研究报告 Research Report

8 Sep 2024

香港中华煤气 Towngas (3 HK)

城燃业务稳中有增，绿色能源战略布局初显成效

Steady Growth in City Gas Business, Green Energy Strategy Shows Promise

观点聚焦 Investment Focus

维持优于大市 Maintain OUTPERFORM

评级	优于大市 OUTPERFORM
现价	HK$6.20
目标价	HK$6.66
HTI ESG	3.6-4.0-3.5

E-S-G: 0-5, (Please refer to the Appendix for ESG comments)

市值	HK$115.69bn / US$14.84bn
日交易额 (3 个月均值)	US$15.87mn
发行股票数目	18,660mn
自由流通股 (%)	58%
1 年股价最高最低值	HK$6.62-HK$5.27

注：现价 HK$6.20 为 2024 年 09 月 05 日收盘价

资料来源：Factset

	1mth	3mth	12mth
绝对值	-2.2%	6.2%	12.4%
绝对值（美元）	-2.0%	6.5%	13.0%
相对 MSCI China	-3.7%	14.3%	21.2%

HK$ mn	Dec-23A	Dec-24E	Dec-25E	Dec-26E
Revenue	56,971	59,777	62,446	64,947
Revenue (+/-)	-7%	5%	4%	4%
Net profit	6,070	6,467	6,690	6,897
Net profit (+/-)	16%	7%	3%	3%
Diluted EPS (HK$)	0.33	0.35	0.36	0.37
GPM	14.3%	14.7%	14.7%	14.7%
ROE	12.0%	12.8%	13.2%	13.5%
P/E	19	18	17	17

资料来源：公司信息, HTI

(Please see APPENDIX 1 for English summary)

公司通过业务重组和降本增效措施，成功提升了运营效率。 2024H1 公司实现总营收 274.96 亿港元，同比下降 5.76%；核心利润 31.86 亿港元，同比上涨 2.21%；归母净利润 30.40 亿港元，同比下降 15.88%，其下跌原因主要为前一年退出上海燃气获得的一次性净收益所致；每股基本盈利为 16.3 港仙，中期股息同比保持不变在每股 12 港仙。具体业务方面，中国香港业务总售气量同比持平，内地城燃售气量同比上涨 6.76%、价差同比上涨 0.05 元/方至 0.50 元/方。

中国香港业务保持稳定，并积极推动其新能源转型。 公司中国香港燃气销售量达 14,932 百万兆焦耳，同比持平，炉具销售量同比微增 1.4%。客户基数增至 203 万户，反映了公司在客户服务上的持续优化。煤气收费于 2024 年 8 月 1 日上调 4.8%，定额保养月费增加 0.5 港元，有助于缓解成本压力。同时，公司积极开发氢能及绿色甲醇业务，将军澳堆填区的绿氢试验项目预计 2025 年投产后每日生产 330 公斤氢气，为 7 至 8 辆氢能巴士提供动力，助力香港成为全球绿氢生产领先城市，彰显公司在新能源转型中的积极作为。

内地业务明显增长，全年价差有望进一步修复。 随着上半年全国天然气需求显著回升，公司紧抓电动车、锂电池和光伏产品等“新三样”产业的增长机遇，积极拓展“燃气+”服务，专注于工业优质客户和公共机构能源托管，实现了工业售气量 3.13%及商业售气量 9.29%的同比增长。公司城燃业务售气量达 186.3 亿立方米，同比增长 6.76%，客户数量增至 4,139 万户，同比增长 7.3%。公司的气源供应链业务通过与“三桶油”达成长约合作，上半年统筹气量 19 亿立方米，有效提升了保供能力并降低了成本。上半年城燃价差同比增长 0.05 元至 0.5 元人民币/立方米，伴随着下半年居民顺价将进一步推动，公司全年价差有望继续提升。

绿色能源领域战略布局取得显著成效，为未来提供现金流支持。 上半年公司 EcoCeres 的 SAF 及 HVO 总产量达 17.6 万吨，同比上涨 51%，未来绿甲醇年生产力有望达到每年 12 万吨。此外，公司的光伏累计并网规模达到 2.1GW，发电量达到 6.8 亿 kWh，同比增长 1.4 倍，展示了公司在可再生能源领域的强劲增长势头。

盈利预测与投资建议： 我们预计公司 FY24-26 年公司主营业务收入分别为 597.77/624.46/649.47 亿港币，对应归母净利润为 64.67/66.90/68.97 亿港币（原为为 62.98/65.13/67.13 亿港币），根据 DCF 模型测算，目标价上调至 6.66HKD/股（+4%），维持“优于大市”评级。

风险： 宏观经济政策风险；天然气价格波动风险；终端需求不及预期风险。

杨斌 Bin Yang
bin.yang@htisec.com

邓雅文 Linda Deng
linda.yw.deng@htisec.com

表一：香港中华煤气估值预测及财务总结

Calculation	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
EBIT							9,135	9,542	9,925	10,276	10,593	10,891	11,177	11,472	11,774	12,084	12,403
EBITDA							11,924	12,386	12,822	13,228	13,599	13,951	14,292	14,640	14,996	15,361	15,734
Total debt							60,614										

DCF assumptions	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Valuation benchmark date							31/12/2024										
Cost of equity							10.2%										
Cost of debt							5.5%										
Weight of debt							34.0%										
Weight of equity							66.0%										
WACC							8.2%										
Exit year EV/LTM EBITDA							21										
Exit year terminal growth rate							2.5%										

DCF valuation	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
EBIT							9,135	9,542	9,925	10,276	10,593	10,891	11,177	11,472	11,774	12,084	12,403
EBIAT							7,140	7,459	7,758	8,033	8,280	8,513	8,737	8,967	9,203	9,446	9,695
Depreciation and amortization							2,789	2,843	2,897	2,952	3,006	3,060	3,114	3,168	3,222	3,277	3,331
Changes in NWC							(354)	(474)	(564)	(616)	(675)	(711)	(733)	(723)	(709)	(694)	(679)
Capex							(6,500)	(6,500)	(6,500)	(6,500)	(6,500)	(6,500)	(6,500)	(6,500)	(6,500)	(6,500)	(6,500)
FCF							**3,075**	**3,329**	**3,591**	**3,868**	**4,111**	**4,363**	**4,618**	**4,913**	**5,217**	**5,528**	**5,847**
PV of FCF							3,075	3,076	3,068	3,054	2,999	2,942	2,879	2,830	2,778	2,721	2,659
Sum of PV of FCF							32,082										
1) Exit multiple method																	
Terminal value																	
PV of terminal value							150,282										
EV							**182,364**										
(+) cash							14,922										
(-) total debt							(60,614)										
(-) NCI							(12,339)										
Equity value							**124,333**										
Total diluted shares							18,660										
Equity value per share							**6.66**										

EV - Exit multiple vs WACC

		Exit multiple				
		19	20	21	22	23
WACC	9.2%	5.18	5.53	5.88	6.23	6.58
	8.7%	5.53	5.90	6.26	6.63	6.99
	8.2%	5.90	6.28	6.66	7.05	7.43
	7.7%	6.28	6.68	7.08	7.49	7.89
	7.2%	6.68	7.11	7.53	7.95	8.37

Towngas
Financial Summary
millions HKD

	2022A	2023A	2024E	2025E	2026E
Income Statement					
Revenue:					
Main business revenue	60,953	56,971	59,777	62,446	64,947
Cost of sales	(52,592)	(48,834)	(50,983)	(53,260)	(55,392)
Gross profit	8,362	8,137	8,794	9,186	9,554
Other operating income (net)	531	325	341	356	370
Operating income (loss)	**8,893**	**8,462**	**9,135**	**9,542**	**9,925**
Interest expense	(1,776)	(2,215)	(2,287)	(2,358)	(2,428)
Share of profits less losses from affiliates	865	2,361	2,361	2,361	2,361
Share of profits less losses from JCEs	202	566	566	566	566
Income before income taxes (EBT)	**8,184**	**9,174**	**9,774**	**10,111**	**10,424**
Income tax expenses	(1,859)	(2,003)	(2,134)	(2,208)	(2,276)
Net income	**6,324**	**7,171**	**7,640**	**7,903**	**8,148**
Net income attributable to NCI	(1,077)	(1,101)	(1,173)	(1,214)	(1,251)
Net income to common shareholders	**5,248**	**6,070**	**6,467**	**6,690**	**6,897**
Cash Flow Statement					
Operating cashflow	9,640	N/A	10,075	10,273	10,481
Investment cashflow	(6,760)	N/A	(439)	(903)	(903)
Financing cashflow	350	N/A	(3,686)	(3,825)	(3,995)
Net cash change	3,230	(4,269)	5,950	5,545	5,583

Balance Statement					
Current Assets					
Cash and equivalents	13,241	8,972	14,817	20,109	25,476
Inventories	3,426	2,567	3,088	3,226	3,355
Account receivables	4,436	4,591	4,586	4,790	4,982
Other receivables	6,227	5,334	5,334	5,334	5,334
Property under development/available for sale	-	-	-	-	-
Other current assets	1,381	5,170	5,170	5,170	5,170
	28,711	**26,634**	**32,995**	**38,630**	**44,318**
Non-current Assets					
Property Plant & Equipment - Net	71,819	71,277	70,437	69,543	68,595
Investment in assocaites	34,178	36,064	36,405	37,144	37,883
Investment in JCEs	11,163	10,884	10,256	9,694	9,132
Investment in securities	6,777	3,614	3,614	3,614	3,614
Goodwill and intangible assets	5,340	4,463	4,463	4,463	4,463
Other long-term assets	10,481	9,042	9,042	9,042	9,042
	139,758	**135,344**	**134,217**	**133,500**	**132,729**
Total Assets	**168,469**	**161,978**	**167,212**	**172,129**	**177,047**
Current Liabilities					
Accounts payable and other liabilities	22,004	19,927	21,998	22,980	23,901
Tax payable	1,411	1,619	1,745	1,810	1,872
Current portion of long term debt:					
-Short term debt	19,681	14,709	15,434	16,123	16,769
-Callable perpetual debt	0	2,344	0	0	0
Liabilities held for sale	0	717	0	0	0
Other current liabilities	427	825	825	825	825
	43,523	**40,142**	**40,002**	**41,739**	**43,367**
Non-current Liabilities					
Long-term borrowings	39,623	40,716	45,180	47,198	49,088
Deferred tax liabilities	6,927	6,924	6,924	6,924	6,924
Other long term liabilities	3,258	3,177	3,177	3,177	3,177
	49,808	**50,817**	**55,282**	**57,299**	**59,189**
Total Liabilities	**93,331**	**90,959**	**95,284**	**99,038**	**102,555**
Shareholder's Equity	**75,139**	**71,019**	**71,928**	**73,092**	**74,491**

资料来源：公司报告，HTI

APPENDIX 1

Summary

The company successfully enhanced operational efficiency through business restructuring and cost-saving measures. In 2024H1, the company achieved a total revenue of HKD 27.496 billion, a decrease of 5.76% year-on-year; core profit was HKD 3.186 billion, a 2.21% increase year-on-year; attributable net profit to shareholders was HKD 3.040 billion, a 15.88% decrease year-on-year, mainly due to the one-time net gain from the withdrawal from Shanghai Gas in the previous year; basic earnings per share were 16.3 HK cents, and the interim dividend remained unchanged year-on-year at 12 HK cents per share. In terms of specific business, the total gas sales volume in Hong Kong was flat year-on-year, while the gas sales volume in mainland urban gas business increased by 6.76% year-on-year, and the price difference increased by 0.05 RMB/cu meter to 0.50 RMB/cu meter.

The business in Hong Kong remains stable and actively promotes its new energy transition. The gas sales volume in Hong Kong reached 14,932 million megajoules, which was flat year-on-year, and the sales volume of stoves increased by 1.4% year-on-year. The customer base has increased to 2.03 million, reflecting the company's continuous optimization in customer service. The gas tariff was increased by 4.8% on August 1, 2024, and the fixed monthly maintenance fee increased by 0.5 HKD, which helps to alleviate cost pressure. At the same time, the company is actively developing hydrogen energy and green methanol businesses. The green hydrogen pilot project in the Junk Bay landfill is expected to produce 330 kilograms of hydrogen per day after production in 2025, providing power for 7 to 8 hydrogen buses for a day's mileage. This project will help Hong Kong become one of the leading cities in the world in green hydrogen production, highlighting the company's active role in the new energy transition.

The mainland business has shown significant growth, and the annual price difference is expected to be further repaired. With the significant recovery of national gas demand in the first half of the year, the company has seized the growth opportunities of the "three new things" industry (namely electric vehicles, lithium batteries, and photovoltaic products), actively expanded the "gas +" service, focused on high-quality industrial customers and energy trusteeship for public institutions, and achieved a year-on-year increase of 3.13% in industrial gas sales and 9.29% in commercial gas sales. The company's urban gas business sales volume reached 18.63 billion cubic meters, a year-on-year increase of 6.76%, and the number of customers increased to 41.39 million, a year-on-year increase of 7.3%. The company's gas supply chain business has effectively enhanced the supply capacity and reduced costs by reaching long-term cooperation with the "three barrels of oil" and coordinating a gas volume of 1.9 billion cubic meters in the first half of the year. The city gas price difference in the first half of the year increased by 0.05 RMB to 0.5 RMB per cubic meter year-on-year, and with the further promotion of residential price increases in the second half of the year, the company's annual price difference is expected to continue to improve.

The strategic layout in the field of green energy has achieved significant results, providing cash flow support for the future. In the first half of the year, the company's EcoCeres' total production of SAF and HVO reached 176,000 tons, a year-on-year increase of 51%, and the future green methanol annual production capacity is expected to reach 120,000 tons. In addition, the company's cumulative photovoltaic grid-connected scale reached 2.1GW, and the power generation reached 6.8 billion kWh, a year-on-year increase of 1.4 times, showing the company's strong growth momentum in the field of renewable energy.

Profit Forecast and Investment Recommendation:
We estimate that the company's main business revenue for FY24-26 will be HKD 59.777 billion/62.446 billion/64.947 billion, and the corresponding attributable net profit to shareholders will be HKD 6.467 billion/6.690 billion/6.897 billion. According to the DCF model calculation, the target price is raised to 6.66 HKD per share, and the "Better than the Market" rating is given.

Risks: Macroeconomic policy risks; Natural gas price fluctuation risks; Terminal demand is less than expected risks.

APPENDIX 2

ESG Comments

Environmental:

Its FTSE4Good rating has been improved from 2.5 in 2022 to 2.9 in 2023.

Social:

Established policies such as anti-discrimination policy, and health and safety guideline.

Governance:

Constructed board diversity policy, which covers age, gender, experiences, race, educational background, and etc.

附录 APPENDIX

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优于大市，未来 12-18 个月内预期相对基准指数涨幅在 10%以上，基准定义如下

中性，未来 12-18 个月内预期相对基准指数变化不大，基准定义如下。根据 FINRA/NYSE 的评级分布规则，我们会将中性评级划入持有这一类别。

弱于大市，未来 12-18 个月内预期相对基准指数跌幅在 10%以上，基准定义如下

各地股票基准指数：日本 – TOPIX, 韩国 – KOSPI, 台湾 – TAIEX, 印度 – Nifty100, 美国 – SP500; 其他所有中国概念股 – MSCI China.

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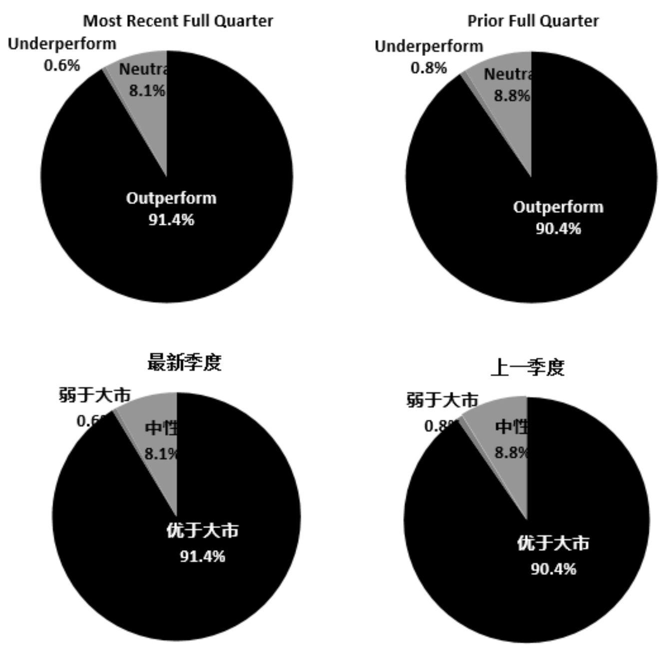

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Outperform: The stock's total return over the next 12-18 months is expected to exceed the return of its relevant broad market benchmark, as indicated below.

Neutral: The stock's total return over the next 12-18 months is expected to be in line with the return of its relevant broad market benchmark, as indicated below. For purposes only of FINRA/NYSE ratings distribution rules, our Neutral rating falls into a hold rating category.

Underperform: The stock's total return over the next 12-18 months is expected to be below the return of its relevant broad market benchmark, as indicated below.

Benchmarks for each stock's listed region are as follows: Japan – TOPIX, Korea – KOSPI, Taiwan – TAIEX, India – Nifty100, US – SP500; for all other China-concept stocks – MSCI China.

截至 2024 年 6 月 30 日海通国际股票研究评级分布

	优于大市	中性 (持有)	弱于大市
海通国际股票研究覆盖率	91.4%	8.1%	0.6%
投资银行客户*	3.1%	4.8%	0.0%

*在每个评级类别里投资银行客户所占的百分比。

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此前的评级系统定义（直至 2020 年 6 月 30 日）：

买入，未来 12-18 个月内预期相对基准指数涨幅在 10%以上，基准定义如下

中性，未来 12-18 个月内预期相对基准指数变化不大，基准定义如下。根据 FINRA/NYSE 的评级分布规则，我们会将中性评级划入持有这一类别。

卖出，未来 12-18 个月内预期相对基准指数跌幅在 10%以上，基准定义如下

各地股票基准指数：日本 – TOPIX, 韩国 – KOSPI, 台湾 – TAIEX, 印度 – Nifty100; 其他所有中国概念股 – MSCI China.

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	Outperform	Neutral (hold)	Underperform
HTI Equity Research Coverage	91.4%	8.1%	0.6%
IB clients*	3.1%	4.8%	0.0%

*Percentage of investment banking clients in each rating category.

BUY, Neutral, and SELL in the above distribution correspond to our current ratings of Outperform, Neutral, and Underperform.

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研究机构名称: Haitong Securities India Private Limited

SEBI 研究分析师注册号: INH000002590

地址: 1203A, Floor 12A, Tower 2A, One World Center

841 Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013, India

CIN U74140MH2011FTC224070

电话: +91 22 43156800 传真:+91 22 24216327

合规和申诉办公室联系人： Prasanna Chandwaskar；电话: +91 22 43156803; 电子邮箱: prasanna.chandwaskar@htisec.com

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Name of the entity: Haitong Securities India Private Limited

SEBI Research Analyst Registration Number: INH000002590

Address : 1203A, Floor 12A, Tower 2A, One World Center

841 Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013, India

CIN U74140MH2011FTC224070

Ph: +91 22 43156800 Fax:+91 22 24216327

Details of the Compliance Officer and Grievance Officer : Prasanna Chandwaskar : Ph: +91 22 43156803; Email id: prasanna.chandwaskar@htisec.com

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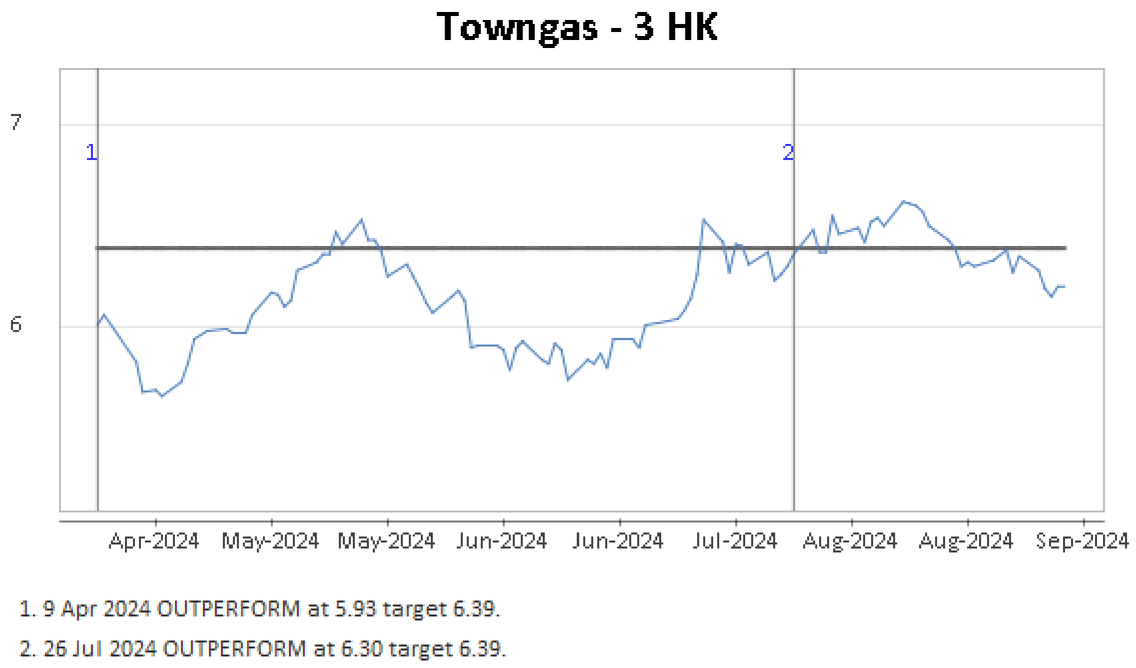

Source: Company data Bloomberg, HTI estimates