



VESTIGIA EXTRACTION BRIEF

The Hong Kong and China Gas Company Limited

00003 .HK

Fiscal Year	FY2025
Source	HKEX Disclosure
Volume Parsed	Full Filing
Auditor	PricewaterhouseCoopers (Big 4)
VIE Structure	Not Disclosed
Processing Time	7.2 min

Vestigia Labs

This brief is an automated extraction and synthesis of publicly available filings generated by the Vestigia Labs architecture. It does not constitute an audit, a verification of fact, or investment advice. All figures should be cross-referenced against source filings before use in any investment decision.

FINANCIAL VARIANCE

Confidence: HIGH

The company experienced a notable decline in operating cash flow and revenue, alongside an increase in inventory, which may indicate operational challenges or slowing demand. While impairment losses decreased, the company maintains a significant net current liabilities position. TEMPORAL NOTE: This company uses a December fiscal year. The figure reported as 'FY2025' covers January 2025 to December 2025.

Key Observations

- Net cash from operating activities decreased by 17.67% to HK\$9,000.3 million in FY2025, a more significant decline than the 5.72% decrease in profit for the year.
- Inventories increased by 8.86% to HK\$2,794.6 million in FY2025, while revenue decreased by 2.63% to HK\$55,472.8 million, indicating an inventory build-up relative to sales.
- The company reported a net current liabilities position of approximately HK\$11.7 billion as at 31st December FY2025, including HK\$13.5 billion in borrowings repayable within one year.
- Net gain on disposal of subsidiaries decreased from HK\$4,677.2 million in FY2024 to HK\$182.9 million in FY2025, indicating a reduction in large one-off gains from asset sales.

QUANTITATIVE INDICES

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INDEX / METRIC	EXTRACTED VALUE	CLASSIFICATION
Beneish M-Score	-2.54	BASELINE DATA
Sloan Accrual Ratio	-2.1%	BASELINE DATA
Tick & Tie Integrity	BASELINE DATA	—
Independent Auditor	PricewaterhouseCoopers	BASELINE ALIGNED
Bilingual Discrepancies	0	BASELINE ALIGNED

DEBT CONSOLIDATION & LEVERAGE

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- Total borrowings (including redeemable perpetual securities) decreased from HK\$57,768.9 million in FY2024 to HK\$57,422.2 million in FY2025 [Page 154].
 - The gearing ratio increased from 41% in FY2024 to 43% in FY2025 [Page 154].
 - The Group reported a net current liabilities position of approximately HK\$11.7 billion as at 31st December FY2025, which included HK\$13.5 billion in borrowings repayable within one year [Page 119].
 - The reclassification of convertible bonds from non-current to current liabilities in FY2025, due to amendments to HKAS 1 and HK Int 5, shifted HK\$1,849.6 million to current borrowings [Page 120-123].

OFF-BALANCE SHEET & RELATED PARTY

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- The Group did not provide any guarantee in respect of bank borrowing facilities made available to any associates, joint ventures or third parties in FY2025 [Page 59].
 - All bank and other loans were unsecured in FY2025 [Page 208].
 - Leased assets may not be used as security for borrowing purposes, and lease agreements do not impose any covenants [Page 178].

LIQUIDITY VARIANCE

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- Net cash from operating activities decreased by 17.67% from HK\$10,931.7 million in FY2024 to HK\$9,000.3 million in FY2025 [Page 117].
 - Profit for the year decreased by 5.72% from HK\$7,171.3 million in FY2024 to HK\$6,761.2 million in FY2025 [Page 111].
 - Cash and cash equivalents at the end of the year decreased from HK\$8,972.1 million in FY2024 to HK\$6,271.5 million in FY2025 [Page 118].

EARNINGS QUALITY & GOVERNANCE

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- Revenue decreased by 2.63% from HK\$56,971.1 million in FY2024 to HK\$55,472.8 million in FY2025 [Page 111].
 - Profit Attributable to Shareholders decreased by 5.91% from HK\$6,070.1 million in FY2024 to HK\$5,711.5 million in FY2025 [Page 111].

- Sloan Accruals (Net Income minus Cash Flow from Operations) remained negative in FY2025 at -HK\$2,239.1 million, indicating operating cash flow exceeded net income [Page 111, 119].
- Impairment losses for assets significantly decreased from HK\$1,089.3 million in FY2024 to HK\$178.3 million in FY2025, impacting the 'Other gains, net' line item [Page 165].
- Net gain on disposal of subsidiaries decreased from HK\$4,677.2 million in FY2024 to HK\$182.9 million in FY2025, indicating a reduction in large one-off gains from asset sales [Page 165].
- Fair value (loss)/gain on investment property was a loss of HK\$34.5 million in FY2025, compared to a gain of HK\$4.6 million in FY2024 [Page 165].
- Inventories increased by 8.86% to HK\$2,794.6 million in FY2025, while revenue decreased by 2.63% to HK\$55,472.8 million, indicating an inventory build-up relative to sales [Page 111, 115].

CAPITAL STRUCTURE & SHAREHOLDER

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WVR Structure	No
Dividend Per Share	HK35.0 cents
Buyback Amount	Not Disclosed

- TEMPORAL NOTE: This company uses a December fiscal year. The figure reported as 'FY2025' covers January 2025 to December 2025.
- The company's dividend payout ratio for FY2025 is 0.87, indicating that 87% of earnings are distributed as dividends [Page 60].
- Dr. the Hon. Lee Shau-kee, who passed away on 17th March 2025, is listed as the largest shareholder with 41.53% of aggregate interests in the Company as at 31st December 2024 (FY2025) [Page 69].
- The company has outstanding share options for Towngas Smart Energy (a listed subsidiary) totaling 2,700,000 shares for FY2025, granted to Mr. Peter Wong Wai-yee and Mr. Chan Ying-lung [Page 70].

REGULATORY & GEOPOLITICAL EXPOSURE

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VIE Structure	Not Disclosed
Active Proceedings	0
Regulatory Bodies	

- The company explicitly states it is not aware of any incidents contravening anti-bribery requirements and has no significant non-compliance in business ethics, health and safety, employment practices, customer management, or environmental protection [Page 45, 67].

- The company discloses a comprehensive approach to data privacy, including a Personal Data Privacy Policy and compliance with the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) and Chinese mainland data privacy protection laws [Page 65, 97, 103].
- The company acknowledges that the global situation, including geopolitical conflicts, deglobalisation, and trade fragmentation, presents challenges and uncertainties for its operations [Page 54].
- The company's external auditor is PricewaterhouseCoopers, and their remuneration for statutory audit services was HK\$49.0 million (2023: HK\$48.0 million) and for non-audit services was HK\$11.8 million (2023: HK\$9.7 million) [Page 168].
- The Board Audit and Risk Committee reviewed the external auditor's findings and non-audit service fees during the year ended 31st December 2024 [Page 89].

Tick-and-Tie Reconciliation

Status	BASELINE DATA
P&L Net Income	HK\$6,761.2 million [Page 111]
CF Opening	HK\$8,490.4 million [Page 117]
Variance	0%

P&L uses 'Profit for the year' vs CF uses 'Profit before taxation' – expected difference between line items.

Temporal Period Alignment

Status	BASELINE DATA
Detail	No temporal issues detected

No footnote flags extracted from this filing.

0 discrepancies extracted from 00003.HK FY2025 HKEX Disclosure.

EN AND ZH FILINGS STRICTLY ALIGNED

No semantic translations anomalies or numeric variances detected.