW

The revenue of the Group for the Reporting Period amounted to approximately RMB999.14 million (same period in 2025: approximately RMB701.86 million), representing an increase of approximately 42.36% as compared with the same period in 2025. The gross profit for the Reporting Period amounted to approximately RMB229.17 million (same period in 2025: approximately RMB168.44 million), representing an increase of approximately 36.05% as compared with the same period in 2025. For the Reporting Period, the Company recorded a profit attributable to owners of approximately RMB114.57 million (same period in 2025: profit attributable to owners of approximately RMB74.60 million), representing an increase of approximately 53.57% as compared with the same period in 2025. The earnings per Share attributable to equity shareholders of the Company for the Reporting Period amounted to approximately RMB0.10 (same period in 2025: earnings per Share of approximately RMB0.06).

Revenue

The revenue of the Group for the Reporting Period amounted to approximately RMB999.14 million, representing an increase of approximately 42.36% as compared to approximately RMB701.86 million for the same period in 2025. For the Reporting Period, the revenue derived from supply of pipeline industrial gas amounted to approximately RMB748.07 million, representing an increase of approximately 45.94% as compared to approximately RMB512.59 million for the same period in 2025, mainly due to an increase of the sales volume of pipeline gas as a result of the 60,000Nm^3/hr ASU started operation in November 2025. The revenue derived from supply of liquefied industrial gas for the Reporting Period amounted to approximately RMB95.10 million, representing an increase of approximately 51.70% as compared to approximately RMB62.69 million for the same period in 2025, mainly due to the sales volume and prices of liquefied industrial gases also increased. The revenue derived from supply of LNG and gas transmission service for the Reporting Period amounted to approximately RMB143.15 million, representing an increase of approximately 26.83% as compared to approximately RMB112.87 million for the same period in 2025, which was mainly due to the selling price of LNG increased during the Reporting Period. The revenue derived from technical support and management service for the Reporting Period was approximately RMB9.41 million, representing an increase of approximately 10.09% as compared to approximately RMB8.55 million for the same period in 2025, which was primarily due to the increased production of customer leads to increased gas consumption, which in turn increases service fees. The revenue derived from other sales for the Reporting Period was approximately RMB3.42 million, representing a decrease of approximately 33.86% as compared to approximately RMB5.16 million for same period in 2025. Other sales revenue decreased, which was primarily due to the decline in the selling prices of standard and bottled gas.

Other income and other losses

The other income of the Group for the Reporting Period amounted to approximately RMB9.45 million (same period in 2025: approximately RMB6.43 million), representing an increase of over 46.90%. The increase in other income was mainly due to the increase in revenue from the sale of discarded products and the reversal of value-added tax during the current period. The other net gains of the Group for the Reporting Period were approximately RMB0.034 million, as compared to other net losses of approximately RMB0.062 million for the same period in 2025. The decrease in other net losses for the Reporting Period was mainly due to foreign exchange impact turning from a net loss to a net gain.

Selling and marketing expenses

The selling and marketing expenses of the Group for the Reporting Period increased by approximately 28.16% to approximately RMB1.84 million (same period in 2025: approximately RMB1.44 million), mainly due to the increase in revenue in 2026 was accompanied by a corresponding rise in selling and marketing expenses.

Administrative expenses

The administrative expenses of the Group for the Reporting Period decreased by approximately 41.48% to approximately RMB10.52 million (same period in 2025: approximately RMB17.98 million). The decrease in administrative expenses was mainly due to the decrease in depreciation of fixed assets.

Credit loss allowance for trade receivables

During the Reporting Period, the credit loss allowance for trade receivables increased by approximately RMB13.56 million to RMB25.67 million (same period in 2025: approximately RMB12.11 million), which was mainly due to the increase in receivables aged from six months to 1 year and 1 to 2 years.

Impairment losses of property, plant and equipment

During the Reporting Period, there is no impairment provision on property, plant and equipment (same period in 2025: Nil). Details are set out in note 12 to the interim condensed consolidated financial statements in this announcement.

Finance costs, net

The net finance costs of the Group for the Reporting Period decreased by approximately 68.71% to approximately RMB2.67 million (same period in 2025: approximately RMB8.54 million), mainly due to the decrease in borrowings and interest rate.

Income tax expense

The income tax expense of the Group for the Reporting Period amounted to approximately RMB42.23 million (same period in 2025: approximately RMB23.37 million). Such increase in income tax expense of approximately 80.67% was mainly due to the increase in Group's net profit before tax.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

The Group had total cash and bank balances of approximately RMB318.81 million as at 30 June 2026 (31 December 2025: approximately RMB150.04 million). As at 30 June 2026, the bank borrowings and other liabilities of the Group amounted to approximately RMB291.97 million (31 December 2025: approximately RMB276.73 million), which included bank borrowings of approximately RMB288.66 million (31 December 2025: approximately RMB274.80 million) and lease liabilities of approximately RMB3.31 million (31 December 2025: approximately RMB1.93 million). The bank borrowings bore interest rates at a range of the loan prime rate +3.10% to +4.40%. The Group's gearing ratio was approximately 14.45% as at 30 June 2026 (31 December 2025: 15.41%). Net cash, calculated as total cash and cash equivalents less total borrowing as well as lease liabilities, was approximately RMB26.84 million as at 30 June 2026 (31 December 2025: net debt of approximately RMB126.69 million). There were available credit facilities of approximately RMB580 million as at 30 June 2026, which can be utilised as additional liquidity of the Group.

The Group recorded total current assets of approximately RMB1,236.55 million as at 30 June 2026, representing an increase of approximately 35.01% as compared to approximately RMB915.88 million as at 31 December 2025; and total current liabilities of approximately RMB445.19 million as at 30 June 2026, representing an increase of approximately 5.62% as compared to approximately RMB421.50 million as at 31 December 2025. The current ratio of the Group, calculated by dividing total current assets by total current liabilities, was approximately 2.78 as at 30 June 2026 (31 December 2025: approximately 2.17).

Currently, the Group's operating and capital expenditures are mainly financed by cash generated from operation, internal liquidity and bank borrowings.

RISK MANAGEMENT

The Group's principal financial instruments include financial assets at fair value through other comprehensive income, trade and other receivables and bank balances and cash, trade and other payables, borrowings and lease liabilities. The main purpose of these financial instruments is to support the Group's industrial gas business.

The Group also has various financial assets and financial liabilities arising from its business operations. The principal risks arising from its financial instruments are foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group intends to achieve an appropriate balance between these risks and the investment returns so as to minimise the potential adverse impact on its business and financial condition. The Group will not obtain collateral from counterparty.

As at 30 June 2026, the provision for impairment loss of approximately RMB59.76 million (31 December 2025: approximately RMB34.08 million) was made for trade receivables as part of the trade receivables was considered to be subject to certain credit risk due to their ageing of over six months. The management of the Group also evaluated all available forward-looking information, including but not limited to the expected growth rate of the industry and the settlement, and expected and concluded that there is no significant increase in credit risk. As at 30 June 2026, approximately 98% of trade receivables of the Group was payable by HBIS and HBIS Group (31 December 2025: approximately 97%). The credit period granted to the Group's customers, including the HBIS Group, is usually no more than 180 days and the credit quality of these customers is assessed taking into account their financial position, past experience, business relationship with the Group and other factors. In view of the sound history of receivables, the management of the Group believes that the inherent credit risk of the Group's unsettled trade receivables balance is insignificant, however, an impairment provision has been made for trade receivables in accordance with the principle of prudence.

The Group aims to maintain its current assets at appropriate level and is committed to a capital limit. This ensures that the Group can satisfy its short term and long term liquidity needs. The Group had been following its liquidity policy during the Reporting Period, which has been effective in managing liquidity risk. The cash flow generated from the Group's operation is expected to be able to satisfy the Group's needs for cash flow in the future.

Foreign currency risk

Other payables as well as cash and cash equivalents of the Group, which are denominated in other currencies different to the functional currency of its related business, were mainly generated from the business outside China. The currencies that caused such exposure were primarily the United States dollars and Hong Kong dollars. The Group did not use derivative financial instruments to hedge against its foreign exchange risk.

The Group periodically reviews its foreign exchange risk and considers that there is no significant exposure to its foreign exchange risk.

Liquidity risk

Liquidity risk is the risk that funds will not be available to meet liabilities as they fall due. This may arise from mismatches in amounts or time with regard to the financial assets and liabilities. The Group manages its liquidity risk through regular monitoring with the following objectives: maintaining the stability in developing the Group's principal businesses, timely monitoring cash and bank position, projecting cash flows and evaluating the level of current assets to ensure liquidity of the Group.

Pledge of assets

As at 30 June 2026, the Group did not have any charge over its assets (31 December 2025: Nil).

TREASURY POLICIES

The bank balance and cash held by the Group were denominated in Hong Kong dollars, Renminbi and United States dollars. The Group currently does not have a foreign currency and interest rate hedging policy. However, the management of the Group monitors foreign currency and interest rate exposure from time to time and will consider hedging significant foreign currency and interest rate exposure when necessary.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS

The Group had no significant investments held, material acquisitions and disposals of subsidiaries or associated companies, or investment projects for sale during the Reporting Period.

CAPITAL COMMITMENTS

As at 30 June 2026, the total capital commitments of the Group amounted to approximately RMB10.79 million (31 December 2025: approximately RMB18.89 million). They were mainly contracted commitments in respect of purchase of property, plant and equipment.

CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 30 June 2026 (31 December 2025: Nil).

DISCLOSEABLE AND CONNECTED TRANSACTION: LOAN ASSIGNMENTS

On 15 April 2026 (after trading hours), the Company ("**Assignor**") entered into three deeds of assignment with Tangde Gas Co., Limited ("**Assignee**"), a controlling shareholder of the Company holding approximately 39.01% of the issued shares of the Company at the time of entering into the deeds. Pursuant to the deeds of assignment, the Company agreed to assign and the Assignee agreed to acquire all interests and ancillary benefits in (i) the loans with an aggregate principal amount of RMB118,000,000 under three loan agreements and (ii) all interest accrued thereon (including title under the final judgment obtained from the High Court of Hong Kong) ("**Assignment**") at a total consideration of RMB118,000,000 (equivalent to approximately HK$133,812,000).

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules exceeded 5% but were less than 25%, and the Assignee is a connected person of the Company, the Assignment constituted discloseable and connected transactions for the Company under Chapter 14 and Chapter 14A of the Listing Rules, subject to reporting, announcement, circular and independent shareholders' approval requirements. Nuada Limited had been appointed as the independent financial adviser in advising the Independent Board Committee in respect of the Assignment.

Upon completion, the Group ceased to hold any interest in the Loans and accrued interest thereon. The consideration of RMB118,000,000 received constituted an increase in equity and was accounted for as other reserves in the consolidated financial statements, thereby directly strengthening the Group's net asset position and cash balance. The net proceeds of approximately RMB117,000,000 will be utilised as general working capital of the Group.

For details, please refer to the announcements of the Company dated 15 April 2026, 4 June 2026 and 17 June 2026, and the circular of the Company dated 8 May 2026.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to the Reporting Period and up to the date of this announcement.

STAFF AND REMUNERATION POLICIES

The Group believes that talent is one of the key factors which has led to its success. The Group has experienced management team members and employees to assist it in its business expansion. The Group plans to continue to attract and retain highly skilled personnel and further strengthen its corporate culture by continuing to invest in supporting employees in their career development. The Group also plans to provide its employees with trainings and professional development programmes and further align employees' interests with its own interest.

The Group places high emphasis on the training and development of its staff. The Group invests in continuing education and training programs for its management and other staff members to update their skills and knowledge periodically. The Group provides trainings for its staff members with respect to its operation, technical knowledge and work safety standards and environmental protection.

To attract and retain the suitable personnel who are beneficial to the development of the Group, the Group has adopted a share option scheme conditionally by the written resolutions of its then shareholders on 17 June 2020 (the "**Share Option Scheme**") and such scheme is effective for a period of 10 years commencing from 29 December 2020. Pursuant to the Share Option Scheme, share options may be granted to eligible employees of the Group as a long-term incentive. No share options were granted, cancelled or lapsed up to the date of this announcement.

The Group hired 307 employees in total as at 30 June 2026 (31 December 2025: 309 employees) with total staff costs for the six months ended 30 June 2026 amounted to approximately RMB27.30 million (same period in 2025: approximately RMB28.18 million). The Group offers competitive remuneration packages to its employees.

CORPORATE GOVERNANCE

The Board recognises the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. The Board is committed to achieving high standards of corporate governance with a view to safeguarding the interests of shareholders of the Company as a whole. The Company has adopted the principles of good corporate governance and code provisions of the Corporate Governance Code (the "**CG Code**") contained in Part 2 of Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices.

The Company has complied with all applicable code provisions set out in the CG Code throughout the Reporting Period.

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

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed the Company's listed securities (including sale of treasury shares).

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Having made specific enquiry with the Directors, all Directors have confirmed that the required standards of the Model Code had been complied with throughout the Reporting Period.

REVIEW OF UNAUDITED INTERIM CONDENSED CONSOLIDATED RESULTS BY THE AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") has reviewed the unaudited interim condensed consolidated financial information of the Group for the Reporting Period and this announcement. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control and financial reporting matters.

In addition, the independent auditor of the Company, BDO Limited, has reviewed the unaudited interim financial information of the Group for the Reporting Period in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the year ending 31 December 2026 (2025: Nil).

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.cgiihldgs.com). The interim report of the Company for the six months ended 30 June 2026 will be despatched to the shareholders of the Company and published on the aforesaid websites in late September 2026.

By Order of the Board of
China Gas Industry Investment Holdings Co. Ltd.
Song Jiajun
Chairman and Executive Director

Tangshan, 27 August 2026

As of the date of this announcement, the Board comprises: (1) Mr. SONG Jiajun (Chairman), Mr. SONG Changjiang and Mr. SUN Changhuan as the executive directors; (2) Mr. ZHANG Wenli, Mr. LI Jun and Mr. CHEN Tianyi as the non-executive directors; and (3) Mr. SIU Chi Hung, Mr. XIAO Huan Wei and Ms. LI Chun Elsy as the independent non-executive directors.