



Sino Gas Holdings Group Limited

中油潔能控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1759



2025

INTERIM REPORT

CONTENTS

- 02** Corporate Information
- 03** Management Discussion and Analysis
- 15** Other Information
- 21** Condensed Consolidated Statement of Profit or Loss
and Other Comprehensive Income
- 23** Condensed Consolidated Statement of Financial Position
- 25** Condensed Consolidated Statement of Changes in Equity
- 26** Condensed Consolidated Cash Flow Statement
- 27** Notes to the Unaudited Interim Financial Report



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Ji Guang (*Chairman*)
Ms. Ji Ling (*Vice-Chairman and Chief Executive Officer*)
Mr. Zhou Feng
Ms. Cui Meijian (Resigned on 17 January 2025)

Independent Non-executive Directors

Mr. Sheng Yuhong
Mr. Wang Zhonghua
Dr. Zheng Jian Peng

AUDIT COMMITTEE

Dr. Zheng Jian Peng (*Chairman*)
Mr. Wang Zhonghua
Mr. Sheng Yuhong

REMUNERATION COMMITTEE

Mr. Wang Zhonghua (*Chairman*)
Dr. Zheng Jian Peng
Mr. Sheng Yuhong

NOMINATION COMMITTEE

Mr. Sheng Yuhong (*Chairman*)
Dr. Zheng Jian Peng
Mr. Wang Zhonghua

COMPANY SECRETARY

Ms. Chow Yuk Yin Ivy

AUTHORISED REPRESENTATIVES

Ms. Ji Ling
Ms. Chow Yuk Yin Ivy

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS IN THE PEOPLE'S REPUBLIC OF CHINA

Room 3103, Block A1
Caifu Shiji Square
13 Haian Road, Tianhe District
Guangzhou, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 1115, 11/F, Tower 3
China Hong Kong City, 33 Canton Road
Tsim Sha Tsui, Kowloon, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

AUDITORS

Forvis Mazars CPA Limited
Certified Public Accountants
42/F, Central Plaza
18 Harbour Road, Wanchai, Hong Kong

HONG KONG LEGAL ADVISER

Anthony Siu & Co.
18th Floor, 9 Queen's Road Central
Central, Hong Kong

PRINCIPAL BANKERS

Industrial and Commercial Bank of China Co., Ltd
Guangzhou Liuhua Branch
Bank of China Zhuhai Branch
China Construction Bank Co., Ltd.
Guangzhou Conghua Branch

COMPANY'S WEBSITE ADDRESS

www.sinogasholdings.com

STOCK CODE

1759

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY REVIEW

In the first half of 2025 (the “**Period**”), the global economic environment remained complex and volatile with persistently tense geopolitical situations. Against this backdrop, the domestic economy underwent further structural adjustments. According to data from the National Bureau of Statistics, the Gross Domestic Product (GDP) for the Period reached RMB66,053.6 billion, representing a year-on-year increase of 5.3%, maintaining its leading growth rate among the world’s major economies. The energy market presents both opportunities and challenges, and the production and consumption structures are continuously optimized, with the proportion of clean energy rising.

As an important clean energy source, the price, supply and demand of liquefied petroleum gas (“**LPG**”) and natural gas are influenced by a combination of factors including international geopolitics, trade policies, domestic economic situation and weather conditions.

In terms of LPG, the domestic market price for LPG exhibited characteristics of periodic fluctuations during the Period, demonstrating an overall trend of “rising followed by falling”. On the supply side, the intensified disruptions in the international market (such as Sino-US trade frictions, the Middle East situation, and Organization of the Petroleum Exporting Countries (OPEC) production increases) resulted in relatively weak operation of international crude oil, diminishing the price support for LPG. In the first half of 2025, the LPG market experienced relatively ample supply, while demand underperformed expectations. The estimated total domestic LPG supply reached 38.0736 million tonnes, while the estimated total demand was 37.5639 million tonnes. On the supply side, import volume remained at a relatively low level but still recorded a 1.49% year-on-year increase. The concentrated plant maintenance activities led to a 2.75% year-on-year production decline. On the demand side, demand for household heating and combustion remained weak due to higher-than-average temperatures, while chemical sector demand was moderate. Despite overall market pressure, the Group proactively seized opportunities and adjusted its sales strategy, achieving robust year-on-year increase in both LPG sales volume and revenue during the Period, growing by 81.1% and 81.5% respectively.

In terms of natural gas, warmer-than-average winter temperatures resulted in lower-than-expected demand for urban gas heating, particularly the demand for heating gas failed to release as expected, and the market experienced a situation where supply exceeded demand. Furthermore, changes in the international natural gas market, coupled with increased domestic natural gas production which squeezed imports, led to a year-on-year decline in natural gas consumption and weaker price trends during the Period. In the first half of 2025, the apparent consumption of natural gas in China reached 210.463 billion cubic meters, representing a slight year-on-year decrease of 0.42%, remained overall stability. The Group’s natural gas business was affected by adjustments of transportation energy policies. During the Period, sales volume and sales revenue of compressed natural gas (“**CNG**”) declined, however, sales volume and sales revenue of liquefied natural gas (“**LNG**”) recorded an increase.

Facing a complex environment, the Group has always focused on ensuring stable supply, smooth operation and production safety throughout the Period. Aligning closely with the national energy strategy, the Group actively promoted clean energy, explored new business models, expanded business boundaries, and steadily advanced its transformation. Accurately monitoring fluctuations in market demand and leveraging diversified procurement channels and optimizing storage and logistics network layouts, the Group ensured stable product supply and rational pricing, consolidated its market share, and achieved breakthrough growth, while continuously improving customer satisfaction and brand reputation. Through strict compliance with industry regulatory requirements, technology upgrades, and management optimization to reduce costs and enhance efficiency, the Group proactively mitigated potential risks, effectively maintaining business resilience and vitality.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an integrated LPG and natural gas supplier in China with a complete industry chain that engages in the sales of LPG and natural gas and the operation of vehicular refuelling stations (車用加氣站) and domestic stations (民用站) in Guangdong Province, Henan Province and Hebei Province with over 19 years of proven track records in the industry.

(a) LPG Business

LPG could be commonly used as fuel sources for cooking or heating appliances. As at 30 June 2025, the Group owned an LPG terminal with storage facilities and 3 LPG domestic stations through Jiangmen Xinjiang Gas Company Limited (江門市新江煤氣有限公司) ("**Jiangmen Xinjiang Gas**", a jointly-controlled entity) in Jiangmen, Guangdong Province.

The Group possesses a comprehensive business model in our LPG business. Our upstream procurement of LPG consists of large scale LPG domestic gas suppliers with their own terminal and storage which mainly import LPG from overseas, and domestic petrochemical refineries. With the delivery of our intermediary logistics (including vehicles or gas carrier ships designated for LPG use), the Group is able to provide LPG to our customers including LPG domestic stations and wholesale customers, and our customers mainly consist of wholesale customers.

For the six months ended 30 June 2025, the Group recorded the LPG sales revenue of approximately RMB1,056.3 million, representing an increase of approximately RMB474.1 million from the LPG sales revenue of approximately RMB582.2 million in the corresponding period in 2024. The increase in revenue was mainly attributable to the increase in sales volume of LPG.

(b) CNG Business

CNG is widely used in short-distance vehicles such as local buses and private vehicles. As at 30 June 2025, we had 12 CNG vehicular refuelling stations, 1 liquefied-to-compressed natural gas (the "**L-CNG**") vehicular refuelling station and 3 CNG mother stations in Henan Province.

The CNG business model is well supported by our upstream suppliers primarily consisting of PetroChina Company Limited ("**PetroChina**"), which utilises the West to East Gas Transmission Tunnel (西氣東輸管道) to supply to our CNG mother stations, with our own logistics fleet being the major logistic system for distribution to the location of our CNG vehicular refuelling stations and the locations of our customers while some of our wholesale customers may also arrange for their own logistics arrangement. Our downstream portfolio consists of CNG vehicular refuelling stations and our customers consist of a variety of retail and wholesale customers.

For the six months ended 30 June 2025, the Group recorded the CNG sales revenue of approximately RMB68.1 million, representing a decrease of approximately RMB14.4 million from the CNG sales revenue of approximately RMB82.5 million in the corresponding period in 2024. The decrease in revenue was mainly attributable to the decline in the sales volume of CNG caused by structural adjustment of energy policies during the Period.

MANAGEMENT DISCUSSION AND ANALYSIS

(c) LNG Business

The LNG refuelling market in China is still at an emerging stage due to its relatively high cost to process, liquefy and store compared with CNG. With the support of China government policies, the development and promotion of LNG has developed rapidly, especially with the rising demand for LNG in the industrial and power generation industries, which has laid a solid foundation for the growth of LNG. As at 30 June 2025, we had 1 L-CNG vehicular refuelling station in Henan Province.

For our LNG business model, the Group possesses a strong upstream procurement suppliers formed by large-scale LNG terminal companies. As vehicles containing special cryogenic storage facilities and tanks for LNG use are required for transportation of LNG, the Group uses the third party logistics service providers to transport our LNG to our LNG vehicular refuelling stations and to our wholesale customers. Meanwhile, the downstream portfolio consists of the LNG vehicular refuelling stations and our customers consist of retail and wholesale customers.

For the six months ended 30 June 2025, the Group recorded the LNG sales revenue of approximately RMB10.8 million, representing an increase of approximately RMB5.9 million from the LNG sales revenue of approximately RMB4.9 million in the corresponding period in 2024. The increase in revenue was mainly attributable to the increase in sales volume of LNG during the Period.

(d) Overall Business

For the six months ended 30 June 2025, the Group recorded the revenue of approximately RMB1,140.3 million, representing an increase of approximately RMB462.7 million from approximately RMB677.6 million for the six months ended 30 June 2024. The increase in the revenue was attributable to the increase in sales volume of LPG during the Period.

As at 30 June 2025, we operated a total of 19 gas refuelling stations and 3 petroleum refuelling stations, with 3 jointly-controlled LPG gas refuelling stations in Jiangmen, Guangdong Province.

As at 30 June 2025, the number of our refuelling stations in operation are set out below:

	As at 30 June 2025	As at 31 December 2024
Gas refuelling stations		
LPG station	3	3
CNG station	12	12
L-CNG station	1	1
CNG mother station	3	3
Total number of gas refuelling stations	19	19
Petroleum refuelling stations	3	3
Total	22	22

MANAGEMENT DISCUSSION AND ANALYSIS

Meanwhile, as at 30 June 2025, the breakdown of our refuelling stations in operation by cities and provinces are set out below:

City, Province	LPG refuelling stations	CNG refuelling stations	L-CNG refuelling stations	Petroleum refuelling stations	Total number of stations
Jiangmen, Guangdong Province	3 ⁽¹⁾	0	0	0	3
Total number of refuelling stations in Guangdong Province	3	0	0	0	3
Zhengzhou, Henan Province	0	9	0	1	10
Zhumadian, Henan Province	0	3 ⁽²⁾	0	2	5
Xinzheng, Henan Province	0	3 ⁽³⁾	1	0	4
Total number of refuelling stations in Henan Province	0	15	1	3 ⁽⁴⁾	19
Total	3	15	1	3	22

Notes:

1. These 3 LPG domestic stations are possessed by Jiangmen Xinjiang Gas, a jointly-controlled entity of the Group.
2. It comprises 1 CNG mother station in Zhumadian City, Henan Province.
3. It comprises 2 CNG mother stations in Xinzheng City, Henan Province.
4. One of the petroleum refuelling stations is run by an independent third party.

MANAGEMENT DISCUSSION AND ANALYSIS

The revenue by our product mix for the six months ended 30 June 2025 and 2024 are summarised as below:

	For the six months ended 30 June 2025			For the six months ended 30 June 2024		
	Sales volume (Note)	Revenue (RMB'000)	Percentage of revenue (%)	Sales volume (Note)	Revenue (RMB'000)	Percentage of revenue (%)
Retail						
LPG	–	–	0.0%	–	–	0.0%
CNG	10.40	42,598	3.7%	16.60	65,180	9.6%
LNG	2,318	10,765	1.0%	1,013	4,880	0.7%
Sub-total		53,363	4.7%		70,060	10.3%
Wholesale						
LPG	228,595	1,056,288	92.6%	126,226	582,195	85.9%
CNG	9.80	25,483	2.2%	6.00	17,354	2.6%
LNG	–	–	0.0%	–	–	0.0%
Others		5,198	0.5%		7,975	1.2%
Sub-total		1,086,969	95.3%		607,524	89.7%
Total		1,140,332	100%		677,584	100%

Note: Sales volume for LPG and LNG are measured in tonnes and sales volume for CNG is measured in million cubic metres.

MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK AND PROSPECTS

Looking forward to the second half of 2025, the domestic LPG market is expected to maintain a loose supply and demand landscape. Driven by the traditional peak consumption season of “Golden September and Silver October” and subsequent cold weather conditions, household combustion demand will see a seasonal rebound. Following initial adjustments, the operating rates of certain chemical plants are expected to increase, leading to a surge in demand for LPG feedstock. Consequently, the demand side will exhibit a combination of seasonal recovery and structural improvement. These demand recovery factors may provide short-term support to LPG prices, driving a periodic increase.

Supply condition tends to be ample with the end of plant maintenance activities. As the peak maintenance period of domestic refineries came to an end, capacity utilization rates will gradually recover, thereby enhancing domestic LPG supply capacity. Although various uncertainties such as geopolitical risks and Sino-US trade frictions persist, LPG imports are expected to maintain moderate growth as the market progressively adapts to potential change in trade policies. Following the ceasefire agreement concluded in the Israel-Iran conflict, the geopolitical risk premium has subsided. Against the backdrop of continued OPEC+ production resumption and relatively weak refined oil demand in both China and the US, international crude oil prices are expected to face downward pressure, which may consequently impact LPG prices. Despite projected growth in both domestic LPG demand (household and chemical) and supply (domestic production and imports) during the second half of 2025, the magnitude of the supply recovery is expected to outpace the increase in demand. Consequently, the market’s overall oversupply situation is unlikely to be fundamentally reversed in the second half of the year.

China’s “National Strategy for Energy Production and Consumption Revolution (2016-2030)” sets a clear target to increase the proportion of natural gas in the energy mix to around 15% by 2030. In April 2025, the National Development and Reform Commission (NDRC) issued the “Guidance on Promoting the Integrated Development of Transportation and Energy”, emphasizing the advancement of integrated transportation and energy infrastructure development and the promotion of new energy transportation equipment. As a relatively clean and efficient fossil fuel, natural gas continues to play an increasingly important role in the energy transition. Underpinned by policy drivers, natural gas demand and consumption nationwide are projected to maintain steady growth in the third and fourth quarters of 2025. With the stabilization and recovery of the economy, consumption upgrades, and seasonal heating demand, residential and commercial natural gas consumption in the second half of 2025 is expected to continue its steady growth momentum. Gradual domestic economic recovery will drive a rebound in traditional industrial gas demand, notably from sectors such as manufacturing and mining. Meanwhile, emerging industries with higher requirements for energy quality and supply stability are expected to exhibit more pronounced growth potential in natural gas demand. Bolstered by sustained industrial policy support and the continuous improvement of infrastructure such as refueling stations, the market penetration rate of LNG vehicles (particularly heavy-duty trucks) is anticipated to further increase, driving steady growth in natural gas consumption within the transportation sector.

Both the LPG and natural gas markets face challenges arising from international market volatility, geopolitical risks, and domestic economic restructuring. At the same time, the ongoing advancement of energy structure optimization and transformation, robust policy support, and deepening market-oriented reforms are creating significant opportunities for industry development. The Group will closely monitor market dynamics and conduct in-depth analysis of industry trends, continue to deepen its core LPG and natural gas businesses to consolidate its market position, maintain a market-oriented approach, strengthen its customer service system, and enhance customer value, strengthen safety standards and establish a comprehensive risk management system, enhance technical support, drive industrial upgrading and improve operational efficiency through technological innovation and optimize its business layout to seize structural growth opportunities. The Group aims to proactively respond to market changes, effectively seize development opportunities, continuously enhance its core competitiveness, and achieve sustainable and high-quality development.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2025, the Group recorded revenue of approximately RMB1,140.3 million, representing an increase of approximately RMB462.7 million from the revenue of approximately RMB677.6 million in the corresponding period in 2024. The increase in revenue was mainly attributable to the increase in sales volume of LPG during the Period.

Revenue from contracts with customers within the scope of IFRS 15	At 30 June 2025 RMB'000	At 30 June 2024 RMB'000
LPG	1,056,288	582,195
CNG	68,081	82,534
LNG	10,765	4,880
Others	5,198	7,975
	1,140,332	677,584

Cost of Sales and Gross Profit

The Group's cost of sales primarily consisted of all costs of procuring LPG, CNG and LNG from the Group's suppliers and logistic services providers for transporting gases. The Group's cost of sales increased by approximately RMB465.6 million from approximately RMB649.9 million in the corresponding period in 2024 to approximately RMB1,115.5 million in the Period, which was mainly due to the increase in the purchase volume of LPG.

For the six months ended 30 June 2025, the gross profit of the Group was approximately RMB24.8 million, representing a decrease of approximately RMB2.9 million from the gross profit of approximately RMB27.7 million in the corresponding period in 2024. The decrease in gross profit was mainly due to the decline in the sales volume of CNG for vehicles which has a relatively higher gross profit margin.

Other Income

For the six months ended 30 June 2025, the Group's other income amounted to approximately RMB10.0 million, representing an increase of approximately RMB3.3 million from other income of approximately RMB6.7 million in the corresponding period in 2024. This was mainly due to the increase in interest income during the Period.

Staff Costs

For the six months ended 30 June 2025, the Group's staff costs were approximately RMB15.1 million, representing an increase of approximately RMB0.4 million from the staff costs of approximately RMB14.7 million in the corresponding period in 2024. This was mainly due to the increase in laid-off costs associated with the Group's redundancy of certain staff members during the Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Depreciation

For the six months ended 30 June 2025, the depreciation of the Group was approximately RMB5.3 million, representing a decrease of approximately RMB0.4 million from the depreciation of approximately RMB5.7 million in the corresponding period in 2024. This was mainly attributable to certain assets being fully depreciated in the Period.

Short-term Lease Charges

For the six months ended 30 June 2025, the short-term lease charges of the Group was approximately RMB0.2 million, basically staying unchanged with the operating lease charges of approximately RMB0.2 million in the corresponding period in 2024.

Other Operating Expenses

For the six months ended 30 June 2025, the Group's other operating expenses were approximately RMB11.4 million, representing an increase of approximately RMB0.6 million from other operating expenses of approximately RMB10.8 million in the corresponding period in 2024. This was mainly attributable to the loss on disposal of property, plant and equipment during the Period.

Finance Costs

For the six months ended 30 June 2025, the Group's finance costs were approximately RMB5.4 million, representing an increase of approximately RMB0.4 million from the finance costs of approximately RMB5.0 million in the corresponding period in 2024. This was mainly due to the rise in bank borrowing rate.

Loss Before Taxation

For the six months ended 30 June 2025, the Group's loss before taxation was approximately RMB3.3 million, and loss before taxation was approximately RMB3.5 million in the corresponding period in 2024.

Income Tax Expenses

For the six months ended 30 June 2025, the Group's income tax expense was approximately RMB0.3 million, representing a decrease of approximately RMB0.1 million from income tax expense of approximately RMB0.4 million in the corresponding period in 2024.

Loss for the Period

On the basis of the aforementioned reasons, for the six months ended 30 June 2025, the Group recorded a loss for the Period of approximately RMB3.6 million, and loss for the period of approximately RMB3.8 million in the corresponding period in 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL POSITION

Liquidity, Financial Resources and Capital Structure

For the six months ended 30 June 2025, the financial position of the Group remained stable. As at 30 June 2025, the total value of assets was approximately RMB1,378.4 million, representing an increase of approximately RMB238.8 million as compared to the total value of assets of approximately RMB1,139.6 million as at 31 December 2024. The Group's cash was mainly held for working capital and gas facilities and transportation equipment needs.

As at 30 June 2025, the Group had approximately RMB815.0 million pledged and restricted deposits with financial institutions and approximately RMB136.6 million in cash and bank balances.

Capital Expenditure

The capital expenditure of the Group was mainly related to the payments for purchase of property, plant and equipment amounted to approximately RMB0 for the six months ended 30 June 2025.

Interest-bearing Borrowings

The Group's short-term borrowings as at 30 June 2025 and 31 December 2024 are summarised as below:

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Secured bank loans and other borrowings	960,000	720,000

Gearing Ratio

The gearing ratio (calculated on the basis of the Group's total liabilities over total assets) was approximately 72.2% as at 30 June 2025 (31 December 2024: approximately 65.9%). The increase in gearing ratio was mainly attributable to the increase in interest-bearing borrowings.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had a total of 399 employees (including the staff of our joint venture, Jiangmen Xinjiang Gas) (30 June 2024: 420). The Group's remuneration policies are in line with the prevailing market practice and are determined on the basis of performance, qualification and experience of individual employees. The remuneration payable to its employees includes salaries and allowances. The Group attaches importance to the creation and contribution of employees, acknowledges the important position of talent resource in the development of business operation and is committed to developing and maintaining good relationship with employees. The Group regularly organizes safety and skills training for its employees, and encourages its employees to attend industry-related seminars organized by professional institutions, in order to enhance the safety and technical capability of employees and promote their career growth and development.

USE OF PROCEEDS FROM THE LISTING

After deduction of all related listing expenses and commissions, the net proceeds from the listing of shares on the Main Board of the Stock Exchange of Hong Kong Limited (the **"Hong Kong Stock Exchange"** or the **"Stock Exchange"**) on 28 December 2018 (the **"Listing"**) amounted to approximately HK\$120.3 million. Details of the proposed use of such net proceeds are disclosed in the section headed "Future Plans and Use of Proceeds" of the prospectus of the Company for the Listing and subsequently revised in the announcement issued by the Company dated 27 February 2020. Up to 30 June 2025, the Group had utilized approximately HK\$70.9 million, representing approximately 58.9% of the net proceeds from the Listing as follows:

Intended use of proceeds	Original allocation HK\$ million	Revised allocation as at 27 February 2020 ⁽³⁾ HK\$ million	Utilised amount during the Period HK\$ million	Utilisation as at 30 June 2025 HK\$ million	Remaining balance as at 30 June 2025 HK\$ million	Expected timeline for full utilisation of the remaining proceeds ⁽⁴⁾
To acquire operating rights of an LPG domestic station ⁽¹⁾	20.5	20.5	0	0	20.5	By the end of 2026 ⁽¹⁾
To strengthen our LPG logistics and storage capacity by constructing storage facilities ⁽²⁾	21.7	21.7	0	0	21.7	By the end of 2026 ⁽²⁾
To complete construction, purchase land, equipment and machineries and installation for the new CNG mother station	27.7	14.5	–	14.5	0	N/A
To construct new refuelling stations, purchase and install their requisite equipment and machineries and perform maintenance of our existing refuelling stations	24.1	16.1	–	16.1	0	N/A
To increase our logistics capacity by purchasing additional vehicle fleets	14.4	14.4	0	7.2	7.2	By the end of 2026 ⁽⁶⁾
To finance the acquisition ⁽³⁾	–	21.1	–	21.1	0	N/A
General working capital	12.0	12.0	–	12.0	0	N/A
Total	120.3	120.3	0	70.9	49.4⁽⁶⁾	

MANAGEMENT DISCUSSION AND ANALYSIS

Notes:

1. As the economic situation remains uncertain at present, the Group has not identified appropriate acquisition targets to date. The Group will assess suitable acquisition targets by adopting a prudent strategy, and anticipates utilizing the proceeds by the end of 2026.
2. The Group expects to use the proceeds for the construction of storage facilities by the end of 2026.
3. The Group acquired 50% of the equity interests of Henan Blue Sky Sino Gas Technology Company Limited and fully utilised the redistributed net proceeds at the end of March 2020. For details, please refer to the announcement of the Company dated 27 February 2020.
4. The expected timeline for full utilisation of the remaining proceeds is made based on the best estimation of the Group taking into account, among others, the prevailing and future market conditions and business developments and need, and therefore is subject to change.
5. As at 30 June 2025, the Group expected that, except for those described in the notes above, there will be no change in the planned use and timing of the use of proceeds from the Listing, and the unutilized net proceeds will be deposited into interest-bearing bank accounts.
6. The Group has not yet used up the proceeds and anticipates utilizing the proceeds by the end of 2026.

FOREIGN EXCHANGE EXPOSURE

As all of our operations are located in China, all of the revenue from customers of the Group are derived from activities in China.

The reporting currency of the Group is RMB. The Group has currency risk exposures arising from business operations and financial instruments that are denominated in a foreign currency, and such risk is primarily Hong Kong Dollar. In order to limit this foreign currency risk exposure, the Group ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rate or entering into appropriate forward contracts when necessary.

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the six months ended 30 June 2025. Our finance department is responsible for treasury management functions, which include, amongst others, researching and sourcing investment options for further consideration by the general manager, financial controller and the Board, and monitoring the investments on a continuous basis.

SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 30 June 2025, the Group held unlisted equity securities of approximately RMB24.3 million, which was a supplemental means to improve utilisation of our cash on hand.

For the six months ended 30 June 2025, apart from the plans mentioned in section "Use of Proceeds from the Listing", the Group had no definite future plans for material investments and capital assets.

MANAGEMENT DISCUSSION AND ANALYSIS

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

For the six months ended 30 June 2025, the Group had no material acquisitions and disposals of subsidiaries, associates or joint ventures.

CONTINGENT LIABILITIES

In 2019, a subsidiary of the Group has been claimed, as one of the co-defendants, to compensate for damages for the purpose of debt disputes between the plaintiff and other third parties. The maximum exposure of the Group under the claims may amount to approximately RMB69,350,000 (the “**Claim I**”). In 2020, a judgement was determined in favour of the subsidiary of the Group without liability. In 2021, the aforementioned judgement was revoked for a re-trial and subsequently was completed and determined that no liability was required for the Group in 2022. After the completion of re-trial, the plaintiff had further submitted an appeal on the judgement. In June 2023, the court determined again that the subsidiary of the Group should not liable. As at the date of this report, the High People’s Court has rejected the plaintiff’s application for a retrial, and the case has been closed. In accordance with the final judgment, the subsidiary will not be found liable to the Claim I.

In 2023, a subsidiary of the Group has also been claimed, as one of the co-defendants, to compensate for damages for the purpose of debt disputes between the plaintiff and other third parties. The maximum exposure of the Group under the claims may amount to approximately RMB14,053,937 (the “**Claim II**”). The case was heard in the first instance in November 2023 and the court ruled that the subsidiary of the Group was not liable in July 2024. As at the date of this report, the plaintiff had not appealed the first instance judgment and the statute of limitations for appeal had expired, and the case was closed.

Accordingly, no provision has been made as at 30 June 2025.

PLEDGE OF ASSETS

As at 30 June 2025, RMB815,000,000 (2024: RMB615,000,000) of pledged and restricted deposits was pledged as securities for the Group’s bank loans.

TAX RELIEF AND EXEMPTION

The Company is not aware of any tax relief and exemption available to the shareholders by reason of their holding of the Company’s shares.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the following Directors and chief executive of the Company had or were deemed to have interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “SFO”) (i) 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 (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”):

Name of Director	Capacity/nature of interest	Number of ordinary shares held (Note 1)	Approximate percentage of shareholding (%) (Note 2)
Mr. Ji Guang (“ Mr. Ji ”)	Founder of a discretionary trust, interest in controlled corporations (Note 3)	162,000,000 shares (L)	75%

Notes:

- The letter “L” denotes to the person with long position in the shares.
- The calculation is based on the total number of 216,000,000 shares in issue as at 30 June 2025.
- These interests comprise 121,500,000 shares held by China Full Limited (“**China Full**”), 24,300,000 shares held by Petrochemical Gas Energy Group Limited (“**PCG Employee BVI**”) and 16,200,000 shares held by Petrochemical Gas Energy Limited (“**PCG BVI**”).

China Full is wholly owned by Sino Gas Holdings Group Limited (“**Sino Gas BVI**”), a wholly-owned subsidiary of Petrochemical Gas Group Limited (“**VISTA Co**”), which is wholly owned by UBS Trustees (BVI) Limited (“**UBS Trustees**”) through UBS Nominees Limited.

UBS Trustees acts as the trustee of J&Y Family Trust, which is a discretionary trust established by Mr. Ji (as founder and protector) and under the relevant deed which constitutes the J&Y Family Trust, the trustee shall only add or remove discretionary objects of J&Y Family Trust with the consent of the protector. The discretionary objects of J&Y Family Trust include Mr. Ji himself, his spouse and his daughter, Ms. Ji Ling (“**Ms. Ji**”) who is an executive Director. By virtue of the SFO, Mr. Ji is deemed to be interested in the same parcel of shares held by China Full.

Both PCG Employee BVI and PCG BVI are wholly owned by Mr. Ji. By virtue of the SFO, Mr. Ji is deemed to be interested in the both parcels of shares held by PCG Employee BVI and PCG BVI.

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) 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 (including interests or short positions which he was taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2025, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of interests required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder	Capacity/nature of interest	Number of ordinary shares held (Note 1)	Approximate percentage of shareholding (%) (Note 2)
UBS Trustees	Trustee of a trust	121,500,000 shares (L)	56.25%
UBS Nominees Limited	Interest of controlled corporation (Note 3)	121,500,000 shares (L)	56.25%
VISTA Co	Interest of controlled corporation (Note 3)	121,500,000 shares (L)	56.25%
Sino Gas BVI	Interest of controlled corporation (Note 3)	121,500,000 shares (L)	56.25%
China Full	Beneficial owner	121,500,000 shares (L)	56.25%
PCG Employee BVI	Beneficial owner (Note 4)	24,300,000 shares (L)	11.25%
PCG BVI	Beneficial owner (Note 4)	16,200,000 shares (L)	7.50%
Ms. Yang Ling	Interest of Spouse (Note 5)	162,000,000 shares (L)	75%

Notes:

- The letter "L" denotes to the person with long position in the shares.
- The calculation is based on the total number of 216,000,000 shares in issue as at 30 June 2025.
- UBS Trustees, the trustee of J&Y Family Trust, in its capacity as trustee (through UBS Nominees Limited, its wholly-owned subsidiary) holds the entire issued share capital of VISTA Co, which in turn indirectly owns the entire equity interest of China Full through Sino Gas BVI, all of which are indirectly wholly owned by UBS Trustees in its capacity as trustee. J&Y Family Trust a discretionary trust established by Mr. Ji and the discretionary objects of the Trust include Mr. Ji himself, his spouse and his daughter, Ms. Ji. By virtue of the SFO, UBS Trustees, UBS Nominees Limited, VISTA Co and Sino Gas BVI are deemed to be interested in the same parcel of shares held by China Full.
- Both PCG Employee BVI and PCG BVI are wholly owned by Mr. Ji.
- Ms. Yang Ling is the spouse of Mr. Ji. Therefore, Ms. Yang Ling is deemed to be interested in the shares in which Mr. Ji is interested by virtue of the SFO.

Save as disclosed above, as at 30 June 2025, none of the substantial or significant shareholders or other persons, other than the Directors and chief executive of the Company whose interests are set out in the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had any interests or short positions in the shares or underlying shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

OTHER INFORMATION

SHARE OPTION SCHEME

The share option scheme of the Company (the “**Share Option Scheme**”) has been conditionally adopted since 22 November 2018. The terms of the Share Option Scheme is subject to, amongst others, compliance of the relevant provisions of Chapter 17 of the Listing Rules in force from time to time.

Purpose

To enable our Group to grant options to selected participants as incentives or rewards for their contribution to our Group. Our Directors consider the Share Option Scheme, with its broadened basis of participation, will enable our Group to reward the employees, our Directors and other selected participants for their contributions to our Group.

Who may join

Our Directors may at any time within a period of ten years commencing from the date of adoption of the Share Option Scheme, at its absolute discretion, in accordance with the provisions of the Share Option Scheme and the Listing Rules, make an offer to any person belonging to any of the following classes of participants (“**Eligible Participant**”), to take up options to subscribe for Shares:

- (i) any employee (“**Eligible Employee**”) (whether full-time or part-time including any executive director but excluding any non-executive director) of our Company, any of our subsidiaries or any entity (“**Invested Entity**”) in which any member of our Group holds an equity interest;
- (ii) any non-executive directors (including independent non-executive directors) of our Company, any of our subsidiaries or any Invested Entity;
- (iii) any supplier of goods or services to any member of our Group or any Invested Entity;
- (iv) any customer of any member of our Group or any Invested Entity;
- (v) any person or entity that provides research, development or other technological support to any member of our Group or any Invested Entity;
- (vi) any shareholder of any member of our Group or any Invested Entity or any holder of any securities issued by any member of our Group or any Invested Entity;
- (vii) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of our Group or any Invested Entity; and
- (viii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of our Group;

and, for the purposes of the Share Option Scheme, the offer for the grant of option may be made to any company wholly owned by one or more persons belonging to any of the above classes of participants.

OTHER INFORMATION

Maximum number of shares available for issue under the scheme	(i) The maximum number of shares of the Company which may be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by our Group must not in aggregate exceed 30% of the share capital of our Company in issue from time to time. (ii) The total number of the shares of the Company which may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Group) to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the shares in issue on the Listing Date (such 10% being 21,600,000 shares).
Maximum entitlement of each participant	The total number of shares issued and which may fall to be issued upon the exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised and outstanding options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of our Company for the time being.
Period within which the securities must be taken up under an option	An option may be accepted by a participant within 21 days from the date of the offer for the grant of the option. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by our Directors to each grantee, which period may commence from the date of the offer for the grant of options is made, but shall end in any event not later than 10 years from the date of the offer for the grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by our Directors and stated in the offer for the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.
Performance targets	Unless our Directors otherwise determined and stated in the offer for the grant of options to a grantee, a grantee is not required to achieve any performance targets before any options granted under the Share Option Scheme can be exercised.
Subscription price for the shares and consideration for the option	The subscription price for the shares under the Share Option Scheme shall be a price determined by our Directors, but shall not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the shares on the date of the offer for the grant of the option, which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of the offer for the grant of the option; and (iii) the nominal value of a share. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.
Period of the Share Option Scheme	Subject to any early termination determined by the Board in accordance with the rules of the Share Option Scheme, the Share Option Scheme is valid and effective for a term of 10 years commencing on its adoption date (i.e. 22 November 2018 to 21 November 2028). As at 30 June 2025, the remaining life of the Share Option Scheme is approximately 3 years and 5 months.

No options had been granted or agreed to be granted under the Share Option Scheme since its adoption and up to the date of this report. The Company did not have any outstanding share options, warrants and instruments convertible into shares as at 30 June 2025 and up to the date of this report. The number of options available for grant under the Share Option Scheme at the beginning and the end of the Period was 21,600,000.

OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Corporate governance focuses on a listed company's internal processes and leadership, covering areas such as codes of conduct, audit and internal controls. The Board of the Company values the implementation of corporate governance and believes that sound corporate governance contributes to financial management and risk control of a listed company, improves its resilience and benefits the issuer and its investors on a long-term basis.

The Company has applied the principles set out in Part 2 of the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules. The Board believes that good corporate governance standards are essential in maintaining a balanced composition of executive Directors and independent non-executive Directors for the Board to exercise independent judgment effectively and providing a framework for the Company to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability. The Company has in place a corporate governance framework and has established a set of policies and procedures based on the CG Code. Such policies and procedures provide the infrastructure for enhancing the Board's ability to implement governance and exercise proper oversight on business conduct and affairs of the Company. The Board is of the view that the Company has complied with the code provisions of the CG Code as set out in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2025.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has devised its own code of conduct regarding Directors' dealings in the Company's securities (the “**Securities Dealing Code**”) on terms no less exacting than the Model Code as set out in Appendix C3 to the Listing Rules. Specific enquiry has been made to all the Directors and the Directors have confirmed that they have complied with the Securities Dealing Code throughout the six months ended 30 June 2025.

The Company has also adopted the Securities Dealing Code as the written guidelines (the “**Employees Written Guidelines**”) for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company. No incident of non-compliance of the Employees Written Guidelines by the relevant employees was noted by the Company.

CHANGES TO DIRECTORS' INFORMATION

Pursuant to the disclosure requirement under Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors for the six months ended 30 June 2025 and up to the date of this report are set out below:

Ms. Cui Meijian resigned as an executive Director of the Company on 17 January 2025. Ms. Cui has confirmed that she has no disagreement with the Board and nothing relating to the affairs of the Company needed to be brought to the attention of the shareholders of the Company.

Mr. Zhou Feng was appointed as a director of Guangzhou Sino Gas Fuel Sales Company Limited (廣州中油潔能燃氣銷售有限公司) and Guangzhou Sino Gas New Energy Company Limited (廣州中油潔能新能源有限公司) on 24 January 2025. Mr. Zhou was also appointed as a director of Henan Lantian Sino Gas Technology Company Limited (河南藍天中油潔能科技有限公司), Guangdong Sino Gas Investment Company Limited (廣東中油潔能投資有限公司), Sino Gas (Zhuhai) Limited (中油潔能(珠海)石化有限公司) and Guangdong Sino Gas Petrochemical Company Limited (廣東中油潔能石化有限公司) on 11 February 2025, 20 February 2025, 31 March 2025 and 25 April 2025 respectively.

Dr. Zheng Jian Peng was appointed as an independent non-executive director of Zhejiang Tengy Environmental Technology Co., Ltd. (HKEx stock code: 1527) on 30 May 2025.

OTHER INFORMATION

Ms. Ji Ling was appointed as a director of Guangdong Lunda Gas Smart Energy Company Limited (廣東倫達潔能智慧能源有限公司) on 31 March 2025.

Save as disclosed in this report, no other information is required to be disclosed pursuant to Rules 13.51B(1) of the Listing Rules.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities throughout the six months ended 30 June 2025.

DIVIDENDS

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained the prescribed percentage of public float under the Listing Rules.

REVIEW BY THE AUDIT COMMITTEE

The Audit Committee has reviewed the unaudited condensed consolidated interim results for the six months ended 30 June 2025 and this report, and agreed with the accounting principles and practices adopted by the Company.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, there has been no significant event that affected the Group after 30 June 2025 and up to the date of this report.

By Order of the Board

Ms. Ji Ling

Executive Director

Hong Kong, 29 August 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025 — unaudited (Expressed in Renminbi ("RMB"))

	Note	Six months ended 30 June	
		2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Revenue	4	1,140,332	677,584
Cost of sales		(1,115,536)	(649,855)
Gross profit		24,796	27,729
Other income, net	5	10,009	6,650
Staff costs	6(b)	(15,118)	(14,702)
Depreciation on property, plant and equipment and right-of-use assets	6(c)	(5,251)	(5,683)
Short-term lease charges	6(c)	(202)	(235)
Other operating expenses	6(d)	(11,419)	(10,750)
Finance costs	6(a)	(5,410)	(5,014)
Share of result of a joint venture		(740)	(1,461)
Share of result of associates		(13)	(1)
Loss before taxation		(3,348)	(3,467)
Income tax expenses	7	(260)	(374)
Loss for the period		(3,608)	(3,841)
Loss for the period attributable to:			
Equity holders of the Company		(2,660)	(3,284)
Non-controlling interests		(948)	(557)
Loss for the period		(3,608)	(3,841)
Loss per share (RMB)	8		
— Basic and diluted		(0.02)	(0.02)

The notes on pages 27 to 40 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

For the six months ended 30 June 2025 — unaudited (Expressed in Renminbi ("RMB"))

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Loss for the period	(3,608)	(3,841)
Other comprehensive (loss)/income for the period (after tax):		
<i>Item that is may be reclassified subsequently to profit or loss:</i>		
— Exchange difference on translation of functional currency to presentation currency	(1,461)	584
Total comprehensive loss for the period	(5,069)	(3,257)
Total comprehensive loss for the period attributable to:		
Equity holders of the Company	(4,121)	(2,700)
Non-controlling interests	(948)	(557)
Total comprehensive loss for the period	(5,069)	(3,257)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025 — unaudited (Expressed in RMB)

	Note	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Non-current assets			
Property, plant and equipment and right-of-use assets	9	98,970	104,493
Interest in a joint venture		8,182	8,922
Interest in associates		15,912	14,925
Financial assets measured at fair value through profit or loss	18	24,301	24,301
Deferred tax assets		10,365	10,341
		157,730	162,982
Current assets			
Inventories		2,340	3,059
Trade receivables	10	195,092	158,063
Prepayments, deposits and other receivables	11	68,663	43,467
Income tax recoverable		3,053	2,600
Pledged and restricted deposits	12	815,000	615,000
Bank balances and cash	12	136,564	154,440
		1,220,712	976,629
Current liabilities			
Interest-bearing borrowings	13	960,000	720,000
Trade payables	14	8,613	7,326
Accrued expenses and other payables	15	23,017	20,055
Lease liabilities		806	877
		992,436	748,258
Net current assets		228,276	228,371
Total assets less current liabilities		386,006	391,353

The notes on pages 27 to 40 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

At 30 June 2025 — unaudited (Expressed in RMB)

		At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Non-current liabilities			
Lease liabilities		1,127	1,405
Deferred tax liabilities		1,671	1,671
		2,798	3,076
NET ASSETS		383,208	388,277
CAPITAL AND RESERVES			
Share capital	16	1,892	1,892
Reserves		366,861	370,982
Equity attributable to equity holders of the Company		368,753	372,874
Non-controlling interests		14,455	15,403
TOTAL EQUITY		383,208	388,277

The notes on pages 27 to 40 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025 — unaudited (Expressed in RMB)

	Attributable to equity shareholders of the Company						Non-controlling interests RMB'000	Total RMB'000
	Share capital RMB'000	Share premium RMB'000	Other reserve RMB'000	Statutory reserve RMB'000	Exchange reserve RMB'000	Retained profits RMB'000		
Balance at 1 January 2024 (audited)	1,892	173,360	(11,970)	53,802	1,599	167,525	386,208	407,032
Changes in equity for the period ended 30 June 2024:								
Loss for the period	-	-	-	-	-	(3,284)	(3,284)	(3,841)
Exchange difference on translation of functional currency to presentation currency	-	-	-	-	584	-	584	584
Total comprehensive income (loss)	-	-	-	-	584	(3,284)	(2,700)	(3,257)
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Balance at 30 June 2024 (unaudited)	1,892	173,360	(11,970)	53,802	2,183	164,241	383,508	403,775
Balance at 1 January 2025 (audited)	1,892	173,360	(11,970)	54,008	628	154,956	372,874	388,277
Changes in equity for the six months ended 30 June 2025:								
Loss for the period	-	-	-	-	-	(2,660)	(2,660)	(3,608)
Exchange difference on translation of functional currency to presentation currency	-	-	-	-	(1,461)	-	(1,461)	(1,461)
Total comprehensive loss	-	-	-	-	(1,461)	(2,660)	(4,121)	(5,069)
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Balance at 30 June 2025 (unaudited)	1,892	173,360	(11,970)	54,008	(833)	152,296	368,753	383,208

The notes on pages 27 to 40 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2025 — unaudited (Expressed in RMB)

	Note	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net cash generated from operating activities		4,966	29,573
Net cash generated from investing activities		5,995	6,018
Net cash used in financing activities		(27,376)	(5,724)
Net (decrease) increase in cash and cash equivalents		(16,415)	29,867
Cash and cash equivalents at the beginning of the period	12	154,440	157,872
Effect of foreign exchange rate changes		(1,461)	584
Cash and cash equivalents at the end of the period	12	136,564	188,323

The notes on pages 27 to 40 form part of this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in RMB unless otherwise indicated)

1 CORPORATE INFORMATION

Sino Gas Holdings Group Limited (the “**Company**”) was incorporated in the Cayman Islands on 26 March 2018 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 28 December 2018. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the retail and wholesale of liquefied petroleum gas (“**LPG**”), compressed natural gas (“**CNG**”) and liquefied natural gas (“**LNG**”) in the People’s Republic of China (the “**PRC**”).

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The condensed interim financial information for the six months ended 30 June 2025 (the “**Reporting Period**” or “**Period**”) has been prepared in accordance with IAS Standards 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (the “**IASB**”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). It was authorised for issue on 29 August 2025.

This condensed interim financial information contains the condensed consolidated financial statements and selected explanatory notes for the six months ended 30 June 2025 that are significant to an understanding of the changes in financial position and performance of the Group since 31 December 2024, and therefore, does not include all the information and disclosures required for a full set of financial statements prepared in accordance with all applicable IFRS Accounting Standards (“**IFRSs**”). They shall be read in conjunction with the consolidated financial statements for the year ended 31 December 2024.

The condensed interim financial information is unaudited, but has been reviewed by the audit committee of the Company (the “**Audit Committee**”).

(b) Changes in accounting policies

The accounting policies adopted in preparing this condensed interim financial information are consistent with those applied in preparing the Group’s consolidated financial statements for the year ended 31 December 2024. The adoption of the new/revised IFRSs that are relevant to the Group and effective for the current period had no significant effects on the results and financial position of the Group for the current and prior periods.

The Group has not early adopted any new/revised IFRSs that have been issued but are not yet effective for the financial year beginning on 1 January 2025. The directors of the Company are in the process of assessing the possible impact on the future adoption of these new/revised IFRSs, but are not yet in a position to reasonably estimate their impact on the Group’s results and financial position.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT *(Continued)*

(Expressed in RMB unless otherwise indicated)

3 SEGMENT INFORMATION

The Group manages its reporting segments by different business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management and the Board of directors for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments.

- Retail: This segment principally generates revenue from the sale of LPG, CNG and LNG to vehicular end users by operating gas refuelling stations and industrial customers.
- Wholesale: This segment principally generates revenue from the sale of LPG, CNG and LNG to gas merchants.

For the purposes of assessing the performance of operating segments and allocating resources between segments, the Group's most senior executive management and the Board of directors monitor the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the cost of sales incurred by those segments. The measure used for reporting segment result is gross profit. Assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

Inter-segment sales are priced at cost plus profit margin. The Group's other expenses, such as staff costs and other operating expenses, and assets and liabilities are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, interested income and interest expense is presented.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

3 SEGMENT INFORMATION (Continued)

(a) Segment results

Analysis of the Group's segmental information by business and geographical location during the six months is set out below:

	Six months ended 30 June				
	Retail 2025 RMB'000 (Unaudited)	Wholesale 2025 RMB'000 (Unaudited)	Unallocated 2025 RMB'000 (Unaudited)	Inter- segment elimination 2025 RMB'000 (Unaudited)	Total 2025 RMB'000 (Unaudited)
Revenue recognised at a point in time before elimination	57,036	2,358,785	–	(1,275,489)	1,140,332
Inter-segment revenue	(3,673)	(1,271,816)	–	1,275,489	–
Revenue recognised at a point in time after elimination	53,363	1,086,969	–	–	1,140,332
Reportable segment gross profit after elimination	15,390	9,406	–	–	24,796
Other income, net	773	7,186	2,050	–	10,009
Depreciation on property, plant and equipment and right-of-use assets	(3,246)	(1,772)	(233)	–	(5,251)
Short-term lease charges	(68)	(134)	–	–	(202)
Finance costs	(97)	(5,305)	(8)	–	(5,410)
Share of result of associates	–	–	(13)	–	(13)
Share of result of a joint venture	–	–	(740)	–	(740)
Unallocated staff costs	–	–	(15,118)	–	(15,118)
Unallocated other operating expenses	–	–	(11,419)	–	(11,419)
Total consolidated loss before taxation					(3,348)

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

3 SEGMENT INFORMATION (Continued)

(a) Segment results (Continued)

	Six months ended 30 June				
	Retail	Wholesale	Unallocated	Inter-segment	Total
	2024	2024	2024	elimination	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue recognised at a point in time before elimination	72,954	1,335,572	–	(730,942)	677,584
Inter-segment revenue	(2,894)	(728,048)	–	730,942	–
Revenue recognised at a point in time after elimination	70,060	607,524	–	–	677,584
Reportable segment gross profit after elimination	21,958	5,771	–	–	27,729
Other income, net	191	6,279	180	–	6,650
Depreciation on property, plant and equipment and right-of-use assets	(3,055)	(2,172)	(456)	–	(5,683)
Short-term lease charges	(174)	(61)	–	–	(235)
Finance costs	(58)	(4,869)	(87)	–	(5,014)
Share of result of an associate	–	–	(1)	–	(1)
Share of result of a joint venture	–	–	(1,461)	–	(1,461)
Unallocated staff costs	–	–	(14,702)	–	(14,702)
Unallocated other operating expenses	–	–	(10,750)	–	(10,750)
Total consolidated loss before taxation					(3,467)

(b) Geographic information

The Group's revenue is substantially generated from the sales of LPG, CNG and LNG in the PRC. The Group's operating assets are substantially situated in the PRC. Accordingly, no segment analysis based on geographical locations of the customers and assets is provided for the six months ended 30 June 2025 and 2024.

(c) Information about major customers

No revenue from a single external customer amounted to 10% or more of the Group's revenue for the six months ended 30 June 2025 and 2024.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

4 REVENUE

	Six months ended 30 June 2025		
	Retail RMB'000 (Unaudited)	Wholesale RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue from contracts with customers within IFRS 15			
— LPG	—	1,056,288	1,056,288
— CNG	42,598	25,483	68,081
— LNG	10,765	—	10,765
— Others	—	5,198	5,198
	53,363	1,086,969	1,140,332

	Six months ended 30 June 2024		
	Retail RMB'000 (Unaudited)	Wholesale RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue from contracts with customers within IFRS 15			
— LPG	—	582,195	582,195
— CNG	65,180	17,354	82,534
— LNG	4,880	—	4,880
— Others	—	7,975	7,975
	70,060	607,524	677,584

5 OTHER INCOME, NET

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Lease income from operating leases	1,188	432
Government grants	15	197
Interest income	7,181	6,903
Investments income	912	—
Net gain on disposal of subsidiaries	597	—
Net foreign exchange loss	(257)	(1,249)
Others	373	367
	10,009	6,650

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

6 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

(a) Finance costs

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Interest on bank loans	5,370	4,914
Interest on lease liabilities	40	100
	5,410	5,014

(b) Staff costs

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Salaries, wages, and other benefits	14,082	13,688
Defined contribution retirement plan contributions	1,036	1,014
	15,118	14,702

(c) Other items

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Depreciation charge		
— Property, plant and equipment	4,000	5,178
— Right-of-use assets	1,251	505
Short-term lease charges	202	235
Cost of inventories	1,115,536	649,855

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

6 LOSS BEFORE TAXATION (Continued)

(d) Other operating expenses

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Utilities expenses	1,657	2,447
Professional service fees	1,115	2,796
Maintenance expenses	1,484	783
Taxation other than income tax	1,625	1,017
Administrative expenses	472	601
Entertainment expenses	737	649
Transportation fees	361	459
Loss of disposal of property, plant and equipment, net	976	25
Others	2,992	1,973
Other operating expenses	11,419	10,750

7 TAXATION

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Current tax		
Provision for the period	312	490
Deferred tax		
Origination and reversal of temporary differences	(52)	(116)
	260	374

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Company and the Group's BVI subsidiaries are not subject to income tax in those jurisdictions.
- (ii) The Company and the subsidiaries of the Group incorporated in Hong Kong are subject to Hong Kong Profits Tax rate of 16.5% for the six months ended 30 June 2025 (six months ended 30 June 2024: 16.5%). These companies did not have assessable profits for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB Nil).
- (iii) The Group's subsidiaries in the PRC (excluding Hong Kong) are subject to PRC Enterprise Income Tax at a rate of 25% during the six months ended 30 June 2025 (six months ended 30 June 2024: 25%).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

8 LOSS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the loss attributable to ordinary equity shareholders of the Company of approximately RMB2,660,000 for the six months ended 30 June 2025 (six months ended 30 June 2024 (unaudited): loss of approximately RMB3,284,000) and the weighted average of 216,000,000 ordinary shares (six months ended 30 June 2024 (unaudited): 216,000,000 ordinary shares).

(b) Diluted earnings per share

There were no dilutive potential shares outstanding during the six months ended 30 June 2025 and 2024 (unaudited).

9 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

(a) Right-of-use assets

For the six months ended 30 June 2025, the additions to right-of-use assets were RMB Nil (six months ended 30 June 2024 (unaudited): RMB Nil).

(b) Property, plant and equipment

For the six months ended 30 June 2025, the Group's additions to property, plant and equipment were approximately RMB0.01 million (six months ended 30 June 2024 (unaudited): approximately RMB0.3 million). Property, plant and equipment with a net carrying amount of approximately RMB1.0 million were disposed during the six months ended 30 June 2025 (six months ended 30 June 2024 (unaudited): approximately RMB0.1 million), contributing to a loss on disposal of approximately RMB1.0 million (six months ended 30 June 2024 (unaudited): a loss on disposal of approximately RMB0.1 million).

10 TRADE RECEIVABLES

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Trade receivables due from:		
— the third parties	146,597	112,301
— a joint venture	52,320	49,587
	198,917	161,888
Less: loss allowance	(3,825)	(3,825)
	195,092	158,063

At 30 June 2025, no trade and other receivables are expected to be recovered after more than 12 months (2024: Nil).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

10 TRADE RECEIVABLES (Continued)

Ageing analysis

As of the end of the Reporting Period, the ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Within 1 month	108,102	68,928
1 to 3 months	23,081	33,080
3 to 6 months	20,663	18,446
Over 6 months	20,579	25,437
Over 12 months	22,667	12,172
	195,092	158,063

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Prepayments for purchase of inventories	38,304	19,984
Loan granted to a third party	2,001	4,152
Receivables from disposal of subsidiaries	600	–
Deposits and other receivables	35,572	27,414
	76,477	51,550
Less: loss allowance	(7,814)	(8,083)
	68,663	43,467

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

12 CASH AND CASH EQUIVALENTS AND PLEDGED AND RESTRICTED DEPOSITS

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Bank balances and cash	136,564	154,440
Pledged and restricted bank deposits	815,000	615,000
Total cash and cash equivalents, pledged and restricted deposits	951,564	769,440
Less: pledged and restricted bank deposits	(815,000)	(615,000)
Cash and cash equivalents in the condensed consolidated cash flow statement	136,564	154,440

- (i) Included in pledged and restricted bank deposits, RMB815,000,000 (31 December 2024 (audited): RMB615,000,000) was pledged as securities for the Group's bank loans (see Note 13) at 30 June 2025.
- (ii) The Group's operations in the PRC (excluding Hong Kong) conducted their businesses in RMB. RMB is not a freely convertible currency and the remittance of funds out of the PRC (excluding Hong Kong) is subject to the exchange restrictions imposed by the PRC government.

13 INTEREST-BEARING BORROWINGS

The Group's short-term bank loans are analysed as follows:

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Secured bank loans and other borrowings	960,000	720,000

At 30 June 2025, the Group's short-term bank loans of RMB960,000,000 (31 December 2024 (audited): RMB720,000,000) were secured by time deposits with financial institutions, certificates of pledged and restricted bank deposits (see Note 12).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

14 TRADE PAYABLES

As of the end of the Reporting Period, the ageing analysis of trade creditors based on the invoice date, is as follows:

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Trade payables — third parties	8,613	7,326
	8,613	7,326

The trade payables to third parties are unsecured, interest-free and with credit period of 30 to 90 days.

As of the end of the Reporting Period, the ageing analysis of the Group's trade payables by invoice date, is summarised as follows:

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Within 1 month	8,194	6,895
1 to 3 months	235	221
3 to 6 months	—	—
Over 6 months	184	210
	8,613	7,326

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

15 ACCRUED EXPENSES AND OTHER PAYABLES

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Employee benefits payables	2,620	2,109
Other taxes payable	535	81
Accrued charges and other payables	7,964	11,177
	11,119	13,367
Contract liabilities — receipts in advance from customers	11,898	6,688
	23,017	20,055

16 SHARE CAPITAL

	30 June 2025 (unaudited)		31 December 2024 (audited)	
	Number of shares	HK\$'000	Number of shares	HK\$'000
Authorised:				
Ordinary shares of HK\$0.01 each	2,000,000,000	20,000	2,000,000,000	20,000
Issued and fully paid:				
At beginning of the year and at the end of the reporting period	216,000,000	1,892	216,000,000	1,892

17 DIVIDENDS

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB Nil).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

18 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the Reporting Period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

	Fair value at 30 June 2025 RMB'000 (unaudited)	Fair value measurements at 30 June 2025 categorised into		
		Level 1 RMB'000	Level 2 RMB'000 (unaudited)	Level 3 RMB'000
Recurring fair value measurements				
Assets:				
Financial assets measured at fair value through profit or loss:				
— Unlisted equity securities	24,301	—	—	24,301

	Fair value at 31 December 2024 RMB'000 (audited)	Fair value measurements at 31 December 2024 categorised into		
		Level 1 RMB'000	Level 2 RMB'000 (audited)	Level 3 RMB'000

Recurring fair value measurements

Assets:

Financial assets measured at fair value
through profit or loss:

— Unlisted equity securities 24,301 — — 24,301

During the six months ended 30 June 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the Reporting Period in which they occur.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

(Expressed in RMB unless otherwise indicated)

19 COMMITMENTS

Capital expenditure commitments

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Contracted but not provided net of deposit paid for property, plant and equipment	299	299

20 CONTINGENT LIABILITIES

In 2019, a subsidiary of the Group and other third parties have been claimed, as the defendants, to compensate for damages arising from debt disputes with the plaintiff. The maximum liability of the Group under the claims may amount to approximately RMB69,350,000 (the “**Claim I**”). In 2020, a judgement was determined in favor of the subsidiary of the Group without liability. In 2021, the aforesaid judgement was revoked for a re-trial and subsequently were completed and determined that no liability was required for the Group in 2022. After the completion of re-trial, the plaintiff has further submitted an appeal on the judgement. In June 2023, the court determined again that the subsidiary of the Group should not have liability. In 2024, the plaintiff has further submitted an appeal on the judgement again. In July and December 2024, the court rejected the re-trial application, and the case has been closed.

In 2023, same subsidiary of the Group and other third parties have also been claimed, as the defendants, to compensate for damages for the purpose of debt disputes with the plaintiff. The maximum exposure of the Group under the claims may amount to approximately RMB14,054,000 (the “**Claim II**”). In July 2024, the court rejected the claim against the subsidiary of the Group. The plaintiff had not submitted the appeal and the statute of limitations for appeal had expired, and the case has been closed.

Accordingly, no provision has been made as at 30 June 2025.

21 MATERIAL RELATED PARTY TRANSACTIONS

The material related party transactions entered into by the Group during the six months ended 30 June 2025 and 2024 are set out below.

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Sales of goods		
— A joint venture	660,819	418,795
Sales of goods		
— A connected person	13,652	32,829
Procurement of goods		
— A joint venture	2,966	15,098
Provision of transportation services		
— A joint venture	1,154	1,924