



News flash: Hong Kong and China Gas (0003.HK) 2018 Interim Results

Dear Investors & Analysts,

(21 August 2018) The Hong Kong and China Gas Co., Ltd. (3 HK) is pleased to announce its interim results today for the six month ended 30 June 2018.

Results Highlights:

Group Results

- Profit after taxation attributable to shareholders of the Group for the six months ended 30th June 2018 amounted to HK\$4,789 million, an increase of HK\$317 million or 7.1%
- Earnings per share amounted to HK 31.1 cents (+7.1%)
- Interim dividend of HK 12 cents per share was declared

Hong Kong Core Business: Grow Moderately

- Operating profit after tax grew by 6% to HK\$1.8Bn
- Gas sale volume recorded a growth of 1.6% to 16,158TJ, fueled by a 3.1% increase in commercial & industrial gas volume
- Number of customers reached 1.89 million

Mainland Utilities Business: Progressing Well

- Operating profit after tax: HK\$2.1Bn, increased by 6%
- Total gas sales volume rose by 21% to 14.4Bn m³, with city-gas volume rising 18% to 11.5Bn m³ and midstream volume increasing 33% to 2.9Bn m³
- Adding 6 new projects (January to July 2018)

New Energy Business: Steady Growth

- Operating profit soared 35% to HK\$0.3Bn
- Improvement of contribution from projects in Mainland China
- Focusing on conversion of wastes into energies and materials, using in-house developed technologies

Please find in the attached the 2018 interim results announcement and presentation link for your information. Presentation download [link](#).



HKCG_2018Interim
_HKEX0821.pdf

The announcement is also available at the website of Towngas (<http://www.towngas.com>) and HKEx's website (<http://www.hkexnews.hk/>).

For any enquiries, please feel free to contact me or my assistant Ms Fion Chan at 2963-3189.

Regards,

W K Lo

General Manager - Corporate Treasury & Investor Relations



About The Hong Kong and China Gas Company Limited (HKCG)

HKCG was founded in 1862 – the first public utility to begin operations in Hong Kong. Initially established to light up the streets of Hong Kong, our business in the territory today consists of the production and distribution of town gas, its marketing and sale, the provision of a full range of gas appliances, as well as comprehensive after-sales services.

Expanding into the mainland in 1994, our businesses in China include upstream, midstream and downstream gas projects, ranging from city-gas to natural gas storage, gas transportation and vehicular gas refilling station projects. We have also diversified into telecommunications, building services, water supply, wastewater and food waste treatment, among others. In the past few years, in line with our vision to become a major energy supplier with an environmentally friendly focus, we have seen investment into new and unconventional energies, with projects ranging from the utilization of landfill gas to conversion of low value feedstock or wastes into high value clean energy and materials, emphasizing on self-developed green technologies.

HKCG has invested in 251 projects across 26 provincial regions in mainland China.