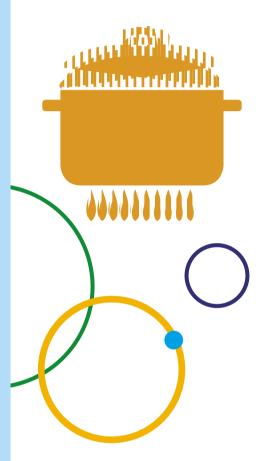
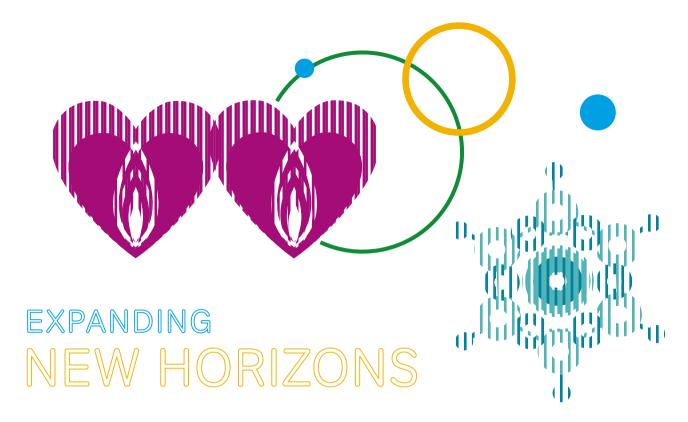
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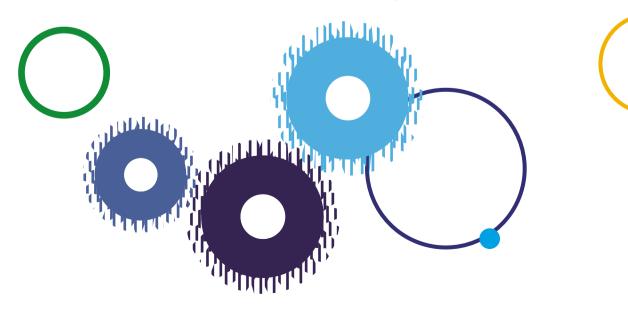


Slide out the transparent shee to experience our innovation!



As Hong Kong's first public utility as well as one of the leading energy providers on the mainland, we understand the importance of innovation. It is the key to our sustaining contribution in a rapidly changing business landscape. New commercial platforms have transformed the face of business, and we continue to revitalise our services and technology not merely to ensure our competitiveness, but also create new markets.

The Group's innovative thinking has the opportunity to bear fruit because the Towngas team is dedicated to recognising bright ideas, refining and implementing them in a manner that achieves its primary goals. This ethos is captured in our company slogan, "Growth = Innovation x Implementation", underscoring the commitment to quality and excellence manifested throughout our organisational values.



KEY HIGHLIGHTS OF 2015

We developed a landmark

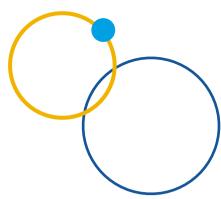
222 PROJECTS IN MAINLAND

CHINA, mostly joint ventures, spanning upstream, midstream and downstream natural gas sectors, water sectors, environmentally-friendly energy applications, energy resources' exploration and utilisation, as well as telecommunications.

Towngas China (1083.HK) achieved a

CREDIT RATING UPGRADE

to BBB+ with a stable outlook by Standard & Poor's, and Baa1 by Moody's.



We operate

131 CITY-GAS PROJECTS

in 23 provinces, autonomous regions and municipalities, with residential and business accounts exceeding 20 million for the first time, which encompasses a population of around 60 million on the mainland.

The Group's water business celebrated its 10th anniversary this year, and introduced **AQUAJOY**, a high-end bottled purified water product.



2015 AWARDS AND RECOGNITIONS

Global Chinese Business 1000

by Yazhou Zhoukan

The Outstanding Listed Company Award

by the Hong Kong Institute of Financial Analysts and Professional Commentators Limited



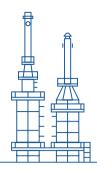
HKMA/TVB Awards for Marketing Excellence – Merit Awards

by the Hong Kong Management Association

China Top CIO Award – China Informatisation Project Award

by IT magazines including CEOCIO





Our proprietary process for

UPGRADING METHANOL INTO NATURAL GASOLINE

(a gasoline substitute chemical product) is undergoing pilot production at our methanol plant in Inner Mongolia.

We commissioned a

2,000-SERVER-RACK DATA CENTRE, one of the total

five operating in Hong Kong and mainland China, providing cloud computing and co-location services in a strategic location.

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We unveiled a wide array of

EXTENDED SERVICE

BUSINESSES including online bill payment, home insurance, kitchen solution as well as stylish household merchandise, opening new business opportunities in mainland China.

With the new technologies for converting **AGRICULTURAL AND FORESTRY WASTE**

into natural gas through thermal gasification, we are planning to commence a pilot project in Hebei province.

In collaboration with members of the District Councils, we staged the

GAS APPLIANCE FOR THE COMMUNITY PROGRAMME,

with a target of delivering 10,000 gas hotplates to the needy in Hong Kong.

Constituent Company of the Hang Seng Corporate Sustainability Index Series

by Hang Seng Indexes Company Limited

Safety Management System Award (Other Industries) – Gold Award

by the Hong Kong Occupational Safety and Health Council

Caring Company – Outstanding **A**Partnership Project Award 2014/15

by the Hong Kong Council of Social Service

Tao Zhu Gong Awards – Highly Commended Top Treasury Team of the Year

by EuroFinance

China Corporate Social Responsibility Brand Award – Most Influential Company

by Corporate Citizenship Committee of the China Association of Social Workers, CCTV Business News Channel, and Tencent Charity Foundation