

The Hong Kong and China Gas Company Limited (0003.HK)

2025 Annual Results

20 March 2026



Utility Business

Hong Kong Gas Business

- Steady gas sales volume
- On-site hydrogen power generation and charging stations launched
- Aligned with the green energy roadmap, produce green hydrogen at landfills
- Northern Metropolis Plan: 1.5 million additional population, with an energy demand of 5,500 TJ (~160 million m³)

Mainland Gas Business

- Steady gas sales volume
- Dollar margin increased by 0.02 RMB/m³
- “Gas+” momentum sustained: ~0.3 billion m³ annual volume
- AI drove quality & efficiency across engineering, operations, and customer service
- Signed a 15 billion m³ (1.5 billion m³/year) pipeline gas LTA with the “Three Majors”
- Flexible overseas LNG resourcing and proactive value hedging

Mainland Water and Environment

- Steady growth in water & solid waste volume
- AI empowered efficiency improvement and reduction of operating costs
- Expanded technical services to external customers
- Synergistic development: UCO recycling ~8,000 tonnes & biomass gas ~10 million m³

Growth Business



Advanced Biofuels

- Increased SAF output in Zhangjiagang
- Malaysia plant achieved successful trial production
- Collaborated with the HKSAR Government to develop the GBA SAF supply chain
- Expanded customer base & strengthened international airline partnerships



Green Methanol

- Established a JV company VENEX with Foran Energy
- Annual sales volume: ~17,000 tonnes
- Green methanol cooperation agreement signed with HKSAR Government
- Contracts signed with 2 major Singapore bunkering companies; first batch delivered



Renewable Energy

- Strengthened AuM cooperation to self-balance cash flow and issued 259 MW quasi-REITs in 2025
- Electricity trading licenses cover 9 provinces (+4); gas-electricity synergy signed: over 3 billion kWh (total 15.7 billion kWh signed)
- Offline AI & on-site O&M upgraded deliver GW-scale annual management



Extended Business

- Secured US\$45 million in series A funding
- Actively pursuing new strategic investors
- Shifted from product seller to one-stop service provider

Utility Business

Hong Kong

Gas Sales Volume (TJ)

27,181 Remains Steady
(Equivalent to ~0.8 Billion m³ of Natural Gas)

Customers (million)

2.06 **+0.02**

Mainland

Gas Sales Volume (billion m³)

36.35 Remains Steady

Customers (million)

44.27 **+1.78**

City Gas Dollar Margin

(RMB/m³)
0.54 **+0.02**

Water Volume (billion tonnes)

1.66 **+0.6%**

Environment (Solid Waste)

(million tonnes)
1.72 **+7%**

Growth Business

Green Fuels

Advanced Biofuels

(thousand tonnes)
Production Capacity: **770**

Sales Volume: **309**
(Successful trial production at Malaysia plant)

Green Methanol

(thousand tonnes)
Production Capacity: **100**

Sales Volume: **17**

Renewable Energy

Accumulated PV Grid-connected (GW)

2.8 **+0.5**

PV Generation Volume

(billion kWh)
2.48 **+36%**

Electricity Trading Volume (billion kWh)

8.4 Remains Steady

Extended Business

Customer Coverage (million)

46.33 **+1.80**

Kitchen Appliance

Sales Volume (thousand units)

Hong Kong: **250**

Mainland: **690**

Total: **940** **+6**

Financial Highlights

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Business Review

■ Utility Business

- Hong Kong Gas Business
- Mainland Gas Business
- Mainland Water and Environment

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■ Growth Business

- Green Fuels
- Renewable Energy
- Extended Business

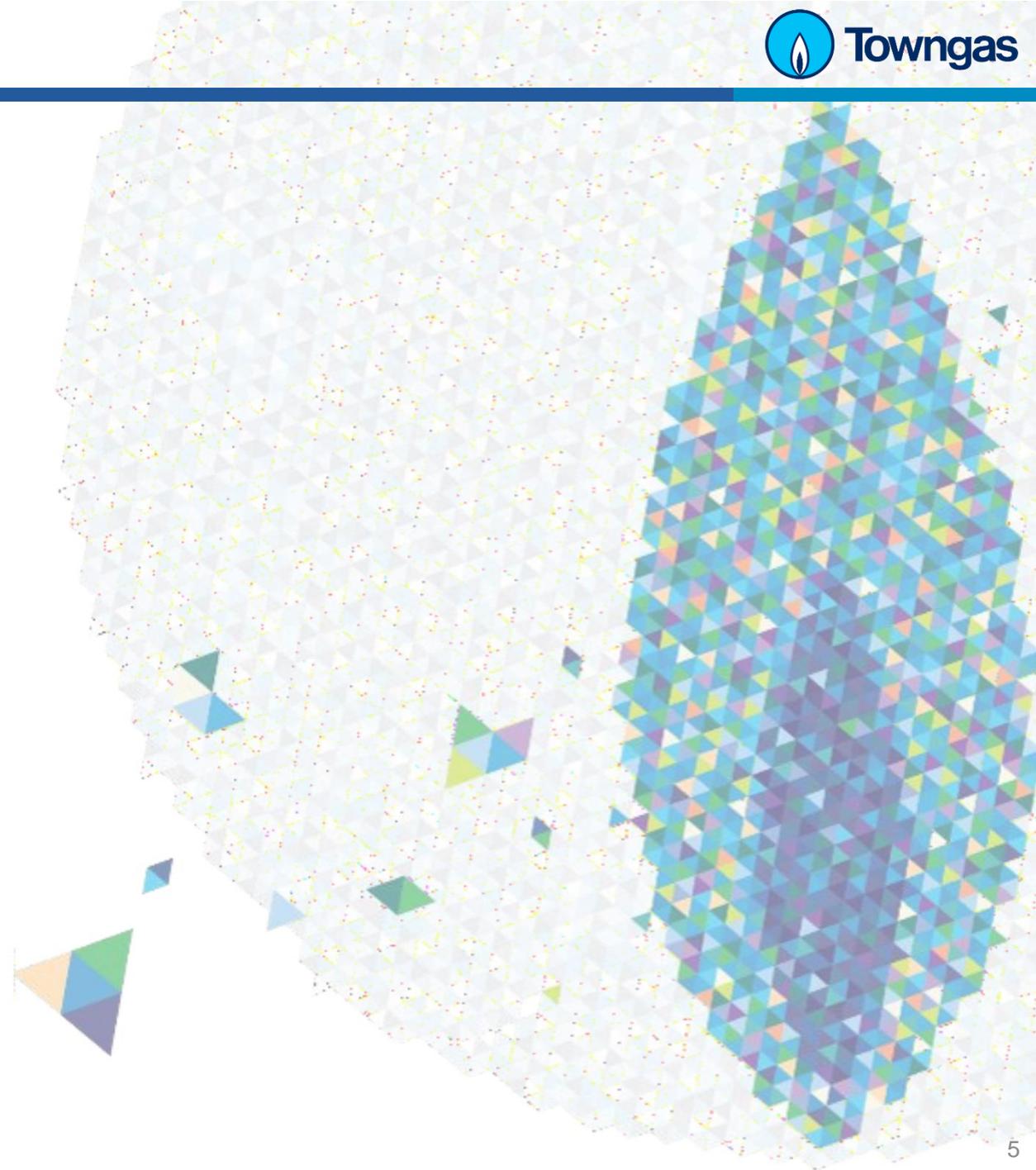
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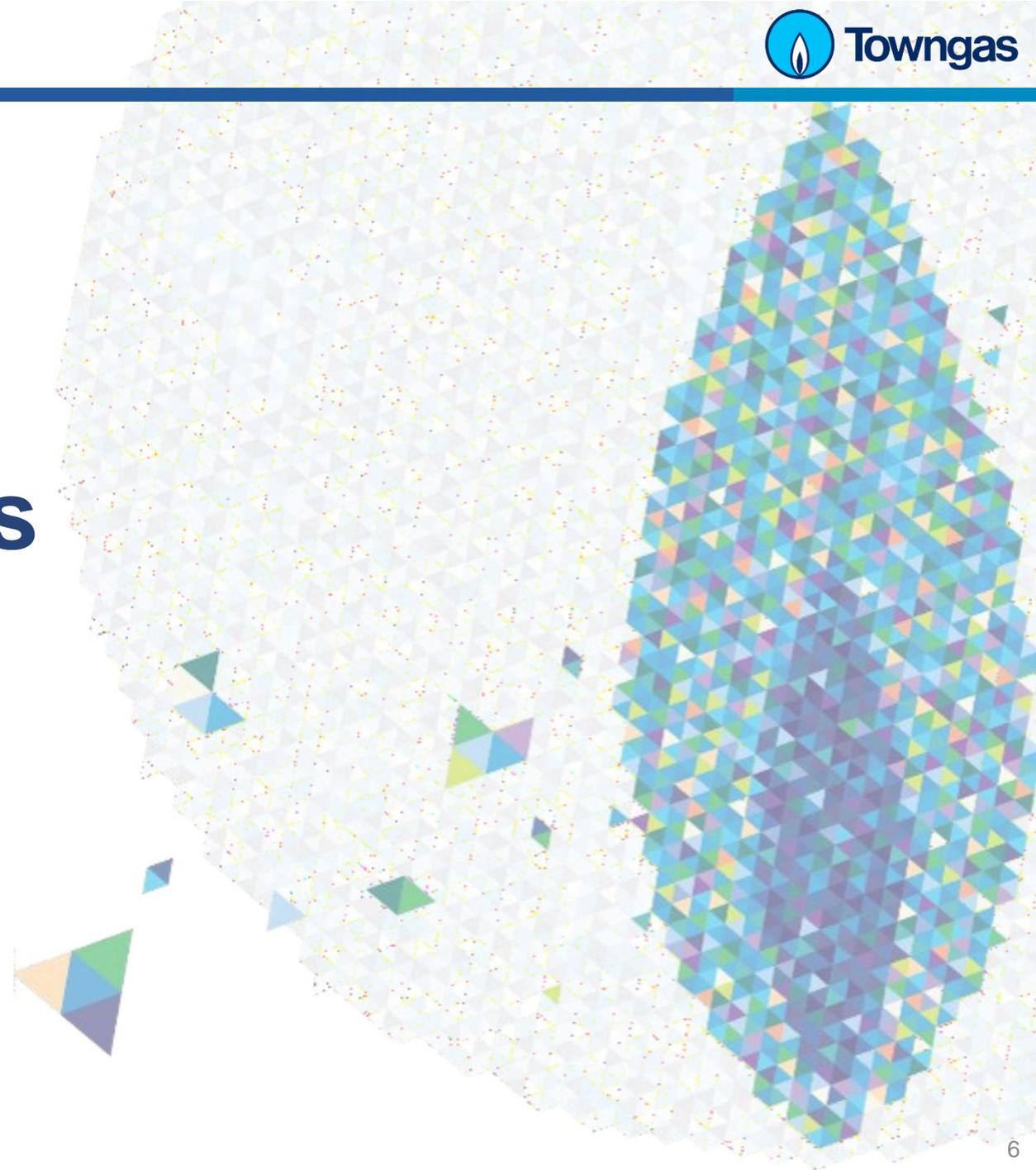
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ESG

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Financial Highlights



2025: Profit from Operations

(Unit: HK\$)

Utility Business		Growth Business			Others
Hong Kong	Mainland	Extended Business	Renewable Energy	Green Fuels	Rental, Telecommunications
3,640 million	3,041 million	468 million	278 million	-158 million	232 million
	(City Gas: 2,514 million) (Water and Environment: 527 million)	(Towngas Lifestyle: 495 million)	(1083: 413 million)	(Advanced Biofuels: 21 million) (Green Methanol: -179 million)	(Rent: 409 million) (Others: -177 million)
+2%	-2%	Remains Steady	-14%	Loss Reduction	+48%

Profit from Operations: 7,501 million +2%

(Unit: HK\$ million)	2024	2025	Change (%)
Revenue	55,473	54,326	-2
Profit from Operations	7,379	7,501	+2
Corporate Financial Expenses	(1,623)	(1,502)	+7
Core Operating Profit	5,756	5,999	+4
Profit Attributable to Shareholders	5,712	5,688	Remains Steady
Basic Earnings per Share (HK Cents)	30.6	30.5	Remains Steady
Annual Dividend per Share (HK Cents)	35.0	35.0	Maintains Unchanged

(Unit: HK\$ billion)	2024	2025
Total Assets	158.3	163.6
Net Assets	68.3	71.4
Borrowings	57.4	59.7
Net Gearing Ratio*	42.8%	42.7%

*Note: Net Debt / (Net Debt + Equity)

Credit Rating:



A-

MOODY'S

A1

(Unit: HK\$ billion)	2024	2025
0003.HK	6.0	5.1
1083.HK	3.3	2.4*

***Note: Renewable Energy AuM financing enough to cover capital expenditure**

Utility Business

——Hong Kong Gas Business

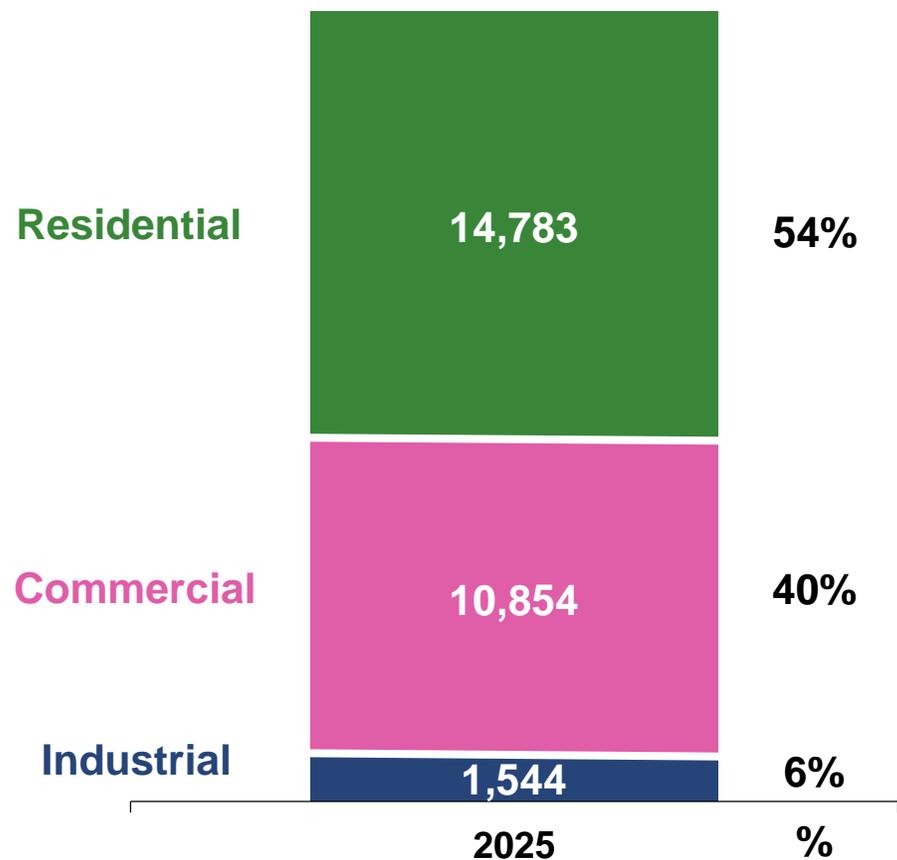


Gas Sales Volume

(Unit: TJ)

27,181 (Remains Steady)

(Equivalent to ~0.8 Billion m³ of Natural Gas)



Changes in Gas Sales Volume

(Unit: TJ)



Stable Gas Business

Stable gas sales volume

- **Sustained recovery** of tourism and economy
- **Ongoing expansion:** energy-efficient dehumidifier/dryers, gas cooling and electricity-to-gas applications

Northern Metropolis development accelerated

- Established the “Committee on Development of the Northern Metropolis”
- Planned population: **1.5 million**
- Gas sales volume: **~5,500 TJ** (~160 million m³)
- The Group actively supports and participates in new developments and the Northern Metropolis Action Agenda

Commercialised Hydrogen Energy Business

Collaborating with the HKSAR government to promulgate a development blueprint for green energy

- Green hydrogen production at a landfill site reached **1 tonne/day**

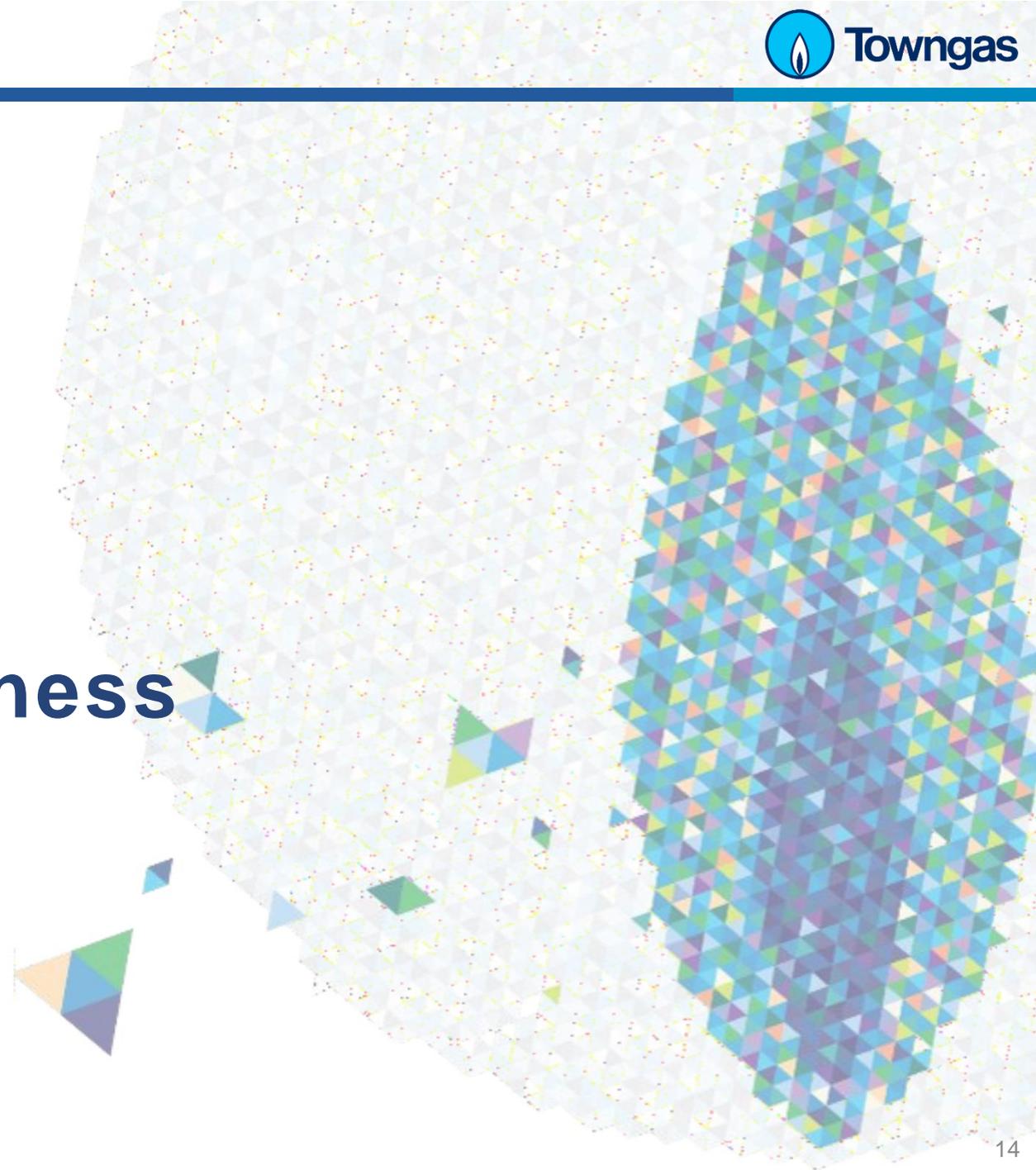
Building a hydrogen commercial ecosystem

- **3** On-site construction power generation systems are under construction
- **2** EV charging facilities are in operation; **1** will be completed in **August 2026**
- Preparing to supply hydrogen to HK Island and New Territories hydrogen charging station

Hydrogen

Utility Business

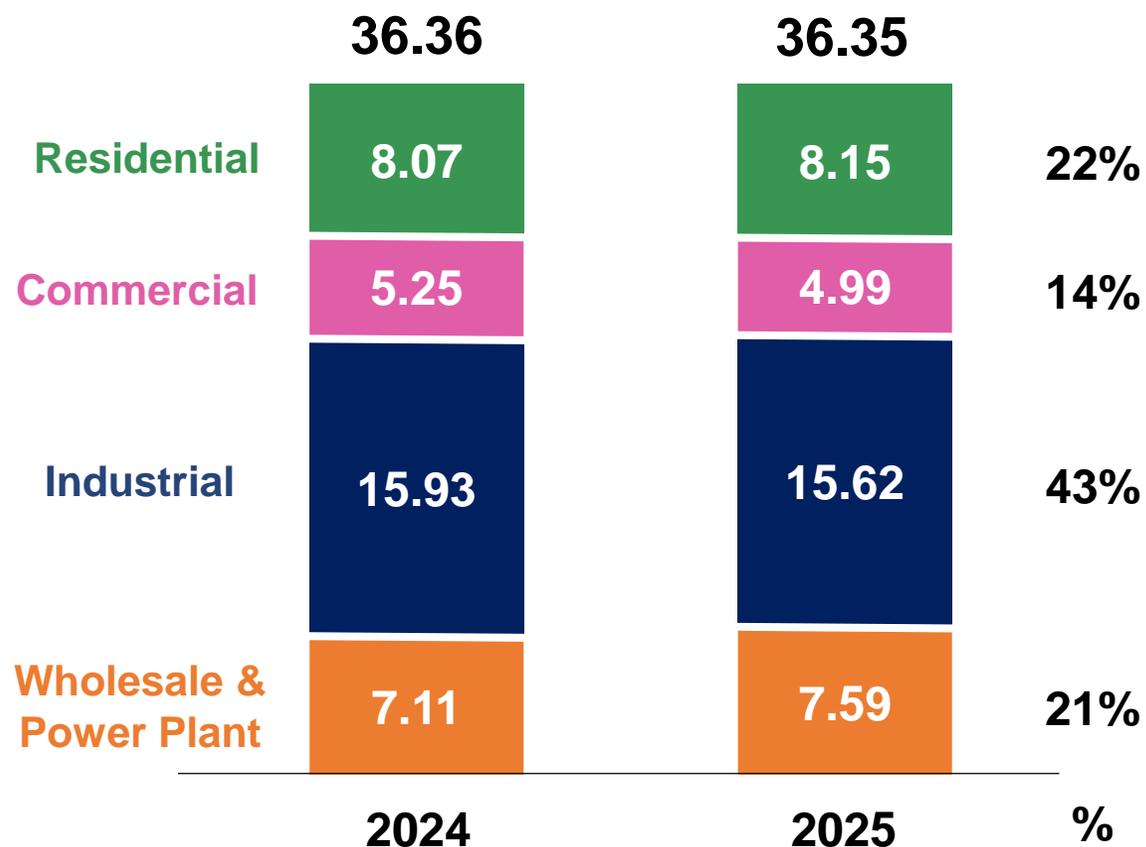
——Mainland Gas Business



Gas Sales Volume

(Unit: billion m³)

Remains Steady



- PRC NG usage remains steady YoY
- Warm winter, real estate market downturn and traditional industry production cuts reduced C&I gas volume
- Gas demand for emerging industries (such as the new energy vehicle industry) increased, driving overall gas volume growth

Steadily Rising Dollar Margin

Selling Price, Gas Cost and City Gas Dollar Margin

(Unit: RMB/m ³)		2024	2025	Changes
Selling Price	Residential	2.82	2.83	+0.01
	Commercial	3.61	3.59	-0.02
	Industrial	3.48	3.42	-0.06
Average Selling Price		3.33	3.28	-0.05
Gas Cost		2.81	2.74	-0.07
City Gas Dollar Margin		0.52	0.54	+0.02

- Dollar margin improved
- Dynamic sourcing optimised gas supply costs
- C&I cost pass-through is completed; 90% of the enterprises completed residential cost pass-through

PRC real estate market remained weak, new connections under pressure

The number of household connections

(Unit: thousands)

User Type	2024	2025	Changes (%)
Residential	1,679	1,446	-14
Industrial & Commercial	28	23	-18

Unit residential connection fee

(Unit: RMB/household)

	2024	2025	Changes (%)
Residential Connection Fee	3,048	2,950	-3

- Affected by weak PRC real estate market, new connections declined
- Expanding coverage on resettlement housing and old urban district renewal projects
- Policy support gains momentum, easing downward pressure on real estate market

- Deepening existing markets, advancing gas-for-steam/electricity substitution. Secured 127 major clients in 2025, adding 0.367 billion m³ annual volume
- Gas+ business rapid growth; strategic push into energy trusteeship & industrial conservation. 2025 energy sales: 2.87 billion kWh (equivalent to 0.29 billion m³ of natural gas)
- Leveraged HK expertise to expand in mainland market. Piloted electricity-to-gas conversion for commercial dishwashers
- Secured 3.2 billion kWh in C&I electricity sales contracts

Introduced HK Experience - Dishwasher “Electricity-to-gas” Retrofit, Saving 30% Energy



Gas Boiler + Air Source Heat Pump; Expanding the Market through Integrated Energy Supply - Chaoyang Ganghua



Gas Supply Chain: Assurance of Gas Supply

- Enhance gas supply security & cost efficiency management to sustain business growth



The Group's total gas sales volume reached 36.35 billion m³ in 2025

1

Fully implemented a 15 billion m³ (1.5 billion m³/year) pipeline gas LTA with the “Three Majors”

2

Secured demand via optimised LNG mix & domestic resourcing, balancing risk and creating value

3

Self-coordinating gas resources:
Working gas volume of gas storage: 0.22 billion m³

- Shanxi Ganghua: 0.25 billion m³/year
- Sichuan Weiyuan: 0.17 billion m³/year

4

Continuously integrate gas supply chain resources to coordinate and secure an annual gas supply of 6.4 billion m³ for the Group in 2025

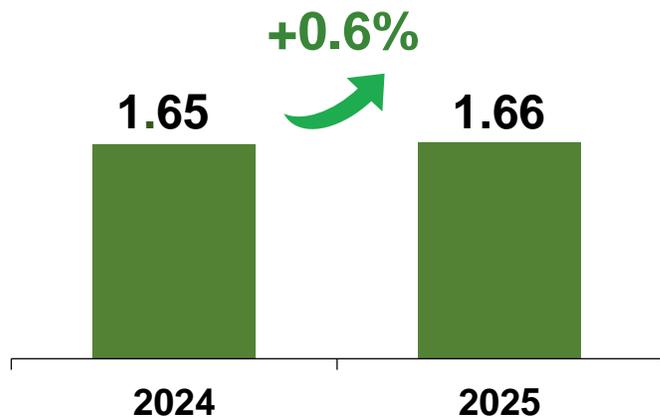
Utility Business

——Mainland Water & Environment



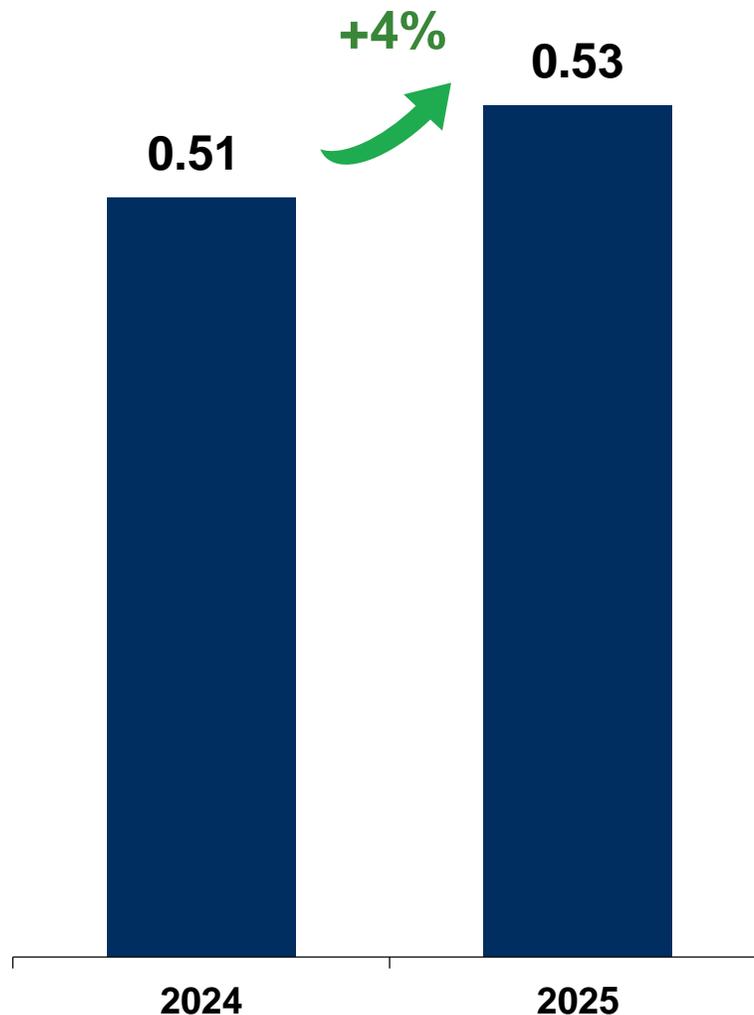
Water Volume

(Unit: billion tonnes)



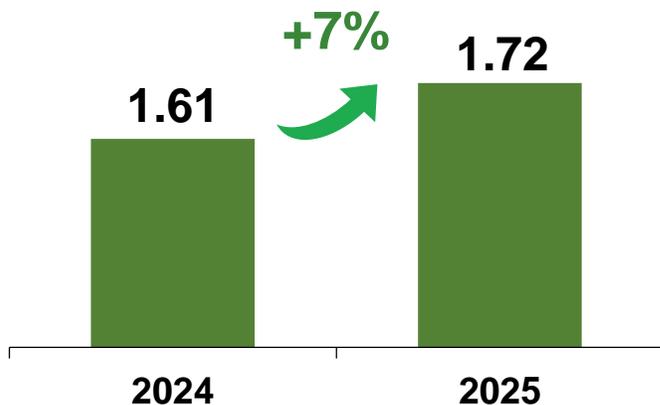
Net Profit

(Unit: HK\$ billion)



Environment (Solid Waste)

(Unit: million tonnes)

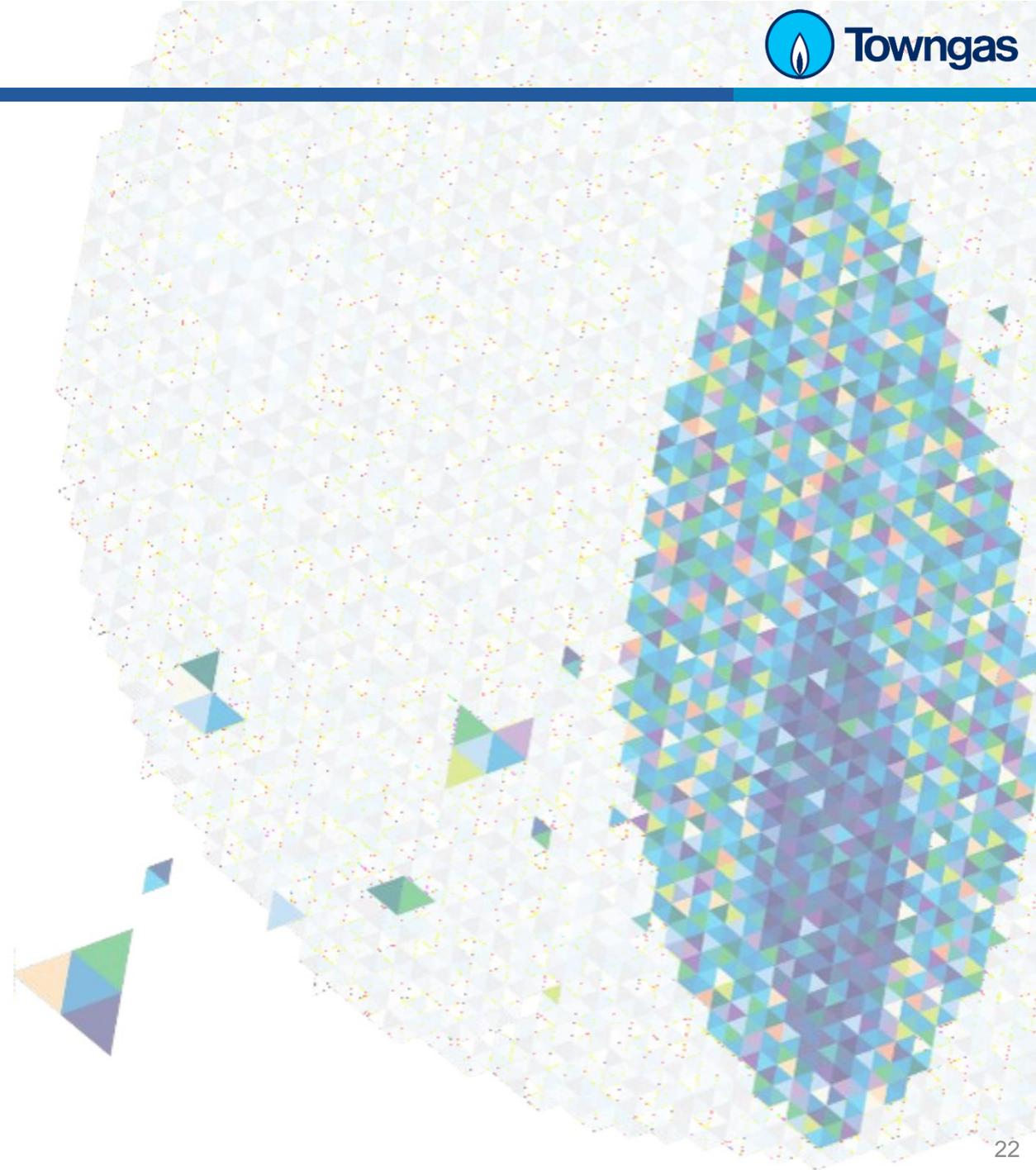


- Despite domestic economic pressure, water volume and solid waste volume remained steady growth
- Strict cost control and new business development to boost profit improvement
- Synergy with EcoCeres: supplied ~8,000 tonnes of UCO with traceable sourcing



Growth Business

——Green Fuels



- Trial production successfully delivered first qualified products, with first SAF shipment delivered within the year
- This project received strong support from local government to boost local SAF supply chain



Opening ceremony of the Malaysia plant, attended by officials from Malaysia and HK



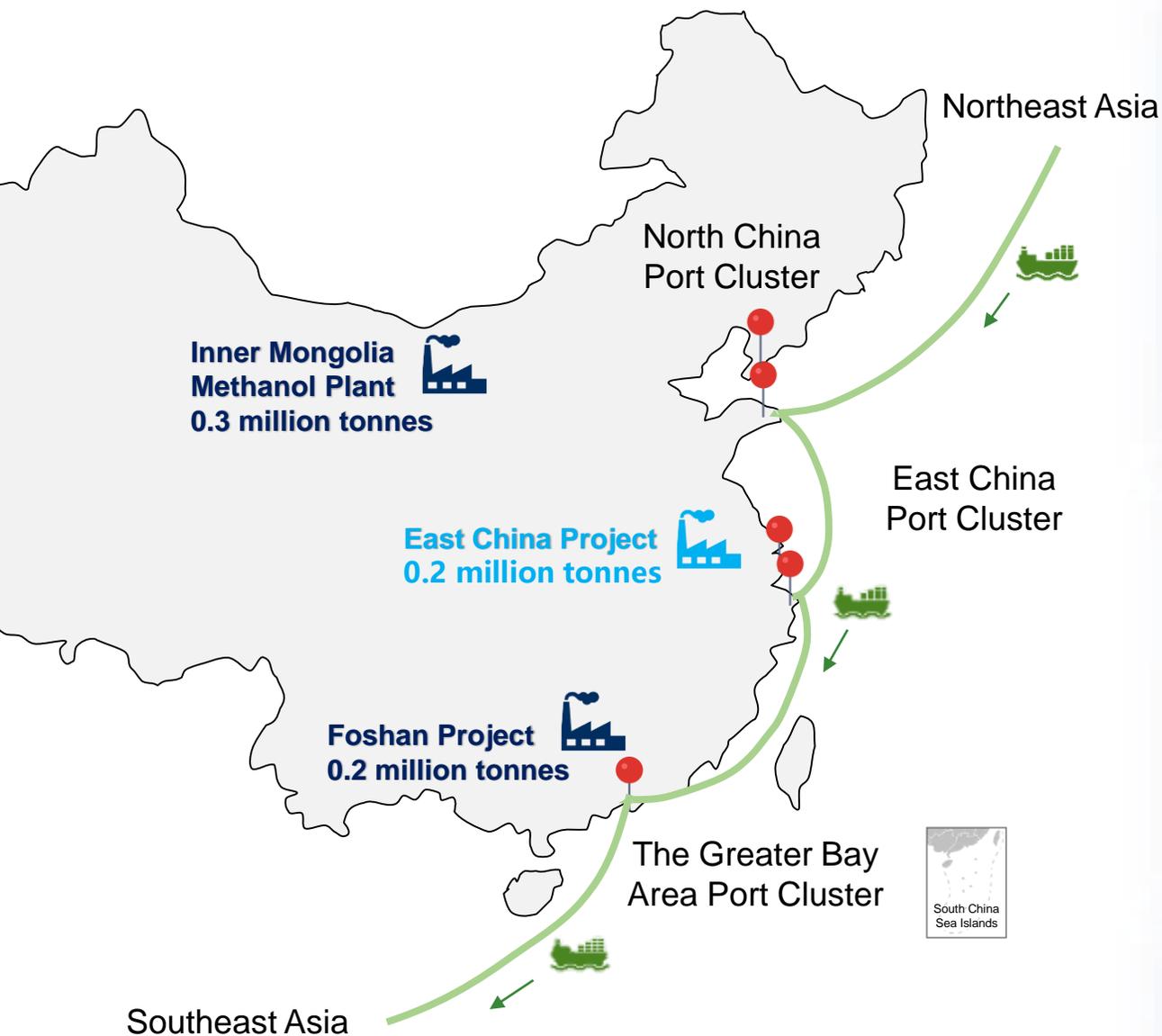
Malaysia plant's first SAF shipment from Malaysia



The Chief Executive's 2025 Policy Address

Promote the Development of the New Energy Industry

*"...The Government will work with the Mainland authorities to **enable a local enterprise, one of the world's major SAF suppliers**, to develop its business in the GBA, covering upstream collection of raw materials, the setting up of production plants and large-scale production, to dovetail with the specified target SAF consumption ratio for flights departing from the Hong Kong International Airport (HKIA) by 2030..."*



Production Capacity

Inner Mongolia's production plant upgraded to produce green methanol

- 2025 full-year sales: ~17,000 tonnes
- ~8,000 tonnes supplied to 2 Singaporean major bunkering players (Golden Island / Global Energy)
- Production capacity expansion:
Q4 2026: increase to 0.15 million tonnes; 2028: 0.3 million tonnes

Foshan Project

- Sanshui plant: scheduled to officially commence in March 2026
- Phase 1 production capacity: 0.2 million tonnes (by 2028)

Expanding Cooperation

Mainland

- Became one of the founding members of the "Global Sustainable Transport Innovation Alliance"

Hong Kong

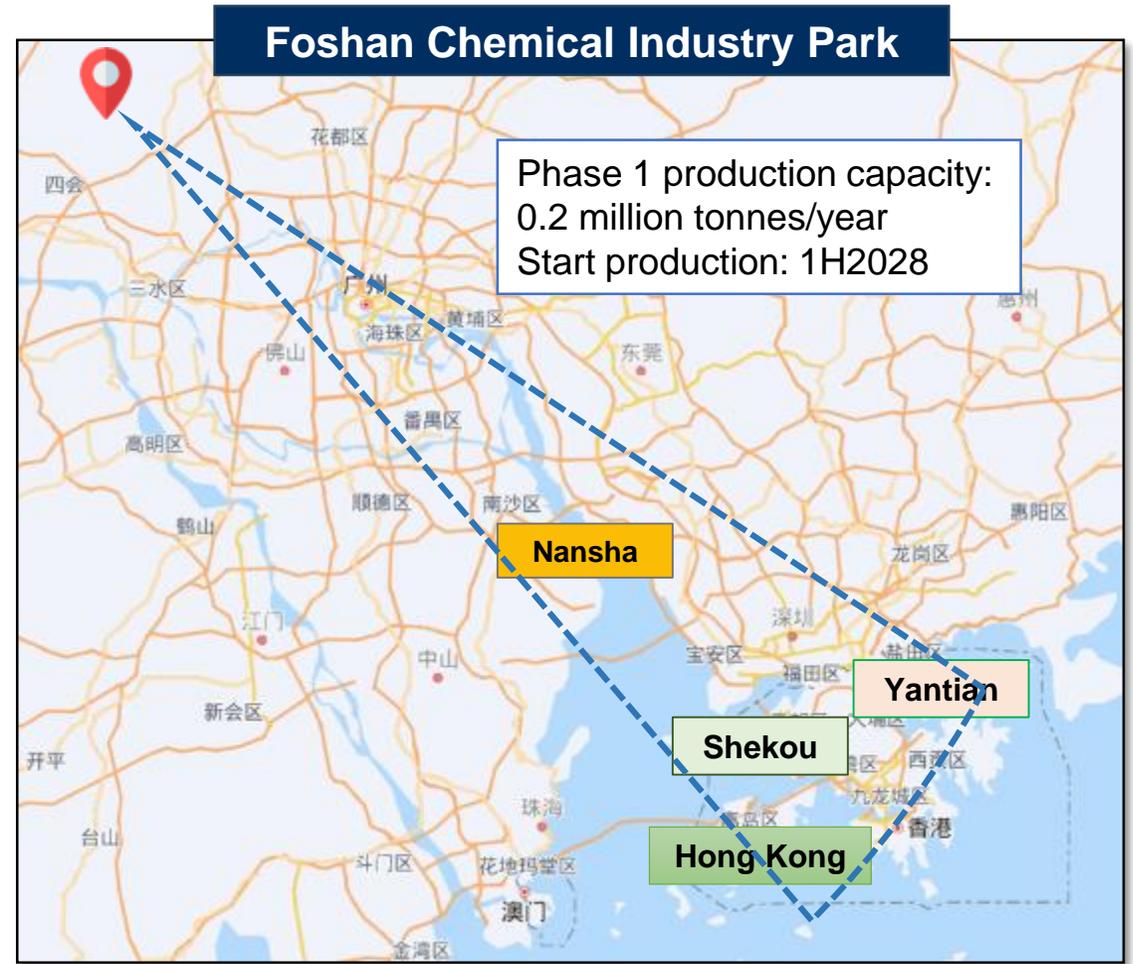
- Executed strategic collaboration MOU with government, bunkering and shipping

Planned New Capacity Project

- East China project: 0.2 million tonnes green methanol (Veolia + Shanghai Port)

Challenges

Geopolitical instability casts uncertainty on emissions reduction implementation



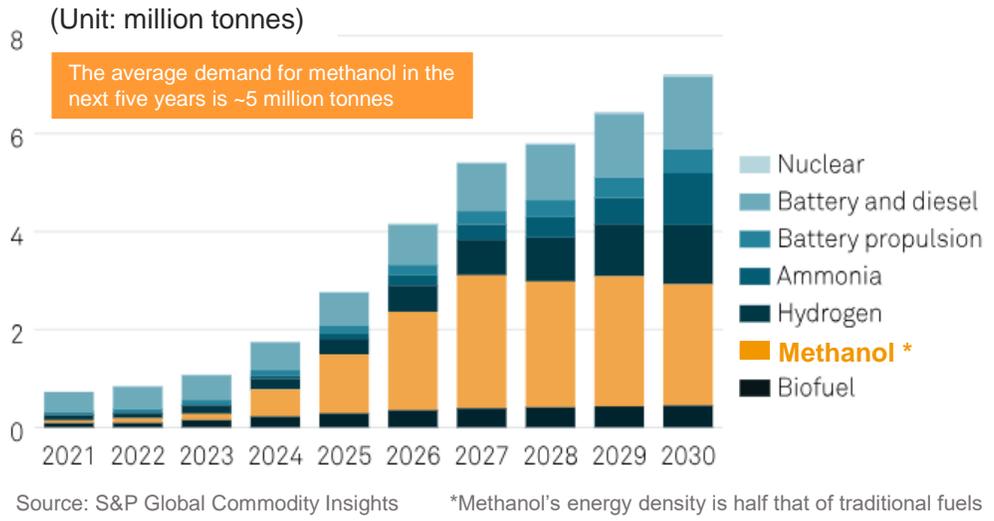
Expansion Plan

Phase 1:
0.2 million tonnes/year
Biomass Gasification

Phase 2:
0.1 million tonnes/year
Biomass Gasification

Phase 3:
0.2 million tonnes/year
Biomass Gasification
+ e-Hydrogen

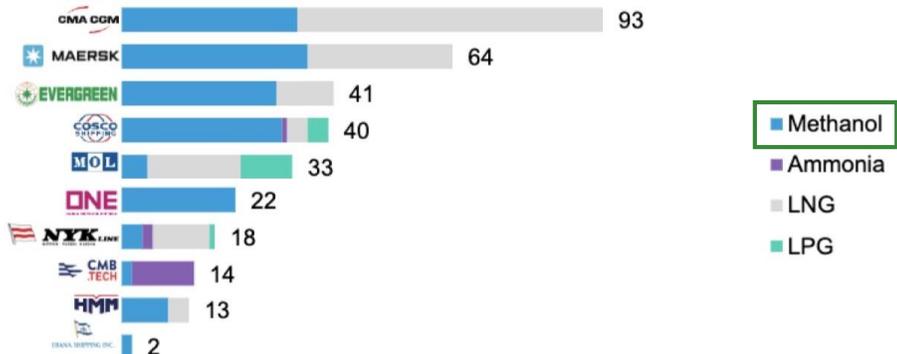
Green Methanol Will Become The Primary Low-carbon Marine Fuel



International Marine Transportation Emissions Reduction is Beneficial to The Green Methanol Market

- The European Union (EU)'s maritime decarbonisation policy became effective in 2025
- IMO Net-Zero Framework final vote postponed to October 2026, with implementation expected to commence in mid-2028
- Projected green methanol bunkering volume at major Asian ports will exceed 1.4 million tonnes per year in next five years, including 0.5 million tonnes per year in the GBA
- Strategic Asia focus mitigates EU/US market dependency

The Number of Alternative Fuel Vessel Orders



BloombergNEF

Hydrogen Power Generation

HK's First Hydrogen Power Generation System Application

Nov 2025

EMSD, National Games



Hydrogen Powered Charging Station

Hydrogen Powered Charging Station in Science Park

3Q2026

Science Park

On-site Construction Power Generation

HK's First Hydrogen Powered Construction Sites System

3Q2026

Henderson Land



Green Construction Site

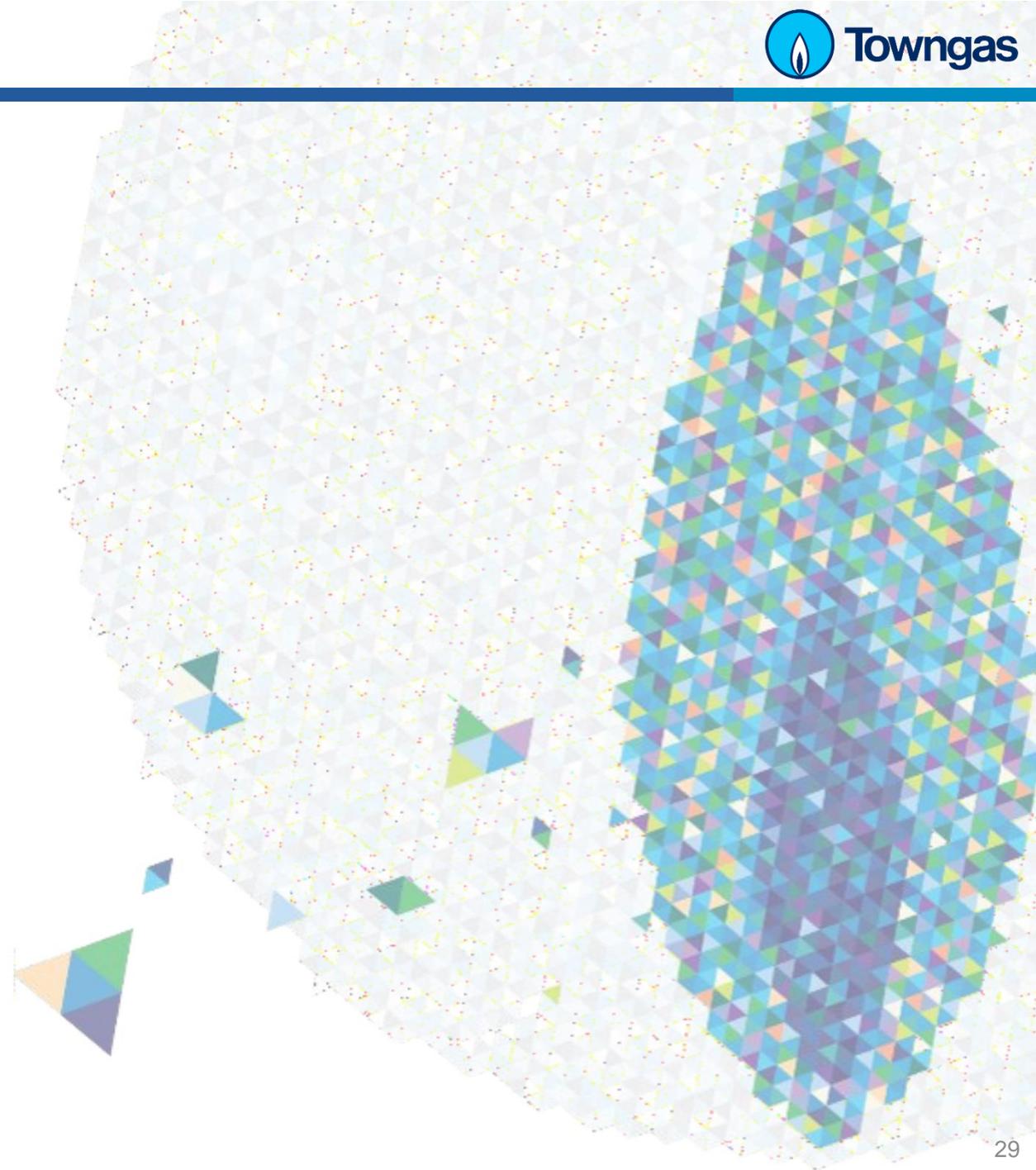
Kowloon Bay Zero Carbon Park Demonstration Project

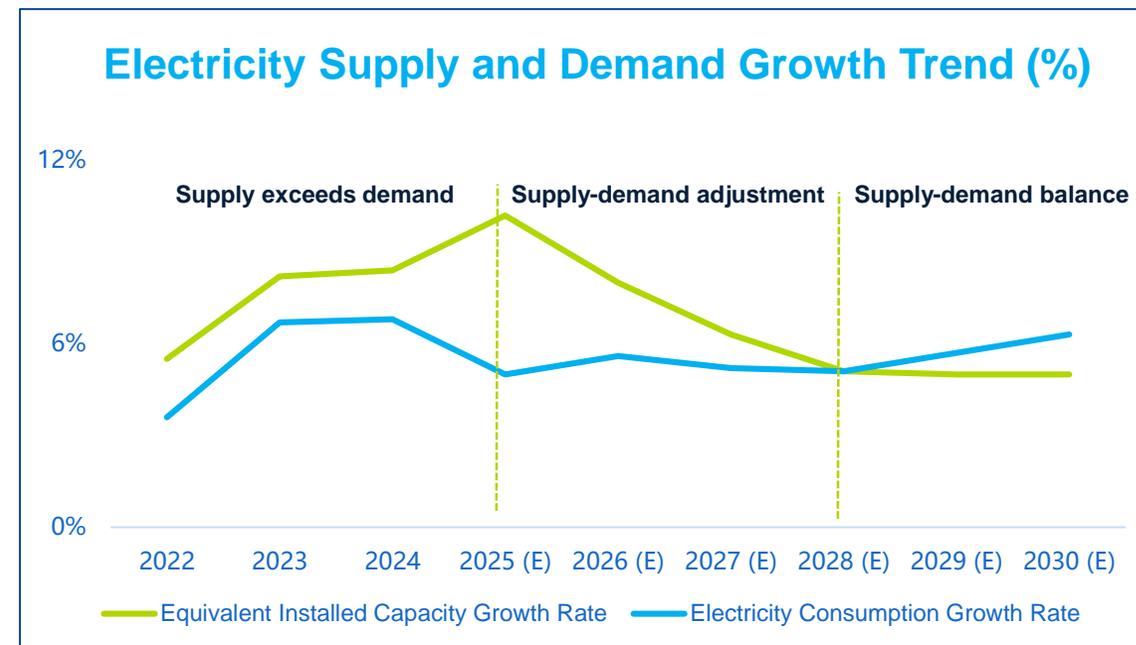
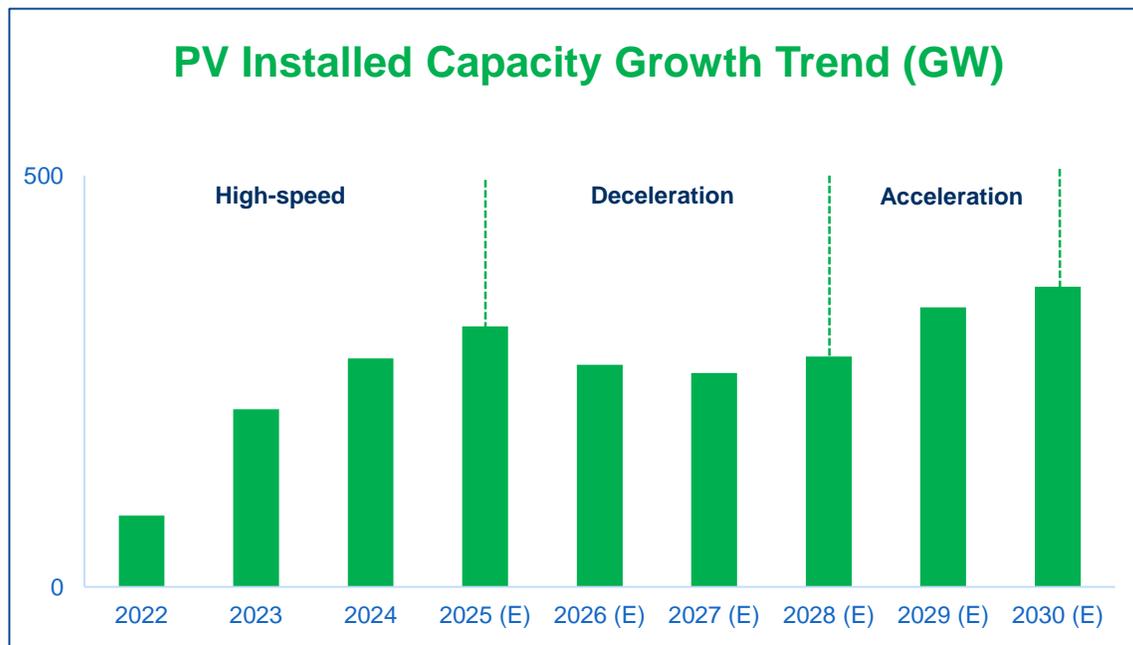
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Construction Industry Council

Growth Business

——Renewable Energy





Challenges

- “Midday Off-peak Tariff” erodes returns of existing PV projects
- Document No.136 promotes market selection and helps rebalance supply & demand
- Market-driven TOU pricing transforms the energy storage investment model

Opportunities

- “Midday Off-peak Tariff” drives high returns for new PV projects in 28 provinces
- Favorable opportunities for PV M&A to scale AuM
- Massive AI electricity demand lifts PV volume & price

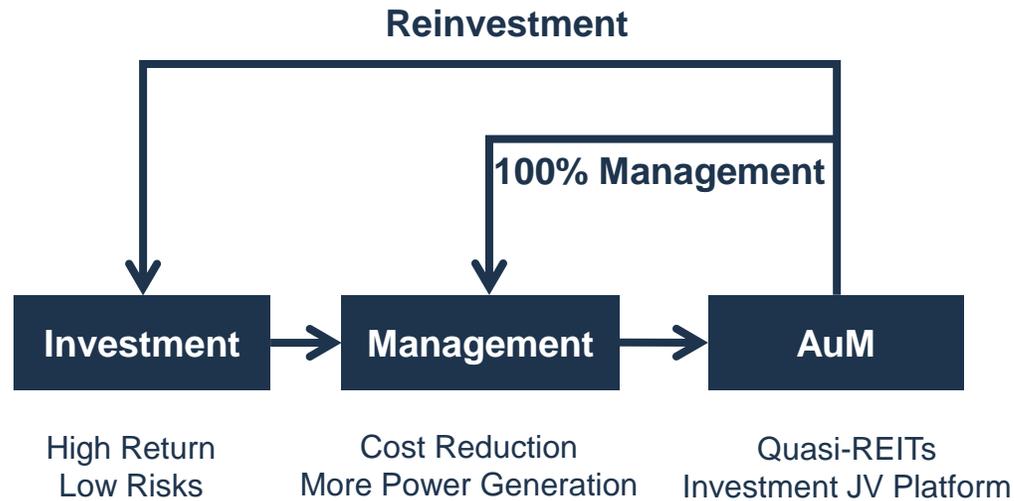
Operational Data	2024	2025	Changes
PV Grid-connected (GW)	2.3	2.8	+0.5
Power Generation Volume (billion kWh)	1.83	2.48	+36%
Energy Storage Grid-connected Capacity (MWh)	60	487	+712%
Gross Margin per kWh (RMB/kWh)	0.294	0.242	-0.052
Financial Data (RMB million)			
BU Profit Contribution	589	523	-11%
PV Business Net Profit	353	314	-11%
AuM Disposal Gain	134	161	+20%
Energy & Carbon Management Services Net Profit	102	48	-53%
Net Profit (RMB million)	441	381	-14%
Net Profit (HK\$ million, 1083)	479	413	-14%
Net Profit (HK\$ million, 0003)	322	278	-14%

**PV Business Net Profit
Decreased by RMB39 million**

- Equity scale: +200 MW YoY; power generation profit: up RMB50 million
- PV AuM management fees: RMB33 million (up RMB27 million)
- With implementation of “Midday Off-peak Tariff” in 28 provinces, gross margin decreased by RMB0.052/kWh and profit decreased by RMB90 million

**Energy & Carbon Management
Services Net Profit
Decreased by RMB54 million**

- The gross margin per kWh narrowed by RMB0.004 to RMB0.01. Electricity trading volume: 8.4 billion kWh, with profit of RMB42 million (down RMB35 million)
- Market-driven TOU pricing triggered cautious energy storage investment; profit from energy storage development down RMB20 million
- In 2025, electricity trading signed 15.7 billion kWh, up 87%, which will contribute to electricity trading profit in 2026



AuM Model:

- Collaborate with external investors;
- Sell $\geq 50\%$ equity in PV/energy storage assets;
- Management retention driving fee collection;
- Recycle capital to reinvest in high-return assets

1

457 MW of PV assets sold under AuM model, with a cumulative total of 910 MW

2

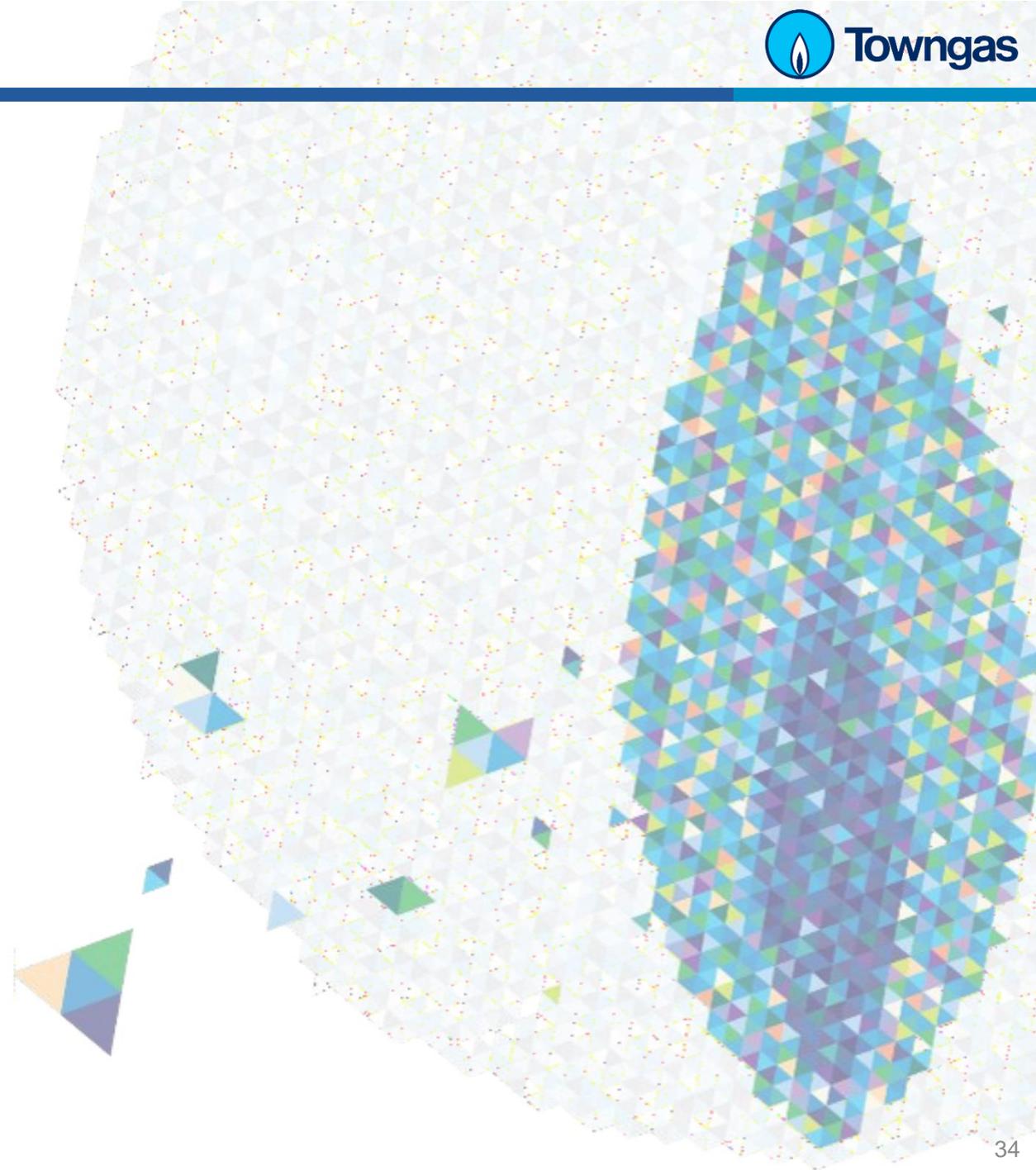
AuM financing in 2025: RMB1.8 billion, including RMB1.3 billion from 2 tranches of Quasi-REITs.
Cumulative AuM financing: RMB3.5 billion

3

2025 one-off gain from AuM disposal: RMB0.16 billion.
Management fee (>2% of AuM) positioned as sustainable core revenue growth

Growth Business

——Extended Business



Population Coverage

~0.13 Billion

Customer Penetration Rate

80%

15%

Financial Data (HK\$ million)	Total	Hong Kong	Mainland
Revenue	3,933	1,777	2,156
Net Profit	495	435	60
Operational Data			
Smart Kitchen (Kitchen Appliances, Million Units)	0.94	0.25	0.69
Insurance Premium	+19%	Secured insurance licenses	+19%
Home Safety (Products & Services Revenue)	+10%	Launched online business	+10%
Average Revenue per Household (HK\$/Day)	Benchmark cities achieved per household daily revenue of HK\$1	2.4	Benchmark cities - Yixing and Hangzhou: 1.3
Customer Coverage (Million)	46.33	2.06	44.27

Upgrade Kitchen Appliance Product

Innovation in insurance products

Upgrade of home safety services

Hong Kong

- Diversified white goods with a gas-to-electricity production ratio of 18:1
- Online-offline synergy to build a new marketing engine

- Comprehensive operation commenced

- Launched trial sales of online home services

Mainland

- “Trade-in” sales increased by 18%
- Heating retail sales gained momentum, with sales revenue increased by 10%

- Home insurance: average premium +10%
- Breakthrough in internet insurance

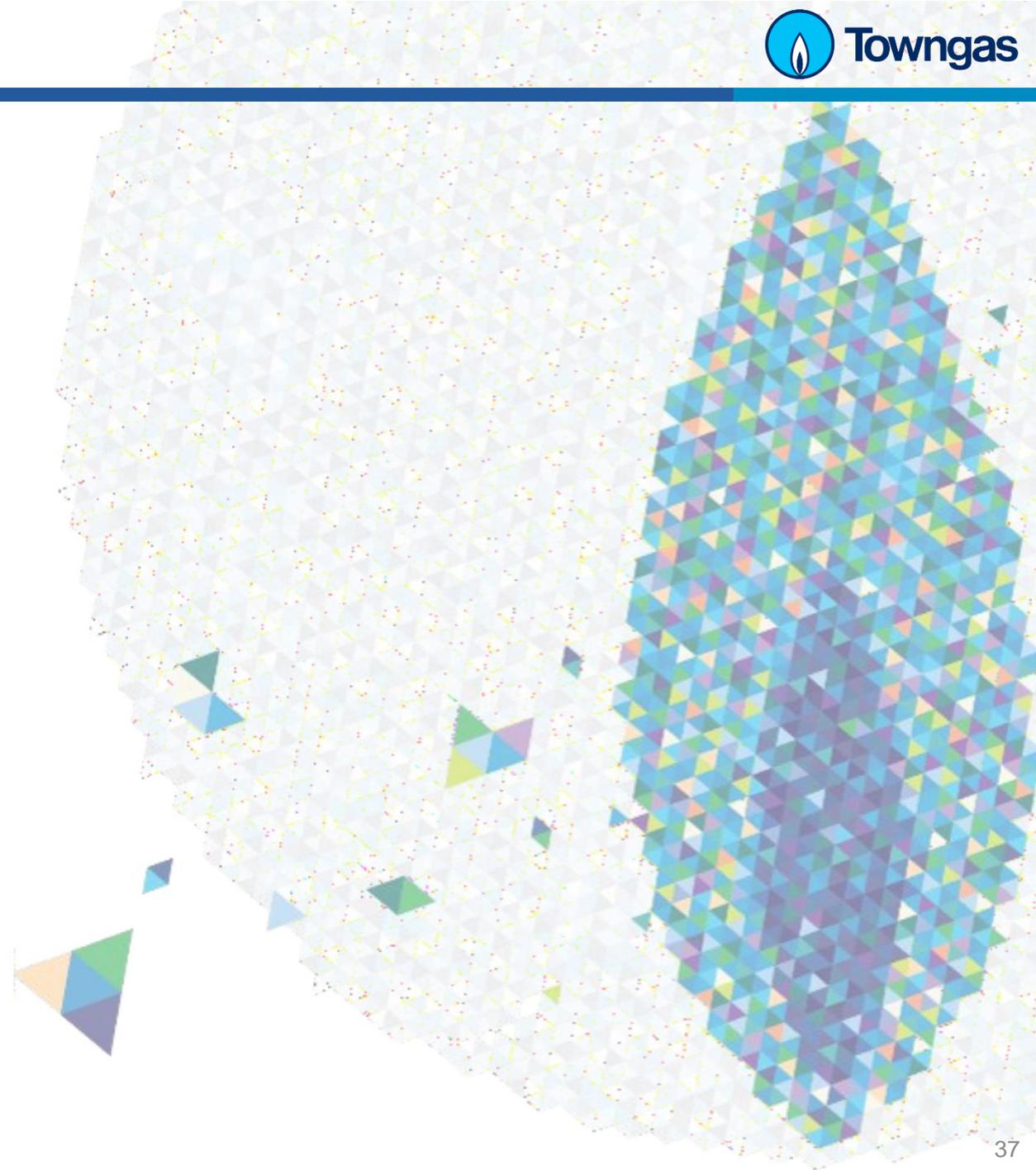
- “Appliance + Platform + Service” one-stop solution covers 270,000 customers



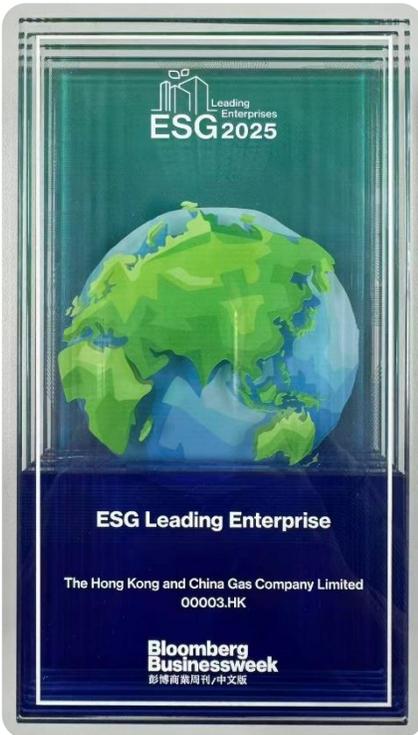
Completed financing of US\$45 million

Upgraded to a “Service Solution Provider Model”

ESG



In 2025, the Group's ESG practices received widespread recognition, securing over **30** prestigious ESG awards from various authoritative institutions



Bloomberg Businessweek
ESG Leading Enterprises 2025



Hong Kong Institute of Certified
Public Accountants
Best Corporate Governance
and ESG Awards 2025

Awarded the
Highest Rating
for the First Time

	2024	2025
	AA+	AAA ↑
MSCI ESG RATINGS	A	AA ↑
	3.4	3.5 ↑
	Medium Risk	Medium Risk
	B	B

2025 Challenges & Solutions

5-Year Energy Tech Footprints

2026 Business Guidance

Macro Environment

Expected consolidation in gas volume amid economic pressure

Mainland real estate market downturn, industrial energy transition, and slower economic growth

Slower urban development; higher national industry standards

Price volatility of SAF and HVO in 2025

Geopolitical instability impacted IMO Net-Zero Framework timeline

Market-driven electricity pricing reshaped PV & energy storage investment landscape

Weak consumer sentiment; “trade-in” programs unlocked market potential

Group Strategy

Seizing Northern Metropolis opportunities for growth by prioritizing hydrogen expansion and new gas applications

Optimising gas resources structure, improving dollar margin, and vigorously developing “Gas+” business

Expanding technical services and resource recycling to develop environmental business

Malaysia plant commenced operations, driving supply chain expansion and optimisation

Actively participating in formulating China’s national sustainable transportation fuel system

Strengthen AuM cooperation and gas-electricity synergy to drive high growth in PV and electricity trading

Acting on “trade-in” programs initiative to fully unlock value from existing customers

Group's 5-Year Energy Tech Transformation Footprints



- Launched the international smart energy innovation competition **TERA-Award** in 2021
- Century energy legacy powers tech transition to carbon neutrality

Hong Kong Gas Business

- First hydrogen energy project at Sai Kung cricket ground
- On-site hydrogen power generation and charging stations



Sai Kung cricket ground

Mainland Gas Business

- Trial hydrogen blending project in Shandong gas pipelines
- "TGSE CHIP" extended for industrial-grade network firewalls



"TGSE CHIP" extended for industrial-grade network firewalls

Mainland Water and Environment

- Changzhou industrial wastewater plant recognised as smart factory
- Suzhou kitchen-waste project enabled with traceable sourcing via ecTrace and EcoCeres



Traceable sourcing

Advanced Biofuels

- Secured strategic investment from Kerogen and Bain Capital, accelerating sustainable biomass business
- Proprietary technology successfully deployed at Zhangjiagang and Malaysia plants with replicability



Zhangjiagang plant

Green Methanol

- Inner Mongolia green methanol plant obtained EU ISCC certification
- Expanded green methanol capacity in the GBA with proprietary technologies



Inner Mongolia green methanol plant obtained EU ISCC certification

Renewable Energy

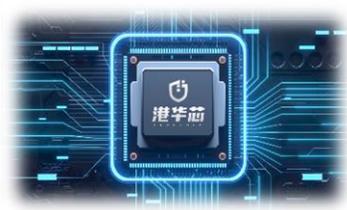
- Completed first round financing and expanded distributed PV
- Upgraded smart energy platform, and leverage AI to optimise algorithms and asset management



Upgraded smart energy platform

Extended Business

- Industry's first RISC-V IoT security chip "TGSE CHIP" officially launched
- AI-powered agents elevate service efficiency and customers experience



TGSE CHIP

Utility Business

Hong Kong

Mainland

Gas Sales Volume (TJ)

27,181 Remains Steady
(Equivalent to ~0.8 Billion m³ of Natural Gas)

Customers (million)

2.08 **+0.02**

Gas Sales Volume (billion m³)

36.55 **+1%**

Customers (million)

45.72 **+1.45**

City Gas Dollar Margin

(RMB/m³)

0.56 **+0.02**

Water Volume (billion tonnes)

1.69 **+2%**

Environment (Solid Waste)

(million tonnes)

1.75 **+2%**

Growth Business

Green Fuels

Advanced Biofuels

(thousand tonnes)

Production Capacity: **770**

Green Methanol

(thousand tonnes)

Production Capacity: **150**

Renewable Energy

Accumulated PV

Grid-connected (GW)

3.8 **+1.0**

PV Generation

Volume (billion kWh)

3.2 **+29%**

Electricity Trading

Volume (billion kWh)

15.0 **+78%**

Extended Business

Customer Coverage (million)

47.80 **+1.47**

Kitchen Appliance

Sales Volume (thousand units)

Hong Kong: **260**

Mainland: **710**

Total: **970** **+30**

THANK YOU

This presentation and corresponding discussion may contain certain forward-looking statements, including statements regarding our intent, belief or current expectations with respect to The Hong Kong and China Gas's businesses and operations, market conditions, results of operation and financial condition, capital adequacy, specific provisions and risk management practices. Readers are cautioned not to place undue reliance on these forward-looking statements in relation to holding, purchasing or selling securities or other financial products or instruments. The Hong Kong and China Gas does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or the occurrence of unanticipated events. Past performance cannot be relied on as a guide for future performance.

In this presentation and corresponding discussion, "Hong Kong" refers to the Hong Kong Special Administrative Region of China.