天伦燃气
TIANLUN GAS

Tian Lun Gas Holdings Limited
天 倫 燃 氣 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1600)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

- In the first half of 2026, against the backdrop of the domestic and overseas macro environment and the volatility of the natural gas market, the Group seized the favourable policies, actively optimised its business structure, strictly controlled operating costs, focused on developing its core gas business, and vigorously expanded its comprehensive service segment, thereby achieving stable operations during the first half of the year. Operating revenue reached RMB4,331 million, representing an increase of 2.1% as compared to RMB4,242 million for the same period last year. Among them, revenue from gas sales business increased by 8.0% to RMB3,930 million.

- The Group took various measures to explore the market potential, continued to improve the overall planning of gas sources and implemented comprehensive and refined management. The total gas sales volume increased by 6.1% to 1,346 million m^3. Among which, retail gas sales volume of 893 million m^3 remained stable.

- Core profit amounted to RMB97 million. The Board declared the payment of an interim dividend of RMB3.48 cents per share, representing a dividend payout ratio of 35.0% of core profit.

The board (the "**Board**") of directors (the "**Directors**") of Tian Lun Gas Holdings Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") is pleased to announce the unaudited results of the Group for the six months ended 30 June 2026 (the "**Reporting Period**").

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
		Unaudited	Unaudited
Revenue	*2*	**4,331,383**	4,241,575
Cost of sales		**(3,943,620)**	(3,729,003)
Gross profit		**387,763**	512,572
Distribution costs		**(40,657)**	(41,225)
Administrative expenses		**(112,446)**	(114,235)
Net impairment losses on financial assets and contract assets		**(3,955)**	(4,173)
Other income		**21,095**	3,079
Other losses — net	*3*	**(65,116)**	(3,307)
Operating profit		**186,684**	352,711
Finance income		**1,002**	2,187
Finance expenses		**(144,083)**	(192,153)
Finance expenses — net	*6*	**(143,081)**	(189,966)
Share of results of associates and a joint venture	*9*	**20,397**	20,544
Profit before income tax		**64,000**	183,289
Income tax expense	*5*	**(31,857)**	(53,496)
Profit for the Period		**32,143**	129,793
Profit attributable to:			
Owners of the Company		**31,979**	120,287
Non-controlling interests		**164**	9,506
		32,143	129,793

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Continued)

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
		Unaudited	Unaudited
Profit for the Period		**32,143**	129,793
Other comprehensive income for the Period, net of tax		**—**	—
Total comprehensive income for the Period		**32,143**	129,793
Attributable to:			
Owners of the Company		**31,979**	120,287
Non-controlling interests		**164**	9,506
		32,143	129,793
Earnings per share attributable to owners of the Company			
(RMB cents per share)			
— Basic earnings per share	*7*	**3.32**	12.41
— Diluted earnings per share	*7*	**3.32**	12.41

The notes on pages 7 to 22 are an integral part of this unaudited interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

30 June 2026

	Notes	30 June 2026 RMB'000 Unaudited	31 December 2025 RMB'000 Audited
Assets			
Non-current assets			
Property, plant and equipment	*8*	**3,787,873**	3,794,963
Investment properties	*8*	**31,117**	35,578
Right-of-use assets	*8*	**279,055**	277,324
Intangible assets	*8*	**4,504,436**	4,567,992
Investments accounted for using the equity method	*9*	**948,372**	915,475
Deferred income tax assets		**16,810**	9,481
Financial assets at fair value through profit or loss	*12(a)*	**133,160**	5,391
Financial assets at fair value through other comprehensive income	*11*	**30,400**	30,400
Restricted cash		**—**	4,935
Other non-current assets		**203,292**	166,747
		9,934,515	9,808,286
Current assets			
Inventories		**187,619**	207,054
Contract assets		**519,697**	810,591
Trade and other receivables	*10*	**3,500,162**	2,941,122
Financial assets at fair value through other comprehensive income	*11*	**754**	20,000
Financial assets at fair value through profit or loss	*12(a)*	**44,280**	233,418
Restricted cash		**263,159**	137,850
Cash and cash equivalents		**736,571**	1,238,278
		5,252,242	5,588,313
Total assets		**15,186,757**	15,396,599

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET *(Continued)*

30 June 2026

	Notes	30 June 2026 RMB'000 Unaudited	31 December 2025 RMB'000 Audited
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	*13(a)*	**8,190**	8,264
Treasury shares	*13(b)*	**(73,233)**	(78,599)
Share premium	*13(a)*	**58,330**	81,317
Reserves		**1,151,780**	1,151,780
Retained earnings		**4,647,822**	4,669,340
		5,792,889	5,832,102
Non-controlling interests		**284,825**	294,382
Total equity		**6,077,714**	6,126,484

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET *(Continued)*

30 June 2026

	Notes	30 June 2026 RMB'000 Unaudited	31 December 2025 RMB'000 Audited
Liabilities			
Non-current liabilities			
Borrowings	*14*	**5,142,313**	4,926,356
Deferred income		**24,270**	30,197
Lease liabilities		**10,459**	9,835
Deferred tax liabilities	*15*	**573,800**	589,731
Financial liabilities at fair value through profit or loss	*12(b)*	**—**	12,370
		5,750,842	5,568,489
Current liabilities			
Trade and other payables	*16*	**593,533**	697,588
Lease liabilities		**9,131**	9,433
Dividend payables		**4,916**	4,710
Contract liabilities		**577,320**	651,951
Current income tax liabilities		**346,666**	393,015
Borrowings	*14*	**1,806,059**	1,944,913
Financial liabilities at fair value through profit or loss	*12(b)*	**20,576**	16
		3,358,201	3,701,626
Total liabilities		**9,109,043**	9,270,115
Total equity and liabilities		**15,186,757**	15,396,599

The notes on pages 7 to 22 are an integral part of this unaudited interim condensed consolidated financial information.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1 GENERAL INFORMATION OF THE GROUP

Tian Lun Gas Holdings Limited (the "**Company**") was incorporated on 20 May 2010 in the Cayman Islands under the Companies Law (2010 Revision) of the Cayman Islands as an exempted company with limited liability. The Company is an investment holding company and was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 10 November 2010.

The Company and its subsidiaries (hereinafter collectively referred to as the "**Group**") are principally engaged in the engineering construction services by providing residential, commercial and industrial users with gas pipeline construction and infrastructure laying and installation and transportation, distribution and sales of gases including natural gas and compressed natural gas ("**CNG**") and production and sales of liquefied natural gas ("**LNG**") in bulk and in cylinders in certain cities of the People's Republic of China (the "**PRC**").

The address of the Company's registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands.

This unaudited condensed consolidated interim financial information is presented in RMB unless otherwise stated. This unaudited condensed consolidated interim financial information was approved for issue by the Board of Directors on 28 August 2026.

This condensed consolidated interim financial information is unaudited.

2 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the senior executive management team on monthly basis that are used to make strategic decisions.

The senior executive management team considers the business from a "product" perspective only, as geographically all the products are provided within the PRC, which is considered as one geographic location with similar risks and returns.

The reportable segments derive their revenue and profit primarily from sales of natural gas in cylinders, sales of natural gas in bulk and engineering construction services.

The senior executive management reviews the business performance by using the types of end-users who use its products. For sales made to residential customers, industrial and commercial customers, and transportation customers are classified as sales of natural gas in cylinders; sales to distribution users of city gas enterprises and gas source trading users are classified as sales of natural gas in bulk. The comprehensive services business and other miscellaneous income have been reviewed by the senior executive management, and its results are included in the section "all other segments".

2 SEGMENT INFORMATION *(Continued)*

The senior executive management team assesses performance of the operating segments based on segment results which represent the profit before taxation earned by each segment without allocation of net impairment losses on financial assets and contract assets, impairment loss on goodwill, other income, other (losses)/gains — net, finance expenses — net and share of results of associates and a joint venture, unallocated corporate expenses such as central administration costs and directors' salaries.

The Group does not allocate assets or liabilities to its segments, as the senior executive management team does not use this information to allocate resources to or evaluate the performance of operating segments. Therefore, the Group does not report a measure of segment assets and liabilities for each reportable segment.

The segment information provided to the senior executive management for the reportable segments for the six-month period ended 30 June 2026 is as follows:

	Sales of natural gas in cylinders *RMB'000*	Sales of natural gas in bulk *RMB'000*	Engineering construction services *RMB'000*	All other segments *RMB'000*	Inter-segment elimination *RMB'000*	Unallocated *RMB'000*	Total *RMB'000*
Total revenue	2,611,745	1,317,774	118,872	454,787	(171,795)	—	4,331,383
Inter-segment revenue	—	—	—	171,795	(171,795)	—	—
Revenue from external customers	2,611,745	1,317,774	118,872	282,992	—	—	4,331,383
Segment profit	135,156	5,836	34,641	88,889	—	—	264,522
Unallocated expenses						(29,862)	(29,862)
Net impairment losses on financial assets and contract assets						(3,955)	(3,955)
Other income						21,095	21,095
Other losses — net						(65,116)	(65,116)
Operating profit							186,684
Finance expenses — net						(143,081)	(143,081)
Share of results of associates and a joint venture						20,397	20,397
Profit before income tax							64,000
Income tax expense						(31,857)	(31,857)
Profit for the Period							32,143

2 SEGMENT INFORMATION *(Continued)*

The segment information provided to the senior executive management for the reportable segments for the six-month period ended 30 June 2025 is as follows:

	Sales of natural gas in cylinders *RMB'000*	Sales of natural gas in bulk *RMB'000*	Engineering construction services *RMB'000*	All other segments *RMB'000*	Inter-segment elimination *RMB'000*	Unallocated *RMB'000*	Total *RMB'000*
Total revenue	2,561,799	1,077,846	310,626	539,455	(248,151)	—	4,241,575
Inter-segment revenue	—	—	—	248,151	(248,151)	—	—
Revenue from external customers	2,561,799	1,077,846	310,626	291,304	—	—	4,241,575
Segment profit	156,378	5,638	118,151	96,357	—	—	376,524
Unallocated expenses						(19,412)	(19,412)
Net impairment losses on financial assets and contract assets						(4,173)	(4,173)
Other income						3,079	3,079
Other losses — net						(3,307)	(3,307)
Operating profit							352,711
Finance expenses — net						(189,966)	(189,966)
Share of results of associates and a joint venture						20,544	20,544
Profit before income tax							183,289
Income tax expense						(53,496)	(53,496)
Profit for the Period							129,793

The principal subsidiaries of the Company are domiciled in the PRC. All the external revenue is derived from the PRC, and all the non-current assets are located in the PRC.

3 OTHER LOSSES — NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Net exchange gains	**6,774**	13,858
(Losses) on financial assets at fair value through profit or loss	**(55,879)**	(28,339)
Other (losses)/gains	**(16,011)**	11,174
	(65,116)	(3,307)

4 PROFIT BEFORE INCOME TAX

The following items have been charged/(credited) to the profit before income tax:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Raw materials and consumables used	**3,657,067**	3,380,048
Depreciation on property, plant and equipment *(Note 8)*	**109,228**	106,539
Depreciation on investment properties *(Note 8)*	**1,769**	1,591
Amortisation of right-of-use assets *(Note 8)*	**10,514**	6,723
Amortisation of intangible assets *(Note 8)*	**66,752**	66,106
(Gains) on disposal of property, plant and equipment and right-of-use assets	**(14,645)**	(7,439)

5 INCOME TAX EXPENSE

The amount of income tax expense charged to profit or loss represents:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Current income tax:		
— PRC corporate income tax	**55,117**	80,123
Deferred income tax	**(23,260)**	(26,627)
	31,857	53,496

All the Company's subsidiaries incorporated in the PRC are subject to the PRC corporate income tax, which has been provided based on the statutory income tax rate of the assessable income of each of such companies during the six months ended 30 June 2026 and 30 June 2025, as determined in accordance with the relevant PRC income tax rules and regulations. The CIT rate of the relevant subsidiaries operating in the PRC is 25% (six months ended 30 June 2025: 25%). Certain subsidiaries are entitled to the Development of the Western Regions CIT preferential policies and subject to a preferential CIT rate of 15% (six months ended 30 June 2025: 15%). Besides that, certain subsidiaries are also entitled to the Inclusive Tax Deduction and Exemption Policies for Micro and Small Enterprises and subject to a preferential CIT rate of 5% (six months ended 30 June 2025: 5%).

6 FINANCE EXPENSES — NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Finance income		
Income from bank deposits and bank financial products	**(1,002)**	(2,187)
Finance expenses		
Interest expense on borrowings	**170,055**	195,381
Leasing interests	**469**	282
Others	**3,558**	5,065
Less: amounts capitalised on qualifying assets	**(29,999)**	(8,575)
	144,083	192,153
	143,081	189,966

7 EARNINGS PER SHARE

(a) Basic

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
Profit attributable to owners of the Company *(RMB'000)*	**31,979**	120,287
Weighted average number of ordinary shares in issue *(thousands)*	**961,929**	969,066
Basic earnings per share *(RMB cents per share)*	**3.32**	12.41

(b) Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the six months ended 30 June 2026, the Company had no dilutive potential shares (six months ended 30 June 2025: no dilutive).

8 PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, RIGHT-OF-USE ASSETS AND INTANGIBLE ASSETS

During the Period, the changes of property, plant and equipment, investment properties, right-of-use assets and intangible assets of the Group are as follows:

	Property, plant and equipment *RMB'000*	Investment properties *RMB'000*	Right-of-use assets *RMB'000*	Intangible assets *RMB'000*	Total *RMB'000*
For the six months ended 30 June 2026					
Net carrying amount as at 1 January 2026	**3,794,963**	**35,578**	**277,324**	**4,567,992**	**8,675,857**
Additions	**104,107**	**79**	**12,245**	**2,677**	**119,108**
Reclassification	**(519)**	**—**	**—**	**519**	**—**
Disposals	**(1,450)**	**(2,771)**	**—**	**—**	**(4,221)**
Depreciation charge	**(109,228)**	**(1,769)**	**(10,514)**	**(66,752)**	**(188,263)**
Net carrying amount as at 30 June 2026	**3,787,873**	**31,117**	**279,055**	**4,504,436**	**8,602,481**
For the six months ended 30 June 2025					
Net carrying amount as at 1 January 2025	3,830,652	36,617	278,511	4,705,766	8,851,546
Additions	99,519	—	—	2,395	101,914
Reclassification	(3,417)	—	2,189	1,228	—
Disposals	(1,033)	—	(2,719)	—	(3,752)
Depreciation charge	(106,539)	(1,591)	(6,723)	(66,106)	(180,959)
Net carrying amount as at 30 June 2025	3,819,182	35,026	271,258	4,643,283	8,768,749

9 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Beginning of the period	**915,475**	885,677
Additions	**12,500**	—
Share of results of associates	**20,397**	31,894
Share of result of a joint venture *(i)*	**—**	(11,350)
End of the period	**948,372**	906,221

The assets, liabilities and revenue of associates and a joint venture, all of which are unlisted, are shown below:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Assets	**47,693,169**	43,476,554
Liabilities	**(42,436,857)**	(38,046,303)
Revenue	**1,073,783**	888,772
Share of Results of Associates and a Joint Venture	**20,397**	20,544

(i) The Group did not recognise losses totalling RMB103,914,000 (2025: RMB81,240,000) in relation to Henan Yuzi Tianlun Fund, as the Group was not liable for these losses.

10 TRADE AND OTHER RECEIVABLES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	Audited
Trade receivables	**795,675**	529,806
Receivables due from related parties	**2,579,537**	2,379,068
Less: provision for impairment	**(524,286)**	(520,331)
Notes receivables	**11,313**	12,557
Other receivables	**140,385**	122,231
Less: provision for impairment	**(6,997)**	(6,997)
Value-added-tax to be offset and prepaid income tax	**10,431**	9,861
	3,006,058	2,526,195
Prepayments	**494,104**	414,927
	3,500,162	2,941,122

The credit period generally granted to customers in relation to sales of gas is up to 2 months. As for customers in relation to engineering construction services, the Group generally requests advance payments, and in circumstances of credit sales, management closely monitors the credit quality of the customers, and the credit period is granted case by case with a maximum of 2 years in general. An aging analysis of trade receivables and receivables due from related parties in trade nature based on billing date is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	Audited
Less than 1 year	**1,917,401**	1,405,059
1 year to 2 years	**458,431**	465,537
2 years to 3 years	**933,933**	906,107
Over 3 years	**49,604**	116,324
	3,359,369	2,893,027

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	Audited
Non-current assets		
Equity instrument — unlisted		
— Gas industry equity interest *(i)*	**30,400**	30,400
Current assets		
Debt instrument		
— Notes receivable *(ii)*	**754**	20,000

(i) The fair values of unlisted equity securities are calculated by using the market approach to determine the fair value of the assets by reference to the transaction prices, or "valuation multiples" implicit in the transaction prices, of identical or similar assets on the market, which results in these measurements being classified as Level 3 in the fair value hierarchy.

(ii) Debt investments at fair value through other comprehensive income comprise notes receivable. The Group measures the fair value of the notes receivable within Level 3 of the fair value hierarchy using the discounted cash flow method, which gives rise to fair values approximating the cost.

12 FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Financial Assets at Fair Value through Profit or Loss

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	Audited
Non-current assets		
Total return swap *(iii)*	**133,160**	—
Cross currency swap and interest rate swap contracts *(i)*	**—**	1,615
Forward exchange instruments *(ii)*	**—**	3,776
	133,160	5,391
Current assets		
Total return swap (the TRS) *(iii)*	**38,217**	233,418
Cross currency swap and interest rate swap contracts *(i)*	**6,063**	—
	44,280	233,418
	177,440	238,809

(b) Financial Liabilities at Fair Value through Profit or Loss

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	Audited
Non-current liabilities		
Cross currency swap and interest rate swap contracts *(i)*	**—**	10,520
Forward exchange instruments *(ii)*	**—**	1,850
	—	12,370
Current liabilities		
Cross currency swap and interest rate swap contracts *(i)*	**15,405**	16
Forward exchange instruments *(ii)*	**5,171**	—
	20,576	12,386

12 FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS *(Continued)*

(i) In order to deconcentrate the Group's foreign exchange risk among USD and its functional currency RMB, the Group entered into RMB/USD foreign exchange instruments contract. The foreign exchange instruments are measured at fair value at the end of the reporting period which is determined by reference to the prices as quoted by the counterparty financial institution.

(ii) The Group entered into HKD/RMB forward exchange instruments in 2025. The forward exchange instruments amounting to HKD100,000,000 with maturity in 2027. The transaction exchange rates HKD/RMB vary from 0.9082 – 0.9087.

(iii) The Company entered into the TRS Transaction with the TRS Counterparty to hedge the risk of future share price appreciation in relation to the Share Award Scheme. The total Equity Notional Amount of the TRS Transaction is HK$310,000,000.

The TRS Transaction is measured at fair value which is determined by reference to the quoted prices for similar assets in an active market.

13 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

(a) Share capital and share premium

	Number of shares *(Thousands)*	**Ordinary shares** *RMB'000* Unaudited	**Share premium** *RMB'000* Unaudited	**Total** *RMB'000* Unaudited
Issued and fully paid:				
As at 30 June 2026 (Nominal value of HK$0.01 per share)	973,461	8,190	58,330	66,520
As at 1 January 2026 (Nominal value of HK$0.01 per share)	981,885	8,264	81,317	89,581

(b) Treasury shares

	Number of shares *(Thousands)*	**Total** *RMB'000* Unaudited
As at 1 January 2025	12,819	73,233
Repurchase of shares	1,809	5,366
As at 31 December 2025	14,628	78,599
As at 1 January 2026	**14,628**	**78,599**
Repurchase of shares	**6,615**	**17,642**
Share cancellation	**(8,424)**	**(23,008)**
As at 30 June 2026	**12,819**	**73,233**

14 BORROWINGS

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	Audited
Non-current	**5,142,313**	4,926,356
Current	**1,806,059**	1,944,913
	6,948,372	6,871,269

Changes in borrowings are analysed as follows:

	RMB'000
For the six months ended 30 June 2026	
Opening balance as at 1 January 2026	**6,871,269**
Proceeds from new loans	**1,777,167**
Less: financing expenses paid	**(11,678)**
Repayments of borrowings	**(1,685,787)**
Exchange (gains)	**(21,747)**
Amortisation of financing expenses	**19,148**
Closing balance as at 30 June 2026	**6,948,372**

	RMB'000
For the six months ended 30 June 2025	
Opening balance as at 1 January 2025	6,992,181
Proceeds from new loans	2,796,150
Less: financing expenses paid	(26,139)
Repayments of borrowings	(2,253,494)
Exchange (gains)	(24,100)
Amortisation of financing expenses	18,920
Closing balance as at 30 June 2025	7,503,518

Interest expense on borrowings for the six months ended 30 June 2026 is RMB170,055,000 (six months ended 30 June 2025: RMB195,381,000).

15 DEFERRED INCOME TAX LIABILITIES

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Balance as at 1 January	**589,731**	711,079
Credited to profit or loss	**(15,931)**	(19,919)
Closing balance as at 30 June	**573,800**	691,160

16 TRADE AND OTHER PAYABLES

	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	Unaudited	Audited
Trade payables	**290,828**	321,234
Amounts due to related parties	**9,725**	9,281
Notes payable	**22,134**	25,000
Accrued payroll and welfare	**2,606**	6,524
Interest payables	**14,105**	13,189
Other taxes payables	**189,930**	226,453
Contingent consideration payables *(i)*	**2,000**	2,000
Other payables	**62,205**	93,907
	593,533	697,588

(i) The fair values of contingent consideration payables were measured by the discounted method and included in Level 3 of the fair value hierarchy.

16 TRADE AND OTHER PAYABLES *(Continued)*

An ageing analysis of trade payables based on billing date is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	Audited
Less than 1 year	**222,490**	251,230
1 year to 2 years	**37,386**	40,114
2 years to 3 years	**10,993**	11,627
Over 3 years	**19,959**	18,263
	290,828	321,234

17 DIVIDENDS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	Unaudited	Unaudited
Final dividend for the year 2025 of RMB5.57 cents per share paid to ordinary shares (2024: RMB9.79 cents per share)	**53,497**	94,838

Pursuant to the resolutions of the Board on 28 August 2026, the Board of the Company recommended the payment of a total interim dividend of RMB33,876,000 (RMB3.48 cents per share) for the six months ended 30 June 2026 (for the six months ended 30 June 2025: a total of RMB45,167,000 (RMB4.60 cents per share)), and this interim dividend was not recognised as a liability in this interim financial information.

18 BASIS OF PREPARATION OF THE INTERIM REPORT

This interim condensed consolidated financial information for the half-year ended 30 June 2026 has been prepared in accordance with Accounting Standard HKAS 34 *Interim Financial Reporting*.

This interim condensed consolidated financial information does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim condensed consolidated financial information is to be read in conjunction with the annual report for the year ended 31 December 2025 and all other public announcements made by the Group during the period.

A number of new standards and standard amendments become effective for annual periods beginning after 1 January 2026, and may be early adopted. The Group has not early adopted any new standards or amendments that are forthcoming in the preparation of its interim consolidated financial statements.

19 EVENTS AFTER THE PERIOD

On 28 July 2026, the Board granted an aggregate of 12,817,500 share awards to two executive Directors of the Company, Mr. Xian Zhenyuan and Ms. Li Tao, under the 2021 Share Award Scheme, of which 7,697,500 shares were granted to Mr. Xian Zhenyuan and 5,120,000 shares were granted to Ms. Li Tao.

The current grant of share awards took place after the end of the reporting period and therefore, there is no adjustment to the interim financial statements.

Other than the matters described above, there were no other significant non-adjusting events for the Group between the end of the reporting period and the date of approval of these interim financial statements.

INDUSTRY OVERVIEW

In the first half of the year, the economy remained generally stable with continued structural optimisation. The gross domestic product grew by 4.7% year-on-year. As the national economy steadily recovered and reforms in the domestic urban gas industry continued to advance, policies relating to safety supervision, price regulation and compliant operations were implemented with greater intensity, accelerating the industry's progress towards standardisation and high-quality development.

In terms of industry safety supervision, nationwide efforts to rectify gas safety issues intensified in the first half of the year, with the full-chain regulatory system further improved. While enhancing industry safety standards, these efforts also created new business development opportunities. The state continued to deepen specialised governance of urban gas safety, comprehensively identifying key risks such as gas usage in the catering sector, ageing pipeline networks and unauthorised pipeline modifications, and mandating gas enterprises to implement regular household safety inspections and closed-loop rectification mechanisms for hidden hazards. Regular household safety inspections effectively bring enterprises closer to users, providing valuable opportunities for the promotion of comprehensive services business. In the first half of the year, Tian Lun Gas strictly implemented new safety management regulations. It rigorously controlled safety risks, and steadily advanced pipeline network upgrades and the renovation of ageing pipeline networks, achieving coordinated development across safe operations, gas supply assurance, engineering construction and comprehensive services businesses.

In respect of natural gas sales, the industry's gas supply management and pricing mechanisms continued to become more standardised, effectively supporting the steady operation and development of urban gas enterprises. In January, the new version of the Measures for the Administration of Oil and Gas Infrastructure issued by the National Development and Reform Commission formally took effect, strengthening supervision over the performance of medium- and long-term purchase and sales contracts, reinforcing enterprises' responsibility for supply assurance, and encouraging urban gas enterprises to continue optimising their gas source portfolios and enhance gas source scheduling and supply assurance capabilities. At the same time, policies on the management of gas distribution prices within Henan Province were implemented, making the gas pricing system more transparent and standardised. As market-oriented reform of non-residential gas pricing continued to deepen, the scope for price negotiation in relation to industrial and commercial gas was further expanded. Leveraging its nationwide presence, Tian Lun Gas actively expanded high-quality industrial and commercial users, increased the scale of gas sales, capitalised on growth opportunities in industrial and commercial gas consumption, and consolidated the fundamentals of its core business.

In the field of ancillary energy services, industry policies emphasised both regulation and empowerment, providing sustained growth momentum for the development of energy service businesses of urban gas enterprises. In May, the implementation of standards for urban lifeline safety promoted the normalisation and standardisation of gas hazard identification, driving sustained demand for safety equipment in the catering sector, the replacement of ageing residential pipelines and other related services. Leveraging the user touchpoint advantages of regular household safety inspections, Tian Lun Gas continued to tap the value of existing users, promoted, in a compliant manner, ancillary services such as safety equipment, modification and maintenance services, continuously optimised its service system, enriched its business portfolio, steadily expanded the scale of its comprehensive services business, and further strengthened the role of the comprehensive services segment in supporting profitability.

Overall, in the first half of the year, regulatory supervision in the gas industry became tighter and efforts to promote standardisation and quality improvement intensified. Tian Lun Gas closely followed industry reform and energy transition trends. While strictly adhering to safety and compliance requirements and safeguarding gas supply for people's livelihood, it continued to optimise its core gas sales business and strengthen its comprehensive services business, leveraged policy tailwinds to optimise its operating structure, consolidated its overall competitive strength, and thereby ensured that the Group achieved stable, healthy and sustainable development.

BUSINESS REVIEW

Tian Lun Gas adheres to its vision of "Devoting to People's Livelihood, Building a Century Brand", and builds a solid foundation for sustainable development through steady operations. The Group takes safeguarding livelihood gas supply as its fundamental mission, continuously consolidates its competitive advantages in its core natural gas business, and actively cultivates comprehensive services business that are highly synergistic with its gas core business. Leveraging its extensive user base and pipeline network operation advantages to extend the boundaries of energy services, it steadily advances its strategic upgrade from urban gas supplier to integrated energy service provider.

The key results and operating data of the Group for the six months ended 30 June 2026 and their comparison against the figures for the same period of last year are as follows:

	Six months ended 30 June		
	2026	2025	Change
Revenue *(RMB'000)*	**4,331,383**	4,241,575	2.1%
Gross profit *(RMB'000)*	**387,763**	512,572	(24.3)%
Profit attributable to owners of the Company *(RMB'000)*	**31,979**	120,287	(73.4)%
Weighted average number of shares *('000)*	**961,929**	969,066	(0.7)%
Earnings per share — basic *(RMB cents)*	**3.32**	12.41	(73.2)%
New pipeline gas customers:	**35,326**	95,515	(63.0)%
– City gas residential customers *(households)*	**33,774**	94,150	(64.1)%
– Industrial and commercial customers *(households)*	**1,552**	1,365	13.7%
Total pipeline gas customers:	**6,024,329**	5,933,308	1.5%
– City gas residential customers *(households)*	**4,007,809**	3,920,917	2.2%
– Rural gasification residential customers *(households)*	**1,959,209**	1,959,209	0.0%
– Industrial and commercial customers *(households)*	**57,311**	53,182	7.8%
Natural gas sales volume *(in ten thousand m^3)*:	**134,610**	126,814	6.1%
Sales volume of retail business of natural gas *(in ten thousand m^3)*	**89,270**	87,973	1.5%
– Natural gas sales volume to residential customers *(in ten thousand m^3)*	**31,358**	30,568	2.6%
– Natural gas sales volume to industrial and commercial customers *(in ten thousand m^3)*	**55,898**	54,278	3.0%
– Natural gas sales volume to transportation customers *(in ten thousand m^3)*	**2,014**	3,127	(35.6)%
Sales volume of wholesale business of natural gas *(in ten thousand m^3)*	**45,340**	38,841	16.7%
Long-haul pipeline gas transmission volume *(in ten thousand m^3)*	**30,948**	32,878	(5.9)%
Total length of medium and high-pressure pipelines *(kilometre)*	**9,763**	9,579	1.9%

Gas Sales Business

In the first half of the year, facing dual pressures from the macro environment and energy structure adjustment, Tian Lun Gas continued to consolidate the core fundamentals of natural gas sales. The Group continuously optimised its gas source procurement structure, actively advanced price pass-through work, deepened supply assurance and energy consumption services for industrial and commercial users, stabilised core customer demand and tapped the potential of existing markets. Retail gas sales volume for the period steadily increased to 893 million m³. To ensure stable gas supply and support continued market expansion, the Group accurately assessed market and user demand and vigorously developed energy trading business. During the Reporting Period, wholesale business gas sales volume reached 453 million m³, compared with 388 million m³ for the corresponding period of last year, representing a year-on-year increase of 16.7%. The overall scale of gas sales business was effectively enhanced.

Gas Source Optimisation

The Company pursued diversified source expansion, technology-enabled innovation and facility linkage in parallel, continuously strengthening supply assurance capabilities. In the first half of the year, the Company seized policy opportunities to broaden gas source procurement channels, diversified single-source supply risk, and established a multi-source complementary supply system. It leveraged technological upgrades to enable smart pipeline network operations, effectively reducing losses in transmission and distribution. Moreover, it accelerated the construction of interconnection among regional pipeline networks, forming a "single network" gas supply pattern, enhancing emergency gas source scheduling capabilities, and comprehensively achieving safe and reliable gas supply, controllable and economical costs, and efficient and smooth operations. As at 30 June 2026, the Group's cumulative length of medium and high-pressure pipelines reached 9,763 km.

Comprehensive Services

The Group leverages its extensive existing user base, continuously taps potential user demand, extends its comprehensive service chain, and continuously enriches its portfolio of ancillary services. On the one hand, the Group relies on regular household safety inspection touchpoints to continuously deliver standardised, high-quality safety inspection services, building a foundation of user trust through professional services. On the other hand, it standardises the promotion of customised gas pipeline modification services, unifies construction standards and service procedures, and continuously improves service quality and builds a strong market reputation. In the first half of the year, the Group standardised its business promotion model, steadily expanded business scale, continuously unleashed the growth potential of comprehensive services business, and enhanced the overall revenue contribution of the segment. As at 30 June 2026, comprehensive services business revenue reached RMB235 million, compared with RMB231 million for the corresponding period of last year, representing an increase of 1.8%. The gross profit reached RMB125 million, compared with RMB114 million for the corresponding period of last year, representing an increase of 9.9%.

FINANCIAL REVIEW

During the Reporting Period, the Group's revenue amounted to RMB4,331 million, representing an increase of 2.1% as compared with RMB4,242 million for the same period of last year. The gross profit was RMB388 million, overall gross profit margin was 9.0%. The profit attributable to owners of the Company amounted to RMB32 million, basic earnings per share amounted to RMB3.32 cents.

Revenue from Gas Retail Business

For the six months ended 30 June 2026, the revenue from retail business of the Group amounted to RMB2,612 million, representing a year-on-year increase of 1.9% as compared with RMB2,562 million for the same period of last year.

Revenue from Gas Wholesale Business

For the six months ended 30 June 2026, the revenue from wholesale business of the Group amounted to RMB1,318 million, representing a year-on-year increase of 22.3% as compared with RMB1,078 million for the same period of last year.

Revenue from Engineering Construction Services

During the Reporting Period, affected by the downturn in the real estate industry, the Group's revenue from engineering construction services amounted to RMB119 million, representing a year-on-year decrease of 61.7% as compared with RMB311 million for the same period of last year.

Revenue from Other Business

Revenue from other businesses is mainly derived from comprehensive services business. During the Reporting Period, leveraging its extensive existing user base, the Group tapped user demand, enriched its portfolio of ancillary services, and generated other business revenue of RMB283 million. Among them, comprehensive services business revenue was RMB235 million, compared with RMB231 million for the corresponding period of last year, representing a year-on-year increase of 1.8%.

Gross Profit and Gross Profit Margin

During the Reporting Period, the Group realised a gross profit of RMB388 million, representing a decrease of 24.3% as compared with RMB513 million for the same period of last year. The decrease was primarily due to a decline in the engineering construction services business. The overall gross profit margin of the Group was 9.0%.

Other Losses — Net

During the Reporting Period, the Group's other losses—net amounted to RMB65 million (30 June 2025: RMB3 million). The increase was primarily attributable to changes in the fair value of financial assets such as total return swaps.

Finance Expenses — Net

During the Reporting Period, finance expenses — net of the Group amounted to RMB143 million, representing a decrease of 24.7% as compared with RMB190 million for the same period of last year.

Share of Results of Associates and a Joint Venture

During the Reporting Period, the Group's share of profit after tax of associates and a joint venture amounted to RMB20 million.

Net Profit and Core Profit

During the Reporting Period, the Group realised a net profit of RMB32 million. After excluding other losses — net and impairment losses on financial and contract assets, the adjusted core profit amounted to RMB97 million.

Financial Position

The Group has been adopting prudent policies in respect of financial resources management, including maintaining an appropriate level of cash and cash equivalents as well as sufficient credit limits, in order to cope with the needs of daily operation and business development and control the borrowing at a healthy level.

For the six months ended 30 June 2026, the Group incurred capital expenditure of RMB138 million, which was used for continuously improving the business of city gas and long-haul pipeline. The above capital expenditure was financed by the Group's operating cash flows and bank borrowings.

As at 30 June 2026, the Group held cash and cash equivalents of RMB737 million in total (among which 97.55% was denominated in RMB, 2.39% was denominated in HK dollars, and 0.06% was denominated in US dollars), so as to safeguard the capital needs for the project expansion and acquisition of business of the Group.

As at 30 June 2026, the Group's total borrowings were RMB6,948 million, among which loans denominated in RMB were RMB6,568 million, loans denominated in HK dollars were RMB376 million and loans denominated in US dollars were RMB4 million. Among those borrowings, 74.0% of which were classified as non-current liabilities, and 26.0% of which were classified as current liabilities. As at 30 June 2026, the gearing ratio of the Group, calculated based on the percentage of total liabilities over total assets, was 60.0%.

Finance Cost and Exchange Risk Management

For the six months ended 30 June 2026, the Group's interest expense on borrowings was RMB170 million, representing a decrease of 13.0% as compared with the same period of last year.

As of 30 June 2026, the Group's borrowings denominated in foreign currencies amounted to RMB380 million, with the proportion of total borrowings further decreasing to 5.5%. The Group will continue to closely monitor the changes in exchange rates and strive to lower its finance costs through diversified arrangements, and will adopt necessary measures to lower its exchange risk as and when necessary.

OUTLOOK

In the second half of the year, the domestic macroeconomic environment is expected to maintain a steady overall recovery, with industrial vitality gradually restored. In the clean energy sector, against the backdrop of the continued advancement of the "dual carbon" strategy, regulation of the urban gas industry is becoming increasingly standardised, market competition is becoming more diversified, and industry opportunities coexist with structural challenges. In line with industry development trends, Tian Lun Gas will firmly pursue its annual operational objectives. With safety and stability as its fundamental requirements, the Company will strengthen its core operations and systematically advance the implementation of various operational initiatives, with a view to achieving stable and high-quality development.

In the second half of the year, Tian Lun Gas will adhere to the operating principle of "stabilising existing volume, expanding incremental volume, optimising gas sources and facilitating price pass-through", and continue to consolidate the profit base of its core business. The Company will refine the management of its existing users, tap the potential of industrial and commercial gas consumption, and stabilise the fundamentals of gas sales. It will seize opportunities arising from urban renewal to expand its residential user base, leverage the comparative advantage arising from high LPG prices to promote gas conversion among non-residential users, optimise connection services and stimulate new gas demand. Furthermore, the Company will continue to expand its diversified gas procurement channels, effectively allocate procurement between long-term contractual gas and spot gas, and adopt refined procurement strategies to mitigate risks arising from fluctuations in upstream gas prices. It will closely monitor end-user gas price linkage policies to ensure seamless price pass-through, maintain stable and reasonable price differentials, and safeguard the profitability of its core business.

On the basis of consolidating its core gas sales business, the Company will leverage its extensive existing user base and mature service team to steadily promote the scaled and high-quality development of its comprehensive services business, thereby cultivating a second growth driver for the enterprise. Using regular household safety inspections as a service entry point, the Company will enhance user trust through standardised and professional inspection services and accurately identify diverse demand for ancillary services. It will advance its customised gas modification business in an orderly manner, unify construction standards and service procedures, continuously optimise the user experience and build a strong service reputation. At the same time, the Company will focus on the safe and smart kitchen segment, vigorously promote its own brands, build core brand advantages in "safety, quality and health", and continuously enhance the revenue contribution and development resilience of the comprehensive services segment.

In the second half of the year, the industry landscape will continue to present both opportunities and challenges. Tian Lun Gas will align itself with evolving energy industry trends, prioritise safe development, maintain stable operations in its core business, coordinate the development of its gas sales and comprehensive services businesses, enhance overall competitiveness through structural optimisation and efficiency improvement, strive to achieve its annual operational goals, and pursue high-quality, sustainable development for the year as a whole.

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

For the six months ended 30 June 2026, the Company repurchased a total of its 6,615,000 shares (the "**Shares**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), and all such Shares were subsequently cancelled by the Company. As at 30 June 2026, details of such share repurchases are summarised as follows:

Month	**Number of Shares Repurchased**	**Price Per Share Repurchased**		**Amount Paid**
		Highest	*Lowest*	*Total*
		HK$	*HK$*	*HK$*
January	4,312,000	3.40	2.90	13,095,637.56
February	568,000	2.92	2.86	1,646,456.57
March	300,000	2.86	2.72	840,452.95
April	1,435,000	2.95	2.83	4,161,641.25

Among the 6,615,000 Shares, 4,880,000 Shares were cancelled in March 2026 and 1,735,000 Shares were cancelled in May 2026.

The Company repurchased the Shares pursuant to the mandate granted by shareholders of the Company (the "**Shareholders**") at the annual general meeting held in May 2025, with the aim of benefiting the Company and the Shareholders as a whole through enhancing the net asset value of the Company and earnings per Share.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities, including any sale of treasury shares, during the Reporting Period.

INTERIM DIVIDENDS

The Group has established a long-term steady dividend policy. Pursuant to the resolutions of the Board on 28 August 2026, the Board declared the payment of an interim dividend for the six months ended 30 June 2026 of RMB3.48 cents per share (the "**Interim Dividend**").

The Interim Dividend will be paid in Hong Kong dollars on or about Monday, 30 November 2026 to the Shareholders whose names appear on the register of members of the Company on Friday, 30 October 2026. Further announcement will be made by the Company in relation to the exact amount of the Interim Dividend in Hong Kong dollars when the conversion rate for Renminbi to Hong Kong dollars to be adopted has been determined by the Board.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the Shareholders' entitlement to the proposed Interim Dividend, the register of members of the Company will be closed from Tuesday, 27 October 2026 to Friday, 30 October 2026 (both days inclusive).

In order to be qualified for the entitlement to the proposed Interim Dividend, all completed transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 26 October 2026.

EVENTS AFTER THE REPORTING PERIOD

Grant of share awards

Subsequent to the Reporting Period, on 28 July 2026, the Board approved the grant of share awards in respect of an aggregate of 12,817,500 existing Shares held by the trustee under the Company's share award scheme (the "**Share Award Scheme**") adopted on 26 August 2021 to two executive Directors, namely Mr. Xian Zhenyuan and Ms. Li Tao, comprising 7,697,500 Shares and 5,120,000 Shares, respectively. The awards were granted for nil consideration to recognise their contributions and as a long-term incentive arrangement. As the awards will be satisfied by existing Shares, no new Shares will be issued and there will be no dilutive effect on the shareholdings of existing Shareholders. The awards will vest in two equal tranches after the publication of the Group's annual results in 2027 and 2028, subject to the relevant annual revenue growth rate of the Group's new comprehensive services business being not less than 5% and the grantees' continued service with the Group. Any unvested awards will lapse if the applicable vesting conditions are not satisfied or upon the occurrence of other lapse events under the Share Award Scheme. The awards are also subject to a two-year lock-up period from the date of grant.

Save as disclosed above, there are no other significant events that might affect the Group since 30 June 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange as the code of conduct regarding securities transactions by the Directors. Upon specific enquiries made to all the Directors, each of them confirmed that they had strictly complied with the required standards set out in the Model Code during the Reporting Period.

CORPORATE GOVERNANCE CODE

The Company had applied the principles and all the applicable code provisions (the "**Code Provision(s)**") as set out under the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules during the Reporting Period and up to the date of this announcement. The Directors will periodically review the Company's corporate governance policies and will propose any amendment, if necessary, to ensure compliance with the Code Provisions from time to time.

During the Reporting Period and up to the date of this announcement, the Company had complied with all the applicable Code Provisions of the CG Code, except for Code Provision C.2.1 of the CG Code as explained below:

Mr. Xian Zhenyuan is currently serving as both the chairman of the Board (the "**Chairman**") and the chief executive of the Company (the "**Chief Executive**"). Such practice deviates from Code Provision C.2.1 of the CG Code. The Board believes that vesting the roles of both the Chairman and the Chief Executive in the same person can facilitate the execution of the Group's business strategies and enhance its operational efficiency. The Board is currently comprised of four executive Directors, two non-executive Directors and four independent non-executive Directors, which is appropriately structured to ensure that there is a balance of power to provide sufficient checks to protect the interests of the Company and the shareholders of the Company. Therefore, the Board considers that the deviation from Code Provision C.2.1 of the CG Code is appropriate in such circumstance.

AUDIT COMMITTEE

During the Reporting Period, the audit committee of the Company (the "**Audit Committee**") consisted of three independent non-executive Directors, namely, Mr. Li Liuqing (chairman of the Audit Committee), Mr. Lei Chunyong and Ms. Zhou Lin. The Audit Committee has reviewed this announcement and the unaudited consolidated financial statements of the Group for the Reporting Period.

INTERIM REPORT

The Company's interim report for the Reporting Period will be published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.tianlungas.com), and where applicable, despatched to the Shareholders.

By order of the Board
Tian Lun Gas Holdings Limited
Xian Zhenyuan
Chairman

Zhengzhou, the PRC, 28 August 2026

As at the date of this announcement, the executive Directors are Mr. Xian Zhenyuan (Chairman and Chief Executive), Ms. Li Tao, Mr. Xiao Hui, and Ms. Zhang Baixuan; the non-executive Directors are Ms. Chen Hong and Mr. Zhang Daoyuan; and the independent non-executive Directors are Mr. Li Liuqing, Mr. Lei Chunyong, Ms. Zhou Lin, and Ms. Tao Xiaohui.