



JIAXING GAS
GROUP CO., LTD.*

嘉興市燃氣集團股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

Stock code : 9908

2024

INTERIM REPORT

** For identification purposes only*



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Sun Lianqing (*Chairman and chief executive officer*)
Mr. Xu Songqiang

Non-executive Directors

Mr. Xu Jiong
Mr. Zheng Huanli
Mr. Fu Songquan
Ms. Ruan Zeyun

Independent Non-executive Directors

Mr. Yu Youda
Mr. Cheng Hok Kai Frederick
Mr. Zhou Xinfu

SUPERVISORS

Ms. Liu Wen (*Chairwoman*)
Ms. Mu Nini
Ms. He Haiyan

AUDIT COMMITTEE

Mr. Cheng Hok Kai Frederick (*Chairman*)
Mr. Yu Youda
Mr. Zhou Xinfu

NOMINATION COMMITTEE

Mr. Sun Lianqing (*Chairman*)
Mr. Yu Youda
Mr. Zhou Xinfu

REMUNERATION COMMITTEE

Mr. Yu Youda (*Chairman*)
Mr. Xu Jiong
Mr. Cheng Hok Kai Frederick

JOINT COMPANY SECRETARIES

Ms. Wang Shuiming
Ms. Pun Ka Ying (ACS, ACG)

AUTHORIZED REPRESENTATIVES

Mr. Sun Lianqing
Ms. Pun Ka Ying

REGISTERED OFFICE AND HEADQUARTER IN THE PRC

5th Floor, Building 3
Hualong Plaza
Economic and Technological Development Zone
Jiaxing
Zhejiang Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

5/F, Manulife Place
348 Kwun Tong Road
Kowloon, Hong Kong

HONG KONG H SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

AUDITOR

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

LEGAL ADVISORS

As to Hong Kong Law
Chiu & Partners
40/F, Jardine House
1 Connaught Place
Central
Hong Kong

As to PRC Law
Jia Yuan Law Offices
F408, Ocean Plaza
158 Fuxing Men Nei Street
Xicheng District
Beijing 100031
China

PRINCIPAL BANKERS

Bank of Communications Co., Ltd. (Jiaxing Branch)
No. 1086, Zhongshan East Road
Jiaxing
Zhejiang Province
PRC

Bank of Jiaxing Co., Ltd
No. 1001, Changsheng South Road
Jiaxing
Zhejiang Province
PRC

STOCK CODE

9908

COMPANY WEBSITE

<http://www.jxrgqs.com/>

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Company
“Board” or “Board of Directors”	the board of directors of the Company
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, as amended from time to time
“City Development”	Jiaxing City Investment & Development Group Co., Ltd. (嘉興市城市投資發展集團有限公司), a state-owned enterprise established under the laws of the PRC on 21 December 2009 and solely owned by Zhejiang Jiaxing State-owned Capital Investment Management Company Limited* (浙江嘉興國有資本投資運營有限公司) and is indirectly owned as to 95.4827% by State-owned Assets Supervision and Administration Commission of Jiaxing Municipal People’s Government* (嘉興市人民政府國有資產監督管理委員會) and as to 4.5173% by Zhejiang Financial Development Co., Ltd.* (浙江省財務開發有限責任公司), a wholly-owned entity under Zhejiang Provincial Department of Finance* (浙江省財政廳)
“Company”	JiaXing Gas Group Co., Ltd.* (嘉興市燃氣集團股份有限公司), a joint stock limited liability company established under the laws of the PRC on 15 March 1998
“Concert parties”	Taiding, Zhuji Yujia, Mr. Xu Songqiang and Ms. Xu Hua, parties acting in concert pursuant to the acting in concert agreement dated 16 July 2023
“Directors”	the directors of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are unlisted Shares which are currently not listed or traded on any stock exchange
“Group”, “we”, “our” or “us”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are traded in Hong Kong dollars and listed on the Stock Exchange
“Hangjiixin”	Zhejiang Hangjiixin Clean Energy Company Limited* (浙江杭嘉鑫清潔能源有限公司), a limited liability company established under the laws of the PRC on 24 July 2017 and owned as to 51% by the Company and regarded as a joint venture of the Company under the applicable accounting standards and a subsidiary of the Company pursuant to the Listing Rules

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Jiaxing Railway and Rail Transit Investment”	Jiaxing Railway and Rail Transit Investment Group Co., Ltd. (嘉興市鐵路與軌道交通投資集團有限責任公司), a state-owned enterprise established under the laws of the PRC on 27 July 2018 and solely owned by Zhejiang Jiaxing State-owned Capital Investment Management Company Limited* (浙江嘉興國有資本投資運營有限公司) and is indirectly owned as to 95.4827% by State-owned Assets Supervision and Administration Commission of Jiaxing Municipal People’s Government* (嘉興市人民政府國有資產監督管理委員會) and as to 4.5173% by Zhejiang Financial Development Co., Ltd.* (浙江省財務開發有限責任公司), a wholly-owned entity under Zhejiang Provincial Department of Finance* (浙江省財政廳)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“LNG”	liquefied natural gas
“LPG”	liquefied petroleum gas
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“PRC” or “China”	the People’s Republic of China, excluding for the purposes of this interim report, the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus dated 30 June 2020 issued by the Company
“Qianyu”	Qianyu Group Company Limited* (乾宇集團有限公司), a limited liability company established under the laws of the PRC on 14 July 2009 and an associate of Mr. Fu Songquan (傅松權), the non-executive Director
“Reporting Period” or “Period”	the six months ended 30 June 2024
“RMB” or “Renminbi”	the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, including both the Domestic Share(s) and the H Share(s)

“Shareholder(s)”	holder(s) of Shares from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“Substantial Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company
“Taiding”	Zhejiang Taiding Investment Company Limited* (浙江泰鼎投資有限公司), a limited liability company established under the laws of the PRC on 26 January 2011 and owned as to 65% by Mr. Sun Lianqing and 35% by Ms. Xu Lili, the spouse of Mr. Sun Lianqing
“Zhuji Yujia”	Zhuji Yujia New Energy Technology Company Limited* (諸暨宇嘉新能源科技有限公司), a limited liability company established under the laws of the PRC on 13 December 2018, a wholly-owned subsidiary of Qianyu and an associate of Mr. Fu Songquan (傅松權), the non-executive Director

In this interim report, if there is any inconsistency between the Chinese names of the entities or enterprises established in China and their English translations, the Chinese names shall prevail. English translation of company names in Chinese or another language are marked with “” and are provided for identification purposes only.*

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

The Report on the Work of the Government published at the second session of the 14th National People's Congress in March 2024 emphasized the need to continue to effectively pursue high-quality economic growth and appropriately increase economic output, and set the gross domestic product ("**GDP**") growth target at a relatively high level of 5%. China's GDP grew by 5% year-on-year in the first half of 2024 according to data released by the National Bureau of Statistics in July, with the economic development trend continuing to recover and improve. In the first half of 2024, China's natural gas consumption was 210.8 billion m³, representing a 8.7% increase year-on-year. Upon the implementation of the Regulations on Fair Competition Review on 1 August, a unified national market is expected to be developed rapidly and steadily, while the business environment will be optimized constantly. The Group believes that the market will continue to demonstrate great vitality, and the economy will continue to develop, leading to further growth in natural gas demand.

The Measures for the Administration of Natural Gas Utilization came into effect in August is expected to enable natural gas to play a greater role in the construction of a new energy system. Natural gas is a low-carbon clean energy source that replaces high-carbon energy sources, and act as an important support for safeguarding the development of renewable energy. In the transportation sector, the application of natural gas in heavy-duty vehicles, inland waterway and offshore vessels and equipment is encouraged. Therefore, commercial use of natural gas in the transportation sector is expected to achieve considerable growth, driven by certain factors.

RESULTS REVIEW

The Group, the largest city gas operator in Jiaxing, a major prefecture-level city in Zhejiang Province, PRC, is mainly engaged in the sale of piped natural gas (subject to concessions), LNG and LPG, as well as the provision of construction and installation services. As at the end of the Reporting Period, the Group provided gas supply services for approximately 470,000 residential users and 2,515 industrial and commercial users.

During the Reporting Period, the Group's total gas sales volume was 406 million m³, representing an increase of 47.64% as compared with the same period in 2023. As at the end of the Reporting Period, the Group operated a natural gas pipeline network in the operating area, with a total length of 1,179.43 km (comprising 790.6 km of self-constructed pipeline network and 388.83 km of leased urban pipeline network, and excluding 31.75 km of urban pipeline network under construction, among which 16.99 km was self-constructed).

During the Reporting Period, due to the decline in LNG sales price in the international market as compared to the same period of 2023, Hangjiixin was unable to maintain a similar level of gross profit as that in the first half of 2023 when it was able to benefit from the relatively lower purchase price under its long-term LNG purchase agreement with its suppliers.

DEVELOPMENT STRATEGY AND OUTLOOK

As a city gas enterprise, the Company will continue to carry out special rectification works on urban gas safety, strictly investigate potential safety hazards, comprehensively improve the intrinsic safety level of enterprises, and safeguard the healthy development of the Company while endeavouring to obtain high-quality low-priced gas sources. The Company can leverage on the Dushan Port receiving station which has been put into operation, the delivery pipelines connecting to the receiving station, and the fair and open mechanism for natural gas infrastructure to carry out strategies for natural gas optimization as and when appropriate. The Company can also make use of the combination of imported gas with domestic gas, and pipeline gas with LNG to optimize resources through diversified sources of supply, improve its sensitivity to the LNG market, attach importance to the reasonable conclusion of long-term and spot contracts, and dynamically monitor the critical periods so as to facilitate the matching and coordination of storage capacity, further allocate the resources efficiently, optimize resource pools, achieve supply of price-competitive natural gas and enhance its market competitiveness. Meanwhile, the Company will further tap the new energy business and actively expand new energy projects to achieve its sustainable development.

SEGMENTAL ANALYSIS

1. PNG Sales Business

The Group sells PNG to users, including residential users and industrial and commercial users, through the gas pipeline network. During the Reporting Period, the total revenue of the Group from the PNG sales business was RMB883.8 million, representing a decrease of 6.67% compared with RMB947.0 million in the same period in 2023. The decrease in revenue was mainly due to the decrease in sales price to industrial and commercial users.

During the Reporting Period, the total gas supply volume from the Group was 263.3 million m³, representing an increase of 2.41% compared with 257.1 million m³ in the same period in 2023. Such increase was mainly due to the increase in the total gas consumption during the Reporting Period as compared to the corresponding period in 2023. During the Reporting Period, the residential gas consumption was 46.1 million m³, accounting for 17.51% of the total gas consumption, and the industrial and commercial gas consumption was 217.2 million m³, accounting for 82.49% of the total gas consumption. For the same period in 2023, the residential gas consumption was 42.3 million m³, accounting for 16.45% of the total gas consumption, and the industrial and commercial gas consumption was 214.8 million m³, accounting for 83.55% of the total gas consumption.

2. LNG Sales Business

The Group supplies LNG to industrial users in certain areas of Jiaxing, PRC by retail. During the Reporting Period, the total revenue of the Group from the LNG sales business was RMB440.5 million, representing an increase of 501.78% compared with RMB73.2 million in the same period in 2023. During the Reporting Period, the sales volume of LNG was 143,089,000 m³, representing an increase of 669.88% compared with 18,586,000 m³ in the same period in 2023. The increase of the revenue was mainly due to the increase in sales.

3. LPG Sales Business

The Group sells bottled LPG to residential users and industrial and commercial users by retail. During the Reporting Period, the total revenue of the Group from the LPG sales business was RMB40.6 million, representing a decrease of 26.58% compared with RMB55.3 million in the same period in 2023, mainly due to a decrease in sales volume and a slight decrease in unit sales price in the LPG wholesale business.

4. Natural Gas Pipeline Construction and Installation Business

The construction and installation business of the Group focuses on the construction and installation of end-user pipeline network and gas facilities as required by customers. During the Reporting Period, the revenue of the Group from the natural gas pipeline construction and installation business was RMB49.3 million, representing a decrease of 18.51% compared with RMB60.5 million in the same period in 2023, mainly due to the decrease in number of completed projects compared to the same period of 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

5. Vapour Sales Business

The Group produces vapour by boiling water with natural gas and supplies it through vapour pipelines. During the Reporting Period, the total revenue of the Group from the vapour sales business was RMB16.5 million, representing a decrease of 3.51% compared with RMB17.1 million in the same period in 2023, mainly due to the decrease of the price of natural gas and the end sales price of vapour.

FINANCIAL OVERVIEW

Revenue

For the Period, the revenue of the Group was RMB1,516.5 million, representing an increase of 24.50% compared with RMB1,218.1 million in the same period of last year, mainly due to the significant increase in sales of LNG compared with the same period of last year, which led to an increase in sales revenue.

Gross Profit

For the Period, the gross profit of the Group was RMB124.3 million, representing an increase of 21.74% compared with RMB102.1 million in the same period of last year, mainly due to the decrease in purchase price of natural gas resulted in the decrease in loss incurred by the inversion of residential gas sales prices during the Period compared with the same period of last year and the increase in gross profit arising from the increase in the sales volume of LNG.

Other Income and Gains

For the Period, the other income and gains of the Group were RMB8.5 million, representing an increase of 41.67% compared with RMB6.0 million in the same period of last year, due to the significant increase in interest income compared with the same period of last year.

Finance Costs

For the Period, the finance costs of the Group were RMB6.4 million, representing an increase of 16.36% compared with RMB5.5 million in the same period of last year, mainly due to the increase in interest expense on short-term borrowings compared with the same period of last year.

Income Tax Expense

For the Period, the income tax expense of the Group increased from RMB8.8 million in the same period of last year to RMB13.1 million. The effective tax rate for the Period was 21.30%.

Profit Attributable to Owners of the Parent

For the Period, the profit attributable to owners of the parent was RMB89.1 million, representing a decrease of 44.07% compared with RMB159.3 million in the same period of last year, mainly due to the decrease in gross profit of Hangjiixin compared with the same period of last year, which has led to a decrease in the profit attributable to the Group.

Liquidity, Financial Position and Capital Structure

As at 30 June 2024, the current assets of the Group amounted to RMB785.0 million (31 December 2023: RMB883.6 million), of which cash and bank balance were equivalent to RMB147.5 million.

As at 30 June 2024, the current ratio (current assets/current liabilities) of the Group was 0.89 (31 December 2023: 0.94) and the asset-liability ratio (total liabilities/total assets) was 57.36% (31 December 2023: 59.75%). As at 30 June 2024, the utilised bank loans were RMB393.3 million, all of which were denominated in RMB, with the annual interest rate of 2.4%-4.0%. RMB240.6 million of which was wholly repayable within one year or on demand and RMB152.7 million was wholly repayable in the second year, in the third to fifth year, or wholly repayable beyond five years. All the utilised bank loans are floating interest rate loans. As at 30 June 2024, the unutilised bank credit balance was RMB1,091.5 million. As at 30 June 2024, the Group also had lease liabilities of RMB158.5 million, of which RMB14.3 million was analyzed as current portion, and RMB144.2 million analyzed as non-current portion.

The gearing ratio of the Group was about 23.02% as at 30 June 2024 (as at 31 December 2023: about 5.17%). The ratio was calculated as net debt divided by equity attributable to owners of the parent plus net debt, and net debt represents bank borrowings and lease liabilities net of cash and cash equivalents.

Exchange Rate Fluctuation Risk

As the Group operates all its businesses in the PRC, most of its revenues and expenses are denominated in RMB. The Group's foreign exchange exposure was mainly due to LNG trade is conducted in US dollars by Hangjiaxin, which affected the profit and loss attributable to the Group as a result of the impact of exchange rate fluctuations on Hangjiaxin's profits. The Group will closely monitor the interest rate and exchange rate in the market and take appropriate measures when necessary.

Contingent Liabilities

In December 2018, the Group's joint venture, Hangjiaxin, obtained a bank loan for investment in property, plant and equipment used in operation, which was guaranteed by the Group. Since June 2023, the Group has ceased to provide any guarantee for Hangjiaxin, and Hangjiaxin has been using its own property, plant and equipment in its operation as guarantee instead.

As at 30 June 2024, the Group had no material contingent liabilities.

Financial Guarantee Obligations

As at 30 June 2024, the Group had no financial guarantee obligations (31 December 2023: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Pledge of Assets

As at 30 June 2024, the Group pledged certain assets to obtain banking facilities granted to the Group. The total carrying amounts of pledged assets of the Group are as follows:

	30 June 2024 (RMB million) (Unaudited)	31 December 2023 (RMB million) (Audited)
Pledge of assets:		
Investment properties	35.6	36.3
Property, plant and equipment	6.8	6.9

Significant Investment

Among the investments in joint ventures and associates, the investment in joint venture in relation to Hangjiixin constituted a significant investment of the Group, with the Company holding a 51% interest in the joint venture. As at 30 June 2024, the Group had paid approximately RMB357.0 million as capital contribution to Hangjiixin and the carrying amount of the Group's investment was approximately RMB511.4 million (unaudited), representing approximately 19.66% (unaudited) of the Group's total assets. Hangjiixin was established in 2017 for the construction and operation of a LNG storage and transportation station in Dushan Port, which is a coastal area, for the import and storage of LNG for diversification of the source of natural gas of the Group and to meet the demand for natural gas in Jiaxing and neighbouring cities such as Shanghai, Hangzhou and Suzhou in the Yangtze River Delta. During the Reporting Period, Hangjiixin commenced full operation, and the Group recorded an investment gain of approximately RMB41.8 million (unaudited) from its investment in Hangjiixin and did not receive any dividend. The Board is of the view that Hangjiixin will continue to be an important supplier of LNG to the Group and will continue to bring investment gain to the Group.

Save as disclosed, during the Reporting Period, the Group did not hold any other significant investment, and the Group does not have any future plans for material investments or capital assets as at the date of this report.

Material Acquisition and Disposal

During the Reporting Period, the Group did not make any material acquisition or disposal of subsidiaries, associates and joint ventures.

Human Resources and Employee Compensation

As at 30 June 2024, the Group had a total of 399 (30 June 2023: 378) employees in the PRC.

During the Period, the total employee costs of the Group were approximately RMB34.4 million (six months ended 30 June 2023: RMB30.6 million). The Group further strengthens the training of employees to enhance their professional level and overall quality, by providing targeted training courses to the management, managers at various positions, professional technicians and service employees, and by distributing relevant policies and regulations, industry information and knowledge documents to employees. The Group also provides employees with competitive remuneration packages which are determined with reference to their qualifications and performance to incentivise them for hard work and better customer service.

EVENTS AFTER THE REPORTING PERIOD

There is no significant event for the Group after the Reporting Period.

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the Reporting Period and up to the date of this report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of 30 June 2024, so far as known to the Directors of the Company, the interests and short positions of the Directors, Supervisors and chief executives of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) (a) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code (including those they are taken or deemed to have under such provisions of the SFO) are as follows:

Long Positions in the Domestic Shares of the Company:

Name	Capacity	Number of Shares (Note 1)	Approximate percentage of shareholding in the relevant class of Shares (Note 2)	Total approximate percentage of shareholding in the total share capital of the Company (Note 3)
Sun Lianqing (Note 4)	Interest in controlled corporation	44,939,477 (L)	44.94%	32.60%
Xu Songqiang (Note 4)	Beneficial owner	3,069,891 (L)	44.94%	32.60%
	Deemed interest pursuant to Section 317 of the SFO	41,869,586 (L)		

Notes:

- (1) The letter "L" denotes the long position in the Shares and underlying shares of the Company.
- (2) The calculation is based on the total number of 100,000,000 Domestic Shares in issue.
- (3) The calculation is based on the total number of 137,844,500 Shares in issue.
- (4) Taiding, Mr. Xu Songqiang, Ms. Xu Hua and Zhuji Yujia are parties acting in concert pursuant to the acting in concert agreement dated 16 July 2023. Under the SFO, each member of the concert parties is deemed to be interested in the Shares beneficially owned by the other members of the concert parties. Mr. Sun Lianqing is interested in 65% of the equity interest in Taiding and is therefore deemed to be interested in the same number of Shares in which Taiding is interested under the SFO. Mr. Sun Lianqing is also the sole director of Taiding.

Save as disclosed above, as at 30 June 2024, none of the Directors, Supervisors or chief executives of the Company had an interest and short position in the Shares, underlying shares or debentures of the Company or its associated corporations which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2024, so far as is known to the Directors, the interests or short positions of the persons (other than the Directors, Supervisors or chief executives of the Company) in the Shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO are as follows:

Long Positions in the Shares of the Company:

Name	Class of Shares	Capacity	Number of Shares (Note 1)	Approximate percentage of shareholding in the relevant class of Shares (Note 2)	Total approximate percentage of shareholding in the total share capital of the Company (Note 3)
Taiding (Note 4)	Domestic Shares	Beneficial owner	29,789,013 (L)	44.94%	32.60%
		Deemed interest pursuant to Section 317 of the SFO	15,150,464 (L)		
Xu Lili (徐麗麗) (Note 5)	Domestic Shares	Interest in a controlled corporation	44,939,477 (L)	44.94%	32.60%
Chen Ying (陳瑛) (Note 6)	Domestic Shares	Interest of spouse	44,939,477 (L)	44.94%	32.60%
Xu Hua (徐華) (Note 4)	Domestic Shares	Beneficial owner	186,199 (L)	44.94%	32.60%
		Deemed interest pursuant to Section 317 of the SFO	44,753,278 (L)		
Zhuji Yujia (Note 4 & 8)	Domestic Shares	Beneficial owner	11,894,374 (L)	44.94%	32.60%
		Deemed interest pursuant to Section 317 of the SFO	33,045,103 (L)		
Qianyu (Note 4, 8 & 9)	Domestic Shares	Interest in a controlled corporation	44,939,477 (L)	44.94%	32.60%
Tang Shiyao (湯仕堯) (Note 4 & 8)	Domestic Shares	Interest in a controlled corporation	44,939,477 (L)	44.94%	32.60%
Fu Fangying (傅芳英) (Note 4 & 9)	Domestic Shares	Interest in a controlled corporation	44,939,477 (L)	44.94%	32.60%
City Development (Note 7)	Domestic Shares	Beneficial owner	32,757,502 (L)	32.76%	23.76%
Zhejiang Jiaxing State-owned Capital Investment Management Company Limited (浙江嘉興國有資本投資運營有限公司) (Note 7)	Domestic Shares	Interest in a controlled corporation	32,757,502 (L)	32.76%	23.76%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Name	Class of Shares	Capacity	Number of Shares (Note 1)	Approximate percentage of shareholding in the relevant class of Shares (Note 2)	Total approximate percentage of shareholding in the total share capital of the Company (Note 3)
State-owned Assets Supervision and Administration Commission of Jiaxing Municipal People's Government (嘉興市人民政府國有資產監督管理委員會) (Note 7)	Domestic Shares	Interest in a controlled corporation	32,757,502 (L)	32.76%	23.76%
Xiniao Gas Development Company Limited* (新奧燃氣發展有限公司) (Note 10 & 11)	Domestic Shares	Beneficial owner	7,155,049 (L)	7.16%	5.19%
Xiniao (China) Gas Investment Company Limited* (新奧(中國)燃氣投資有限公司) (Note 10 & 11)	Domestic Shares	Interest in a controlled corporation	7,155,049 (L)	7.16%	5.19%
ENN Energy Holdings Limited (新奧能源控股有限公司) (Note 10 & 11)	Domestic Shares	Interest in a controlled corporation	7,155,049 (L)	7.16%	5.19%
Xinneng (Hong Kong) Energy Investment Limited (新能(香港)能源投資有限公司) (Note 11)	Domestic Shares	Interest in a controlled corporation	7,155,049 (L)	7.16%	5.19%
ENN Natural Gas Co., Ltd. (新奧天然氣股份有限公司) (Note 11)	Domestic Shares	Interest in a controlled corporation	7,155,049 (L)	7.16%	5.19%
ENN Group International Investment Limited (Note 11)	Domestic Shares	Interest in a controlled corporation	7,155,049 (L)	7.16%	5.19%
ENN Investment Holdings Company Limited (新奧控股投資股份有限公司) (Note 11)	Domestic Shares	Interest in a controlled corporation	7,155,049 (L)	7.16%	5.19%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Name	Class of Shares	Capacity	Number of Shares (Note 1)	Approximate percentage of shareholding in the relevant class of Shares (Note 2)	Total approximate percentage of shareholding in the total share capital of the Company (Note 3)
ENN Capital Management Co., Ltd. (新奧資本管理有限公司) (Note 11)	Domestic Shares	Interest in a controlled corporation	7,155,049 (L)	7.16%	5.19%
Langfang City Natural Gas Company Limited (廊坊市天然氣有限公司) (Note 11)	Domestic Shares	Interest in a controlled corporation	7,155,049 (L)	7.16%	5.19%
ENN Yingchuang Technology Co., Ltd. (新奧贏創科技有限公司) (Note 11)	Domestic Shares	Interest in a controlled corporation	7,155,049 (L)	7.16%	5.19%
Wang Yusuo (王玉鎖) (Note 11)	Domestic Shares	Interest in a controlled corporation	7,155,049 (L)	7.16%	5.19%
Zhao Baoju (趙寶菊) (Note 11)	Domestic Shares	Interest in a controlled corporation	7,155,049 (L)	7.16%	5.19%
Flat (Hong Kong) Co., Limited (福萊特(香港)有限公司) (Note 13)	H Shares	Beneficial owner	6,250,000 (L)	16.51%	4.53%
Flat Glass Group Co., Ltd. (福萊特玻璃集團股份有限公司) (Note 13)	H Shares	Interest in a controlled corporation	6,250,000 (L)	16.51%	4.53%
Hong Sung Timber Trading Co., Limited (香港泓盛木業貿易有限公司) (Note 14)	H Shares	Beneficial owner	5,700,000 (L)	15.06%	4.14%
Jiaxing Jinyuan Investment Co., Ltd.* (嘉興金源投資有限公司) (Note 14)	H Shares	Interest in a controlled corporation	5,700,000 (L)	15.06%	4.14%
Shen Xiaohong (沈小紅) (Note 14)	H Shares	Interest in a controlled corporation	5,700,000 (L)	15.06%	4.14%
Mingyuan Group Investment Limited (Note 15)	H Shares	Beneficial owner	5,300,000 (L)	14.00%	3.84%
Shum Tin Ching (沈天晴) (Note 15)	H Shares	Interest in a controlled corporation	5,300,000 (L)	14.00%	3.84%
Wang Xinmei (王新妹) (Note 16)	H Shares	Interest of spouse	5,300,000 (L)	14.00%	3.84%
ENN Energy China Investment Limited (Note 11 & 12)	H Shares	Beneficial owner	4,355,500 (L)	11.51%	3.16%
ENN Energy Holdings Limited (新奧能源控股有限公司) (Note 11 & 12)	H Shares	Interest in a controlled corporation	4,355,500 (L)	11.51%	3.16%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Name	Class of Shares	Capacity	Number of Shares (Note 1)	Approximate percentage of shareholding in the relevant class of Shares (Note 2)	Total approximate percentage of shareholding in the total share capital of the Company (Note 3)
Xinneng (Hong Kong) Energy Investment Limited (新能(香港)能源投資有限公司) (Note 11 & 12)	H Shares	Interest in a controlled corporation	4,355,500 (L)	11.51%	3.16%
ENN Natural Gas Co., Ltd. (新奧天然氣股份有限公司) (Note 11 & 12)	H Shares	Interest in a controlled corporation	4,355,500 (L)	11.51%	3.16%
ENN Group International Investment Limited (Note 11 & 12)	H Shares	Interest in a controlled corporation	4,355,500 (L)	11.51%	3.16%
ENN Investment Holdings Company Limited (Note 11&12)	H Shares	Interest in a controlled corporation	4,355,500 (L)	11.51%	3.16%
ENN Capital Management Co., Ltd. (新奧資本管理有限公司) (Note 11 & 12)	H Shares	Interest in a controlled corporation	4,355,500 (L)	11.51%	3.16%
Langfang City Natural Gas Company Limited (廊坊市天然氣有限公司) (Note 11 & 12)	H Shares	Interest in a controlled corporation	4,355,500 (L)	11.51%	3.16%
ENN Yingchuang Technology Co., Ltd. (新奧贏創科技有限公司) (Note 11 & 12)	H Shares	Interest in a controlled corporation	4,355,500 (L)	11.51%	3.16%
Wang Yusuo (王玉鎖) (Note 11&12)	H Shares	Interest in a controlled corporation	4,355,500 (L)	11.51%	3.16%
Zhao Baoju (趙寶菊) (Note 11&12)	H Shares	Interest in a controlled corporation	4,355,500 (L)	11.51%	3.16%
Fashion Home International Trading Co., Limited (香港美時居國際貿易有限公司) (Note 17)	H Shares	Beneficial owner	2,771,000 (L)	7.32%	2.01%
Liu Zhenjiang (劉振江) (Note 17)	H Shares	Interest in a controlled corporation	2,771,000 (L)	7.32%	2.01%
Dan Hongying (但紅英) (Note 18)	H Shares	Interest of spouse	2,771,000 (L)	7.32%	2.01%
CHCC RTT Investment (HK) Limited 仁和智本風險交易策略投資(香港)有限公司 (Note 19)	H Shares	Beneficial owner	1,918,000 (L)	5.07%	1.39%
Zheng Yifang (鄭義芳) (Note 19)	H Shares	Interest in a controlled corporation	1,918,000 (L)	5.07%	1.39%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

- (1) The letter “L” denotes the shareholder’s long position in the Shares and underlying shares of the Company. The letter “S” denotes the shareholder’s short position in the Shares and underlying shares of the Company.
- (2) The calculation is based on the total number of 100,000,000 Domestic Shares in issue or 37,844,500 H Shares in issue.
- (3) The calculation is based on the total number of 137,844,500 Shares in issue.
- (4) Taiding, Zhuji Yujia, Mr. Xu Songqiang and Ms. Xu Hua are parties acting in concert pursuant to the acting in concert agreement dated 16 July 2023. Under the SFO, each member of the concert parties is deemed to be interested in the Shares beneficially owned by the other members of the concert parties.
- (5) Ms. Xu Lili is interested in 35% of the equity interest in Taiding and is therefore deemed to be interested in the same number of Shares in which Taiding is interested under the SFO.
- (6) Ms. Chen Ying is the spouse of Mr. Xu Songqiang. Under the SFO, Ms. Chen Ying is deemed to be interested in the same number of Shares in which Mr. Xu Songqiang is interested.
- (7) City Development was wholly-owned by Zhejiang Jiaxing State-owned Capital Investment Management Company Limited* (浙江嘉興國有資本投資運營有限公司), which was owned as to 95.4827% by State-owned Assets Supervision and Administration Commission of Jiaxing Municipal People’s Government* (嘉興市人民政府國有資產監督管理委員會) and as to 4.5173% by Zhejiang Financial Development Co., Ltd.* (浙江省財務開發有限責任公司), a wholly-owned entity under Zhejiang Provincial Department of Finance* (浙江省財政廳), respectively. Under the SFO, each of Zhejiang Jiaxing State-owned Capital Investment Management Company Limited* and Jiaxing State-owned Assets Supervision and Administration Commission is deemed to be interested in the same number of Shares in which City Development is interested. Mr. Xu Jiong, the non-executive Director, serves as the general manager, legal representative and chairman of Jiaxing Railway and Rail Transit Investment. Mr. Zheng Huanli, the non-executive Director, serves as the manager of enterprise management department of City Development.
- (8) Zhuji Yujia is wholly-owned by Qianyu, which is 40%-owned by Mr. Tang Shiyao. Under the SFO, each of Mr. Tang Shiyao and Qianyu is deemed to be interested in the same number of Shares in which Zhuji Yujia is interested. Mr. Fu Songquan, the non-executive Director, serves as the Director and general manager of Qianyu, and he is the sole Director, legal representative and general manager of Zhuji Yujia.
- (9) Zhuji Yujia is wholly-owned by Qianyu, which is 60%-owned by Ms. Fu Fangying. Under the SFO, each of Ms. Fu Fangying and Qianyu is deemed to be interested in the same number of Shares in which Zhuji Yujia is interested.
- (10) Xinao Gas Development Company Limited* (新奧燃氣發展有限公司) is a wholly-owned subsidiary of Xinao (China) Gas Investment Company Limited* (新奧(中國)燃氣投資有限公司), which is in turn a wholly-owned subsidiary of ENN Energy Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 2688). Under the SFO, each of Xinao (China) Gas Investment Company Limited* and ENN Energy Holdings Limited is deemed to be interested in the same number of Shares in which Xinao Gas Development Company Limited* is interested.
- (11) ENN Energy Holdings Limited is indirectly controlled as to 33.30% by Mr. Wang Yusuo (“Mr. Wang”) and Ms. Zhao Baoju (“Ms. Zhao”), the spouse of Mr. Wang, through their controlled corporations, including ENN Yingchuang Technology Co., Ltd. (“EYCT”), Langfang City Natural Gas Company Limited (“LCNG”), ENN Capital Management Co., Ltd. (“ECM”), ENN Investment Holdings Company Limited (“EIH”), ENN Group International Investment Limited (“EGII”), ENN Natural Gas Co., Ltd. (“ENN-NG”) and Xinneng (Hong Kong) Energy Investment Limited (“Xinneng HK”). Under the SFO, each of Mr. Wang, Ms. Zhao, EYCT, LCNG, ECM, EIH, EGII, ENN-NG and Xinneng HK is deemed to be interested in the same number of Shares in which ENN Energy Holdings Limited, Xinao (China) Gas Investment Company Limited*, Xinao Gas Development Company Limited* and ENN Energy China Investment Limited are interested.
- (12) The Shares are held by ENN Energy China Investment Limited, a wholly-owned subsidiary of ENN Energy Holdings Limited (新奧能源控股有限公司). Under the SFO, ENN Energy Holdings Limited is deemed to be interested in the same number of Shares in which ENN Energy China Investment Limited is interested.

CORPORATE GOVERNANCE AND OTHER INFORMATION

- (13) Flat (Hong Kong) Co., Limited (福萊特(香港)有限公司) was a wholly-owned subsidiary of Flat Glass Group Co., Ltd., the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 6865) and the Shanghai Stock Exchange (Stock code: 601865). Under the SFO, Flat Glass Group Co., Ltd. is deemed to be interested in the same number of Shares in which Flat (Hong Kong) Co., Limited is interested. Ms. Ruan Zeyun, the non-executive Director, serves as the executive Director, chairman, general manager of the public utilities department, and company secretary of Flat Glass Group Co., Ltd.
- (14) Hong Sung Timber Trading Co., Limited (香港泓盛木業貿易有限公司) was a wholly-owned subsidiary of Jiaxing Jinyuan Investment Co., Ltd.* (嘉興金源投資有限公司), which was in turn owned as to 75% by Mr. Shen Xiaohong. Under the SFO, each of Jiaxing Jinyuan Investment Co., Ltd.* and Mr. Shen Xiaohong is deemed to be interested in the same number of Shares in which Hong Sung Timber Trading Co., Limited is interested.
- (15) Mingyuan Group Investment Limited was wholly-owned by Mr. Shum Tin Ching. Under the SFO, Mr. Shum Tin Ching is deemed to be interested in the same number of Shares in which Mingyuan Group Investment Limited is interested.
- (16) Ms. Wang Xinmei is the spouse of Mr. Shum Tin Ching. Under the SFO, Ms. Wang Xinmei is deemed to be interested in the same number of Shares in which Mr. Shum Tin Ching is interested.
- (17) Fashion Home International Trading Co., Limited (香港美時居國際貿易有限公司) was wholly-owned by Mr. Liu Zhenjiang. Under the SFO, Mr. Liu Zhenjiang is deemed to be interested in the same number of Shares in which Fashion Home International Trading Co., Limited is interested.
- (18) Ms. Dan Hongying (但紅英) is the spouse of Mr. Liu Zhenjiang (劉振江). Under the SFO, Ms. Dan Hongying is deemed to be interested in the same number of Shares in which Mr. Liu Zhenjiang is interested.
- (19) CHCC RTT Investment (HK) Limited (仁和智本風險交易策略投資(香港)有限公司) was wholly-owned by Ms. Zheng Yifang (鄭義芳). Under the SFO, Ms. Zheng Yifang is deemed to be interested in the same number of Shares in which CHCC RTT Investment (HK) Limited is interested.

Save as disclosed above, as at 30 June 2024, the Directors are not aware of any other person (other than the Directors, Supervisors or chief executives of the Company) who had an interest or short position in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO or which would fail to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO.

CORPORATE GOVERNANCE HIGHLIGHTS

The Company believes that maintaining high standards of corporate governance is the foundation for effective management and successful business growth. The Company is committed to developing and maintaining robust corporate governance practices to safeguard its shareholders' interests and enhance the Company's corporate value, accountability, and transparency.

The Company has adopted the principles and code provisions as set out in the CG Code. In the opinion of the Directors, the Company has complied with all the code provisions as set out in Part 2 of the CG Code during the Reporting Period, except for the deviation from code provision C.2.1 and F.1.1.

Pursuant to C.2.1 of Part 2 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. However, the roles of the chairman and the chief executive officer of the Company are not separated and are performed by the same individual, Mr. Sun Lianqing.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Mr. Sun Lianqing has been responsible for overall strategic planning and management of the Group since 1998. The Board meets regularly to consider major matters affecting the operations of the Group, as such, the Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Group and believes that this structure will enable the Group to make and implement decisions promptly and efficiently. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company when it is appropriate by taking into account the circumstances of the Group as a whole.

In relation to the deviation from F.1.1 of Part 2 of the CG Code, the Company has not adopted a formal dividend policy. As the Company is still in its development phase and the performance will continue to be impacted by the relevant industry's and economic outlook in the foreseeable future, the Board is of the opinion that it is not appropriate to adopt a dividend policy at this stage. There is no assurance that dividends of any amount will be declared or be distributed in any year. The Board will review the Company's status periodically and consider adopting a dividend policy if and when appropriate.

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

For the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company adopted its own code of conduct regarding Directors' and Supervisors' dealings in the Company's securities on terms no less exacting than the Model Code (the "**Code of Conduct**").

Specific enquiry has been made of all the Directors and Supervisors, and all the Directors and Supervisors have confirmed that they have complied with the Code of Conduct throughout the Reporting Period.

The Code of Conduct also applies to employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Code of Conduct by the employees was noted by the Company throughout the Reporting Period.

INTERIM DIVIDEND

As authorised by the Shareholders at the annual general meeting of the Company (the "**AGM**") on 7 June 2024, on 28 August 2024, the Board has approved the declaration and payment of an interim dividend of RMB0.20 (tax inclusive) per Share for the six months ended 30 June 2024 (the "**2024 Interim Dividend**") with an aggregate amount of approximately RMB27,568,900 (tax inclusive) to Shareholders of the Company whose names appear on the Company's register of members as on Wednesday, 25 September 2024. The 2024 Interim Dividend is expected to be paid around Thursday, 10 October 2024.

Dividends will be paid in Renminbi for holders of domestic shares of the Company, and dividends for H share shareholders ("**H Shareholders**") of the Company will be paid in Hong Kong dollars. The relevant exchange rate is HK\$:RMB = 1:0.914228, (or RMB:HK\$ = 1:1.093819) i.e. the average of the mid-point rates of Renminbi to Hong Kong dollars as announced by the People's Bank of China for the week prior to 28 August 2024 i.e. the date of approval of declaration of dividends by the Board as authorised by the Shareholders at the AGM. The 2024 Interim Dividend of RMB0.20 (tax inclusive) per Share is therefore equal to HK\$0.2188 (tax inclusive) per Share.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Under the requirements of the Law of the People's Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法》) and the Regulations for the Implementation of the Law of the People's Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法實施條例》) implemented in 2008, the Company has the obligation to withhold enterprise income tax at a rate of 10% when it will pay the 2024 Interim Dividend to its H Shareholders who are overseas non-resident enterprises (including HKSCC Nominees Limited, other institutional nominees or trustees, or other organizations or groups) listed on the H share register of members on Wednesday, 25 September 2024.

According to the requirement under Guo Shui Han [2011] No. 348 issued by the State Administration of Taxation (國家稅務總局國稅函[2011]348號規定) and the relevant laws and regulations, for individual H Shareholders who are Hong Kong or Macau residents and whose country of domicile is a country which has signed a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold the individual income tax at the rate of 10%. For individual H Shareholders whose country of domicile is a country which has signed a tax treaty with the PRC stipulating a dividend tax rate lower than 10%, the Company will withhold the individual income tax at a tax rate of 10% of dividend. For individual H Shareholders whose country of domicile is a country which has signed a tax treaty with the PRC stipulating a dividend tax rate higher than 10% but lower than 20%, the Company will withhold the individual income tax at the effective tax rate under the relevant tax treaty. For individual H Shareholders whose country of domicile is a country which has signed a tax treaty with the PRC stipulating a dividend tax rate higher than 20%, or a country which has not signed any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20%.

The Company will determine the country of domicile of the individual H Shareholders based on the registered address as recorded in the H share register of members of the Company on Wednesday, 25 September 2024. If the country of domicile of an individual H Shareholder is not the same as the registered address or if the individual H Shareholder would like to apply for a refund of the additional amount of tax finally withheld and paid, the individual H Shareholder shall notify and provide relevant supporting documents to the Company on or before Thursday, 19 September 2024. Upon examination of the supporting documents by the relevant tax authorities, the Company will follow the guidance given by the tax authorities to implement relevant tax withholding and payment provisions and arrangements. Individual H Shareholders may either personally or appoint a representative to attend to the procedures in accordance with the requirements under the tax treaties notice if they do not provide the relevant supporting documents to the Company within the time period stated above.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the H Shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the H Shareholders or any disputes relating to the tax withholding and payment mechanism or arrangements.

Shareholders are recommended to consult their tax advisers regarding PRC, Hong Kong and other tax implications arising from their holding and disposal of H Shares.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the rights of H Shareholders to the 2024 Interim Dividend, the H share register of members of the Company will be closed, the details of which are set out below:

For determining the entitlements of H Shareholders to the 2024 Interim Dividend

Latest time to lodge transfer documents for registration 4:30 p.m. on Thursday, 19 September 2024

Closure of register of members (both days inclusive) Friday, 20 September 2024 to
Wednesday, 25 September 2024

Record date Wednesday, 25 September 2024

During the above closure period, no transfer of H Shares will be registered. To be eligible to qualify for the 2024 Interim Dividend, all transfer documents, accompanied by the relevant certificates, must be lodged with the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration, by no later than the aforementioned latest times.

AUDIT COMMITTEE AND REVIEW ON INTERIM STATEMENTS

The Audit Committee comprising of three independent non-executive Directors was established with terms of reference in compliance with the CG Code.

The Audit Committee has reviewed together with the management of the Company and external auditors, Messrs. Ernst & Young, the accounting principles and policies adopted by the Group and the unaudited interim results for the Reporting Period, as well as this report, and was of the opinion that the preparation of such interim results complied with the applicable accounting standards and requirements and that adequate disclosures have been made and has no disagreement with the accounting treatment adopted.

INDEPENDENT REVIEW REPORT



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Independent review report

To the board of directors of JiaXing Gas Group Co., Ltd.

(Established in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 23 to 54, which comprises the condensed consolidated statement of financial position of JiaXing Gas Group Co., Ltd. (the "Company") and its subsidiaries (the "Group") as at 30 June 2024 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong
28 August 2024

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024

	Notes	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Revenue	4	1,516,524	1,218,105
Cost of sales		(1,392,191)	(1,115,997)
Gross profit		124,333	102,108
Other income and gains	5	8,470	5,996
Selling and distribution costs		(14,069)	(10,995)
Administrative expenses		(35,226)	(30,491)
Impairment losses on financial and contract assets, net		(15,345)	(22,456)
Other expenses		(465)	(4,469)
Finance costs		(6,405)	(5,545)
Share of profits and losses of:			
Joint ventures		41,761	137,881
Associates		6,714	1,517
PROFIT BEFORE TAX	6	109,768	173,546
Income tax expense	7	(13,054)	(8,814)
PROFIT FOR THE PERIOD		96,714	164,732
Profit attributable to:			
Owners of the parent		89,146	159,302
Non-controlling interests		7,568	5,430
		96,714	164,732
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted			
– For profit for the period (RMB)	9	0.65	1.16

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024

	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Fair value reserve of financial assets at fair value through other comprehensive income:		
Initial recognition of bills receivable as settlement of trade receivables	338	148
Changes in fair value	(156)	(2,766)
Income tax effect	(46)	656
Exchange differences on translation of foreign operations	63	–
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	199	(1,962)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	199	(1,962)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	96,913	162,770
Total comprehensive income attributable to:		
Owners of the parent	89,345	157,340
Non-controlling interests	7,568	5,430
	96,913	162,770

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2024

	Notes	30 June 2024 (Unaudited) RMB'000	31 December 2023 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	10	648,758	652,926
Investment properties		194,471	198,044
Right-of-use assets		135,038	135,818
Other intangible assets		4,366	4,320
Investments in joint ventures		511,401	471,035
Investments in associates		134,921	122,862
Financial assets at fair value through profit or loss		59,147	59,147
Deferred tax assets		127,482	125,098
Goodwill		42	42
Other non-current assets		1,227	1,809
Total non-current assets		1,816,853	1,771,101
CURRENT ASSETS			
Inventories		190,376	17,506
Trade and bills receivables	11	236,376	236,423
Contract assets		13,879	13,483
Prepayments, other receivables, and other assets		90,534	115,931
Financial assets at fair value through profit or loss		1,175	1,287
Financial instruments reported at amortised cost		17,700	–
Term deposits and pledged deposits		87,468	155,793
Cash and cash equivalents		147,498	343,216
Total current assets		785,006	883,639

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2024

	Notes	30 June 2024 (Unaudited) RMB'000	31 December 2023 (Audited) RMB'000
CURRENT LIABILITIES			
Trade and bills payables	12	457,121	494,138
Other payables and accruals		50,202	293,376
Contract liabilities		113,795	118,673
Interest-bearing bank borrowings	13	240,580	24,440
Lease liabilities		14,344	10,540
Tax payable		1,771	3,317
Total current liabilities		877,813	944,484
NET CURRENT LIABILITIES		(92,807)	(60,845)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,724,046	1,710,256
NON-CURRENT LIABILITIES			
Contract liabilities		317,688	326,118
Interest-bearing bank borrowings	13	152,680	164,900
Lease liabilities		144,199	150,768
Deferred tax liabilities		38	54
Total non-current liabilities		614,605	641,840
Net assets		1,109,441	1,068,416
EQUITY			
Equity attributable to owners of the parent			
Share capital	14	137,845	137,845
Reserves		921,924	887,717
		1,059,769	1,025,562
Non-controlling interests		49,672	42,854
TOTAL EQUITY		1,109,441	1,068,416

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Attributable to owners of the parent									
	Share capital	Capital reserve	Statutory surplus reserve	Special reserve safety fund	Fair value reserve of financial assets at fair value through other comprehensive income	Exchange fluctuation Reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2023 (audited)	137,845	271,226*	85,781*	17,710*	(167)*	52*	513,115*	1,025,562	42,854	1,068,416
Profit for the period	-	-	-	-	-	-	89,146	89,146	7,568	96,714
Other comprehensive income for the period:										
Exchange differences on translation of foreign operations	-	-	-	-	-	63	-	63	-	63
Fair value reserve of financial assets at fair value through other comprehensive income, net of tax	-	-	-	-	136	-	-	136	-	136
Total comprehensive income for the period	-	-	-	-	136	63	89,146	89,345	7,568	96,913
Capital injection by non-controlling shareholders	-	-	-	-	-	-	-	-	5,200	5,200
Final 2023 dividend declared and paid	-	-	-	-	-	-	(55,138)	(55,138)	-	(55,138)
Distribution of dividends or profit to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	(5,950)	(5,950)
Special reserve – safety fund	-	-	-	408	-	-	(408)	-	-	-
At 30 June 2024 (unaudited)	137,845	271,226*	85,781*	18,118*	(31)*	115*	546,715*	1,059,769	49,672	1,109,441

* These reserve accounts comprise the consolidated reserves of RMB921,924,000 in the interim condensed consolidated statement of financial position.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Attributable to owners of the parent									
	Share capital	Capital reserve	Statutory surplus reserve	Special reserve safety fund	Fair value reserve of financial assets at fair value through other comprehensive income	Exchange fluctuation Reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023 (audited)	137,845	271,226	69,965	14,444	(127)	-	348,331	841,684	35,825	877,509
Profit for the period	-	-	-	-	-	-	159,302	159,302	5,430	164,732
Other comprehensive income for the period:										
Fair value reserve of financial assets at fair value through other comprehensive income, net of tax	-	-	-	-	(1,962)	-	-	(1,962)	-	(1,962)
Total comprehensive income for the period	-	-	-	-	(1,962)	-	159,302	157,340	5,430	162,770
Exchange differences on translation of foreign operations	-	-	-	-	-	31	-	31	-	31
Final 2022 dividend declared and paid	-	-	-	-	-	-	(27,569)	(27,569)	-	(27,569)
Distribution of dividends or profit to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	(4,480)	(4,480)
Special reserve – safety fund	-	-	-	1,943	-	-	(1,943)	-	-	-
At 30 June 2023 (unaudited)	137,845	271,226*	69,965*	16,387*	(2,089)*	31*	478,121*	971,486	36,775	1,008,261

* These reserve accounts comprise the consolidated reserves of RMB833,641,000 in the interim condensed consolidated statement of financial position.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

	Notes	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		109,768	173,546
Adjustments for:			
Share of profits and losses of associates		(6,714)	(1,517)
Share of profits and losses of joint ventures		(41,761)	(137,882)
Finance costs		6,405	5,545
Depreciation of property, plant and equipment	10	36,554	25,667
Depreciation of right-of-use assets		6,508	5,596
Depreciation of investment properties		3,573	3,576
Amortisation of other intangible assets		1,014	1,105
Impairment of financial and contract assets	6	15,345	22,456
Fair value loss on financial assets at fair value through profit or loss	6	112	1,373
(Gain)/loss on disposal of items of property, plant and equipment	6	(138)	3,079
Interest income		(7,447)	(1,078)
Gain on financial assets measured at amortised cost		–	(2,418)
		123,219	99,048
Increase in trade and bills receivables		(14,980)	(171,746)
Increase in contract assets		(396)	(843)
Decrease/(Increase) in pledged time deposits		68,325	(7,369)
Decrease/(Increase) in prepayments, other receivables, and other assets		37,191	(39,596)
Increase in inventories		(172,870)	(135,450)
(Decrease)/Increase in trade and bills payables		(37,017)	267,572
(Decrease)/Increase in other payables and accruals		(23,271)	190,344
(Decrease)/Increase in contract liabilities		(13,308)	32,301
Cash generated from operations		(33,107)	234,261
Interest received		7,447	1,078
Tax paid		(28,330)	(14,948)
NET CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES		(53,990)	220,391

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

	Notes	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of items of property, plant, and equipment		(51,760)	(25,613)
Additions to other intangible assets		(1,061)	(1,996)
Investment in an associate		(5,383)	(1,200)
Dividend received from an associate		7,872	–
Purchase of financial instruments reported at amortised cost		(17,700)	–
Purchase of financial assets at fair value through profit or loss		–	(3,605)
Principal received from debt investment at amortised cost		–	1,000
Proceeds from disposal of fixed assets		782	–
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(67,250)	(31,414)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(55,138)	(27,569)
Dividends paid to non-controlling shareholders		(5,950)	(4,480)
Interest paid		(6,177)	(6,505)
New bank loans		336,140	100,000
Repayment of interest-bearing bank borrowings		(132,220)	(12,220)
Payment of lease liabilities		(12,649)	(2,260)
Repayment of collection on behalf of the joint venture		(204,322)	–
Capital injection by non-controlling shareholders		5,200	–
NET CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES		(75,116)	46,966
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(196,356)	235,943
Cash and cash equivalents at beginning of period		343,216	220,691
Effect of exchange rate changes, net		638	4,199
CASH AND CASH EQUIVALENTS AT END OF PERIOD		147,498	460,833
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances as stated in the interim condensed consolidated statement of financial position		234,966	480,702
Term deposits and pledged deposits		(87,468)	(19,869)
CASH AND CASH EQUIVALENTS AS STATED IN THE INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS		147,498	460,833

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

1. CORPORATE INFORMATION

JiaXing Gas Group Co., Ltd. (the “Company”) is a joint stock company with limited liability established in the People’s Republic of China (“PRC”). The registered office of the Company is located at 5th Floor, Building 3, Hualong Plaza, Economic and Technological Development Zone, Jiaxing, PRC.

The principal business activities of the Group during the period included (i) the sale of gas, mainly piped natural gas (“PNG”) (under the concessions), liquefied natural gas (“LNG”) and liquefied petroleum gas (“LPG”) in Jiaxing; (ii) the provision of construction and installation services; and (iii) other activities, including the provision of natural gas transportation services, the sale of vapour and construction materials, and the leasing of properties in Chinese Mainland.

On 16 July 2021, the concert parties, namely Zhejiang Taiding Investment Company Limited (“Taiding”), Fengye Holdings Group Company Limited (“Fengye”), Mr. Xu Songqiang (徐松強) and Ms. Xu Hua (徐華), entered into concert party agreements with respect to their interests in the Company. Pursuant to the concert party agreements, Fengye, Mr. Xu Songqiang and Ms. Xu Hua agreed to delegate their voting rights at general meetings of the Company to Taiding from 16 July 2021 to 15 July 2023. Concert parties have interests in each other’s interests. As of 15 July 2023, the concert parties held an approximately 25.42% equity interest of the Company, while Jiaxing City Investment & Development Group Co., Ltd. held an approximately 23.76% equity interest of the Company.

On 16 July 2023, the concert parties, Taiding, Zhuji Yujia New Energy Technology Company Limited (“Zhuji Yujia”), Mr. Xu Songqiang (徐松強) and Ms. Xu Hua (徐華), entered into concert party agreements with respect to their interests in the Company. Pursuant to the concert party agreements, Zhuji Yujia, Mr. Xu Songqiang and Ms. Xu Hua agreed to delegate their voting rights at general meetings of the Company to Taiding from 16 July 2023 to 15 July 2026. Concert parties have interests in each other’s interests. As of 30 June 2024, the concert parties held an approximately 32.60% equity interest of the Company, while Jiaxing City Investment & Development Group Co., Ltd. held an approximately 23.76% equity interest of the Company. Accordingly, there was no controlling shareholder for the Company under IFRSs.

The shares of the Company have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 16 July 2020.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2024 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023.

The Group had net current liabilities of RMB92,807,000 (2023: net current liabilities of RMB60,845,000) as at 30 June 2024. The financial information has been prepared under the going concern basis because after taking into account the forecasted net cash inflow from operating activities in the coming one year and the available unutilised banking facilities as of 30 June 2024, the directors of the Company consider that the Group will have sufficient funds to finance its operations and settle financial obligations as and when they fall due. Accordingly, the directors are satisfied that it is appropriate to prepare the financial information on a going concern basis.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following revised International Financial Reporting Standards ("IFRSs") for the first time for the current period's financial information.

Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i> <i>(the "2020 Amendments")</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

The nature and impact of the revised IFRSs are described below:

- (a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

2. BASIS OF PREPARATION AND CHANGES IN THE GROUP'S ACCOUNTING POLICIES (continued)

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The nature and impact of the new and revised IFRSs that are applicable to the Group are described below:
(continued)

- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure of relevant information for supplier finance arrangements is not required for any interim reporting period during the first annual reporting period in which an entity applies the amendments. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the interim condensed consolidated financial information.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

3. OPERATING SEGMENT INFORMATION

The Group has only one reportable operating segment which engages in (i) the sale of gas, mainly PNG (under the concessions), mainly LNG and LPG in Jiaxing, the PRC; (ii) the provision of construction installation services; and (iii) other activities, including the provision of gas storage services, the provision of natural gas transportation services, the sale of vapour, electricity and construction materials, and the leasing of properties. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

Revenue from external customers

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Chinese Mainland	1,516,524	1,218,105

The geographical revenue information above is based on the locations of customers.

Seasonality of operations

The principal business activities of the Group included the distribution and sale of PNG, LNG, LPG and vapour, the provision of construction services, installation and management services as the main contractor of construction, and gas transportation services. Historically, higher sales revenue is usually expected during the winter months due to higher gas consumption for heating. This information is provided only to allow for a better understanding of the results. Management has concluded that the Group's business is not "highly seasonal" in accordance with IAS 34.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

4. REVENUE

An analysis of the Group's revenue is as follows:

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<i>Revenue from contracts with customers</i>		
Sales of goods	1,434,300	1,126,245
Provision of construction services	49,303	60,548
Provision of installation and management services	23,463	24,776
Provision of transportation services	1,016	837
Others	4,484	2,240
<i>Revenue from other sources</i>		
Gross rental income	6,921	6,154
	1,519,487	1,220,800
Less: Government surcharges	(2,963)	(2,695)
Total	1,516,524	1,218,105
<i>Revenue from contracts with customers</i>		
Types of goods or services		
Sales of PNG	883,821	946,981
Sales of LNG	440,526	73,176
Sales of LPG	40,558	55,250
Sales of vapour	16,488	17,075
Sales of electricity	1,166	888
Sales of other gas	47,993	28,648
Sales of construction materials	3,748	3,158
Provision of construction services	49,303	60,548
Provision of installation and management services	23,463	24,776
Provision of gas transportation services	1,016	837
Others	4,484	3,309
Total	1,512,566	1,214,646
Timing of revenue recognition		
Goods or services transferred at a point in time	1,439,800	1,129,240
Services transferred over time	72,766	85,406
Total	1,512,566	1,214,646

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

5. OTHER INCOME AND GAINS

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Interest income	7,447	1,097
Government grants	38	1,735
Gain on foreign exchange differences	–	491
Gain on disposal of items of property, plant and equipment	145	–
Others	840	255
Total other income	8,470	3,578
Gains		
Gain on financial assets measured at amortised cost	–	2,418
Total gains	–	2,418
Total other income and gains	8,470	5,996

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	1,348,174	1,066,080
Cost of services provided	44,017	49,917
(Gain)/loss on disposal of items of property, plant and equipment	(138)	3,079
Impairment of financial and contract assets, net:		
Impairment of trade receivables	15,227	6,662
Impairment of financial assets included in prepayments, other receivables and other assets	118	(56)
Impairment of financial instruments reported at amortised cost	–	15,850
Financial assets at fair value through profit or loss	112	1,373

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The provision for Chinese Mainland current income tax is based on the statutory rate of 25% of the assessable profits of the PRC subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008 (the “New Corporate Income Tax Law”), except for a small and micro enterprise of the Group in Chinese Mainland. For qualified small low-profit enterprises, whose annual taxable income shall be included in the taxable income at the reduced rate of 25%, the taxable income is taxed at a preferential rate of 20%.

The major components of income tax expense are as follows:

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax:		
Income tax in the PRC for the period	15,500	7,322
Deferred tax	(2,446)	1,492
Total tax charge for the period	13,054	8,814

8. DIVIDENDS

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Final declared and paid – RMB0.40 (2023: RMB0.20) per ordinary share	55,138	27,569
Proposed interim dividend	27,569	27,569

On 28 August 2024, the board of directors (as authorised by the shareholders of the Company (the “Shareholders”) at the annual general meeting of the Company (the “AGM”) on 7 June 2024) declared an interim dividend of RMB0.20 (six months ended 30 June 2023: RMB0.20) per ordinary share, amounting to a total of approximately RMB27,568,900 (six months ended 30 June 2023: RMB27,568,900).

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 137,844,500 (six months ended 30 June 2023: 137,844,500) in issue during the period.

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)

Earnings

Profit attributable to ordinary equity holders of the parent used in the basic and diluted earnings per share calculations

89,146 159,302

	Number of shares For the six months ended 30 June	
	2024	2023

Shares

Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings per share calculations

137,844,500 137,844,500

10. PROPERTY, PLANT AND EQUIPMENT

	30 June 2024	31 December 2023
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Carrying value at beginning of the period	652,926	576,333
Additions	33,030	140,237
Acquisition of a subsidiary (net)	–	7,053
Depreciation charge for the period	(36,554)	(58,586)
Transferred from investment properties	–	8,279
Transferred to investment properties	–	(10,186)
Disposals	(644)	(10,204)
Carrying value at the end of the period	648,758	652,926

Property, plant and equipment with a net book value of RMB6,787,890 as at 30 June 2024 (31 December 2023: RMB6,908,000) were pledged as security for interest-bearing bank loans granted to the Group (note 13).

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

11. TRADE AND BILLS RECEIVABLES

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Trade receivables	275,985	239,451
Bills receivable	5,928	27,282
	281,913	266,733
Impairment	(45,537)	(30,310)
Total	236,376	236,423

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Within one year	208,821	197,156
Over one year	27,555	39,267
Total	236,376	236,423

12. TRADE AND BILLS PAYABLES

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Trade payables	301,479	294,145
Bills payable	155,642	199,993
Total	457,121	494,138

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Within one year	451,378	487,821
One to two years	4,867	5,437
Over two years	876	880
Total	457,121	494,138

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

13. INTEREST-BEARING BANK BORROWINGS

	30 June 2024 (unaudited)			31 December 2023 (audited)		
	Effective Interest rate (%)	Maturity	RMB'000	Effective Interest rate (%)	Maturity	RMB'000
Current						
Bank-loans – secured	(1) LPR+0.05%	2024	7,260	LPR+0.05%	2024	7,260
Bank-loans – credited	LPR-0.80%	2024	110,000			
	2.40%	2024	98,797			
	LPR+0.02%	2024	17,180	LPR+0.10%	2024	17,180
	LPR+0.55%	2024	7,343			
Total-current			240,580			24,440
Non-Current						
Bank-loans – secured	(1) LPR+0.05%	2025-2029	35,450	LPR+0.05%	2025-2029	39,080
Bank-loans – credited	LPR+0.02%	2025-2028	117,230	LPR+0.10%	2025-2028	125,820
Total-non-current			152,680			164,900
Total			393,260			189,340

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
--	--	--

Analysed into:

Bank loans and borrowings repayable:

Within one year or on demand	240,580	24,440
In the second year	27,290	24,440
In the third to fifth years, inclusive	121,290	132,260
Beyond five years	4,100	8,200
Total	393,260	189,340

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

13. INTEREST-BEARING BANK BORROWINGS (continued)

- (1) The Group's interest-bearing bank borrowings are secured by the pledges of the following assets with carrying values as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Pledge of assets:		
Investment properties	35,621	36,251
Property, plant and equipment	6,788	6,908
Total	42,409	43,159

14. SHARE CAPITAL

	Number of shares	Nominal value RMB'000
Ordinary shares as at 31 December 2023 (audited) and 30 June 2024 (unaudited)	137,844,500	137,845

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

15. CAPITAL COMMITMENTS

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Contracted, but not provided for:		
– Property, plant and equipment	2,281	2,098

16. RELATED PARTY TRANSACTIONS

(a) Name and relationship

Name of related party	Relationship with the Group
Hangjiixin	Joint venture
Zhejiang Xinye Energy Co., Ltd. ("Xinye") (浙江鑫液能源有限公司)	Second-tier subsidiary of Joint venture
Pinghu Natural Gas Co., Ltd. ("Pinghu Natural Gas") (平湖市天然氣有限公司)	Associate
Jiaxing Jiatong New Energy Co., Ltd. ("Jiatong New Energy") (嘉興市嘉通新能源股份有限公司)	Associate
Yancheng Xingzhou Jiayuan Real Estate Development Co., Ltd. ("Xingzhou Jiayuan") (鹽城星洲佳源房地產開發有限公司)	Associate
Jiaxing Jiaran Ganghua Transportation Technology Co., Ltd. ("Ganghua Transportation") (嘉興市嘉燃港華交通科技有限公司)	Associate
Zhejiang Anke Logistics Co. Ltd. ("Zhejiang Anke") (浙江安可物流有限責任公司)	Associate
Jiaxing Pipeline Company Network Management Co., Ltd. ("Jiaxing Pipeline Company") (嘉興市天然氣管網經營有限公司)	Company controlled by shareholders of the Company
Jiaxing Qingyuan Hotel Management Co., Ltd. ("Qingyuan Hotel") (嘉興市清園酒店管理有限公司)	Company controlled by shareholders of the Company until 11 June 2024

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

16. RELATED PARTY TRANSACTIONS (continued)

(a) Name and relationship (continued)

Name of related party	Relationship with the Group
Jiaxing Qingyuan Ecological Farm Co., Ltd. ("Ecological Farm") (嘉興市清園生態農莊有限公司)	Company controlled by shareholders of the Company
Jiaxing Qingchi Hot Spring Tourism Development Co., Ltd. ("Qingchi Hot Spring") (嘉興市清池溫泉旅遊開發有限公司)	Company controlled by shareholders of the Company
Jiaxing Qingyuan Hot Spring Management Co., Ltd. ("Qingyuan Hot Spring") (嘉興市清源溫泉管理有限公司)	Company controlled by shareholders of the Company
Jiaxing Qingchi Cultural Industry Development Co., Ltd. ("Qingchi Cultural Industry") (嘉興清池文化產業發展有限公司)	Company controlled by shareholders of the Company
Jiaxing Songjia Trading Co., Ltd. ("Songjia Trading") (嘉興市宋嘉貿易有限公司)	Company controlled by shareholders of the Company
Jiaxing Yunhe Hotel Co., Ltd. ("Yunhe Hotel") (嘉興市運河酒店有限公司)	Company controlled by shareholders of the Company
Jiaxing Salon International Hotel Co., Ltd. ("Salon International Hotel") (嘉興市沙龍國際賓館有限公司)	Company controlled by shareholders of the Company
Jiaxing Yuehe Inn Co., Ltd. ("Yuehe Inn") (嘉興市月河客棧有限公司)	Company controlled by shareholders of the Company
Flat Glass Group Co., Ltd. ("Flat Group") (福萊特玻璃集團股份有限公司)	Company controlled by a director of the Company
Zhuji Jinfeng	Company controlled by a director of the Company
Jiaxing Yintai Properties Co., Ltd. ("Jiaxing Yintai") (嘉興胤泰置業有限公司)	Company controlled by a director of the Company
Jiaxing Nanhu Hetai Finance Co., Ltd. ("Nanhu Hetai") (嘉興市南湖禾泰小額貸款有限公司)	Company significantly influenced by shareholders of the Company

Note: Jiaxing Qingyuan Hotel Management Co., Ltd. (嘉興市清園酒店管理有限公司) ceased to be a related party of the Company since 12 June 2024.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

16. RELATED PARTY TRANSACTIONS (continued)

- (b) In addition to the transactions detailed elsewhere in this interim condensed consolidated financial information, the Group had the following transactions with related parties during the period:

		For the six months ended 30 June	
		2024	2023
		RMB'000	RMB'000
	Notes	(Unaudited)	(Unaudited)
Joint ventures:			
<u>Sales of PNG to</u> Hangjiaxin	(i)	8	10
<u>Sales of LNG to</u> Xinye	(i)	150,760	–
<u>Sales of construction materials to</u> Hangjiaxin	(i)	–	136
<u>Provision of construction services to</u> Hangjiaxin	(ii)	248	–
<u>Rental income from</u> Hangjiaxin	(iii)	373	356
<u>Commission fee received from</u> Hangjiaxin	(ii)	2,790	1,069
<u>Purchase warehousing services from</u> Hangjiaxin	(iv)	9,869	–

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

16. RELATED PARTY TRANSACTIONS (continued)

- (b) In addition to the transactions detailed elsewhere in this interim condensed consolidated financial information, the Group had the following transactions with related parties during the period: (continued)

		For the six months ended 30 June	
		2024	2023
		RMB'000	RMB'000
	Notes	(Unaudited)	(Unaudited)
Associates:			
<i>Sale of LNG to</i>			
Pinghu Natural Gas	(i)	8	–
<i>Sale of PNG to</i>			
Pinghu Natural Gas	(i)	550	–
<i>Provision of services to</i>			
Ganghua Transportation	(ii)	280	–
<i>Provision of construction services to</i>			
Xingzhou Jiayuan	(ii)	1,374	7,293
<i>Rental income from</i>			
Ganghua Transportation	(iii)	53	–
<i>Receiving transportation service from</i>			
Zhejiang Anke	(iv)	1,345	–
<i>Purchase of LNG from</i>			
Jiatong New Energy	(v)	2	6
<i>Purchase of PNG from</i>			
Pinghu Natural Gas	(v)	–	1,837

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

16. RELATED PARTY TRANSACTIONS (continued)

- (b) In addition to the transactions detailed elsewhere in this interim condensed consolidated financial information, the Group had the following transactions with related parties during the period: (continued)

		For the six months ended 30 June	
		2024	2023
		RMB'000	RMB'000
	Notes	(Unaudited)	(Unaudited)
Others:			
<u>Sales of natural gas to</u>			
Flat Group	(i)	117,495	152,778
Qingchi Cultural Industry	(i)	1,313	1,391
Salon International Hotel	(i)	869	1,025
Yuehe Inn	(i)	794	562
Yunhe Hotel	(i)	55	61
Qingyuan Hotel	(i)	–	1,116
Total		120,526	156,933
<u>Sales of LPG to</u>			
Ecological Farm	(i)	23	24
<u>Sale of LNG to</u>			
Jiaxing Pipeline Company	(i)	24,560	–
<u>Provision of construction services to</u>			
Jiaxing Pipeline Company	(ii)	2,173	–
Salon International Hotel	(ii)	98	–
Qingchi Cultural Industry	(ii)	23	–
Yuehe Inn	(ii)	9	–
Total		2,303	–
<u>Provision of pipeline transportation services to</u>			
Flat Group	(ii)	536	–
<u>Rental income from</u>			
Qingyuan Hotel	(iii)	2,637	2,923
Nanhu Hetai	(iii)	12	–
Total		2,649	2,923

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

16. RELATED PARTY TRANSACTIONS (continued)

- (b) In addition to the transactions detailed elsewhere in this interim condensed consolidated financial information, the Group had the following transactions with related parties during the period: (continued)

		For the six months ended 30 June	
		2024	2023
		RMB'000	RMB'000
	Notes	(Unaudited)	(Unaudited)
Others (continued):			
<u>Purchase of natural gas from</u>			
Jiaxing Pipeline Company	(v)	264,533	576,115
<u>Purchase of construction materials from</u>			
Zhuji Jinfeng	(v)	1,795	652
<u>Purchase of other products from</u>			
Ecological Farm	(v)	1,585	–
Songjia Trading	(v)	9	–
Total		1,594	–
<u>Receiving services from</u>			
Qingchi Cultural Industry	(iv)	965	19
Qingyuan Hotel	(iv)	764	179
Yunhe Hotel	(iv)	35	14
Total		1,764	212
<u>Rental expense from</u>			
Jiaxing Yintai	(vi)	–	117
<u>Rental of assets and recognition of right-of-use assets</u>			
Jiaxing Pipeline Company	(vii)	4,996	–
Jiaxing Yintai	(vii)	704	–
Total		5,700	–

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

16. RELATED PARTY TRANSACTIONS (continued)

- (b) In addition to the transactions detailed elsewhere in this interim condensed consolidated financial information, the Group had the following transactions with related parties during the period: (continued)

Notes:

- (i) The sales to related parties were determined based on the market prices of their independent third-party customers.
- (ii) The prices of services provided to the related parties were determined based on the prices and conditions offered to the independent third-party customers of the Group.
- (iii) The rental income represents rentals of investment properties leased to the Group's related parties. The annual rentals were determined by agreement of the parties with reference to the market prices of similar properties.
- (iv) The purchases of services from related parties were made according to the published prices and conditions offered by the related parties to their independent third parties.
- (v) The purchases from related parties were made according to the published prices and conditions offered by the related parties to their independent third parties.
- (vi) The rental expenses represent rentals of investment properties leased from the Group's related parties. The annual rentals were determined by agreement of the parties with reference to the market prices of similar properties.
- (vii) Part of the purchase of right-of-use assets were resulted from rentals of gas pipelines and properties from Jiaxing Pipeline Company, other purchases of right-of-use assets were resulted from office rental from Jiaxing Yintai. The rental prices of office rental were determined based on market prices.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

16. RELATED PARTY TRANSACTIONS (continued)

(c) Outstanding balances before expected credit loss with related parties:

	Notes	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
<i>Amounts due from related parties before provision</i>			
Jiaxing Pipeline Company	(i)	31,622	12,317
Xingzhou Jiayuan	(i)	27,607	14,742
Qingyuan Hot Spring	(i)	9,268	9,268
Qingchi Cultural Industry	(i)	5,564	4,395
Xinye	(i)	2,704	–
Hangjiaxin	(i)	2,447	3,602
Qingchi Hot Spring	(i)	813	813
Salon International Hotel	(i)	149	288
Ganghua Transportation	(i)	51	–
Yuehe Inn	(i)	33	573
Pinghu Natural Gas	(i)	27	3
Ecological Farm	(i)	7	4
Yunhe Hotel	(i)	2	4
Qingyuan Hotel	(i)	–	22,566
Total		80,294	68,575
<i>Amounts due to related parties</i>			
Jiaxing Pipeline Company	(ii)	155,495	158,289
Flat Group	(iii)	2,548	–
Zhuji Jinfeng	(iii)	595	172
Ecological Farm	(iii)	74	–
Yuehe Inn	(iii)	12	12
Hangjiaxin	(iv)	–	204,322
Qingyuan Hotel	(iii)	–	83
Zhejiang Anke	(iii)	–	324
Total		158,724	363,202

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

16. RELATED PARTY TRANSACTIONS (continued)

(c) Outstanding balances before expected credit loss with related parties:

Notes:

- (i) The amounts due from related parties of RMB80,294,000 in total as at 30 June 2024 (31 December 2023: RMB68,575,000) are trade in nature, unsecured, interest-free and repayable within 180 days.
- (ii) The Company rented gas pipelines and properties from Jiaxing Pipeline Company and recognised the corresponding lease liabilities. The maturity profile of the lease liabilities due to Jiaxing Pipeline Company as at the end of the year is as follows:

	Within 1 year RMB'000	Within 2 to 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
At 30 June 2024	13,876	71,522	70,097	155,495
At 31 December 2023	15,403	70,125	72,761	158,289

- (iii) The amounts due to related parties of RMB3,229,000 in total as at 30 June 2024 (31 December 2023: RMB591,000) were trade in nature, unsecured, interest-free and repayable within 180 days.
- (iv) There was no amount due to Hangjiixin as at 30 June 2024 (31 December 2023: RMB204,322,000). The balance was LNG trade receivables collected by the Group on behalf of Hangjiixin, which was non-trade in nature, unsecured, and interest-free).

(d) Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Short-term employee benefits	2,961	2,603
Post-employment benefits	401	349
Total compensation paid to key management personnel	3,362	2,952

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

Carrying amounts		Fair values	
30 June 2024	31 December 2023	30 June 2024	31 December 2023
RMB'000 (Unaudited)	RMB'000 (Audited)	RMB'000 (Unaudited)	RMB'000 (Audited)

Financial assets

Financial assets at fair value
through profit or loss

60,322	60,434	60,322	60,434
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Financial liabilities

Interest-bearing bank borrowings
(non-current portion)

152,680	164,900	151,738	163,624
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Management has assessed that the fair values of cash and cash equivalents, pledged deposits, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, trade and bills payables, financial liabilities included in other payables and accruals and the current portion of interest-bearing bank borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the board of directors. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank borrowings as at 30 June 2024 were assessed to be insignificant.

The fair value of listed equity investment is based on quoted market prices. The fair value of unlisted equity investment at fair value through profit or loss has been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors of the Company to determine comparable public companies (peers) based on industry, size, leverage and strategy, and to calculate an appropriate price multiple, for example price to book ("P/B") multiple, for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by a net assets measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding book value measure of the unlisted equity investment to measure the fair value. The directors of the Company believe that the estimated fair values resulting from the valuation technique, which are recorded in the interim condensed consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss, are reasonable, and that they were the most appropriate values at 30 June 2024.

The Group invests in unlisted investments, which mainly represent wealth management products at fair value. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2023 and 30 June 2024:

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Unlisted equity investment	Valuation multiples	Average P/B multiple of peers	1.55 to 2.68 (2023: 1.55 to 2.68)	10% increase/decrease in multiple would result in increase/decrease in fair value by RMB1,948,000 (2023: RMB1,948,000)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2024

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Bills receivable	–	5,928	–	5,928
Financial assets at fair value through profit or loss	1,175	–	59,147	60,322

As at 31 December 2023

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Bills receivable	–	27,282	–	27,282
Financial assets at fair value through profit or loss	1,287	–	59,147	60,434

The movements in fair value measurements within Level 3 during the period are as follows:

	For the six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Equity investments at fair value through profit or loss – unlisted:		
At 1 January	59,147	57,270
Purchases	–	3,605
Total gains or losses in other income recognised in the interim condensed consolidated statement of profit or loss	–	–
At 30 June	59,147	60,875

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2024

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Liabilities measured at fair value:

The Group did not have any financial liabilities measured at fair value at the end of the period (2023: Nil).

Assets for which fair values are disclosed:

The Group did not have any financial assets for which fair values are disclosed at the end of the year (2023: Nil).

Liabilities for which fair values are disclosed:

As at 30 June 2024

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Interest-bearing bank borrowings (non-current portion)	–	151,738	–	151,738

As at 31 December 2023

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Interest-bearing bank borrowings (non-current portion)	–	163,624	–	163,624

18. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 28 August 2024.