



News flash: Hong Kong and China Gas (0003.HK) 2016 Annual Results

Dear Investors & Analysts,

(16 March 2017) The Hong Kong and China Gas Co., Ltd. (3 HK) is pleased to announce its annual results today for the year ended 31 December 2016.

Results Highlights:

Group Results

- Profit after taxation attributable to shareholders of the Group for the year ended 31th December 2016 amounted to HK\$7,341 million, an increase of HK\$39 million
- Earnings per share amounted to HK57.7 cents
- Final dividend of HK23 cents per share
(Full year dividend amounted to HK 35 cents per share)
- Bonus shares: 1 for 10

Hong Kong Core Business: Steady Business

- Total gas sale volume grew by +1.4%
- Number of customers reached 1.86 million
- Town gas remains competitive

Mainland Utilities Business: Progressing Well

- Operating profit after tax: HK\$3.4Bn (+3% in original currency Rmb ; -3% in HKD)
- Pick up in gas sales volume: 17.1Bn m³, rose by 10.3%
- Record high new connections at 2.2 million
- Adding 5 new projects (up to 28 Feb 2017)

New Energy Business: Continually Developing

- Steady income from Aviation Fuel Facilities
- Focus on in-house technology development
- Successfully swing away from crude price sensitive products

Please find in the attached the 2016 annual results announcement and presentation for your information. Presentation download [link](#).



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

Regards,

W K Lo

Head of Corporate Investment & Investor Relations

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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 gas transportation and vehicular gas refilling station projects. We have also diversified into telecommunications, building services, water supply and wastewater 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 into high value clean energy and materials, emphasizing on self-developed patented green technologies.

HKCG has invested in 242 projects across 26 provincial regions in mainland China.