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天津津燃公用事業股份有限公司

TIANJIN JINRAN PUBLIC UTILITIES COMPANY LIMITED

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

(Stock Code: 01265)

**CONTINUING CONNECTED TRANSACTIONS IN RELATION TO
GAS PIPELINE LEASE AGREEMENT**

On 25 December 2025, the Company and Jinran China Resources entered into the Lease Agreement in respect of the Company leasing the Gas Pipelines to Jinran China Resources.

LISTING RULES IMPLICATIONS

Jinran China Resources is a controlling shareholder and thus a connected person of the Company. The entering into of the Lease Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules for the Lease Agreement exceed 0.1% but all applicable percentage ratios are less than 5%, the Lease Agreement and the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

The principal terms of the Lease Agreement are summarised as follows:

Date:

25 December 2025

Parties:

- (i) The Company (as lessor)
- (ii) Jinran China Resources (as leasee)

Major terms:

Subject matters to be leased: the Gangnan Pipeline and the Beihuan Pipeline

Lease Term: 25 December 2025 to 24 December 2028

Annual Rent: RMB7,830,000 (tax inclusive) per annum

Jinran China Resources shall pay the Annual Rent for the respective year in single installment before 31 December 2025, 31 December 2026, and 31 December 2027, respectively, after receiving value-added tax-invoice(s) issued by the Company

Purpose: Jinran China Resources' gas transmission business

Pursuant to the Lease Agreement, Jinran China Resources has the right to use the Gas Pipelines during the Lease Term. It shall be responsible for the day-to-day management of the Gas Pipelines (including (without limitation) inspections, testing, maintenance, servicing and emergency repairs, etc) and shall bear the costs associated with routine operation and maintenance management (excluding emergency repair costs). The Company shall bear the capitalizable costs associated with gas pipeline modifications, emergency repairs and replacement of ancillary facilities.

Any liabilities arising from safety issues caused by the Company shall be borne by the Company, and any liabilities arising from safety issues caused by Jinran China Resources shall be borne by Jinran China Resources. For damage and/or liabilities arising from safety issues caused by a third party, the Company shall be responsible for pursuing claims against such party, while Jinran China Resources shall cooperate.

The Gas Pipelines are currently owned by the Company, and the Company may sell or otherwise dispose of the Gas Pipelines (including any part of it) during the Lease Term provided that such disposal shall not affect the performance of the Lease Agreement or Jinran China Resources' right to use the Gas Pipelines. If the Company sells the gas pipelines (including any part thereof) during the Lease Term, Jinran China Resources has a first right of refusal to purchase on the same conditions, the relevant part(s) of the Gas Pipelines proposed to be sold or disposed of, (subject to compliance with relevant laws, rules and regulations, including the Listing Rules).

The Lease Agreement shall be effective upon, among other things, the Company having completed and fulfilled the applicable requirements under its articles of association, laws and rules (including the Listing Rules) (including having obtained the approval from the Board and the independent Shareholders, if required).

Basis of determining the Gas Pipeline Lease Fee:

The Annual Rent was arrived at after arm's length negotiation between Jinran China Resources and the Company. It was determined with reference to, among other things: (i) the Company's construction costs of the Gas Pipelines of approximately RMB220 million, and its annual depreciation of approximately RMB6.6 million; (ii) the annual rental market value of the leased pipelines as at 31 October 2025 of approximately RMB7.8 million as appraised by the domestic valuation firm engaged by the Company adopting the income approach; (iii) associated taxes applicable (including value-added taxes, urban maintenance and construction tax, educational surtax, local educational surcharges); and (iv) a moderate return for the Company.

The Group did not lease any gas pipelines to Jinran China Resources in 2023, 2024 and 2025. The transaction amounts received by the Company for leasing gas pipelines to Jinran China Resources and its associates was approximately RMB1.8 million for the four months ended 30 April 2022.

INTERNAL CONTROL MEASURES FOR THE LEASE AGREEMENT

The Company has adopted the following internal control measures, which the Company believes could facilitate the supervision and monitoring of the transactions under the Lease Agreement, and ensuring the pricing and term thereunder are fair and reasonable and no less favourable than those offered by independent third parties:

1. the Company has established a series of internal rules and policies relating to the management and control of connected transactions, including a decision making system for connected transactions;
2. the Company had checked, conducted research, and assessed the fairness and reasonableness of the terms of the Lease Agreement are fair, reasonable, and not less favourable than those available to or from independent third parties;
3. the Company's external auditors will be engaged to report on the Lease Agreement every year in compliance with the Listing Rules; and
4. the independent non-executive Directors will conduct an annual review of the implementation and enforcement of the transactions contemplated under the Lease Agreement.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LEASE AGREEMENT

The Company owns the Gas Pipelines. The Gas Pipelines are currently not being used in the Company's ordinary and usual course of business, and has been left idle. The Lease Agreement will provide a rental income to the Company, and improve the rate of utilization of the Company's gas pipeline infrastructure.

The Board (including independent non-executive Directors) considers that the Lease Agreement was entered into in the usual and ordinary course of business of the Company, such transaction has been negotiated on an arm's length basis and on normal commercial terms or better between the Company and Jinran China Resources, and the transaction contemplated under the Lease Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE GROUP

The Group's principal activities are the operation and management of gas pipeline infrastructure and the sale and distribution of piped gas in the PRC.

INFORMATION JINRAN CHINA RESOURCES

Jinran China Resources is a controlling shareholder of the Company, which holds 1,297,547,800 domestic shares of the Company, representing approximately 70.54% of the issued shares of the Company, as of the date of this announcement. Jinran China Resources is held as to 51% by Tianjin Gas and as to 49% by China Resources Gas (Hong Kong) Investment Limited (a wholly-owned subsidiary of China Resources Gas Group Limited (the shares of which are listed on the Stock Exchange)). The ultimate beneficial owner of Tianjin Gas is the State-owned Assets Supervision and Administration Commission of the Tianjin Municipal People's Government, a special commission directly under the Tianjin Municipal People's Government.

The principal businesses of Jinran China Resources include operation of gas pipeline infrastructure, supply of natural gas to other gas supply operators in the Tianjin area, the sales and distribution of piped gas to end users and the sale of gas appliances and equipment in connection with gas supply in certain areas of Tianjin.

LISTING RULES IMPLICATIONS

Jinran China Resources is a controlling shareholder and thus a connected person of the Company. The entering into of the Lease Agreement by the Company and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules for the Lease Agreement exceed 0.1% but all applicable percentage ratios are less than 5%, the Lease Agreement and the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Wang Cong (an executive Director), Mr. Zhang Jinghan, Ms. Sha Caiping and Mr. Yang Zufeng (each a non-executive Director) held concurrent positions in Jinran China Resources and/or its related company(ies). For good corporate governance practice, each of them has abstained from voting on the resolutions in relation to the Lease Agreement. Save as disclosed above, none of the Directors have to abstain from voting on the Lease Agreement for having a material interest in the Lease Agreement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Annual Rent”	RMB7.83 million per annum (tax inclusive)
“Beihuan Pipeline”	the high pressure gas pipeline with a diameter of DN700, design pressure of 4.0MPa, extending from the Gaotiao Station (Dong Jin Road) of Airport Phase II (空港二期高調站(東金路)) to East Jianggang Port Gaotiao Station (Haifang Road) (東疆港高調站(海防路)) along Gangcheng Avenue, Tianjin, measuring approximately 31.45 km
“Board”	the board of Directors
“Company”	天津津燃公用事業股份有限公司 (Tianjin Jinran Public Utilities Company Limited), a joint stock limited company incorporated in the People’s Republic of China, whose H shares are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Gangnan Pipeline”	the high pressure gas pipeline with a diameter of DN600, design pressure of 1.6MPa, extending from the Dazhangtuo Underground Garage (大張坨地庫) to Xianshuigu First Station (咸水沽首站) along Hangang Highway, Tianjin, measuring approximately 24.52 km
“Gas Pipelines”	the Gangnan Pipeline and the Beihuan Pipeline
“Group”	the Company and its subsidiaries
“Jinran China Resources”	津燃華潤燃氣有限公司 (Jinran China Resources Gas Co., Ltd), a company established in the PRC with limited liability; and a controlling shareholder of the Company
“Lease Agreement”	the gas pipeline lease agreement dated 25 December 2025 entered into between the Company and Jinran China Resources in respect of the Company leasing the Gas Pipelines to Jinran China Resources for the Lease Term

“Lease Term”	25 December 2025 to 24 December 2028
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“normal commercial terms or better”	has the meaning ascribed to it under the Listing Rules
“PRC”	The People’s Republic of China, and for the purpose of this announcement, does not include the Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Gas”	天津市燃氣集團有限公司 (Tianjin Gas Group Company Limited), a state-owned enterprise established in the PRC with limited liability

By Order of the Board
Tianjin Jinran Public Utilities Company Limited
Wang Cong
Chairman of the Board

Tianjin, the PRC, 28 December 2025

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Wang Cong (Chairman of the Board), Ms. Tang Jie and Mr. Sun Liangchuan, three non-executive Directors, namely Mr. Zhang Jinghan, Ms. Sha Caiping and Mr. Yang Zufeng and three independent non-executive Directors, namely Mr. Yu Jian Jun, Ms. Ji Xuefeng and Mr. Bai Mo.

In this announcement, the English names of certain PRC entities and persons are translations of their Chinese names and included herein for identification purpose only. If there is any inconsistency, the Chinese names shall prevail.

Certain figures in this announcement have been subject to rounding adjustments. This announcement contains forward-looking statements that reflect the Company’s beliefs, plans or expectations about the future. These statements are based on a number of assumptions, current estimates and projections, and are therefore subject to inherent risks, uncertainties and other factors. Neither the Company nor its directors, officers, employees, agents, affiliates, advisers or representatives assume any responsibility to update, supplement or correct these statements or to adapt them to future events or developments.