

**Towngas Smart Energy’s core operating profit surges 57.5%
to over HK\$700 million in half-year results**

(15 August 2024) Towngas Smart Energy Company Limited (the “Group”; stock code: 1083) has announced its interim results. During the period, it recorded a significant 57.5% rise in its core operating profit to HK\$707 million.

During the period, the Group’s revenue increased by 6.3% to HK\$10,501 million (increased by 10.2% in RMB). After deducting non-operating gains and losses, the profit attributable to shareholders of the Company reached HK\$743 million. The Group states that the substantial increase in renewable energy business profits and steady growth in gas business profits, along with a reduction in financing costs through stringent control of capital expenditure and successful procurement of low-interest loans, contributed to a significant 57.5% rise in the Group’s core operating profit to HK\$707 million.

The renewable energy business continued to develop at a rapid pace, and the scale effect gradually emerged. The net profit of the renewable energy business jumped sharply to HK\$164 million. During the period, the Group confirmed plans to develop 128 zero-carbon smart industrial parks, and signed contracts for an aggregate amount of 3.3GW photovoltaic capacity and cumulatively connected 2.1GW to the grid. With the business covering energy storage, power trading, carbon asset management and other comprehensive energy and carbon service fields, it will become another driver of profit growth through an asset-light model.

For the city-gas business, benefitting from the flourishing development of the “new trio” industries (the production of electric vehicles, lithium-ion batteries, and photovoltaic products) and the Group’s launch of “Gas+” services to enhance energy efficiency for large-scale industrial and commercial customers, gas sales were boosted. The Group’s overall gas sales volume recorded a considerable increase during the period, rising 6% to 8.741 billion cubic metres.

On the other hand, through cost pass-through efforts and refined management, the average dollar margin for city gas increased to RMB0.56 per cubic metre (an increase of RMB0.02 per cubic metre compared to the same period in 2023), maintaining a steady profit growth in the overall gas business.

For details of the results, please refer to the 2024 Interim Results Announce published on the Company’s website at www.towngassmartenergy.com and the HKEXnews website at www.hkexnews.hk.

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Press photos: [Download the photos](#)

Photo 1:

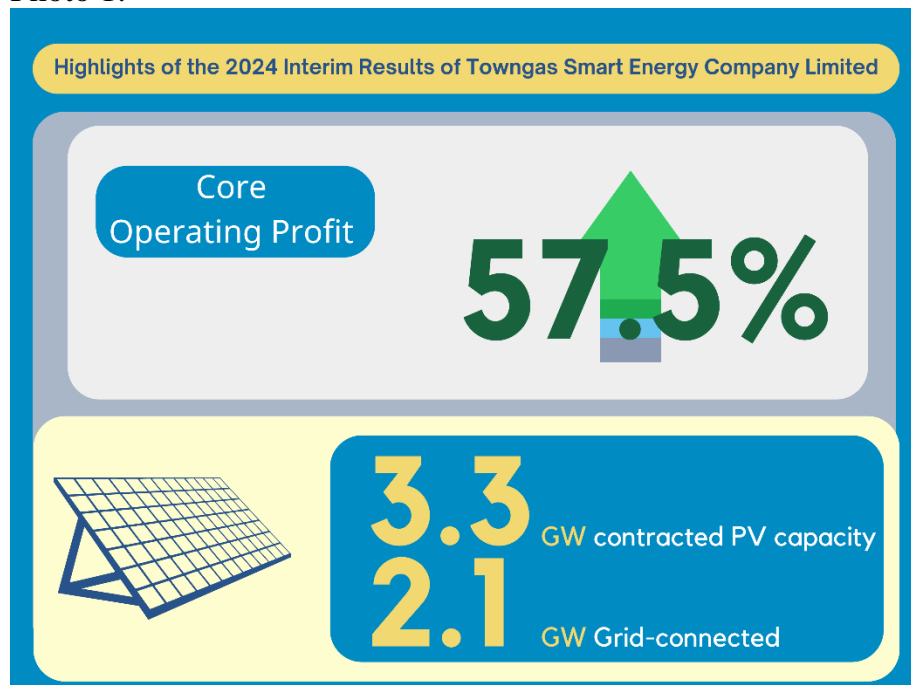


Photo 2:



Dr. John Qiu, Executive Director and Chief Operating Officer (Renewable Business) of Towngas Smart Energy Company Limited, Mr. Edmund Yeung, Executive Director and Chief Financial Officer of The Hong Kong and China Gas Company Limited, Mr. Peter Wong, Executive Director and Chief Executive Officer of Towngas Smart Energy Company Limited, Mr. Martin Kee, Executive Director and Chief Operating Officer (Gas Business) of Towngas Smart Energy Company Limited, and Mr. Lawrence Fok, Chief Financial Officer of Towngas Smart Energy Company Limited. (from left to right)

Photo 3:



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For media enquiries, please contact:
The Hong Kong and China Gas Company Limited

Ms May Tam
Assistant Corporate Affairs Manager
Tel: 2963 3475 / 9192 0062
Email: tam.may@tongas.com

Ms Kara Kwong
Senior Corporate Affairs Officer
Tel: 2963 3497 / 6698 3357
Email: kara.kwong@tongas.com