



ENN  
新奥

新奥天然气股份有限公司  
ENN Natural Gas Co., Ltd.

# 2024 ANNUAL REPORT

Customer-Oriented with Synergy between  
Industry and Intelligence to Co-Create the Future





ENN

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## Directory of files for further reference

Financial statements containing the signatures and seals of the person in charge of the Company, the person in charge of accounting, and the person of the accounting agency (accounting officer).

The original Auditor's Report containing the seal of the accounting firm, and the signatures and seals of the certified public accountants.

The original Auditor's Report on Internal Control containing the seal of the accounting firm, and the signatures and seals of the certified public accountants.

The originals of all corporate documents and original announcements that have been publicly disclosed in the newspapers designated by the CSRC in the Reporting Period.



## Maintained the rapid development of the business and increasingly emphasised its strategic advantages

### Total Natural Gas Sales

**39,219** mil m<sup>3</sup>

YoY increase of **1.4%**

### Direct Gas Sales by Platform

**5,568** mil m<sup>3</sup>

YoY increase of **10.3%**

### Unloading volume of Zhoushan LNG Terminal

**2.41** mil tons

YoY increase of **53.4%**

### City-gas Projects

**261**

vs. Last Year **+2**



## Financial Highlights

### Total Revenue

**135,910** RMB mil

### Net Profit Attributable to Parent

**4,493** RMB mil

### Core Profit\*

**5,143** RMB mil

### Operating Cash Flow

**14,162** RMB mil

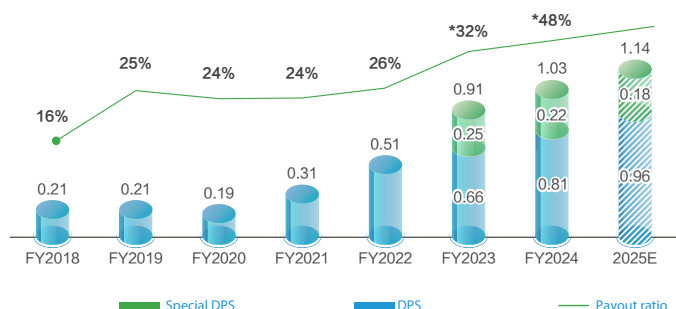


## Steadily Rising Payout Ratio

• From 2023 to 2025, plus special dividend and regular dividend, the cumulative cash dividend per share (including tax) shall not be less than RMB **0.91**, **1.03** and **1.14** respectively

• From 2026 to 2028, the proportion of cash dividend distributed each year shall not be less than **50%** of the core profit attributable to parent company

### Substantially Improved Shareholder Returns (RMB/share)



\* Payout ratio of 2023 and 2024, excluding the special dividend



## Strategic Pivots Connecting All-Scenario in Natural Gas Industry

### Demands

- Total sales volume **39,219 mcm**
- DGSp sales volume **5,568 mcm**
- Volume for medium- and long-term demand **2,300 mcm**
- Residential users: **31 mil+**
- C&I users: **270 K+**

### Resources

- SPA from CNPC **3,166 mcm**
- Imported LTA resources **16 shipments**
- Overseas sales of LTA resources **10 shipments**
- Imported spot LNG **18 shipments**

### Zhoushan LNG Terminal

- Unloaded **37 shipments** in total
- Unloaded LTA resources of **13 shipments**
- Unloaded spot LNG of **11 shipments**
- Unloaded resources from other parties including CNPC, Zhejiang Energy Group and SK Group of **13 shipments**




### Trading & Risk management

- Revenues from swap options by aggregating scattered demands reached **\$16mn**
- Expanded the cap swap model to achieve procurement cost reduction for **\$9mn**
- Total GMV of Tianjin International Oil & Gas Exchange reached **RMB7.8bn**

\*Core Profit = Net profit attributable to the parent - Changes in FX gains and losses - Changes in fair value of derivatives - Other impairment losses - Amortization of stock incentive costs - Net gain on disposal of non-current assets - Gain on bond repurchases



## ★ ★ ★ Credit Ratings ★ ★ ★

Rating Agencies	S&P 	Fitch 	Moody's 	CCX	CSCI Pengyuan
2024	BBB (Stable)	BBB (Stable)	Baa3 (Stable)	AAA	AAA
2023	BBB- (Positive)	BBB- (Positive)	Ba1 (Positive)	AAA	AAA

## Brand-new ESG Philosophy: WISE



### Environment

Carbon emission reduction (yoy)

 **0.12** mil tons

Empowering Society and Clients to Achieve Emission Reduction

 **58.02** mil tons  
2023 56.14 mil tons

### Society


Occupational injury case (mil hrs)

 **0.23**  
2023 0.33

Charity donations

 RMB **31.27** mil  
RMB301 million in total since 2020

### Governance

Corruption cases, Complaints, Environmental illegal case  
 **0** cases

Compliance Management Systems Certification

**ISO37301**

Anti-bribery Management Systems Certification

**ISO37001**

### ESG Rating Performance

**MSCI**  
**AAA**  
2023: A

**SUSTAINALYTICS**  
**22.2**  
2023: 32

**CDP**  
DISCLOSURE INSIGHT ACTION  
**B**  
2023: B

**S&P Global**  
**67**  
2023: 58

### Awards and Honors



- «Caijing» magazine: The Evergreen Award and the Sustainable Development Green Award
- «Securities Market Weekly»: ESG Golden Dawn Leadership Award of 2024
- Huxiu Website: Responsibility Governance Award of 2024
- Observer Information: Best ESG Practice Award



- MSCI Emerging Market Leader Index
- Hang Seng A-Share Sustainability Corporate Index
- Ranked among the top 30 companies in terms of A-share ESG performance
- Ranked top among all the companies in the Wind All A Index

## Letter to Shareholders

### **Foster the synergy between industry and intelligence, and innovate to script a new chapter in the natural gas development**

Dear shareholders,

As time marches on, a new year brings greater prosperity. As 2024 marked the 30th anniversary of ENN-NG listing, we remained steadfast in our original aspiration amidst the complex and ever-changing domestic and international environment, as well as diversified customer demands. We pursued an advanced philosophy of customer service with the goal of ensuring customer success, and seized the development opportunities presented by the age of intelligence by capitalizing on our internal and industrial ecosystem innovation practices, aspiring to script a new chapter of industrial development through intelligence. We hereby extend our sincere gratitude to all ENN employees for their endeavor and dedication, and to all shareholders for their unwavering support and companionship! Your trust and backing remain the driving force for our continuous advancement.

Reflecting on the past year, the rapid evolution of AI technology has furnished unparalleled opportunities for our intelligent layout. We persistently pursued innovation and exploration, and constantly solidified four key business pillars, including robust domestic customer base, diverse domestic and overseas resource pools, extensive network for performance and delivery, and internationally advanced risk control system, to define the strategic direction and implementation path for GreatGas.cn – a professional competence recognition platform for natural gas. Aligning closely with customer demands, and through concerted efforts and innovation, we have achieved commendable results: In terms of ESG practices, we deeply embraced the ESG principles and achieved ESG rating upgrade thanks to our exceptional performance in this area, making us the

sole enterprise in China's public utility sector to receive an MSCI AAA rating and thereby enhancing the Company's reputation and industry influence; as to credit ratings, our Moody's rating was upgraded to Baa3, and S&P and Fitch ratings were elevated to BBB, and domestic credit rating remained at the highest AAA; regarding financial results, as of 31 December 2024, the Company achieved operating revenue of RMB135.836 billion, net profits attributable to the Parent Company of RMB4.493 billion, and basic earnings per share of RMB1.46. The Board of Directors proposed to distribute cash dividends of RMB8.1 (tax inclusive) for every 10 shares and special dividends of RMB2.2 (tax inclusive) to all shareholders, with an estimated cash dividend payouts of RMB3.164 billion (tax inclusive) in total. These achievements would not have been possible without the full support from all shareholders, and we are truly grateful for your partnership.

In our pursuit of excellence, customers always take precedence. We constantly enhance self-awareness, build up professional competence, and leverage the synergy between industry and intelligence to innovate and optimize our business model, and thus remain resolute on the path of transformation development. Faced with the age of intelligence that has been already ushered in, by drawing on the capabilities of four key pillars and intelligent approaches, we will infuse intelligence into the energy industry to resolve customer and industry challenges, reduce gas use costs incurred by customers, meet diverse customer demands, and keep expanding new spaces for the development of the industrial ecosystem:

**First, we will deepen resource integration and service innovation.**

In the coming year, in response to the diverse and flexible customer demands, we will constantly fortify the foundation of industrial operation. By leveraging intelligent approaches, we will secure higher-quality resources, offer tailored and customized services for customers, and cut down on their gas use costs. We will expand and strengthen domestic and overseas resource pools, optimize the resource structure, improve the ability to supply top-notch resources from international to domestic and from national to regional levels, provide our customers with innovative services like hedging and energy-carbon portfolios, and reduce overall resource costs.

**Second, we will reinforce infrastructure operation and service assurance.**

We are committed to ensuring the sustained, safe and stable operation of pipeline network, enhancing the operation capacity of ENN Zhoushan LNG Terminal. We will develop a diverse matrix for service products, capitalize on the terminal's scale advantages, foster ecological cooperation, and apply market-oriented intelligent approaches to improve connectivity and increase facility utilization rate.

**Third, we will optimize risk management and control services and form a convergent industrial ecosystem.**

We undertake to capitalize on advanced international intelligent risk control systems and products, such as market research, and risk exposure identification and management, developed by Tianjin International Petroleum & Gas Exchange Center, to offer risk management and control services to customers. This will help customers manage uncertainties, bring together a broader industrial ecosystem and continuously expand the scale of natural gas trading.

**Fourth, we will upgrade the professional competence recognition platform to empower all industry stakeholders.**

We will keep evolving GreatGas.cn – a professional competence recognition platform for natural gas. Based on customer demands, we will continuously amass industry experience and constantly iterate and optimize our intelligent capabilities. While empowering our internal teams, we will gradually extend our reach to the entire industrial ecosystem, address industry challenges faced by customers and ecosystem partners, and set an example for intelligent applications in the industry.

As we stand at the new historical starting point of energy revolution and digital revolution, we will use our original aspiration as a guiding light and innovation as the driving force, and chart our course with strategic focuses to set sail on a new voyage towards a green and intelligent future. In the face of emerging opportunities and challenges, we will unite the wisdom and efforts from all of our business partners, retain our fighting spirit of surmounting obstacles, gain a clear understanding of the profundity and breadth of industry change. We will pursue growth amidst change, strive for excellence through innovation, remain customer-centric, firmly seize the opportunities of the era, and brave the wind and waves so as to contribute ENN's efforts to promoting the high-quality development of the natural gas industry, inspiring the potential of new quality productive forces in the industry, and expediting the establishment of a new energy system!

Chairman: Jiang Chenghong

26 March 2025

## Important Notice

- I. The Board of Directors, the Board of Supervisors and the directors, supervisors and senior managers of the Company ensure that the content of the Annual Report is true, accurate and complete, that there are no false records, misleading statements or major omissions, and bear individual and joint legal liabilities.
- II. All the directors of the Company attend the meeting of the Board of Directors.
- III. Zhongxi CPAs (Special General Partnership) has issued a standard unqualified Auditor's Report for the Company.
- IV. The Chairman of the Company, Jiang Chenghong, the person in charge of the accounting, Zong Bo, and chief accountant (accounting officer), Cheng Zhiyan declare to ensure that the annual financial report is true, accurate and complete.
- V. Profit distribution proposal or proposal for capitalization of capital reserve approved by the resolution of the Board of Directors during the Reporting Period

The 26th Meeting of the Tenth Board of Directors of the Company deliberated and approved the 2024 Profit Distribution Plan of ENN-NG: The Company plans to distribute cash dividends to all shareholders at RMB10.3 (tax included) per 10 shares based on 3,071,527,627 shares representing the Company's total share capital of 3,097,087,607 shares after deduction of 25,559,980 shares repurchased on December 31, 2024. The cash dividend of RMB8.1 (tax included) per 10 shares is the Company's annual dividend for 2024, and the cash dividend of RMB2.2 (tax included) per 10 shares is a special dividend in accordance with the Special Dividend Plan for Shareholders in the Next Three Years (2023-2025) of ENN-NG. In summary, the Company paid a total cash dividend of RMB3,163,673,455.81 (tax included), with the retained undistributed profits to be accumulated in the next year. In this profit distribution, no capital reserve will be converted into share capital nor will bonus shares be given.

Where there is any change in the total share capital or number of shares subject to dividend distribution prior to the date of share registration in respect of dividend distribution, the final dividend distribution plan will be adjusted based on the number of shares available for profit distribution on the date of share registration when the profit distribution plan is implemented in line with the principle that the amount of dividend per share remains unchanged.

### VI. Prospective statement of risk

☒ Applicable ☐ N/A

The forward-looking description of future plans, development strategies, etc. in this Annual Report does not constitute a substantive commitment of the Company to investors, and investors are advised to pay attention to the risk of investment.

### VII. Whether there is any non-operational appropriation of funds by the controlling shareholder and other related parties

No

### VIII. Whether there is any external guarantee in violation of the specified decision-making procedures

No

### IX. Whether more than half of the directors cannot guarantee the authenticity, accuracy and completeness of the Annual Report disclosed by the Company

No

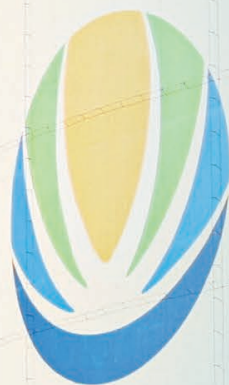
### X. Material Risk Warning

In this Report, The Company has elaborated various risks and countermeasures it may face in the course of its production and operation. Please refer to the "Possible risks" of "Section III Management Discussion and Analysis".

### XI. Others

☐ Applicable ☒ N/A





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Interpretation





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

Interpretation of common terms		
The Company or ENN-NG	Refers to	ENN Natural Gas Co., Ltd.
ENN International	Refers to	ENN Group International Investment Limited, which is the Company's holding shareholder.
ENN Zhoushan or Zhoushan Terminal	Refers to	ENN (Zhoushan) LNG Co., Ltd.
ENN Energy	Refers to	ENN Energy Holdings Limited, which is a Listed Company on the Hong Kong Stock Exchange with stock code: 02688. HK
Essential Investment	Refers to	Essential Investment Holding Company Limited
ENN Holdings	Refers to	ENN Holdings Investment Co., Ltd., which is a shareholder of the Company
PipeChina	Refers to	China Oil & Gas Pipeline Network Corporation
ENN Tianjin	Refers to	ENN (Tianjin) Energy Investment Co., Ltd.
Greatgas	Refers to	Greatgas E-commerce Co., Ltd.
Xinneng Mining Industry	Refers to	Xinneng Mining Industry Co., Ltd.
Xinneng Energy	Refers to	Xinneng Energy Co., Ltd.
Xindi Energy Engineering	Refers to	Xindi Energy Engineering Technology Co., Ltd.
Xinneng (Tianjin)	Refers to	Xinneng (Tianjin) Energy Co., Ltd.
ENN Qinshui	Refers to	Shanxi Qinshui ENN Clean Energy Co., Ltd.
Xinneng Hong Kong	Refers to	Xinneng (Hong Kong) Energy Investment Co., Ltd.
ENN Group	Refers to	ENN Group Co., Ltd.
ENN Xinzhi	Refers to	ENN Xinzhi Technology Co., Ltd.
ENN Science and Technology	Refers to	ENN Science and Technology Development Co., Ltd.
SSE	Refers to	Shanghai Stock Exchange
PetroChina	Refers to	PetroChina Company Limited
Sinopec	Refers to	China Petrochemical Corporation
CNOOC	Refers to	China National Offshore Oil Corporation
Yuan, 0.01 Million Yuan, 100 Million Yuan	Refers to	RMB Yuan, RMB0.01 Million Yuan, RMB100 Million Yuan, China's legal currency unit
Reporting Period	Refers to	A period from 1 January 2024 to 31 December 2024



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## Company Profile and Main Financial Indicators

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## I. Corporate Information

Chinese name of the Company	新奥天然气股份有限公司
Chinese abbreviation of the Company	新奥股份
Foreign name of the Company	ENN Natural Gas Co., Ltd.
Abbreviation of Company's foreign name	ENN-NG
Legal representative of the Company	Jiang Chenghong

## II. Contacts and Contact Information

	Secretary of the Board	Representative of Securities Affairs
Name	Liang Hongyu	Ling Yan
Contact address	Block B, 118 Huaxiang Road, Langfang Development Zone, Hebei Province	Block B, 118 Huaxiang Road, Langfang Development Zone, Hebei Province
Tel.	0316-2595599	0316-2597675
Fax	0316-2595395	0316-2595395
Email	enn-ng@enn.cn	enn-ng@enn.cn

## III. Basic Information

Registered address of the Company	No. 383 Heping East Road, Shijiazhuang City, Hebei Province
Historical changes in the Company's registered address	In September 2020, the Company's registered address was changed from No. 393 Heping East Road, Shijiazhuang City, Hebei Province to No. 383 Heping East Road, Shijiazhuang City, Hebei Province.





Office address of the Company	No. 383 Heping East Road, Shijiazhuang City, Hebei Province; Block B, No. 118 Huaxiang Road, Langfang Development Zone, Hebei Province
Postal code of the Company's office address	050031、065001
Company website	<a href="http://www.enn-ng.com">http://www.enn-ng.com</a>
Email	<a href="mailto:enn-ng@enn.cn">enn-ng@enn.cn</a>

#### IV. Information Disclosure and Preparedness Location

Name and website of the media disclosing the Annual Report by the Company	1. <i>China Securities Journal</i> , <a href="https://epaper.cs.com.cn/">https://epaper.cs.com.cn/</a> 2. <i>Securities Times</i> , <a href="https://www.stcn.com/">https://www.stcn.com/</a> 3. <i>Securities Daily</i> , <a href="http://www.zqrb.cn/">http://www.zqrb.cn/</a>
Website of the stock exchange disclosing the Annual Report by the Company	<a href="http://www.sse.com.cn/">http://www.sse.com.cn/</a>
Preparedness location of the Company's Annual Report	Shanghai Stock Exchange, Corporate Investor Relations Intellectual Competency Group

#### V. Briefing of the Company's Shares

Briefing of the Company's Shares				
Type of stock	Stock exchange where the stock is listed	Short for the stock	Stock code	Stock abbreviation before change
A-share	Shanghai Stock Exchange	ENN-NG	600803	/



## VI. Other Relevant Information

Accounting firm (domestic) employed by the Company	Name	Zhongxi CPAs (Special General Partnership)
	Office address	11/F, Block A, New Town Culture Building, No. 11 Chongwenmenwai Street, Beijing
	Name of signing accountant	Qi Weihong, Wang Yanru

## VII. Key Accounting Data and Financial Indicators of the Company in Recent 3 Years

### (I) Key accounting data

Unit: RMB '0000 Currency: RMB

Key accounting data	2024	2023	Increase or decrease in the current period over the same period of previous year (%)	2022
Operating income	13,583,649	14,375,398	-5.51	15,404,417
Net profits attributable to shareholders of listed companies	449,318	709,111	-36.64	584,391
Net profits attributable to shareholders of listed companies after deducting non-recurring gains and losses	371,071	245,925	50.89	467,089
Net cash flow from operating activities	1,416,216	1,375,945	2.93	1,500,578
Core profits attributable to shareholders of listed companies	514,306	637,756	-19.36	606,671

	End of 2024	End of 2023	Increase or decrease at the end of current period over the same period of previous year (%)	End of 2022
Net assets attributable to shareholders of listed companies	2,346,726	2,365,482	-0.79	1,757,812
Total assets	13,248,750	13,457,350	-1.55	13,619,744

### (II) Key financial indicators

Key financial indicators	2024	2023	Increase or decrease in the current period over the same period of previous year (%)	2022
Basic earnings per share (RMB/share)	1.46	2.30	-36.52	1.90
Diluted earnings per share (RMB/share)	1.46	2.30	-36.52	1.89
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	1.21	0.80	51.25	1.60
Weighted average return on equity (%)	19.06	34.39	Decrease by 1,533 bp	33.43
Weighted average return on equity after deducting non- recurring gains or losses (%)	15.74	11.93	Increase by 381 bp	27.84
Basic core profit per share (RMB/share)	1.67	2.07	-19.32	1.97



## Description of the Company's key accounting data and financial indicators

√ Applicable    ☐ N/A

1. The year-on-year decreases in the net profits attributable to shareholders of listed companies by 36.64%, the basic earnings per share by 36.52% and the diluted earnings per share by 36.52% were primarily attributable to the increased income from the disposal of Xinneng Mining in the same period of last year.

2. The year-on-year increases in the net profits attributable to shareholders of listed companies after deducting non-recurring gains and losses by 50.89%, and basic earnings per share after deducting non-recurring gains and losses by 51.25% were mainly attributable to the increased provision for asset impairment losses by the Company's subsidiaries in the same period of last year.

## VIII. Difference in Accounting Data under Domestic and Foreign Accounting Standards

(I) Difference between the net profits and net assets attributable to shareholders of listed companies in the financial reports disclosed concurrently according to international accounting standards and Chinese accounting standards

☐ Applicable    √ N/A

(II) Difference between the net profits and net assets attributable to shareholders of listed companies in the financial reports disclosed concurrently according to overseas accounting standards and Chinese accounting standards

☐ Applicable    √ N/A

(III) Descriptions of the differences between domestic and overseas accounting standards:

☐ Applicable    √ N/A

## IX. Key Accounting Data by Quarters in 2024

Unit: RMB '0000    Currency: RMB

	First quarter (January to March)	Second quarter (April to June)	Third quarter (July to September)	Fourth quarter (October to December)
Operating income	3,420,918	3,276,634	3,174,930	3,711,167
Net profits attributable to shareholders of listed companies	108,058	144,901	96,151	100,208
Net profits attributable to shareholders of listed companies after deducting non-recurring gains or losses	90,025	109,275	95,196	76,575
Net cash flow from operating activities	-3,534	485,265	233,399	701,086

Description of the difference between quarterly data and the data disclosed in periodic reports

☐ Applicable ☒ N/A

## X. Items and Amounts of Non-recurring Gains or Losses

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount in 2024	Note (if applicable)	Amount in 2023	Amount in 2022
Gains or losses on disposal of non-current assets, including write-off portion of the drawn asset impairment provision	3,054		440,602	-7,347
Government subsidies included in profit and loss for the current period, other than those government subsidies which are closely related to the Company's normal operation, in line with national policies, subject to certain standards and have continuous impact on the Company's profit and loss	33,072		41,420	38,621
Gains or losses on changes in fair value arising from financial assets and financial liabilities held by non-financial enterprises and disposal of financial assets and financial liabilities except for effective hedging transactions related to the normal operations of the Company	58,155		129,333	174,770
Gains or losses from external entrusted loans	464		829	1,002
Reversal of the provision for impairment on receivables which were tested individually for impairment	2,385		4,724	3,170
Net gains or losses of subsidiaries for the current period from the beginning of the period to the date of combination arising from business combination under common control				17,337
Gains or losses on debt restructuring	10,292		28,723	2,051
Gains or losses arising from changes in fair value of payroll payable after the vesting date for cash settled share-based payment	330		1,417	
Gains or losses arising from changes in fair value of investment real property under fair value model on subsequent measurement	-1,603		-883	-3,466
Other non-operating income and expenses other than above items	13,104		-2,621	-3,010
Other gain and loss items within the definition of non-recurring gains and losses			-52,038	
Less: Effect of income tax	11,444		63,019	38,434
Effect of minority equity (after tax)	29,562		65,301	67,392
Total	78,247		463,186	117,302

Reasons shall be specified for defining non-recurring profit and loss items in accordance with the *Interpretative Announcement on Information Disclosure by Companies that Offer Securities to the Public No. 1 – Non-recurring Gains and Losses* and defining non-recurring gain and loss items listed in the *Interpretative Announcement on Information Disclosure by Companies that Offer Securities to the Public No. 1 – Non-recurring Gains and Losses* as recurring gain and loss items.

☐ Applicable ☒ N/A

## XI. Items Measured at Fair Value

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Closing balance	Current change	Amount of effect on current profit
<b>Transaction financial assets</b>	20,011		-20,011	
<b>Derivative financial assets</b>				
Including: Non-hedging derivatives	42,430	15,883	-26,547	
Hedging derivatives	92,643	11,331	-81,312	
<b>Receivables financing</b>	102,821	67,638	-35,183	
<b>Investment in other equity instruments</b>				
Including: Langfang Youqi Business Planning Co., Ltd.	183	177	-6	
Shenzhen Dapeng Liquefied Natural Gas Sales Co., Ltd.	582	587	5	
Jiaxing Gas Group Co., Ltd.	8,022	8,102	80	
Shanghai Zhongyou Baihe Petroleum Gas Co., Ltd.	1,138	1,125	-13	
Shanghai Petroleum and Gas Exchange Co., Ltd.	4,398	4,459	61	
Chongqing Petroleum and Gas Exchange Co., Ltd.	5,554	5,639	85	
Xiangtan Desheng Energy Distribution Co., Ltd.	152	415	263	
Sanmenxia Swan Power Co., Ltd.	980	917	-63	
Nanjing Jiangbei New District Power Distribution Co., Ltd.	471	480	9	
Heilongjiang Electric Power Trading Center Co., Ltd.	356	356		
Jibei Power Exchange Center Co., Ltd.	290	290		
Zhejiang Hesun Energy Co., Ltd.	137	138	1	
Guangxi Power Exchange Center Co., Ltd.	267	270	3	
Dongguan Fengneng LNG Co., Ltd.	25	25		
Dongguan Fengneng LNG Terminal Co., Ltd.	25	25		

Item	Opening balance	Closing balance	Current change	Amount of effect on current profit
Deneb ocean transport company		396	396	
Altair ocean transport company		396	396	
Vega ocean transport company		396	396	
Gas Shanghai Pte. Ltd.		1,145	1,145	
<b>Other non-current financial assets</b>				
Including: Non-hedging derivatives	2,861	127	-2,734	
Hedging derivatives	15,927	16,689	762	
CDB Siyuan (Beijing) Investment Fund Limited	1,621	389	-1,232	
Sinopec Marketing Co., Ltd.	417,000	417,000		
Shanghai Dazhong Public Utilities (Group) Co., Ltd.	14,760	25,975	11,215	
Hunan Silver Co., Ltd.	33	40	7	
<b>Investment real estate</b>	26,814	24,640	-2,174	
<b>Derivative financial liabilities</b>				
Including: Non-hedging derivatives	20,019	38,295	18,276	





Item	Opening balance	Closing balance	Current change	Amount of effect on current profit
Hedging derivatives	9,421	55,673	46,252	
<b>Other non-current liabilities</b>				
Including: Non-hedging derivatives				
Hedging derivatives	1,380	10,844	9,464	
<b>Investment income</b>				106,282
<b>Income from changes in fair value</b>				-35,543
<b>Financing expense</b>				5,690
<b>Principal business revenue</b>				72,620
<b>Principal business cost</b>				-9,006
Total	790,321	709,862	-80,459	140,043

## XII. Others

☐ Applicable    ☒ N/A







# 03

## Management Discussion and Analysis



## I. Discussion and Analysis of Business Operations

In 2024, the international landscape was marked by volatility and transformation, with ongoing and escalating geopolitical conflicts and intensified major power competition. Faced with this complex and severe situation, the Chinese government increased the intensity of counter-cyclical adjustments in macroeconomic policies. The overall economic performance followed a trajectory of high, then low, then rising again, with steady development of quality productive forces and continuous deepening of reform and opening up. At the same time, steady recovery of international trade drove a 7.1% year-on-year increase in China's exports<sup>1</sup>, and the gross domestic product (GDP) reached RMB134.9 trillion, a year-on-year increase of 5.0%<sup>2</sup>. China's natural gas consumption also returned to a fast-growth track, with the natural gas market presenting a "boom in both supply and demand." During the year, the Company achieved total revenue of RMB135.91 billion, net profit attributable to shareholders of the listed company was RMB4,493 million, core profit was RMB5,143 million.



The Company achieved total revenue of

RMB **135.91** bil

Core profit was

RMB **5,143** mil

## II. Industry Situation of the Company During the Reporting Period

### 1. Natural Gas Sales Business

In 2024, China's economic operation was progressing steadily, coupled with the "dual carbon" policy promoting the optimization of the energy structure. Natural gas demand returned to a rapid growth trend. Driven by the growth of urban gas, industrial fuel power generation gas and chemical gas, the national apparent consumption of natural gas was 426.05 billion cubic meters, a year-on-year increase of 8%<sup>3</sup>.

In March, the Guiding Opinions on Energy Work in 2024 proposed to continue promoting clean energy substitution in key areas, revise natural gas utilization policies, and promote natural gas to play a greater role in the construction of a new energy system. In the same month, the Measures for the Administration of Concession Management of Infrastructure and Public Utilities were issued, extending the maximum concession period from the previous 30 years to 40 years and encouraging private enterprises to participate. In June, the National Development and Reform Commission (NDRC) revised and reissued the Measures for the Administration of Natural Gas Utilization after 12 years, clarifying that "natural gas peak-shaving power plant projects with guaranteed gas sources and economic sustainability," "natural gas combined heat and power projects," "solar power generation projects with supplementary combustion," and "new high-precision, cutting-edge, safe, and efficient natural gas utilization business models such as oil, gas, electricity, and hydrogen integrated energy supply projects and terminal natural gas-hydrogen blending demonstration projects" are listed as priority areas for natural gas utilization. During the year, Shandong, Sichuan, Shanghai, Jiangsu,



The annual natural gas consumption for power generation was

**69.32** bil cubic meters

Year-on-year increase of

**10.6%**

Hebei, and other regions successively released policies related to gas-electricity price linkage. Gas power plant projects were put into operation in Sichuan, Guangdong, and other provinces. The installed capacity of gas power plants throughout the year was approximately 140 million kilowatts, accounting for approximately 10% of overall thermal power generation, a year-on-year increase of 14.3%<sup>4</sup>. The annual natural gas consumption for power generation was 69.32 billion cubic meters, a year-on-year increase of 10.6%<sup>5</sup>. In November, China's first fundamental and overarching law in the energy sector, the Energy Law of the People's Republic of China (hereinafter referred to as the Energy Law), was passed, providing important guidance for the high-quality development of China's energy sector. At the close of the "14th Five-Year Plan," market-oriented reforms of natural gas were steadily advanced, and the price linkage mechanism in the terminal market was further improved, providing strong support for the high-quality development of natural gas.

## 2. Construction and Operation of the Natural Gas Professional Capability Recognition Platform

The Energy Law points out that the state supports the application of advanced information technology in the energy sector, promotes the digital and intelligent development of energy production and supply, as well as the coordinated conversion and integrated complementarity of various energy sources. At the same time, it emphasizes the need to deeply implement the innovation-driven development strategy, closely focusing on high-end, digital, and intelligent directions, and vigorously strengthening the independent innovation capabilities of energy technology. This policy indicates that the digital and intelligent transformation of the natural gas industry has become an inevitable trend in industry development. Digital technologies are used to improve the efficiency of the industrial chain and optimize resource allocation. Combined with technologies such as artificial intelligence and big data, the natural gas industry is promoted to develop in an intelligent and efficient direction, providing strong support for achieving the "dual carbon" goals and high-quality energy development.

Various provinces and cities have proposed clear directions and policy support for digital and intelligent transformation in the development of the natural gas industry. For example, the 14th Five-Year Energy Development Plans of Sichuan, Shanxi, Gansu, Guangdong, and Shanghai all mention accelerating the information-based transformation and digital upgrades of natural gas exploration and development, infrastructure construction, coal-to-natural gas technology, and pipeline storage facilities, to improve the safe and efficient operation level of oil and gas pipeline network facilities. Some provinces have introduced special action plans. For example, the Guizhou Province Urban Gas and Natural Gas Infrastructure Construction Tackling Action Plan (2024-2027) issued by Guizhou Province proposes to fully utilize new technologies such as big data and cloud computing to improve the level of industrial control security and network security, and promote the popularization of data acquisition and monitoring control systems.

### 3. Infrastructure Operation

In 2024, four new LNG receiving stations were put into operation including the ones in Huizhou and Zhangzhou, while existing five LNG receiving stations, including Beijing Gas Tianjin and Xintian Tangshan, completed expansion. As of the end of the reporting period, the total number of LNG receiving stations put into operation in mainland China reached 32, distributed in coastal and riverside areas, with a total annual designed receiving capacity of over 140 million tons, forming a relatively complete LNG receiving station network. The national LNG import volume reached 76.65 million tons during the year, representing a year-on-year increase of 7.7%<sup>1</sup>, maintaining a rapid growth trend.

In 2024, China's oil and gas pipeline network facilities accelerated construction, with newly built oil and gas pipeline mileage exceeding 4,000 kilometers. China's "National Unified Network" for natural gas is gradually taking shape, and the national natural gas long-distance pipeline mileage reached 128,000 kilometers<sup>6</sup>, with primary pipeline transmission capacity increasing from 223 billion cubic meters in 2020 to 394 billion cubic meters<sup>7</sup>.

Strengthening the construction of gas storage capacity is a crucial link in meeting the steady growth of natural gas market demand. This year, a total of four underground gas storage facilities (Tongluoxia Gas Storage, Huangcaoxia Gas Storage, Wenba Gas Storage, and Kokyar Gas Storage) were put into operation in Chongqing and Xinjiang, adding a designed working gas volume of 4.4 billion cubic meters<sup>8</sup>. Currently, there are 384 built gas storage facilities (groups) in China, forming a peak-shaving capacity of 27 billion cubic meters, a year-on-year increase of 17.4%<sup>9</sup>.

### 4. Engineering Construction and Installation

#### a) Engineering Construction Business

In March, the Work Plan for Accelerating Energy Conservation and Carbon Reduction in the Building Sector issued by the NDRC and the Ministry of Housing and Urban-Rural Development proposed to increase central funding support for energy conservation and carbon reduction renovation of buildings, implement tax incentives to support building energy conservation and comprehensive utilization of resources, continuously improve energy utilization efficiency in the building sector, reduce carbon emission levels, and accelerate the improvement of green and low-carbon development quality in the building sector. In addition, the hydrogen energy industry is developing rapidly, and the state encourages natural gas-hydrogen blending demonstration projects. Multiple demonstration projects have been launched to explore new storage, transportation, and application. In terms of new energy infrastructure construction, the Ministry of Transport and other departments are exploring the construction of supercharging piles, battery swap stations, hydrogen refueling stations, etc., to promote the popularization of new



Mainland China had **32** operational LNG receiving terminals

With a total annual designed receiving capacity of over

**140** million tons



The national LNG import volume reached

**76.65** million tons

Year-on-year increase of

**7.7%**

energy vehicles. China's accelerated advancement in building energy conservation, hydrogen energy development, and new energy infrastructure construction will effectively promote the rapid development of the engineering business.

#### ***b) Engineering Installation Business***

In 2024, China's urbanization rate reached 67%, an increase of 0.84 percentage points compared to the end of the previous year<sup>2</sup>. China has introduced a series of important policies in the fields of housing and infrastructure. In terms of improved housing, measures such as canceling or optimizing purchase restrictions, lowering down payment ratios, and canceling the lower limit of mortgage interest rates are used to promote demand release. In terms of affordable housing construction, the central bank implemented a RMB300 billion re-lending facility to support the acquisition of existing commercial housing as affordable housing and appropriately increased the area of affordable housing to meet the needs of multi-child families. In terms of "dual use" public infrastructure construction, the Ministry of Natural Resources released planning and land policy guidelines, encouraging diverse entities to participate and prioritizing land use guarantees. In terms of urban village renovation, the policy support scope was expanded to prefecture-level and above cities, with 1 million new renovation tasks added. At the same time, monetary resettlement and housing compensation vouchers were promoted, providing special loans and tax incentives. These policies are beneficial for improving people's livelihoods, promoting urban development, and fostering the stable and healthy development of the real estate market.

### **5. Integrated Energy Business**

China is continuously exerting efforts in energy transition and energy conservation and carbon reduction. It is accelerating the transformation of the energy structure through promoting the utilization of renewable energy, new energy storage, low-carbon transformation of industrial parks, and innovative development in the power sector. In March, the National Energy Administration issued the Guiding Opinions on Energy Work in 2024, proposing to deepen the transformation of energy utilization methods and continue to promote clean energy substitution in key areas; accelerate the construction of a charging infrastructure network system; and promote qualified industrial parks to implement low-carbon and zero-carbon transformation, and green and efficient energy supply and consumption models such as integrated energy stations and source-grid-load-storage integration. In August, the State Council issued the Work Plan for Accelerating the Construction of a Dual Control System for Carbon Emissions, promoting the transformation of dual control of energy to dual control of carbon emissions, establishing a local carbon emission target evaluation and assessment system, exploring a carbon emission early warning and control mechanism for key industry sectors, and accelerating the establishment of a product carbon footprint management system. In October, the Guiding Opinions on Vigorously Implementing Renewable Energy Substitution Actions issued by the NDRC and other departments proposed to coordinate and



promote the green and low-carbon transformation of industrial energy use, carry out new energy source-grid-load-storage integration projects in and around industrial parks and large production enterprises, promote the construction and application of industrial green microgrids, direct green electricity supply, and the replacement of coal-fired self-supplied power plants. Accelerate the promotion of renewable energy medium and low-temperature heat utilization in fields such as papermaking, printing and dyeing, and food processing. In November, the National Energy Administration issued the Guiding Opinions on Supporting the Innovative Development of New Operating Entities in the Power Sector, proposing to encourage virtual power plants to aggregate resources such as distributed photovoltaics, decentralized wind power, new energy storage, and adjustable loads to provide flexible regulation capabilities for the power system. The opinions support qualified industrial enterprises and industrial parks to carry out the construction of intelligent microgrids to improve the local consumption level of new energy, accelerate the construction of the electricity spot market and promote new operating entities to participate in the electricity spot market in a flexible manner such as reporting quantities and prices or reporting quantities without prices.

## 6. Value-added Business

In 2024, the national per capita disposable income of residents was RMB41,314, a nominal increase of 5.3% compared to the same period of the previous year, and a real increase of 5.1% after adjusting for price factors. In July, the NDRC and the Ministry of Finance issued the Notice on Strengthening Support for Large-Scale Equipment Renewal and Trade-in of Consumer Goods, arranging ultra-long-term special treasury bond funds to support local governments in independently enhancing their capacity for trade-in of consumer goods. Various regions focus on supporting the trade-in of household appliances, the purchase of goods and materials used for renovation of old houses, partial renovations of kitchens and bathrooms, and age-appropriate renovations of homes, and promote smart home consumption. In August, the State Council issued the Opinions of the State Council on Promoting High-Quality Development of Service Consumption, proposing to expand the opening up of the service industry, focus on improving service quality, stimulate the endogenous driving force of service consumption through innovation, and cultivate new growth points for service consumption. The above policies showed obvious effects in the fourth quarter, with total retail sales of consumer goods rising by 3.8% year-on-year – the highest increase of the year – outpacing the third quarter by 1.1 percentage points. Service consumption stood out as a vital new driver, while the potential of emerging consumption trends gained momentum swiftly.

*(The above data is extracted from the General Administration of Customs<sup>1</sup>, the National Bureau of Statistics<sup>2</sup>, the National Development and Reform Commission<sup>3</sup>, the National Electric Power Think Tank<sup>4</sup>, the Chongqing Trading Center<sup>5</sup>, China Oil and Gas Pipeline Network Corporation<sup>6</sup>, CCTV News<sup>7</sup>, Oilchem<sup>8</sup>, Qingneng Information<sup>9</sup>, etc., and is for reference only.)*



The national per capita disposable income of residents reached

RMB **41,314**

representing a nominal yoy increase of

**5.3%**

### III. Business of the Company during the Reporting Period

#### (I). Company Introduction

ENN Natural Gas (stock code: 600803.SH) was listed in 1994. As an energy industry listed company, its business covers the entire natural gas value chain, including natural gas sales, construction and operation of natural gas professional capability recognition platform, infrastructure operation, engineering construction and installation, and integrated energy and value-added businesses. Based on the natural gas full-scenario capabilities and IoT data, the Company is building an industrial large model and is committed to becoming a natural gas professional capability recognition platform operator.

ENN Natural Gas operates 261 gas projects across 20 provinces, municipalities, and autonomous regions in China, serving over 31 million households and 270,000 corporate customers. The Company has established core competitive advantages based on four key business pillars: a solid customer base in China, a robust fulfilment and delivery network, a diversified domestic and international resource pool, and an international advanced risk control system. These pillars have allowed us to develop best practices in natural gas industry operations, and as a result, the Company has independently built and operated a natural gas professional capability recognition platform: Greatgas.cn. The platform bridges gaps in supply and demand through digital and intelligent technologies, enabling smart matching at international, national, and regional levels, ultimately enhancing operational efficiency across the gas industry.



Operated **261**  
gas projects across 20 provinces

Served over **31**  
million households and

**270,000**  
corporate customers

#### (II) Business Model

##### 1. Natural gas sales

The Company classifies the natural gas sales business into direct gas sales by platform, retail and wholesale of natural gas sales based on differences in natural gas procurement, customer structure, business model, and other factors.



Company Natural Gas Plant Station

### **a) Direct gas sales by platform**

The Company sells natural gas to various customers such as city gas operators, energy groups and large industries, distributors, energy operator, oil & gas companies and utilities.

The Company sources natural gas from overseas, complemented by domestic LNG liquefaction plants, either self-owned or operated through partnerships. Internationally, the Company secures natural gas from global producers and traders via long-term agreements and spot contracts, while domestically, it obtains coal-to-gas, coalbed methane, shale gas, scattered well gas, and LNG liquefaction plant resources through equity investments, tolling partnerships, and other methods.

Pricing under direct gas sales by platform is more flexible and market-oriented, with floating or fixed prices depending on the type and demand of customers.

### **b) Retail and wholesale of natural gas sales**

As for natural gas retail business, the Company builds pipeline networks in designated areas based on franchises and processes and delivers natural gas to end users such as industrial businesses, residents, and transportation sectors.

The natural gas supply for the retail business is primarily sourced from CNPC, Sinopec, CNOOC, and other resource providers. The purchase price of non-pipeline gas, mainly LNG, is largely market-driven, influenced by domestic and global supply and demand dynamics. The NDRC is working on formulating and adjusting citygate station prices to shift pipeline gas pricing in each province toward a more flexible, market-oriented mechanism. Since 2016, China has progressively relaxed controls on citygate station prices. In response to ongoing market-oriented reforms in the domestic natural gas sector, the NDRC has established a citygate base price, allowing upstream gas suppliers to adjust their rates above or below this benchmark – without a lower limit – based on supply and demand conditions.

In principle, the sales price is calculated as the procurement cost plus gas distribution fees, with urban gas distribution prices regulated under the Guiding Opinions on Strengthening the Regulation of Gas Distribution Prices. The gas distribution price follows the “permitted cost plus reasonable profit” model and must be recalibrated at least every three years. The sales price operates under a government-guided pricing framework. Currently, many cities in China have established price linkage mechanisms for commercial and industrial users, while some have also implemented them for residential users, allowing the Company to request adjustments to gas sales prices based on the extent of upstream citygate station price changes.

The wholesale business works as a way to smooth out peaks for retail sales business. The Company purchases natural gas from upstream gas production and sales entities and then sells it in bulk through its self-owned and third-party gas transportation networks to customers, traders, and other parties not covered by the pipeline network in its operating areas.

## **2. Construction and Operations of the Natural Gas Professional Capability Recognition Platform**

The GreatGas.cn is our proprietary natural gas professional capability recognition platform, and independently developed by the company. It utilizes digital intelligence technology to connect all stakeholders across the natural gas value chain, from supply to demand. Our four key business pillars – a solid customer base, a robust fulfilment and delivery network, a diversified domestic and international resource pool, and an international advanced risk control system – have enabled Greatgas.cn to establish industry best practices and drive innovation across natural gas business models. It provides users with intelligent capabilities and collaboration opportunities, bringing the natural gas industry together as one ecosystem for better operational efficiency.

### 3. Infrastructure operations

As the exclusive entry point for China's LNG imports, LNG terminals play a critical role in the natural gas industry chain. These facilities provide essential services, including unloading, storage, regasification, and peak shaving, establishing them as critical infrastructure within the sector. ENN Natural Gas's Zhoushan LNG Terminal is the first large-scale LNG terminal approved by the National Energy Administration to be invested in by a private enterprise. The primary function of Zhoushan LNG receiving terminal is to distribute LNG to downstream users in either liquid or gaseous form via tank trucks, pipelines, or small vessels. Revenue is generated by charging fees for services such as natural gas unloading, transportation, and storage.

The Company's gas storage facilities have a capacity over 500 million cubic meters and serve as important facilities for balancing the production, transportation, sales, and application of natural gas.

### 4. Engineering construction and installation

The Company owns a comprehensive suite of specialized subsidiaries, including a technology research and development center, a power planning and design institute, a gas design institute, a chemical design institute, an engineering design and research institute, a cost estimation center, an equipment integration company, and an engineering company with leading qualifications in engineering construction and special equipment manufacturing. They carry out business in gas infrastructure planning, design and construction, chemical projects, power grid, hydrogen and integrated energy projects. The engineering construction and installation business consists of engineering construction and engineering installation.

#### *a) Engineering construction*

Engineering construction covers four major engineering fields: natural gas infrastructure engineering, municipal engineering, new energy engineering, and digital intelligence. The Company mainly acquires projects through bidding and provides customers with overall solutions for the entire life cycle of projects, including technology, consulting, planning and design, equipment manufacturing and skid-mounted integration, project construction, and digital delivery.

#### *b) Engineering installation*

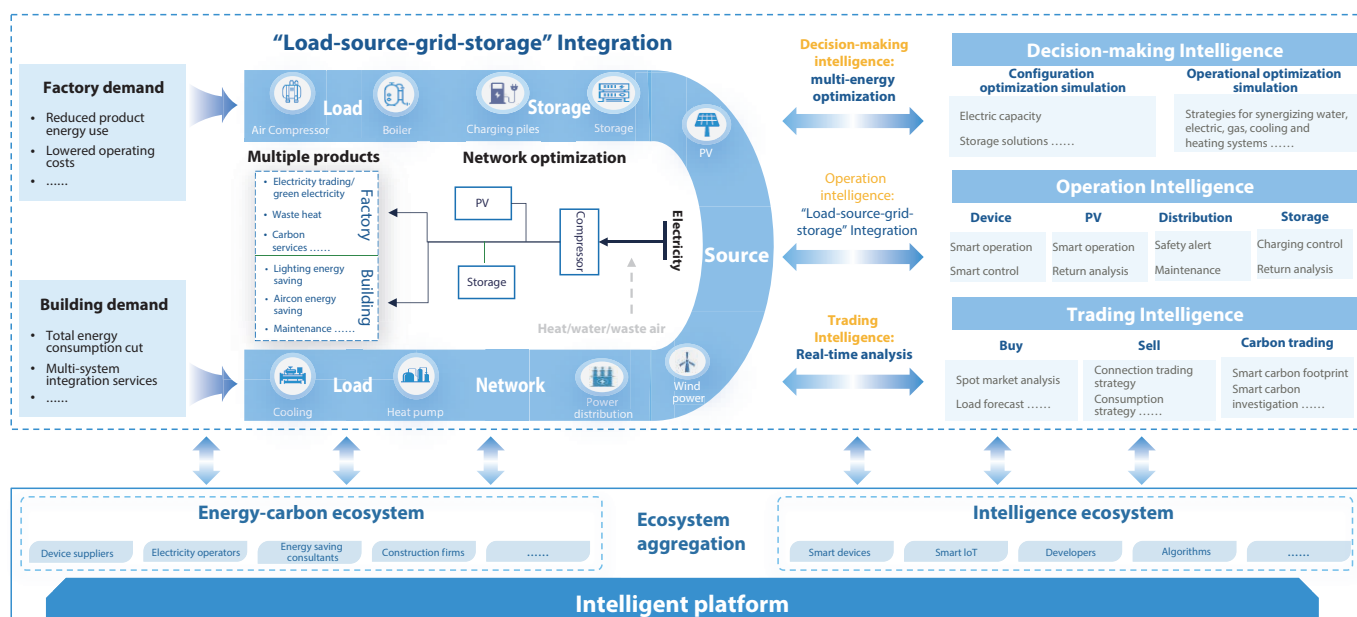
The Company provides various construction and installation services relating to gas-use equipment for residential, commercial and industrial users, covering areas such as courtyard pipeline networks, indoor pipelines and facilities, and after-sales maintenance services. The installation services for residential users target newly-built commodity houses and old residential houses without pipeline gas and specifically include installing and constructing the courtyard pipeline network and equipment, indoor piping, and facilities within the red line of residential buildings with installation charges. The installation services for commercial and industrial users refer to the installation of pipeline gas projects for industrial, commercial, public welfare institution and other customers. In some regions, the pricing of engineering installation business was implemented per relevant policies and regulations of the provincial and municipal development and reform commissions for engineering installation fees.





## 5. Integrated

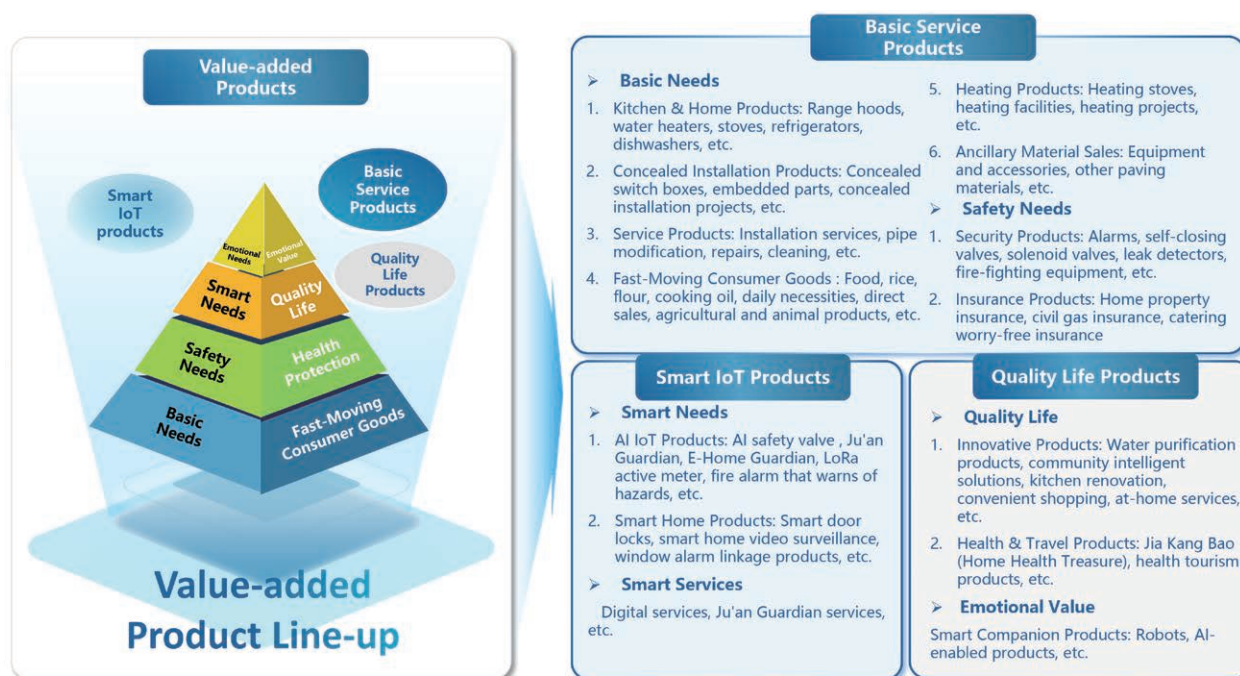
The integrated energy business focuses on meeting customers' diverse needs by developing the entire energy value chain. Leveraging an intelligent ecological platform for the energy and carbon sectors, it smartly aligns products and services with customer demands. The business delivers customized, comprehensive solutions for energy and carbon integration, prioritizing clean energy, promoting multi-energy complementarity, and balancing supply and demand. These solutions are practically implemented and managed to help customers lower energy costs while ensuring a safe and seamless transition to a low-carbon future. The Company targets a wide range of customers, including industrial parks, factories, and buildings.



## Schematic of Integrated Energy Business

## 6. Value-added business

The Company adheres to the customer-centric approach, focuses on the needs of family quality life, focuses on the three major solutions of “household security, smart kitchen and household environment,” and has formed a product system that meets the diversified and differentiated needs of customers. Around the kitchen scene, it focuses on safety and enriches the intelligent IoT product family, including AI safety valves, e-Home Guardian series alarms, LoRa active meters, An Neng Bao and other products and services; around the quality life service scenarios of family customers, it has cultivated and implemented the fast-paced delivery service model, realizing rapid response to customer needs. In terms of communities, the company responds to the national call and actively develops professional digital and intelligent solutions for community energy, community security, and community health; collaborates with ecological partners to jointly explore and create community intelligent charging piles, community lighting energy-saving renovation services, integrated intelligent linkage solutions based on real estate support and community public safety, and water purification services; relying on the product and service resources of a large number of industrial and commercial enterprise users, it uses demand to drive supply and quality as a grasp to connect families and enterprises, providing family customers with quality products and services.



Schematic of Value-added business

## IV. Analysis of Core Competitiveness During the Reporting Period

√ Applicable    □ N/A

### 1. Four Key Capabilities Mutually Reinforce Each Other, Continuously Expanding Natural Gas Trading Volume, Developing More Medium – to Long-Term Customers

Based on the mutual promotion of four capability pillars: demand, resources, facilities, and trading and risk control, the Company continues to expand the scale of long-cycle demand and resources, supports the construction of multi-to-multi

combination capabilities with quantity, price, time, and space, thereby meeting customers' low-cost gas needs, continuously increasing the scale of transactions, and laying the foundation for medium and long-term development:

In terms of the demand pillar, the Company takes 261 urban gas projects across the country as the basic market in the region, adheres to grasping both the in-region and out-of-region markets, digs into existing stock and expands incremental volume, and continuously improves the market share of terminal customers. The Company strengthens demand cognition and management capabilities, diversely aggregates the needs of terminal customers such as urban gas, industry, power plants, and transportation, and promotes the large-scale growth of long-cycle demand by tapping into the business opportunities of large customers and relying on the demand-supply co-intelligent platform products.

In terms of the resource pillar, the Company continues to expand the basic market of medium and long-term resources around customer needs, optimize the resource portfolio, and enhance the sustainable value creation space. For the resources already acquired, it actively optimizes the resource structure to reduce the overall procurement cost of resources. For newly acquired resources, it actively expands ecological cooperation and locks in relatively flexible medium and long-term resources through strategic cooperation; it creates cooperation models with ecological partners and carries out LNG purchases and sales and agency procurement, and continuously accumulates the scale of salable resources.

In terms of infrastructure, the Company is enhancing its capabilities in diverse facilities such as transportation, storage, and receiving terminals. It is building an efficient coordination mechanism and system between receiving terminals, pipelines, and gas storage facilities to achieve efficient and low-cost delivery of resources to end customers. The Company is actively innovating the ecological cooperation model of the Zhoushan Receiving Terminal, strengthening the exchange of capabilities and sharing of facilities with resource providers such as the three major oil companies, and actively exploring multi-terminal collaborative models to promote the

utilization rate of the Zhoushan Receiving Terminal. The Company is continuously strengthening its cooperation with China Oil and Gas Pipeline Network Corporation in transportation, flexibly using new products such as station switching and processing, and on-site trading. It is expanding the use of the national trunk line and continuously obtaining approvals for new offloading points, enhancing controllable pipeline capacity, and gradually building an efficient delivery system to achieve flexible delivery of international resources to domestic end customers.

In terms of trading and risk control, the Company innovates trading models and reasonably controls trading risks through hedging. First, leveraging the Tianjin International Petroleum & Gas Exchange Center, the Company continues to launch and conduct online activities such as cargo pre-sales and LNG auctions on the GreatGas.cn, thereby enhancing trading efficiency and scale through innovative trading models. Second, it continuously optimizes the allocation of credit resources, strengthens risk management capabilities, and agilely captures trading opportunities to achieve stable profitability by combining physical trading and derivatives trading. Simultaneously, the Company aggregates the import demands of various ecosystem participants, helping customers manage price uncertainty and optimize import resource costs. Furthermore, relying on its risk management capabilities, the Company dynamically manages price fluctuation risks based on domestic long-term demand and cargo flows, supporting the fulfillment and delivery of its international medium- and long-term resource contracts.

## 2. Cultivating Best Practices to Drive New Developments in Industry Ecosystem

Starting with a deep understanding of customer needs and leveraging years of experience and expertise in industry operations, the Company continuously strengthens its four key business pillars. Through practical industry experience, the Company cultivates intelligent solutions and has built the GreatGas.cn, a natural gas professional capability recognition platform, realizing the digital intelligence capability to link demand and supply.



The GreatGas.cn launched a large language model (LLM) for natural gas professional capability recognition in November, which provides strong support in areas such as industry knowledge Q&A, task comprehension and calculation, optimized matching and actuarial analysis, and business solution generation. It helps customers achieve optimal supply and demand matching and effectively manage uncertainty. Leveraging the exceptional features and unique advantages of large language, vision, and operations research models, the natural gas expertise LLM utilizes generative AI to create intelligent capabilities for various roles. It is currently being used by various stakeholders within the industry ecosystem, including city gas distributors, resource providers, and receiving terminals. The LLM has demonstrated significant effectiveness in typical scenarios, powerfully driving new developments in the natural gas industry.

The Company uses intelligent solutions to fuel industry development, continuously shaping and enhancing both its intelligent capabilities and industry expertise to meet customers' needs for low-cost natural gas, which creates a mutually reinforcing, spiral growth pattern among customer scale, intelligent capabilities, and innovative models, leading to continuous expansion of the natural gas ecosystem.

### 3. Creating Comprehensive Clean Coal Utilization Solutions & Continuously Developing Core Hydrogen Energy Technologies Across Entire Value Chain

To continuously develop new energy technology products and improve its technology innovation and R&D system, the Company established a Technology and Innovation Center to strengthen its effective support for strategic implementation and business transformation. To meet customers' needs for energy conservation and low-carbon solutions, the Company is actively pursuing technological development in areas such as hydrogen energy, clean coal utilization, unconventional natural gas, and has achieved phased results.

In the field of hydrogen energy, the Company is building comprehensive technological capabilities across the entire hydrogen value chain, encompassing diverse

hydrogen production methods, storage and transportation, and applications. For hydrogen production, a 50kW integrated system based on the Company's independently developed solid oxide electrolyzer cell (SOEC) technology is currently under construction. In hydrogen storage and transportation, the Company is designing a series of skid-mounted products for hydrogen blending into natural gas pipelines. These products have been successfully implemented in a green hydrogen blending project in Inner Mongolia, making it one of the earliest projects in China to achieve industrial-scale green hydrogen blending with natural gas for industrial energy supply. Regarding hydrogen utilization, the Company has completed the construction of a pilot project for producing natural gas from hydrogen and CO<sub>2</sub>, exploring more technological pathways for green hydrogen consumption. It has also successfully applied for the 2025-2027 National Key R&D Program "Key Technology Research on Integrated Gasification Fuel Cell Power Generation," maintaining its leading domestic position in solid oxide fuel cell (SOFC) technology and accumulating strength for the efficient power generation applications of carbon-hydrogen fuels, including hydrogen, natural gas, and methanol.

In the field of clean coal utilization, the Company successfully completed the trial run of its independently





developed industrial demonstration project for coal hydrogenation pyrolysis technology. This technology achieves the efficient and clean conversion of coal into natural gas while co-producing high-value-added aromatic hydrocarbons, with a comprehensive energy efficiency 5%-10% higher than traditional coal-to-gas processes. The successful trial run signifies that pulverized coal hydrogenation gasification technology is now ready for large-scale commercialization, providing a crucial solution for the clean, efficient, and comprehensive utilization of low-rank coal resources in China. Simultaneously, based on proprietary technology and catalysts, the Company completed a process package for a 1 billion standard cubic meters/year syngas methanation plant, which has passed external experts' review. With this achievement, the Company has established a comprehensive, proprietary technology-based process solution for coal-to-gas conversion.

#### 4. Comprehensive Upgrade of ESG Concepts, Empowering Company's Intelligent, Innovative, and Sustainable Development

In 2024, the Company launched its sustainable development philosophy—"With Wisdom, we Innovate Sustainable Energy"—deeply integrating ESG into its strategy, daily operations, and performance evaluations.

The Company continues to refine its governance structure and implementation system, consistently improving its sustainability performance. In terms of governance, the Company continues to optimize the structure and independence of its board of directors and specialized committees, strengthen the capabilities and awareness of directors, supervisors, and senior executives, and promote transparent and responsible decision-making processes to enhance investor returns and the Company's long-term investment value. Regarding environmental aspects, the Company continues to measure and manage its Scope 3 carbon emissions, exploring emission reduction potential across the upstream, midstream, and downstream segments of the natural gas industry chain to provide customers with cleaner energy products. During the construction of Phase III of the Zhoushan Receiving Terminal, the Company carried out marine biodiversity conservation efforts, including fishery compensation and release programs, to continuously improve the biological resources and regional marine ecological environment surrounding the terminal. In terms of social responsibility, the Company adheres to its nine-Chinese character safety management guideline of "visibility, key focus, and accountability." Using the safety risk map as a guiding principle, the Company drives the implementation of safety responsibilities, risk prevention and control, and intelligent



safety transformation throughout the year, providing a solid foundation for safe and stable operations. The Company actively participates in social welfare initiatives, focusing on five key areas: "Igniting Wisdom, Empowering a Green Future, Warm Light Public Welfare, Rural Dream Building, and Cultural Spark." It carries out these initiatives systematically to better fulfill its social responsibility. Furthermore, the Company continues to develop its digital ESG management capabilities, improving the entire process of ESG data reporting, management, verification, and tracking, effectively enhancing data quality and management efficiency.



Schematic of WISE Concept

## V. Discussion and Analysis of Operations

### (I) Company Operation Analysis

#### 1. Natural gas sales business

During the Reporting Period, the total gas sales volume amounted to 39,219 million cubic meters, an increase of 1.4% year-on-year.

##### a) Direct Gas Sales by Platform

During the Reporting Period, direct gas sales by platform amounted to 5,568 million cubic meters, an increase of 10.3 year-on-year, of which overseas gas sales amounted to 2,167 million cubic meters and domestic gas sales amounted to 3,401 million cubic meters, mainly covering the provinces of Zhejiang, Guangdong, Shandong, Chongqing and Jiangsu.

##### b) Retail and wholesale of natural gas

As of the end of the Reporting Period, the Company had 261 city-gas projects in China, covering 20 provinces and autonomous regions, including Anhui, Fujian,

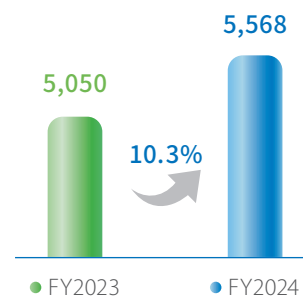


The total gas sales volume amounted to

**39,219** million cubic meters

#### Direct Gas Sales by Platform

Unit: mil m<sup>3</sup>



● FY2023 ● FY2024  
Sales volume of direct gas sales by platform of 2024

Guangdong, Guangxi, Hebei, Henan, Hunan, Jiangsu, Jiangxi, Liaoning, Shandong, Zhejiang, Shanghai, and Tianjin. During the Reporting Period, the retail sales volume of natural gas reached 26,200 million cubic metres, with a year-on-year increase of 4.2%. Among them, the retail gas sales volume to commercial and industrial users reached 20.48 billion cubic meters, with a year-on-year decrease of 5.1%, accounting for 78.2% of the total retail sales volume of natural gas. The retail gas sales volume to residential users reached 5,467 million cubic meters, with a year-on-year increase of 2.2%, accounting for 20.9% of the total retail sales volume of natural gas.

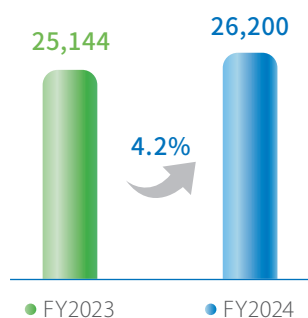
During the reporting period, the company's wholesale gas sales amounted to 7,451 million cubic meters.

## 2. Development and Operation of a Natural Gas Professional Capability Recognition Platform

To meet customer demand for low-cost natural gas, the GreatGas.cn continuously iterates and updates its intelligent platform capabilities. On the demand side, it has developed products such as monthly resource optimization for city gas distributors, flexible gas usage solutions for industrial customers, and monthly supply-demand matching, helping commercial, industrial, and residential customers buy and use gas more effectively. On the resource side, it has created products such as international cargo flow optimization, resource pool optimization, and long-term/spot resource distribution to reduce resource pool costs and increase resource revenue. On the facility side, it has developed products such as intelligent terminal operations, window period optimization, and intelligent engineering, enabling facility operators to improve utilization rates and achieve energy-saving, low-cost operations. The GreatGas.cn also continues to iterate on general-purpose capabilities such as intelligent market judgment and intelligent risk control. Based on its ability to forecast international and domestic supply, demand, and prices, and its geopolitical and policy analysis capabilities, it combines large language models to build predictive models, knowledge bases, and data visualization models. This helps reduce customer gas costs, predict market fluctuations, and empower customers to quickly lock in sales profits and control risks.

### Retail Gas Sales

Unit: mil m<sup>3</sup>

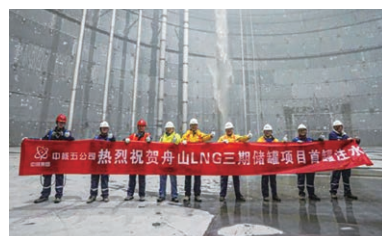


Sales Volume of retail gas of 2024



Zhoushan LNG Receiving Terminal unloaded

**2.4122** mil tons



First water injection into Tank at Zhoushan Receiving Terminal Phase III Project

## 3. Infrastructure Operations

The Zhoushan Receiving Terminal currently has an actual processing capacity of 7.5 million tons per year and a supporting subsea pipeline transmission capacity of 8 billion cubic meters per year. Construction of the Phase III project began in October 2022 and is expected to be completed and operational in the second half of 2025. Upon completion, the total processing capacity will exceed 10 million tons per year.

During the Reporting Period, the Zhoushan LNG Receiving Terminal unloaded 2.4122 million tons, providing strong support for the stable supply of natural gas to Zhejiang Province and the broader Yangtze River Delta region. Furthermore, the terminal completed construction of green energy facilities, including solar

photovoltaic installations on carports and the fire station, as well as solar-powered streetlights, generating over 400,000 kWh of electricity during the year. A low-carbon management and energy efficiency platform was also established, achieving a digital upgrade in green energy management. In May, the independently developed first domestic dual-loop cold energy power generation unit completed its commissioning and trial operation, generating a cumulative 180,000 kWh of electricity during the trial. This milestone is of significant importance for cultivating new productive forces in domestic LNG cold energy utilization technology and contributing to the achievement of China's "dual carbon" goals.

#### 4. *Integrated energy*

During the Reporting Period, the Company achieved a newly commissioned installed capacity of 1.7 GW, including a total installed capacity of 0.5 GW from newly commissioned industrial parks, of which 236 MW were from newly grid-connected photovoltaic systems and 80 MWh from newly grid-connected energy storage systems. Additionally, low-carbon factories and buildings saw a newly added installed capacity of 1.2 GW. In 2024, the Company completed construction and put into operation 60 large-scale projects, bringing the cumulative total of commissioned large-scale projects to 356. Through investment and management contract models, the cumulative installed capacity reached 13.3GW, generating a total energy sales volume of 41.57 billion kWh, covering cooling, heating, electricity, and steam, representing a year-on-year increase of 19.8%.

#### 5. *Value-added Business*

During the Reporting Period, in terms of basic products and services, the Company leveraged intelligent capabilities such as smart scheduling to enhance partner efficiency, optimize the customer service system, and promote lean grid operations, and achieved value enhancement in basic products and services such as range hoods, gas related products, stoves, and heating products, achieving a comprehensive customer penetration rate of 23.9%. At the same time, by optimizing the product portfolio, the Company's proprietary Gratile products grew by 62.2%, with the comprehensive average revenue per customer increasing to RMB612 per household. In the smart product segment, the Company utilized IoT as an entry point, innovating products and services tailored to household customers' safety needs. By integrating smart technology applications, the Company developed and nurtured smart products such as AI safety valves, fire alarms that warns of hazards, and safety guardians, effectively combining products with services. In 2024, the contract value for smart products reached RMB820 million, establishing a strong foundation for tapping into long-tail revenue streams.



IE business sales volume of

**41.57** bil kWh

Year-on-year increase of

**19.8%**



The contract value for smart products reached

RMB **820** million



## 6. *Engineering construction and gas installation*

The engineering construction and installation business consists of engineering construction and engineering installation.

### a) *Engineering construction*

During the Reporting Period, the Company signed contracts for several projects, including a hydrogen blending project in Inner Mongolia, a battery swap station design project in Tangshan, a wind power booster station project in Xingtai, and an independent energy storage power station project in Qinhuangdao, continuing to strengthen its new businesses in hydrogen energy and integrated energy solutions.

In integrated energy utilization, solutions for low-carbon buildings, factories, and photovoltaic energy storage supply were successively completed, and the scale of projects continued to expand, effectively promoting the diversification of the Company's business. In the field of clean coal utilization, the Xin Neng Energy hydrogenation pyrolysis integration and upgrading project successfully completed its trial run, and the compilation of the process package for a 1 billion standard cubic meters/year coal-to-natural-gas methanation plant passed review and was applied in the bidding for a coal-gas-to-natural-gas project in Northwest China. In overseas business, the Company won the bidding for the Northern LNG Receiving Terminal project in Vietnam. The Company also established collaborations with enterprises in multiple countries, laying a solid foundation for the long-term development of its overseas business.

### b) *Engineering Installation Business*

During the Reporting Period, the Company newly developed 27,775 commercial and industrial users, with an opening volume of 15.101 million cubic meters per day. The total number of commercial and industrial users served by the Company has reached more than 270 thousand.

During the Reporting Period, the Company completed engineering installations for 1.617 million newly developed residential users, and has developed a cumulative total of 31.379 million household users, with an average piped gas penetration rate of 65.8%, covering a population of more than 140 million.

## 7. *Energy production*

The Company's methanol business includes the production and sale of methanol. The Company currently has two sets of production units, with customers mainly concentrated in large and medium-sized terminal chemical enterprises. The Company has gradually expanded into emerging downstream customers in fine chemicals and methanol fuel. During the Reporting Period, the Company sold 1,616,400 tons of methanol.

## 8. *Capital Market Awards*

The Company's ESG performance has been recognized by various stakeholders. Its MSCI ESG rating achieved a two-level jump to AAA, making it the first and only Chinese company in the global utilities sector to receive this rating. Its score in the S&P Global Corporate Sustainability Assessment (CSA) significantly improved to 67, while its Morningstar Sustainalytics ESG Risk Rating further improved from 32 to 22.2, placing it among international leaders. The Company's ESG management level and long-term investment value have been fully affirmed by ESG rating agencies and investment institutions, attracting substantial ESG investment and creating a positive feedback loop for the realization of its sustainable development value.

Furthermore, the Company was officially selected in the SSE 180 Index, further solidifying its position in the capital market and demonstrating its strong capabilities and promising prospects for high-quality development. The successful selection is a strong endorsement from the capital market of our comprehensive strength, operating performance, and long-term strategic value.

## (II) Financial performance analysis

### 1. Financial resources and liquidity

The Company's main sources of funds include operating income, financing, investment income and share capital. The main factors influencing the Company's future monetary fund are operating revenue and expense, capital expenditure and repayment of loan.

Cash and financing of the Company are analyzed as follows:

Unit: RMB '0000 Currency: RMB

Item	31 December 2024	31 December 2023	Change
Monetary fund (excluding restricted fund)	1,211,053	1,548,226	-337,173
Lending funds <sup>Note 1</sup>	325,369	329,449	-4,080
Short-term borrowings	924,025	955,432	-31,407
Non-current liabilities due within one year	138,924	242,832	-103,908
Long-term borrowings	759,508	874,591	-115,083
Long-term payables		275	-275
Bonds payable	1,279,434	1,284,234	-4,800
Total debts <sup>Note 2</sup>	3,083,760	3,343,586	-259,826
Net debts <sup>Note 3</sup>	1,547,338	1,465,912	81,426
Total equity	6,054,361	5,853,665	200,696
Net debts/total equity	25.56%	25.04%	0.51%
Unutilized bank facilities	4,864,159	4,276,653	587,506

Note 1: The Company, by implementing the Interpretation of the Accounting Standards for Business Enterprises No. 15, separately presented the business of financial companies within the consolidation scope of the listed company as per the requirements for financial enterprises on presentation of financial statements, and portions of monetary fund are reclassified to Funds for inter-bank lending, without restrictions thereon.

Note 2: The total debts exclude the portion of long-term payables and non-current liabilities due within one year that are not related to financing activities.

Note 3: Net debts equal to total debts minus unrestricted monetary fund.

#### (1) Liquidity management

As of 31 December 2024, the Company's unrestricted monetary fund (including lending funds) totaled RMB15.364 billion, an decrease of RMB3.413 billion from the beginning of the year, which was mainly attributable to the utilization of funds for debt repayment during the period to reduce the debt scale. Meanwhile, the reserved unutilized bank facilities of RMB48.642 billion met the Company's financing credit needs in all aspects.

The Company seeks to maintain continuous control over its scale of short-term debts and strike a balance between duration of debt and cost of financing. The Company dynamically monitors and forecasts the monetary fund reserve, appropriately reduces the short-term debts, and replaces other high-interest debts based on the current situation of monetary fund and sustainable planning and expectation in order to reduce financing costs and save financing expenses. Therefore, the Company's short-term debts at the end of the period decreased by RMB1.399 billion from the beginning of the year. In 2025, the Company will continue to use its own funds and bank credit resources to repay the due debts, and sufficient capital and credit resource reserves as well as forward-looking repayment plans are available to support service of debt.

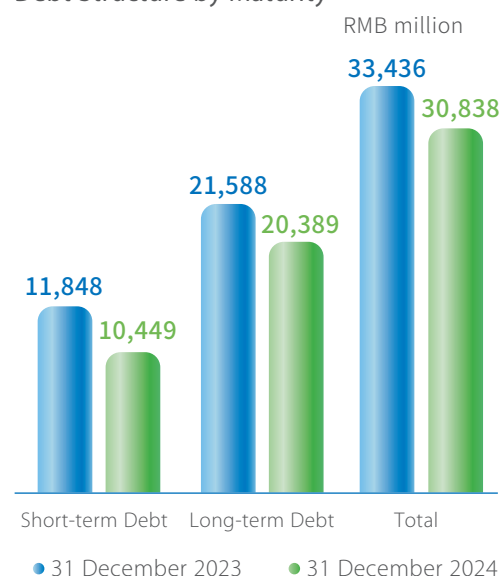
### (2) Debt scale

As of 31 December 2024, the Company's total debts amounted to RMB30.838 billion, with a decrease of RMB2.598 billion over that at the beginning of the year, and the total debts were subject to a slight decline, reflecting the Company's good performance in debt scale control. During the Reporting Period, the Company completed the replacement of high-cost loans by taking various measures such as early repayment with self-owned funds, issue of domestic bonds and replacement with low-cost loans, thus effectively alleviating the debt scale and financing costs; the Company paid sustained attention to its offshore US dollar debts, and repaid the dollar debts of USD177 million on net through bond repurchase, thus effectively controlled the scale and cost of its US dollar debts. The Company will continuously pay attention to market changes, avoid exchange rate and interest rate risks and maintain its debt scale at a reasonable level.

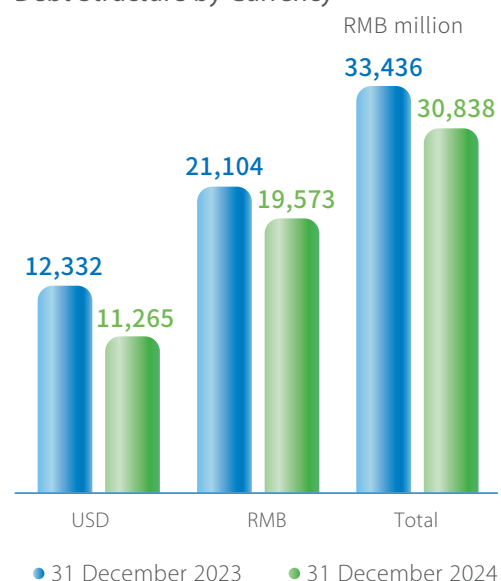
### (3) Currency structure

As of 31 December 2024, the Company's financing amount denominated in foreign currency was USD1.566 billion (USD1.743 billion at the end of 2023), equivalent to RMB11.265 billion (equivalent to RMB12.332 billion at the end of 2023), of which long-term debts accounted for 100% (100% at the end of 2023).

### Debt Structure by Maturity



### Debt Structure by Currency



The Company reasonably used foreign exchange derivatives to hedge the foreign exchange risk arising from its bonds payable denominated in USD, so as to avoid the Company's exposure to fluctuation of the exchange rate of RMB against USD. In view of the existence of risk with respect to fluctuation of the exchange rate of RMB against USD, the Company will continue to closely monitor the foreign exchange market trend and use foreign currency derivatives contracts to mitigate the impact on its operation where appropriate. Also, the offshore US dollar funds will be applied to repay the US dollar debts.

#### (4) Credit rating

During the Reporting Period, the international ratings of the Company were upgraded. Standard & Poor's upgraded the Company's international rating from BBB – to BBB with a stable outlook; Fitch upgraded the Company's international rating from BBB – to BBB with a stable outlook; Moody's upgraded the Company's international rating from Ba1 to Baa3 with a stable outlook. The international rating of ENN Energy, a subsidiary of the Company, was maintained at a stable level. Fitch maintained the international rating of ENN Energy at BBB+ with a stable outlook; Standard & Poor's maintained the international rating of ENN Energy at BBB+ with a stable outlook; and Moody's maintained the international rating of ENN Energy at Baa1 with a stable outlook.

The domestic ratings for the Company were also maintained at a stable level. China Chengxin International Credit Rating Co., Ltd. ("CCXI") maintained the Company's rating at AAA (stable) and CSCI Pengyuan Credit Rating Limited ("CSCI Pengyuan") also maintained the Company's rating at AAA (stable).

The ratings above reflected the Company's sound business basis, robust financial capability, and predictable development prospect which have been fully recognized by the rating agencies.

#### (I) Analysis of principal business

##### 1. Analysis of changes in related items in the income statement and cash flow statement

Unit: RMB '0000 Currency: RMB

Item	Current period	Same period of previous year	Change (%)
Operating income	13,583,649	14,375,398	-5.51
Operating cost	11,691,167	12,370,740	-5.49
Taxes and surcharges	39,951	54,371	-26.52
Selling expense	151,187	142,868	5.82
Administrative expense	395,771	420,250	-5.82
Financing expense	112,075	165,060	-32.10
Financing expense – interest income	39,177	23,071	69.81
Research and development expenditure	82,600	96,130	-14.07
Investment income	184,377	792,202	-76.73
Investment income from associated ventures and joint ventures	57,736	23,348	147.28
Income from changes in fair value	-35,213	-147,905	–



Item	Current period	Same period of previous year	Change (%)
Assets impairment loss	-29,961	-206,885	–
Non-operating income	30,514	16,494	85.00
Net profit attributable to owners of the parent company	449,318	709,111	-36.64
Net of tax from other comprehensive income	-116,171	87,061	-233.44
Net cash flow from operating activities	1,416,216	1,375,945	2.93
Net cash flow from investing activities	-690,561	233,122	-396.22
Net cash flow from financing activities	-1,072,006	-827,846	–

1. The year-on-year decrease in financing expense by 32.10% was mainly attributable to the year-on-year decrease in interest expense incurred as a result of the year-on-year decline in the scale of domestic loans and USD debts, and the year-on-year increase in bank interest income incurred as a result of the year-on-year rise in USD deposits and deposit interest rate in the subsidiaries of the Company.

2. The year-on-year increase in financing expense – interest income by 69.81% was mainly attributable to the year-on-year increase in bank interest income incurred as a result of the year-on-year rise in USD deposits and year-on-year increase in the deposit interest rate for the subsidiaries of the Company during the Reporting Period.

3. The year-on-year decrease in investment income by 76.73% was mainly attributable to the year-on-year decrease in income realized from disposal of subsidiaries and derivatives by the Company during the Reporting Period.

4. The investment income from associated ventures and joint ventures increased by 147.28% year-on-year, mainly due to the increased investment income recognized as a result of the increase in profits of associated ventures and joint ventures of subsidiaries of the Company during the Reporting Period.

5. The income from changes in fair value increased by RMB1.127 billion year-on-year, mainly due to the settlement upon maturity in the current period of floating income from derivative financial instruments not mature at the

end of last year, which offset the year-on-year decrease in income from changes in fair value.

6. The year-on-year decrease in assets impairment loss by RMB1.769 billion was mainly caused by the year-on-year decrease in the provision for impairment of fixed assets by subsidiaries of the Company during the Reporting Period.

7. Non-operating income increased by 85.00% year-on-year, mainly due to the increased compensation received by the subsidiaries of the Company during the Reporting Period over the same period of last year.

8. The net profit attributable to owners of the parent company decreased by 36.64% year-on-year, mainly due to the disposal of Xinneng Mining by the Company during the same period of last year.

9. Net of tax from other comprehensive income decreased by 233.44% year-on-year, mainly due to the decrease in the amount of changes in fair value of derivative contracts of the Company's subsidiaries included in the cash flow hedging reserve over the same period of last year.

10. Net cash flow from investing activities decreased by 396.22% year-on-year, mainly due to the reduction in proceeds from equity transfer received by the Company and its subsidiaries in the Reporting Period.

Detailed description of significant changes in the type of business and profit composition or source of the Company during the current period

☐ Applicable ☒ N/A

## 2. Analysis of revenue and cost

√ Applicable    □ N/A

Analysis of revenue and cost:

(1). Principal business by industry, by product, by region and by sales model

Unit: RMB '0000    Currency: RMB

Principal business by industry						
Industry	Operating income	Operating cost	Gross margin (%)	Increase/decrease in operating income year-on-year (%)	Increase/decrease in operating cost year-on-year (%)	Increase/decrease in gross margin year-on-year (%)
Retail of natural gas	6,724,220	5,919,100	11.97	-3.18	-4.16	Increase by 90 bp
Wholesale of natural gas	2,364,877	2,356,159	0.37	-18.94	-15.63	Decrease by 390 bp
Direct gas sales by platform	1,288,363	1,079,150	16.24	20.99	23.69	Decrease by 183 bp
Construction and instillation	593,573	362,812	38.88	-30.31	-28.17	Decrease by 182 bp
Panergy business	1,556,425	1,321,024	15.12	2.45	0.11	Increase by 198 bp
Smart home business	477,824	169,436	64.54	20.67	25.87	Decrease by 147 bp
Energy production	432,930	396,130	8.50	-15.04	-16.33	Increase by 142 bp
Infrastructure operation	56,344	14,941	73.48	172.88	136.26	Increase by 411 bp
Total	13,494,556	11,618,752	13.90			

Principal business by product						
Product	Operating income	Operating cost	Gross margin (%)	Increase/decrease in operating income year-on-year (%)	Increase/decrease in operating cost year-on-year (%)	Increase/decrease in gross margin year-on-year (%)
Natural gas	10,377,460	9,354,409	9.86	-5.03	-4.95	Decrease by 8 bp
Construction and instillation	593,573	362,812	38.88	-30.31	-28.17	Decrease by 182 bp
Panergy business	1,556,425	1,321,024	15.12	2.45	0.11	Increase by 198 bp
Coal and chemical products	432,930	396,130	8.50	-15.04	-16.33	Increase by 142 bp
Infrastructure operation	56,344	14,941	73.48	172.88	136.26	Increase by 411 bp
Smart home business	477,824	169,436	64.54	20.67	25.87	Decrease by 147 bp
Total	13,494,556	11,618,752	13.90			

Principal business by region						
Region	Operating income	Operating cost	Gross margin (%)	Increase/decrease in operating income year-on-year (%)	Increase/decrease in operating cost year-on-year (%)	Increase/decrease in gross margin year-on-year (%)
Domestic	12,722,432	11,013,890	13.43	-2.58	-3.28	Increase by 63 bp
International	772,124	604,862	21.66	-33.73	-32.28	Decrease by 169 bp
Total	13,494,556	11,618,752	13.90			

Principal business by sales model						
Sales model	Operating income	Operating cost	Gross margin (%)	Increase/decrease in operating income year-on-year (%)	Increase/decrease in operating cost year-on-year (%)	Increase/decrease in gross margin year-on-year (%)
Direct sales	9,569,008	8,319,274	13.06	0.42	-0.59	Increase by 88 bp
Distribution	3,331,975	2,936,666	11.86	-13.31	-13.81	Increase by 51 bp
Others	593,573	362,812	38.88	-30.31	-28.17	Decrease by 182 bp
Total	13,494,556	11,618,752	13.90			

(2). Analysis of production and sales

√ Applicable    □ N/A

Main product	Unit	Production	Sales volume	Self consumption	Inventory	Increase/decrease in production year-on-year (%)	Increase/decrease in sales volume year-on-year (%)	Increase/decrease in self consumption year-on-year (%)	Increase/decrease in inventory year-on-year (%)
Self-produced methanol	10,000 tons	161	162		2	1.90	4.52	-100.00	-33.33
Self-produced LNG	10,000 m <sup>3</sup>	15,482	15,507		57	-2.46	-3.04		-30.49

Description of production and sales

1. The self consumption of self-produced methanol decreased by 100% over the previous year mainly because the imposition of consumption tax on stable light hydrocarbons rendered the production of stable light hydrocarbon products by the Company's subsidiaries economically unviable, and consequently the production decreased, leading to a decline in the amount of methanol consumed.

2. The inventory of self-produced LNG decreased by 30.49% over the previous year mainly because the limited upstream gas sources available to the Company's subsidiaries during the Reporting Period caused a reduction in production and sales over the previous period, and the Company adjusted the shipments in due time based on its sales strategy, resulting in an inventory decline.

(3). Performance of major procurement contracts and major sales contracts

☐ Applicable ☒ N/A

(4). Cost analysis

Unit: RMB '0000

By industry							Description
Industry	Cost components	Amount for the current period	Percentage for the current period of total cost (%)	Amount for the same period of previous year	Percentage for the same period of previous year of total cost (%)	Change in amount year-on-year (%)	
Retail of natural gas	Natural gas	5,813,252	98.21	6,072,378	98.32	-4.27	
	Operation cost of natural gas	105,848	1.79	103,837	1.68	1.94	
	Total	5,919,100	100.00	6,176,215	100.00	-4.16	
Wholesale of natural gas	Natural gas	2,356,159	100.00	2,792,765	100.00	-15.63	
Direct gas sale by platform	Natural gas	1,079,150	100.00	872,474	100.00	23.69	
Construction and installation	Materials	67,930	18.72	135,189	26.76	-49.75	
	Construction cost	294,882	81.28	369,916	73.24	-20.28	
	Total	362,812	100.00	505,105	100.00	-28.17	
Panergy business	Panergy business cost	1,321,024	100.00	1,319,613	100.00	0.11	
Smart home business	Smart home business cost	169,436	100.00	134,609	100.00	25.87	
Energy production	Materials	177,048	44.70	214,957	45.40	-17.64	
	Labor	5,796	1.46	8,254	1.74	-29.78	
	Depreciation	16,771	4.23	28,218	5.96	-40.57	
	Energy	36,741	9.27	49,062	10.36	-25.11	
	Manufacturing cost	22,470	5.67	57,419	12.13	-60.87	
	Trading products	137,304	34.67	115,537	24.41	18.84	
	Total	396,130	100.00	473,447	100.00	-16.33	
Infrastructure operation	Infrastructure operation cost	14,941	100.00	6,324	100.00	136.26	



By product							
Product	Cost components	Amount for the current period	Percentage for the current period of total cost (%)	Amount for the same period of previous year	Percentage for the same period of previous year of total cost (%)	Change in amount year-on-year (%)	Description
Natural gas	Natural gas operation and transmission costs	9,354,409	100.00	9,841,454	100.00	-4.95	
Construction and installation	Materials	67,930	18.72	135,189	26.76	-49.75	
	Construction cost	294,882	81.28	369,916	73.24	-20.28	
	Total	362,812	100.00	505,105	100.00	-28.17	
Panergy business	Panergy business cost	1,321,024	100.00	1,319,613	100.00	0.11	
Coal and chemical products	Materials	177,048	44.70	214,957	45.40	-17.64	
	Labor	5,796	1.46	8,254	1.74	-29.78	
	Depreciation	16,771	4.23	28,218	5.96	-40.57	
	Energy	36,741	9.27	49,062	10.36	-25.11	
	Manufacturing cost	22,470	5.67	57,419	12.13	-60.87	
	Trading products	137,304	34.67	115,537	24.41	18.84	
	Total	396,130	100.00	473,447	100.00	-16.33	
Infrastructure operation	Infrastructure operation cost	14,941	100.00	6,324	100.00	136.26	
Others	Others	169,436	100.00	134,609	100.00	25.87	

#### Other notes on cost analysis

The infrastructure operation business increased by 136.26% year-on-year, mainly due to the increase in percentage of income of external customers for the current period and the year-on-year increase in the cost apportioned to external customers subject to the percentage of income.

(5). Changes in the scope of combination caused by changes in the shareholdings of major subsidiaries during the Reporting Period

☐ Applicable    ☒ N/A

(6). Significant changes or adjustments to the Company's business, products or services during the Reporting Period

☐ Applicable    ☒ N/A

## (7). Major customers and suppliers

## A. Major customers

√ Applicable ☐ N/A

Sales to the top five customers amounted to RMB5,866.93 million, accounting for 4.32% of total annual sales, in which the sales to related parties amounted to RMB0, accounting for 0% of total annual sales for the top five customers.

Circumstances where sales to a single customer exceeded 50% of total sales, there were new customers among the top five customers or there was heavy dependence on a few customers during the Reporting Period

☐ Applicable ☒ N/A

## B. Major suppliers

√ Applicable ☐ N/A

Purchases from the top five suppliers amounted to RMB40,916.4 million, accounting for 35.00% of total annual purchases, in which the purchases from related parties amounted to RMB0, accounting for 0% of total annual purchases by the top five suppliers.

Circumstances where purchases from a single supplier exceeded 50% of total purchases, there were new suppliers among the top five suppliers or there was heavy dependence on a few suppliers during the Reporting Period

☐ Applicable ☒ N/A

## 3. Expenses

√ Applicable ☐ N/A

1. The year-on-year increase in selling expense by 5.82% was mainly attributable to the rise in employee remuneration resulted from the increased sales workforce in the Company's subsidiaries during the Reporting Period.

2. The year-on-year decrease in administrative expense by 5.82% was mainly attributable to the decreased management personnel remuneration of the Company's subsidiaries during the Reporting Period.

3. The year-on-year decrease in financing expense by 32.10% was mainly attributable to the year-on-year decrease in interest expense incurred as a result of the year-on-year decline in the scale of domestic loans and USD debts, and the year-on-year increase in bank interest income incurred as a result of the year-on-year rise in USD deposits and deposit interest rate in the subsidiaries of the Company.

#### 4. Research and development input

##### (1). Research and development input

√ Applicable    ☐ N/A

Unit: RMB '0000

Expensed research and development input for the current period	82,600
Capitalized research and development input for the current period	33,288
Total research and development input	115,888
Total research and development input as a percentage of operating income (%)	0.85
Proportion of capitalized research and development input (%)	28.72

##### (2). Research and development staff

√ Applicable    ☐ N/A

Number of research and development staff	3,691
Number of research and development staff as a percentage of total headcount (%)	9.38

Academic structure of research and development staff	
Category	Number of staff
PhD	1
Master	127
Bachelor	1,745
Junior college	1,436
High school or below	382

Age structure of research and development staff	
Category	Number of staff
Below 30 (excluding 30)	712
30-40 (including 30 and excluding 40)	1,723
40-50 (including 40 and excluding 50)	922
50-60 (including 50 and excluding 60)	322
60 and above	12

## (3). Notes

√ Applicable ☐ N/A

During the Reporting Period, the subsidiaries of the Company carried out technology research, development and digitalization in the natural gas industry, Panergy business industry and engineering industry, covering research and application of such projects as Panergy business operation platform, smart gas operation and dispatching system, GreatGas platform, SAP upgrade, distributed gas odorization and online monitoring technology, intelligent safety risk mapping project, visualization of pipeline integrity risks and intelligent pipeline network management, and remote voltage regulating technology for voltage regulators in high voltage terminals. In terms of clean energy use and power generation system, we solved key scientific problems in the multi-stack system integration by research on relevant process systems including remote voltage regulating technology for voltage regulators in high voltage terminals; regarding safety management, the establishment of a digital and intelligent platform enabled intelligent maintenance across diverse scenarios, such as pipeline network operation, engineering, plant, indoors, and Panergy business, and real-time monitoring of critical construction processes and hazardous operations, thereby setting up three lines of defense featured by “preventive operation and maintenance, disposal of safety hazards, and emergency fault handling”; in the areas of remote settlement, digitalization of distribution scenarios and construction of a digital and intelligent ecological platform for natural gas industry, we established data integration platform and prediction monitoring system to achieve data integration and optimize resource allocation using big data, artificial intelligence and other technologies in the light of timely offline deployment management. The above-mentioned research and development inputs and related achievements have provided a constant impetus for innovation in the development of the Company.

## (4). Reasons for significant changes in the composition of R&amp;D staff and impact on the future development of the Company

☐ Applicable ☒ N/A

## 5. Cash flow

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Current period	Last period	Amount of change	Ratio of change (%)
Net increase in deposits from customers and deposits from other banks	2,594		2,594	–
Net decrease in customers' loans and advances	538		538	–
Refund of taxes received	46,963	75,585	-28,622	-37.87
Other cash received relating to operating activities	157,686	105,902	51,784	48.90
Net decrease in deposits from customers and deposits from other banks		6,020	-6,020	–
Net increase in customers' loans and advances		7,185	-7,185	–
Net decrease of the repurchase business funds		36,519	-36,519	–
Cash received from investment recovery	3,101,680	972,645	2,129,035	218.89
Cash received from investment return	136,832	220,657	-83,825	-37.99



Item	Current period	Last period	Amount of change	Ratio of change (%)
Net cash received from disposal of subsidiaries and other business units	1,399	655,979	-654,580	-99.79
Other cash received relating to investing activities	16,659	386,709	-370,050	-95.69
Cash paid for investment	3,094,043	1,035,081	2,058,962	198.92
Net cash paid for acquisition of subsidiaries and other business units	325	6,402	-6,077	-94.92
Other cash paid related to investing activities	41,115	65,715	-24,600	-37.43
Other cash received relating to financing activities	410,165	227,614	182,551	80.20
Other cash paid relating to financing activities	366,595	181,858	184,737	101.58

Other information:

1. The net increase in deposits from customers and deposits from other banks increased by RMB86 million year-over year was mainly attributable to the year-on-year increase of net increase in the deposits absorbed by the finance company of the Company during the Reporting Period.
2. The year-on-year decrease of net increase in customers' loans and advances by RMB77 million was mainly attributable to the reduced net capital outflow resulting from the decrease in the unmatured portion of the factoring business conducted by the Company's subsidiaries during the Reporting Period.
3. The year-on-year decrease of refund of taxes received by 37.87% was mainly attributable to the decrease in value-added tax (VAT) credit refund received by the subsidiaries of the Company during the Reporting Period.
4. The year-on-year increase in other cash received related to operating activities by 48.90% was mainly attributable to the rise in bank deposit interest and government subsidies received by the Company's subsidiaries during the Reporting Period.
5. The net decrease of the repurchase business funds decreased by RMB365 million year-on-year mainly due to the decreased balance of bills rediscounted of the Company's finance company during the Reporting Period.
6. The year-on-year increase in cash received from investment recovery by 218.89% was mainly attributable to the increased recovery of structured deposits by the Company's subsidiaries during the Reporting Period.
7. The year-on-year decrease in cash received from investment 37.99% was mainly attributable to the reduction in cash received from derivative settlements by the Company's subsidiaries during the Reporting Period.
8. The year-on-year decrease in net cash received from disposal of subsidiaries and other business units by 99.79% was mainly attributable to the decrease in proceeds from equity transfer received by the Company and its subsidiaries during the Reporting Period.
9. The year-on-year decrease in other cash received relating to investing activities by 95.69% was mainly attributable to the disposal of Xinneng Mining Co., Ltd. and recovery of its payment for creditor's rights by the Company during the Reporting Period.

10. The year-on-year increase in cash paid for investment by 198.92% was mainly attributable to increased purchase of structured deposits by the Company's subsidiaries during the Reporting Period.

11. The year-on-year decrease in net cash paid for acquisition of subsidiaries and other business units by 94.92% was mainly attributable to the decrease in proceeds from equity transfer paid by the Company's subsidiaries during the Reporting Period.

12. The year-on-year decrease in other cash paid relating to investing activities by 37.43% was mainly attributable to the reduced net cash outflow from the disposal of part of equities by the Company's subsidiaries during the Reporting Period.

13. The year-on-year increase in other cash received relating to financing activities by 80.20% was mainly attributable to the increased payment from notes discounted received by the subsidiaries of the Company during the Reporting Period.

14. The year-on-year increase in other cash paid relating to financing activities by 101.58% was mainly attributable to the increased payment for the maturity of notes made by the Company and its subsidiaries during the Reporting Period.

*(II) Description of significant changes in profit from non-principal business*

☐ Applicable    ☒ N/A



*(III) Analysis of assets and liabilities*

√ Applicable    □ N/A

*1. Conditions of assets and liabilities*

Unit: RMB '0000

Item	Closing balance for the current period	Closing balance for the current period as a percentage of total assets (%)	Closing balance for previous period	Closing balance for previous period as a percentage of total assets (%)	Change in amount year-on-year (%)	Description
Transaction financial assets			20,011	0.15	-100.00	
Derivative financial assets	27,214	0.21	135,073	1.00	-79.85	
Notes receivable	28,223	0.21	46,564	0.35	-39.39	
Receivables financing	67,638	0.51	102,821	0.76	-34.22	
Prepayments	366,106	2.76	528,640	3.93	-30.75	
Non-current assets due within one year			1,785	0.01	-100.00	
Long-term prepaid expenses	101,163	0.76	30,790	0.23	228.56	
Other non-current assets	14,964	0.11	25,235	0.19	-40.70	
Derivative financial liabilities	93,968	0.71	29,440	0.22	219.18	
Dividends payable	33,279	0.25	16,354	0.12	103.49	
Treasury share	48,212	0.36	15,755	0.12	206.01	
Other comprehensive income	8,794	0.07	133,723	0.99	-93.42	

Other information:

1. The transaction financial assets at the end of the current period decreased by 100% from the amount at the end of the previous period, mainly due to the decreased structured deposits of subsidiaries of the Company during the Reporting Period.
2. The derivative financial assets decreased by 79.85% and the derivative financial liabilities increased by 219.18% at the end of the current period from the amount at the end of the previous period, mainly due to the decline in fair value of the commodity derivative contracts of subsidiaries of the Company during the Reporting Period.
3. The notes receivable at the end of the current period decreased by 39.39% from the amount at the end of the previous period, mainly due to the maturity of bank acceptance notes issued by the subsidiaries of the Company during the Reporting Period.

4. The receivables financing at the end of the current period decreased by 34.22% from the amount at the end of the previous period, mainly due to the maturity of bank acceptance notes issued by the subsidiaries of the Company during the Reporting Period.

5. The prepayments at the end of the current period decreased by 30.75% from the amount at the end of the previous period, mainly due to the decrease in prepayments for natural gas business of the Company during the Reporting Period.

6. The non-current assets due within one year at the end of the current period decreased by 100% from the amount at the end of the previous period, mainly due to the recovery of matured loans and advances by the Company's subsidiaries during the Reporting Period.

7. The long-term prepaid expenses at the end of the current period increased by 228.56% from the amount at the end of the previous period, mainly due to the increased expenditure by the Company's subsidiaries on the refurbishment of aged gas pipeline network during the Reporting Period.

8. The other non-current assets at the end of the current period decreased by 40.70% from the amount at the end of the previous period, mainly due to the transfer of prepayments for equipment engineering of subsidiaries of the Company into fixed assets during the Reporting Period.

9. The dividends payable at the end of the current period increased by 103.49% from the amount at the end of the previous period, mainly due to the increase in dividends payable as a result of declaration of dividend distribution by the Company and its subsidiaries during the Reporting Period.

10. The treasury shares at the end of the current period increased by 206.01% from the amount at the end of the previous period, mainly due to the repurchase of the Company's shares by the Company through centralized competitive-price trading during the Reporting Period.

11. The other comprehensive income at the end of the current period decreased by 93.42% from the amount at the end of the previous period, mainly due to the offset of cash flow hedging reserves by derivative financial instruments which were included in the cash flow hedging reserves in the previous year and matured and settled during the current period.

## 2. Overseas assets

☒ Applicable   ☐ N/A

### (1) Asset size

Including: Offshore assets 1,117,665 (unit: RMB '0000 currency: RMB), accounting for 8.44% of total assets

### (2) Explanation of the high percentage of overseas assets

☐ Applicable   ☒ N/A



### 3. Restrictions on major assets as at the end of the Reporting Period

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	End of period				Beginning of period			
	Book balance	Book value	Type of restriction	Details of restriction	Book balance	Book value	Type of restriction	Details of restriction
Monetary fund	132,469	132,469	Other	Margin and statutory reserve	119,118	119,118	Other	Margin and statutory reserve
Notes receivable					12	12	Pledge	Bill pledge
Receivables financing					5,272	5,272	Pledge	Bill pledge
Fixed assets	7,052	7,052	Mortgage	Loan mortgage	9,948	9,948	Mortgage	Loan mortgage
Intangible assets	4,055	4,055	Other	Loan mortgage and freezing due to litigation	469	469	Mortgage	Loan mortgage
Other equity instrument investment	1,145	1,145	Pledge	Equity pledge				
<b>Total</b>	<b>144,721</b>	<b>144,721</b>	<b>/</b>	<b>/</b>	<b>134,819</b>	<b>134,819</b>	<b>/</b>	<b>/</b>

Other information:

1. The restricted monetary fund is mainly represented by reserves and margins of the Company in various financial institutions, primarily including the statutory reserves amounting to RMB438 million and bank acceptance margins amounting to RMB271 million deposited in the central bank.

2. The gas charging right of some subsidiaries was pledged by the Company as security for obtaining credit facilities from banks.

### 4. Other information

☐ Applicable    √ N/A

### (IV) Analysis of industry operation information

√ Applicable    ☐ N/A

For details, please refer to "II. Industry Where the Company Operates during the Reporting Period" under Section III of this Report.

## (V) Analysis of investments

Overall analysis of foreign equity investments

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Total external equity investment in the current period	Total external equity investment in the same period of previous year	Year-on-year change (%)
232,346	604,397	-61.56%

Other information:

The total external equity investment decreased by 61.56% year-on-year mainly due to the the decrease in newly established companies by the Company during the current period.

1. Significant equity investment

☐ Applicable ☒ N/A

2. Significant non-equity investment

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Project name	Amount	Progress (%)	Investment amount in current year	Cumulative actual investment amount	Project income	Details of major change in fund
Phase III LNG Storage Tank and Supporting Facilities for Zhejiang Zhousha LNG Receiving Terminal and Filling Station	292,096	85.32	98,587	159,767	Under construction	Self-owned fund and bank loans
ENN Science Park R&D Workshop	32,395	85.00	5,928	17,032	Partly under construction	Self-owned fund
ENN Research Institute Project (1#)	80,984	25.00	7,759	9,291	Under construction	Self-owned fund
ENN Research Institute Project (2#)	65,614	30.00	4,040	7,808	Under construction	Self-owned fund
High-pressure Natural Gas Pipeline Project from China-Russia Eastern Route Xinghuamen Station to Zhuhongmen Station	16,220	91.00	5,825	10,447	Partly under construction	Self-owned fund
Natural Gas Supply Pipeline Works for Ningzhou Gas and Electricity Project	135,905	98.50	11,280	125,566	Partly under construction	Self-owned fund and bank loans

Project name	Amount	Progress (%)	Investment amount in current year	Cumulative actual investment amount	Project income	Details of major change in fund
Dongguang High-pressure Natural Gas Pipeline Network Project along North Ring Road and Zhonghong Branch	47,402	92.00	11,970	36,643	Partly under construction	Self-owned fund
Dongguang High-pressure Natural Gas Pipeline Network Project along Sangcha Express Way and Eastern Extension Line	17,160	5.00	136	234	Under construction	Self-owned fund
Relocation and Reconstruction of Dongguan High-pressure Natural Gas Pipeline Network Project (Changhu Expressway – Chang'an Pressure Regulation Station)	12,912	12.00	1,330	1,330	Partly under construction	Self-owned fund
Total	700,688	/	146,855	368,118	/	/

### 3. Financial assets measured at fair value

√ Applicable    □ N/A

Unit: RMB '0000    Currency: RMB

Asset class	Beginning balance	Current profit or loss on the change in fair value	Cumulative change in fair value included in equity	Impairment provision for the current period	Current purchase amount	Current sale/redemption amount	Current settlement amount	Other changes	Ending balance
Stock	22,815	11,222	3,989						34,117
Derivative instruments	123,006	-43,839	-54,973				139,947		-59,737
Futures	35	-1,080					1,222		-1,045
Others									
Including: Monetary fund	10,011					10,011			
Structured deposits	10,000					10,000			
Receivables financing	102,821					35,183			67,638
Other equity instrument investment	14,558		1,225		2,457				17,236
Other non-current financial assets	418,621	-244				988			417,389
Total	701,867	-33,941	-49,759		2,457	56,182	141,169		475,598

Securities investments

√ Applicable    □ N/A

Unit: RMB '0000 Currency: RMB

Type	Code	Abbreviation	Initial investment cost	Source of funding	Opening book value	Current profit or loss on change in fair value	Cumulative change in fair value included in equity	Current purchase amount	Current sale amount	Current profit or loss on investment	Closing book value	Accounting item
Capital securities	01635.HK	DZUG	41,054	Self-owned fund	14,760	11,215				452	25,975	Other non-current financial assets
Capital securities	002716	Hunan Silver	29	Self-owned fund	33	7					40	Other non-current financial assets
Capital securities	09908.HK	Jiaxing Gas	4,113	Self-owned fund	8,022		3,989			691	8,102	Other equity instrument investments
Total	/	/	45,196	/	22,815	11,222	3,989			1,143	34,117	/

Description of investment securities

☐ Applicable ☒ N/A

Private equity investment

☐ Applicable ☒ N/A

Derivatives investment

☒ Applicable ☐ N/A

(1). Derivatives investment for hedging purpose during the Reporting Period

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Type of derivatives investment	Initial investment amount	Opening book value	Current profit or loss on change in fair value	Cumulative change in fair value included in equity	Purchase amount during the Reporting Period	Sale amount during the Reporting Period	Settlement amount during the Reporting Period	Closing book value	Proportion of closing book value in net assets of the Company at the end of the Reporting Period (%)
Commodity derivatives contract		122,391	-56,449	-55,053			135,880	-96,763	-1.60
Foreign exchange derivatives contract		650	11,530	80			5,289	35,981	0.60



Type of derivatives investment	Initial investment amount	Opening book value	Current profit or loss on change in fair value	Cumulative change in fair value included in equity	Purchase amount during the Reporting Period	Sale amount during the Reporting Period	Settlement amount during the Reporting Period	Closing book value	Proportion of closing book value in net assets of the Company at the end of the Reporting Period (%)
Total		123,041	-44,919	-54,973			141,169	-60,782	-1.00
Accounting policies and specific accounting principles for hedging business during the Reporting Period, and explanation on whether there were significant changes compared with the previous Reporting Period	The Company carried out corresponding accounting and disclosure for hedging in accordance with relevant provisions and guidelines of the <i>Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments</i> , the <i>Accounting Standards for Business Enterprises No. 24 – Hedging</i> and the <i>Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments</i> , and there were no changes compared with the previous Reporting Period.								
Actual profits and losses during the Reporting Period	The actual profits and losses amounted to RMB1,635.15 million after totaling up the hedging instruments and hedged items.								
Description of hedging effect	<p>1. Commodity derivatives transaction</p> <p>The Company performed effective management over price risk exposure of crude oil and natural gas, and further reduced the uncertainty effect from oil and gas price fluctuation on operating income by purchase and sale contracts hedging with commodity derivatives transaction.</p> <p>2. Foreign exchange derivatives transaction</p> <p>The Company alleviated the risks of sharp fluctuation of cash flow arising from such businesses as repayment of principal and interest of US dollar debts caused by the fluctuation of exchange rate and interest rate using foreign exchange hedge products.</p>								
Source of funding for derivatives investment	Self-owned fund								



[illegible]

Type of derivatives investment	Initial investment amount	Opening book value	Current profit or loss on change in fair value	Cumulative change in fair value included in equity	Purchase amount during the Reporting Period	Sale amount during the Reporting Period	Settlement amount during the Reporting Period	Closing book value	Proportion of closing book value in net assets of the Company at the end of the Reporting Period (%)
Litigation (if applicable)	N/A								
Date of disclosure for announcement of the Board on the deliberation and approval of derivative investment (if any)	9 December 2023								
Date of disclosure for announcement of the shareholders' meeting on the deliberation and approval of derivative investment (if any)	27 December 2023								

(2). Derivatives investment for speculative purposes during the Reporting Period

☐ Applicable ☒ N/A

#### 4. Progress of major assets restructuring during the Reporting Period

☒ Applicable ☐ N/A

- (1) The Company purchased an aggregate of 369,175,534 shares held by ENN International and Essential Investment in ENN Energy by asset swap, issue of shares, cash payment and raising of supporting funds. The formalities for the transfer of the underlying assets of ENN Energy for major assets restructuring were completed on 10 September 2020, and registration of the additional shares for the issue of shares to ENN International for the purchase of assets was completed on 18 September 2020. The Company completed the registration formalities with China Securities Depository and Clearing Corporation Limited Shanghai Branch for the additional shares under the private placement for raising supporting funds on 1 February 2021. Upon completion of the transaction, ENN Energy was included in the scope of the Company's consolidated statements. ENN Energy has a strong natural gas distribution network and relevant infrastructure in the downstream link of the natural gas business, large asset size and strong profitability, forming a considerable synergistic effect with the Company in the industry chain. So far, the restructuring and integration have yielded remarkable results, the Company is in a good condition and the business development has met the expectations. For the basic information on ENN Energy and key financial indicators during the Reporting Period, please refer to Section X. Rights and Interests in Other Entities – Rights and interests in subsidiaries. The transaction did not involve a profit forecast or realization of the profit forecast.
- (2) The Company purchased 90% shares in ENN Zhoushan held by ENN Science and Technology, ENN Group and ENN Holdings by means of share issue and cash payment. On 2 August 2022, the ownership of 90% shares in ENN Zhoushan

was transferred. On 16 August 2022, the registration formalities for 252,808,988 new shares for the purchase of assets by issue of shares to ENN Science and Technology were completed at China Securities Depository and Clearing Corporation Limited Shanghai Branch. No material difference between the actual situation and the disclosed restructuring plan occurred during the implementation of this major asset restructuring. After the transfer of the underlying assets, the Company actively promoted the reorganization and integration with the target company and effectively managed the target company to give full play to the synergistic effect, so there was no integration risk. In respect of performance commitment, the counterparties, ENN Science and Technology, ENN Group and ENN Holdings, undertake that the net profit attributable to owners of the parent company after deducting non-recurring gains and losses of ENN Zhoushan in 2023 shall be no less than RMB639.43 million. As presented in the *2023 Special Audit Report on the Realization of Performance Commitment for ENN (Zhoushan) LNG Co., Ltd. of ENN Natural Gas Co., Ltd.* issued by Zhongxi Certified Public Accountants (Special General Partnership), in 2023, the net profit attributable to owners of the parent company after deducting non-recurring gains and losses of ENN Zhoushan amounted to RMB671.4274 million, and 105% of the performance commitment of RMB639.43 million was actually completed.

#### Opinion of Independent Directors

- (1) The purchase of an aggregate of 369,175,534 shares held by ENN International and Essential Investment in ENN Energy by asset swap, issue of shares, cash payment and raising of supporting funds aligns with the Company's operation and development strategy and enhances its asset quality and sustained profitability. The restructuring and integration program has achieved satisfactory results, and it does not jeopardize the interests of the Company and all its shareholders.

- (2) The purchase of 90% shares in ENN Zhoushan held by ENN Science and Technology, ENN Group and ENN Holdings by means of issue of shares and cash payment is conducive to optimizing the Company's asset structure and aligns with its long-term development interests. It is implemented in compliance with such regulations as the *Administrative Measures for the Major Asset Restructuring of Listed Companies* and the *Self-Regulatory Guidelines No. 6 of Shanghai Stock Exchange for Listed Companies – Major Asset Restructuring*. The restructuring and integration program has achieved satisfactory results, and it does not jeopardize the interests of the Company and all its shareholders.

#### (VI) *Sale of major asset and equity*

☐ Applicable    ☒ N/A

#### (VII) *Analysis of major controlled and invested companies*

☒ Applicable    ☐ N/A

##### (1) *ENN LNG (SINGAPORE) PTE LTD*

Founded on 11 September 2019, it is a wholly-owned subsidiary of the Company mainly engaged in marketing and sale of liquefied natural gas, shipping and charting with a registered capital of USD30 million. As of the end of the Reporting Period, ENN LNG (SINGAPORE) PTE LTD had total assets of RMB8,494.03 million and net assets of RMB7,783.94 million; during the Reporting Period, it achieved operating income of RMB13,882.09 million, operating profit of RMB2,307.77 million and net profit of RMB2,058.68 million.

##### (2) *ENN (Zhoushan) LNG Co., Ltd.*

Founded on 15 May 2013, it is a holding subsidiary of the Company mainly engaged in the construction and operation of LNG terminals with a registered capital of RMB2,056 million. As of the end of the Reporting Period, ENN (Zhoushan) LNG Co., Ltd. had total assets

of RMB7,077.87 million and net assets of RMB4,527.04 million; during the Reporting Period, it achieved operating income of RMB1,194.03 million, operating profit of RMB778.7 million and net profit of RMB654.37 million.

### (3) Xindi Energy Engineering Technology Co., Ltd

Founded on 7 April 1999, it is a wholly-owned subsidiary of the Company mainly engaged in research, development, integration and transformation of energy engineering technology; overseas project contracting; general contracting of construction projects; engineering consulting; public design for municipal industry; general contracting of municipal public works; and general contracting of petrochemical works and with a registered capital of RMB303.03 million. As of the end of the Reporting Period, Xindi Energy Engineering Technology Co., Ltd. had total assets of RMB7,036.84 million and net assets of RMB1,703.56 million; during the Reporting Period, it achieved operating income of RMB3,675.98 million, operating profit of RMB214.17 million and net profit of RMB187.81 million.

Subsidiaries and Associates Contributing More Than 10% of Profits

Unit: RMB '0000 Currency: RMB

Item	ENN LNG (SINGAPORE) PTE LTD	ENN (Zhoushan) LNG Co., Ltd.
Operating income	1,388,209	119,403
Operating cost	1,223,968	30,917
Operating profit	230,777	77,870
Net profit	205,868	65,437
Total assets	849,403	707,787
Net assets	778,394	452,704

### (VIII) Structured entities controlled by the Company

☐ Applicable ☒ N/A

## VI. Discussion and Analysis of the Future Development of the Company

### (I) Industry landscape and trends

☒ Applicable ☐ N/A

#### 1. Natural Gas

From the demand side, China's natural gas demand is expected to maintain steady growth in 2025, albeit at a slower pace compared to 2024. China's apparent natural gas consumption in 2025 is projected to reach 450-460 billion cubic meters, representing a year-on-year increase of approximately 6.2%. This growth trend is primarily driven by the continued implementation of stable economic policies, the gradual recovery of the macro-economy, and the widespread application of natural gas across various sectors. In terms of policy, the country continues to promote energy transition and its "dual carbon" goals. As a clean and low-carbon fossil fuel, natural gas plays a crucial role in both "coal substitution" and "integration with renewable energy" (enhancing the flexibility of the power system), contributing to the balance between China's energy



transition and energy security. Simultaneously, natural gas demand from industrial, commercial, and power generation sectors will maintain steady growth. In particular, the development of emerging industries, such as the new energy vehicle industry chain, will become a new growth point for industrial gas consumption. Furthermore, the acceleration of urbanization and the advancement of "every township-level unit has access to natural gas" and "every village has access to natural gas" projects will further increase the penetration rate of natural gas in residential and commercial sectors. In the power generation sector, gas-fired power, as a flexible regulating power source, will play a vital role in the large-scale development of renewable energy generation. It is estimated that in 2025, the newly installed capacity of gas-fired power nationwide will exceed 20 MW, with a total installed capacity of over 160 million kilowatts, leading to rapid growth in natural gas demand for power generation. In the transportation sector, the increasing sales of LNG heavy-duty trucks and the promotion of natural gas applications will also drive sustained high demand for natural gas in transportation. However, the development of the natural gas industry still faces some challenges, including competitive pressure from alternative energy sources, economic downturn risks, and the impact of international geopolitical factors on energy industry's stability.

From the supply side, domestic upstream enterprises will continue to increase their efforts in exploration and production in 2025. Thanks to advancements in domestic exploration and development technologies and the gradual commissioning of new production capacity, domestic natural gas output is expected to reach 250-260 billion cubic meters, a year-on-year increase of approximately 4.2%. The stable gas supply from the Power of Siberia natural gas pipeline and the continuous expansion of LNG receiving terminals will further optimize the supply structure of imported resources. Regarding pipeline gas imports, the Power of Siberia pipeline is expected to reach its full capacity of 38 billion cubic meters, with total annual pipeline gas imports projected to exceed 83 billion cubic meters, a year-on-year increase of 9.9%. In terms of LNG imports, domestic enterprises have signed new LNG long-term contracts for 6.2 million tons per year, driving incremental LNG import supply. Total annual LNG imports

are expected to exceed 84 million tons, a year-on-year increase of 7.9%.

## **2. Engineering Construction and Installation**

National policy support and growing market demand will further drive the rapid development of the energy engineering construction industry. The government is continuously promoting the construction of natural gas pipeline networks and hydrogen energy infrastructure, and accelerating the implementation of related projects through policy guidance and financial support. These measures will not only help improve the security and reliability of energy supply, but will also drive technological innovation and industrial upgrading throughout the industry.

The country is vigorously promoting the construction of natural gas infrastructure, and the planning and investment, particularly in natural gas pipeline networks and storage facilities, will bring sustained business opportunities to the industry. By 2025, China Oil and Gas Pipeline Network Corporation plans to achieve full interconnection of gas transmission trunk lines, forming a trunk pipeline network pattern of "Four Major (Import) Corridors" and "Five Vertical and Five Horizontal" lines. It also plans for bidirectional transmission of interconnected pipelines between regional gas load centers. Municipalities directly under the central government and provincial capitals will achieve dual gas source and dual channel gas supply, and prefecture – and county-level cities will also have dual channel gas supply capabilities. In addition, with the growth of natural gas demand, the construction of gas storage facilities will be accelerated to improve peak shaving capacity and ensure the stability of natural gas supply.

The rapid development of the hydrogen energy industry provides a new growth point for the energy engineering construction industry. According to the "Medium and Long-Term Plan for the Development of the Hydrogen Energy Industry (2021-2035)," China will initially establish a hydrogen energy supply system based primarily on industrial by-product hydrogen and renewable energy-based hydrogen production during the "14th Five-Year Plan" period. It also plans to build 1,339 hydrogen

refueling stations by 2025, with a planned volume of nearly 116,000 hydrogen fuel cell vehicles, and the scale of the hydrogen energy industry will reach RMB1.34 trillion.

Regarding engineering installation, from a national planning perspective, China's urbanization rate of 67% still has room for improvement compared to the level of around 80% in developed economies. China's urbanization level will continue to gradually increase, driving steady growth in the population consuming natural gas. Furthermore, the NDRC has emphasized the orderly promotion of "coal-to-gas" and "coal-to-electricity" projects, while ensuring energy security. The goal is to essentially eliminate scattered coal use in plain areas of key regions before the 2025 heating season. The continued advancement of urbanization and clean heating will further drive the growth of the company's engineering installation business.

### **3. *Integrated Energy and Value-added Business***

The "Action Plan for Energy Conservation and Carbon Reduction (2024-2025)" issued by the State Council points out that by the end of 2025, the area of existing buildings completed with energy-saving renovations will increase by more than 200 million square meters compared to 2023. The energy efficiency of renovated residential and public buildings will increase by 30% and 20%, respectively. The plan calls for strengthening energy conservation and energy efficiency improvements in the industrial sector, implementing in-depth energy conservation supervision and energy efficiency diagnostics, promoting energy-saving and low-carbon process technology and equipment, and promoting energy-saving renovations in key industries. It also emphasizes vigorously promoting energy-saving renovations of existing urban buildings, accelerating the electrification and decarbonization of building energy use, and promoting the application of renewable energy sources such as solar energy, air source energy, and biomass energy. The plan aims to improve the low-carbon and electrification level of terminal energy use and comprehensively expand electricity substitution. It also promotes the digitalization of energy infrastructure, accelerates the integrated development of information technology and the energy industry, and promotes the digital upgrading of the energy industry. In terms

of promoting economic structural upgrading, the plan implements actions to cultivate emerging industries and create new drivers of growth, and promotes large-scale application demonstrations of new manufacturing technologies, new products, and new scenarios, bringing opportunities for the integrated energy business.

In January 2025, the NDRC and the Ministry of Finance jointly issued a notice regarding the intensified and expanded implementation of large-scale equipment upgrades and consumer goods trade-ins in 2025. The Ministry of Finance stated that the central government has pre-allocated 81 billion yuan in funding for consumer goods trade-ins in 2025. Vigorously boosting consumption, improving investment efficiency, and comprehensively expanding domestic demand, while continuing to promote the implementation of trade-in policies, will accelerate the market penetration of high-end intelligent products and drive the upgrading of home appliance products. At the same time, as AI technology gradually penetrates family life, it will promote the development of smart home products towards high-end, intelligent, and personalized features, further emphasizing solutions for aging populations and special needs.

### **4. *Infrastructure Operation***

According to the "14th Five-Year Plan for a Modern Energy System," it is projected that by 2025, China's "National Unified Network" for natural gas, spanning east to west, running north to south, covering the entire country, and connecting overseas, will be further improved. The total length of oil and gas pipelines nationwide is expected to reach 210,000 kilometers. The construction of gas storage facilities is accelerating significantly. It is projected that by 2025, the nationally integrated gas storage capacity will reach 55 to 60 billion cubic meters, accounting for approximately 13% of natural gas consumption.

China's LNG receiving terminals are experiencing a wave of commissioning. It is projected that in 2025, there will be 12 new and expanded receiving terminals put into operation in mainland China. At that time, China's receiving capacity is expected to increase by nearly 50 million tons per year, reaching a new historical high. In the future, receiving

terminals with favorable geographic locations, superior port conditions, prominent regional advantages, and comprehensive functions will be more competitive.

## (II) Company Development Strategy

√ Applicable    ☐ N/A

Amid the fast-evolving digital and intelligent era, ENN Natural Gas is embracing the opportunity to chart a fresh course. Driven by customer needs, the company is accelerating the digital and intelligent transformation of its industries. Guided by its mission and vision – “to create a modern energy system, enhance people’s quality of life, and become a respected, innovative, and intelligent enterprise” – ENN Natural Gas leverages large language models and IoT data, integrating them with four core pillars: demand, resources, facilities, and transaction and risk management. By compiling successful practices and expert insights, it is building a natural gas professional capability recognition platform. Together with ecosystem partners, the Company is co-authoring a new chapter in the journey toward industrial digitalization.

## (III) Operating Plan

√ Applicable    ☐ N/A

### 1. *Natural Gas Business: Customer-Centric, Driving Success Through Integrated Production and Intelligence, Empowering Customer Achievement*

In terms of demand, the Company's platform-driven direct gas sales target diverse customer segments – such as industrial users, power plants, and urban fuel providers – by analyzing their pain points and uncovering latent needs. It cultivates medium- and long-term customers through innovative approaches like crowdfunding shipments paired with options trading, flexible multi-resource supply combinations, resource escrow and hedging, and peak-shaving and stabilization services, all designed to meet customers' low-cost demands while driving gas volume growth. For its retail gas business, the Company has enhanced its demand awareness and management capabilities, capitalizing on opportunities in "coal-to-gas

conversions" and "industrial energy-saving upgrades," aggressively expanding its "five small" customer base, and boosting terminal customer volumes by retaining existing users and capturing incremental growth, thereby fostering scalable, long-term demand. The company has sorted out more than 3 billion cubic meters of customer demand and has signed contracts for more than 1 billion cubic meters for the year 2025.

On the resource side, the Company deepens long-term, systematic cooperation with the “three major oil companies,” expanding the scale of medium- and long-term resources. It fosters enduring partnerships with ecosystem allies, creating a robust network for securing unconventional resources and LNG resources. For international resources, the company increases long-term agreements linked to oil prices, ensuring resource pool stability and maintaining cost advantages. Through diverse ecosystem collaboration, it scales up access to salable, relatively low-cost resources, optimizes the resource pool to lower portfolio costs, and enhances sustainable profit margins.

In terms of receiving terminals, the Company continually strengthens its capacity to integrate diverse facilities, including shipping, storage, and receiving terminals. Through innovative ventures such as lean storage and peak sales, tank capacity leasing, bonded transshipment, and small vessel distribution, it capitalizes on the scale advantages of its receiving terminals. Additionally, by leveraging its strategic location, the Company enhances cooperation with the three major oil companies and the national pipeline network, develops flexible collaboration models with ecosystem partners, boosts the utilization rate of the Zhoushan Receiving Terminal, and ensures efficient, cost-effective resource delivery to end customers.

In terms of the transaction risk control pivot, the Company will continue to enhance and refine its full-scenario professional hedging capabilities and intelligent risk control system, bolstering risk management with multi-product, multi-combination, and customized solutions tailored to meet the diverse transaction and risk control needs of various customer types, helping them navigate uncertainty and innovate their business models. The company will

actively harness ecosystem strengths, committing to address customer and industry challenges through digital intelligence, leveraging the synergy of production and smart technology, and introducing innovative business models to fulfill customers' demand for low-cost gas consumption.

## ***2. Ecosystem Synergy, Driving New Leaps in Integrated Energy; Efficiency Through Intelligence, Unveiling a New Landscape for Smart Homes***

Based on the integrated energy concept, the Company focuses on scenarios such as industrial parks, factories, and buildings. Starting from customer needs, and driven by the integrated energy microgrid model, it innovates integrated load-source-grid-storage-carbon solutions for rapid replication and promotion, achieving multi-energy complementarity of "gas, electricity, water, cooling, and heating," and further extending multi-dimensional value creation. It creates excellent business practices, accumulates professional knowledge products, and provides support for the continuous expansion and efficiency improvement of the integrated energy business. At the same time, it fully explores the potential of existing projects, strengthens the application of intelligent products and integrated energy technologies, and achieves cost reduction and efficiency improvement.

On the household, the Company uses household gas as an entry point, embedding AI technology and relying on the "e-City e-Home" platform to enhance its ability to understand household needs and validate value, helping residential users achieve smart homes. At the same time, the company is restructuring the health services, boutique tourism, quality shopping, and community security, energy, and water purification scenarios of smart communities. Household intelligent agents and enterprise intelligent agents will help the company achieve scale sales and capability extension, creating value exploration guided by the bilateral interaction of customer and ecosystem needs around the core business, and realizing smart home business scenario expansion.

## ***3. Positioning in New Arenas, Creating New Growth in Low-Carbon Development for Construction Business***

Seizing the opportunity of the "Zero-Carbon Industrial Park Construction Year," the company focuses on customer needs, using intelligent benchmarking to optimize process-side operations, and leveraging planning and design to drive energy-saving optimization. It strengthens technology plus intelligence to create overall solutions, transforming towards multi-technology, multi-system integrated energy system businesses for industrial parks. It iterates on diverse hydrogen production technologies, including natural gas and industrial by-products, and develops core equipment such as green hydrogen, green ammonia, and integrated hydrogen production and refueling skid-mounted stations. It ecologically expands markets for transportation, hydrogen-ammonia-methanol, and industrial hydrogen use. It increases the research and application of hydrocracking technology, focusing on promoting clean coal utilization projects to obtain high-quality natural gas resources to meet the growing market demand for clean energy. It actively positions itself in the new business arenas of integrated energy systems for industrial parks and hydrogen energy, providing customers with low-carbon intelligent construction services and promoting the transformation and upgrading of the construction business.

## ***4. Continuously Iterating Intelligent Capabilities, Empowering Intelligent Development of Industries***

Based on the goal of customer success, the company uses its platform to aggregate demand, achieving efficient many-to-many connections and driving the scaled expansion of its customer base. It aggregates more resources and facilities, dynamically matching the needs of a broad range of customers and leveraging the platform's value. It fully implements the "Strengthening Capabilities Through Intelligence" strategy: accelerating the accumulation of intelligence from production, accumulating best practices, and forming more capabilities to supply and meet customer needs; accelerating the promotion of production through intelligence, effectively

implementing the platform model, accurately analyzing the capabilities needed by customers, aggregating ecosystem resources, accumulating core capabilities, and promoting ecosystem prosperity.

#### (IV) Possible risks

√ Applicable    □ N/A

##### 1. *Risk of Natural Gas Source Acquisition and Price Fluctuations*

The company's natural gas supply primarily relies on international procurement and cooperation with China National Petroleum Corporation (CNPC), China Petroleum & Chemical Corporation (Sinopec), and China National Offshore Oil Corporation (CNOOC) (hereinafter referred to as the "three major oil companies"). The main risks involve natural gas source acquisition and price fluctuations in both international and domestic markets.

Regarding the risk of international imported gas source acquisition and price fluctuations, the main potential risk lies in the failure to alleviate or the further escalation of geopolitical conflicts. The Company will strengthen its market intelligence and market awareness capabilities to promptly predict and warn of potential risks and price fluctuations related to international gas sources, maritime transport, etc. It will continuously optimize its international resource pool to accurately seize spot import opportunities through proactive risk assessment, forming an international resource portfolio of long-term contracts + spot purchases. It will also strengthen the combination of physical and paper trading and hedging, while enhancing the coordinated optimization of international and domestic resource markets to reasonably control international gas source procurement costs and trading risks.

Regarding the risk of domestic gas source acquisition and price fluctuations, the main potential risks lie in the limited increase in supply contract volumes from three state-owned oil majors or the failure to reduce purchase and sale prices as expected. The company will continuously deepen its cooperative relationships with the three major oil companies, striving to continuously obtain incremental resources and flexibility in incremental resources. It will

aggregate various unconventional resources such as coalbed methane, coal-to-gas, and shale gas domestically, and strengthen cooperation with other suppliers in long-term purchase and sale agreements, consolidating the scale of controllable resources and forming a diversified resource supply pattern.

##### 2. *Risk of Safe Operation*

Natural gas is a flammable and explosive gas, and the storage, transmission, distribution, and transportation of natural gas require a high level of safe operation. If safety accidents such as fires and explosions occur due to reasons such as unexpected failures of storage and transmission/distribution equipment and facilities, failures of natural gas transport vehicles/ships, improper employee operation, or natural disasters, threatening the health and safety of company employees, contractors, and community personnel, government departments may require work stoppages and production shutdowns, which will lead to losses in production and operation.

In response to potential safe operation risks, the Company adheres to the safety intelligent development concept of "Visible, Key Points Known, Managed by Someone," always placing safe and compliant operation at the forefront of enterprise development. It continuously enhances risk control and safe operation capabilities through the construction of an intelligent safety risk map. The engineering construction business has successfully created an intelligent safety risk map product, covering intelligent maps for roles such as frontline construction workers, team leaders, project managers, and branch managers. It achieves intelligent identification and early warning of risks such as hazardous operations, PE pipe welding quality, and personnel qualifications. Combined with on-site construction IoT supervision, it uses AI technology to instantly identify and alert to non-compliant work behaviors, automatically assess risk levels, and track and manage them, forming closed-loop digital management, thereby effectively improving the safety management level of construction sites. The company will, based on customers' safety needs, leverage the synergy of production and smart technology, achieve intelligent safety management, and continuously enhance the overall level of safe operations.



### 3. Risk of exchange rate fluctuations

Fluctuations in the RMB-USD exchange rate have intensified due to shifts in the global trade environment, adjustments to monetary policies by central banks worldwide, geopolitical instability, and evolving market sentiment and expectations. In response to the possible exchange rate risk, the Company intends to reduce the adverse impact of exchange rate fluctuations on the Company's performance by researching exchange rate trends, controlling the receipt and payment of funds, matching the currency of receipt and payment, adopting favorable currency and settlement methods and using financial instruments for hedging in a timely manner according to the trend of exchange rate movements and agreeing on protective contract terms.

### 4. Interest rate risk

The Company's interest rate risk arises from interest bearing debt such as bank borrowings. Financial liabilities with floating interest rates expose the Company to cash flow interest rate risk and financial liabilities with fixed interest rates expose the Company to fair value interest rate risk. The Company adjusts the relative proportion of loans with fixed and floating rates according to market conditions and uses derivative products such as interest rate swaps to hedge its exposure.

### 5. Derivative Product Risks

The Company's derivative products consist of multiple foreign currency derivative contracts and commodity derivative contracts signed with several financial institutions, with the aim of reducing the risks of fluctuations in foreign exchange and commodity prices. The foreign currency derivative contracts allow the company to purchase US dollars at an agreed RMB/USD exchange rate on the maturity date, and the vast majority of these contracts are designated as hedging instruments. The commodity derivative contracts can hedge LNG contracts linked to various indices such as Brent, JCC, HH, TTF, and JKM, in order to stabilize future LNG procurement costs and manage the price exposure risk arising from procurement and sales mismatches. Some of these contracts are designated as hedging instruments. The risks faced by the company's derivative products mainly include

market risk, liquidity risk, credit risk, counterparty risk, and operational risk arising from changes in foreign exchange and commodity prices. To control risks, the company has established a trading risk control department, which uses an internationally leading energy trading digital risk control system to conduct full-process risk management of foreign exchange and commodity hedging transactions. Regarding market risk, the company deepens and iterates its market risk analysis system for commodities, foreign exchange, and macroeconomics. Relying on high-level quantitative analysis models to extract market data, it has established a 24-hour globally linked market risk emergency response mechanism. Regarding credit and counterparty risk, the company strictly implements counterparty access restrictions, establishes a credit limit tracking and monitoring model, and monitors changes in counterparty risk through quantitative analysis of credit defaults and various financial indicators. Regarding operational risk, the company accumulates trading rules, continuously updates the "Hedging System and Detailed Rules," standardizes trading authorization and hedging transaction processes, and clarifies trading directions and stop-loss limits. It has built an internationally leading commodity risk management system and independently developed a supporting ETMO digital risk control platform Web and mobile App. Through professional risk control model technology, it performs daily mark-to-market and monitoring of the company's derivative transaction, reducing inappropriate manual intervention, thereby avoiding risks and maximizing the accuracy of risk management.

### (V) Others

☐ Applicable    ☒ N/A

### VII. Circumstances and reasons for failure to make disclosure in accordance with the standards due to special reasons such as non-application of the standards or state secrets or trade secrets

☐ Applicable    ☒ N/A



04

## Corporate Governance



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## I. Details on Corporate Governance

√ Applicable    □ N/A

In accordance with the requirements of the *Company Law*, the *Securities Law*, the *Code of Corporate Governance for Listed Companies* and other relevant laws and regulations as well as regulatory documents, the Company has established a corporate governance body and operating mechanism composed of the General Meeting, the Board of Directors, the Board of Supervisors and the management of the Company, and formed a corporate government system with clear powers and responsibilities, compliant operations and mutual coordination among the decision-making body, supervisory body and the management. The Board of Directors is accountable to the General Meeting, deliberating major issues in the Company's business activities and making decisions or submitting the same to the General Meeting for deliberation. The Board of Supervisors is the supervisory body of the Company, responsible for supervising the acts of the Company's directors and management and its finance. The Co-CEO, president and other senior managers of the Company are appointed by the Board of Directors, fully responsible for the Company's daily operation and management activities under the leadership of the Board of Directors.

In accordance with relevant laws, regulations and regulatory documents, the Company has established and gradually improved the corporate governance system based on actual operation demands with the focus on the *Articles of Association* including the *Rules of Procedure for the General Meeting*, the *Rules of Procedure for the Board of Directors*, the *Rules of Procedure for the Board of Supervisors* and the rules of procedure for special committees, providing the institutional guarantee for the Company's compliant operations.

In 2024, the Company consistently enhanced its interaction and communication with directors, supervisors, and senior managers, bolstered the performance of duties among independent directors, continuously improved the operational efficiency of the General Meeting, the Board of Directors, and the Board of Supervisors, and elevated the Company's governance level; it maintained continuous

liability insurance coverage for directors, supervisors, and senior managers, effectively ensuring that the directors, supervisors, and senior managers fulfill their duties with due diligence.

### (I) Operation of the General Meetings

In 2024, the Company convened a total of 4 general meetings, approving by voting the profit distribution plan, remuneration of directors and supervisors, guarantee amount, hedging amount and other matters. The Company fully protected its shareholders' legal rights and interests, respected the rights and interests of minority shareholders, and there was no damage to rights and interests of minority shareholders.

### (II) Operation of the Board of Directors

The Board of Directors is composed of eleven directors, including four independent directors, complying with the provisions of laws, regulations and regulatory documents. The Company's directors have different professional backgrounds and relevant experience in the energy, finance, law, finance and corporate governance, giving valuable advice with regard to the growth of the Company. The directors of the Company perform their duties and obligations diligently in accordance with the laws, regulations and the *Articles of Association*.

The Board of Directors consists of five committees including the Strategy Committee, Nomination Committee, Remuneration and Appraisal Committee, Audit Committee, and ESG Committee (short for "Environmental, Social and Governance Committee"), which perform their respective duties to ensure the objectivity and scientificity of the decision-making of the Board of Directors.

In 2024, the Company held 10 Board Meetings, passing 46 proposals on such major matters as profit distribution, renewal of appointment of the accounting firm, the action plan for improvement of quality, increase in efficiency and focus on returns, repurchase, cancellation and satisfaction of conditions for removal of restrictions on sale of restricted shares under the equity incentive plan, related-party transactions, external guarantees, internal control reports,

and periodic reports. The directors have deliberated the proposals carefully and responsibly, and performed their duties diligently and faithfully in strict accordance with the *Articles of Association* and other relevant provisions to safeguard the interests of shareholders.

### (III) Operation of the Board of Supervisors

In 2024, the Company convened a total of 6 meetings of the Board of Supervisors, passing 16 proposals. The supervisors deliberated the Company's profit distribution, renewal of appointment of the accounting firm, internal control reports, repurchase, cancellation and satisfaction of conditions for removal of restrictions on sale of restricted shares under the equity incentive plan, periodic reports and other matters in accordance with the provisions of the *Articles of Association* and the *Rules of Procedure for the Board of Supervisors*.

### (IV) Improvement of Information Disclosure Quality

The Company has established a robust information disclosure management system to strengthen the internal control and management over significant information disclosure matters by leveraging digital and intelligent means, ensuring that information is disclosed in a truthful, accurate, complete, timely and equitable manner. Moreover, it upholds an investor demand-oriented approach for information disclosure that emphasizes the effectiveness and pertinence of information disclosure, enabling the Company to more effectively convey its

investment value and enhance the investors' sense of identity with the Company.

Are there any significant differences between the Company's governance status and the provisions of laws, administrative regulations and CSRC on the governance of listed companies? If any, please state the reasons.

☐ Applicable ☒ N/A

## II. Specific Measures Taken by the Controlling Shareholder and the Actual Controller of the Company to Ensure the Independence of the Company's Assets, Personnel, Finance, Institutions and Business, as well as the Solutions, Work Progress and Follow-Up Work Plan Taken due to the Impact on the Independence of the Company

☐ Applicable ☒ N/A

Circumstances where the controlling shareholder, the actual controller and other units under their control engaged in the same or similar business as the Company, and the impact of competition or significant changes in the competition in the same industry on the Company, the measures taken to resolve the situation, the progress of the resolution and the follow-up resolution plan

☐ Applicable ☒ N/A

## III. Introduction to the General Meetings

Inquiry index of the website designated to publish				
Meeting	Convening date	resolutions	Disclosure date of resolutions	Resolution
2024 First Extraordinary General Meeting	8 April 2024	Website of Shanghai Stock Exchange www.sse.com.cn Announcement No.: 2024-025	9 April 2024	1. Deliberated and approved the <i>Proposal on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan</i> .

Meeting	Convening date	Inquiry index of the website designated to publish resolutions	Disclosure date of resolutions	Resolution
2023 Annual General Meeting	27 June 2024	Website of Shanghai Stock Exchange www.sse.com.cn Announcement No.: 2024-049	28 June 2024	<ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>2023 Annual Report of ENN-NG</i> and its Summary;</li> <li>2. Deliberated and approved the <i>2023 Work Report of the Board of Directors of ENN-NG</i>;</li> <li>3. Deliberated and approved the <i>2023 Work Report of the Board of Supervisors of ENN-NG</i>;</li> <li>4. Deliberated and approved the <i>2023 Final Accounting Report of ENN-NG</i>;</li> <li>5. Deliberated and approved the <i>2023 Profit Distribution Plan of ENN-NG</i>;</li> <li>6. Deliberated and approved the <i>Proposal on Renewing the Appointment of the Accounting Firm</i>;</li> <li>7. Deliberated and approved the <i>2023 Proposal on Directors' Remuneration of the Company</i>;</li> <li>8. Deliberated and approved the <i>2023 Proposal on Supervisors' Remuneration of the Company</i>;</li> <li>9. Deliberated and approved the <i>Proposal on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan</i>.</li> </ol>
2024 Second Extraordinary General Meeting	9 September 2024	Website of Shanghai Stock Exchange www.sse.com.cn Announcement No.: 2024-068	10 September 2024	<ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>Proposal on Provision of Guarantees for Three Companies with Equity Participation by Wholly-owned Subsidiaries</i>;</li> <li>2. Deliberated and approved the <i>Proposal on Provision of Guarantees for Companies with Proposed Equity Participation by Wholly-owned Subsidiaries</i>;</li> <li>3. Deliberated and approved the <i>Proposal on the Adjustment of the Estimated Hedging Amount of Foreign Exchange for 2024</i>;</li> <li>4. Deliberated and approved the <i>Proposal on the Adjustment of the Estimated Amount of Guarantees for 2024</i>.</li> </ol>
2024 Third Extraordinary General Meeting	26 December 2024	Website of Shanghai Stock Exchange www.sse.com.cn Announcement No.: 2024-109	27 December 2024	<ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>Proposal on the Estimated Amount of Guarantees for 2025</i>;</li> <li>2. Deliberated and approved the <i>Proposal on the Additional Counter-guarantees</i>;</li> <li>3. Deliberated and approved the <i>Proposal on the Estimated Hedging Amount of Foreign Exchange for 2025</i>;</li> <li>4. Deliberated and approved the <i>Proposal on the Estimated Hedging Amount of Commodities for 2025</i>;</li> <li>5. Deliberated and approved the <i>Proposal on the Estimated Hedging Amount of Chemical Products for 2025</i>;</li> <li>6. Deliberated and approved the <i>Proposal on Change in Registered Capital and Amendment to the Articles of Association of ENN Natural Gas Co., Ltd.</i>;</li> <li>7. Deliberated and approved the <i>Proposal on Amendment to the External Guarantee Management System of ENN Natural Gas Co., Ltd.</i></li> </ol>



Preferred shareholders whose voting rights have been restored request an extraordinary general meeting

☐ Applicable ☒ N/A

Information on the General Meeting

☒ Applicable ☐ N/A

During the Reporting Period, the Company convened a total of 4 general meetings. The procedures for convening and holding the general meetings, qualification of the convener, qualification of the attendees and procedures for voting resolutions are in compliance with the provisions of relevant laws, regulations, regulatory documents and the *Articles of Association*, and the voting results are legally valid.

The 2023 Annual General Meeting of the Company was held by live broadcast, and can be watched online by visiting the websites for replay: <https://wx.vzan.com/live/page/952058471?v=1717145167869>.

#### IV. Information on Directors, Supervisors and Senior Managers

##### (I) Changes in the shareholding by incumbent and resigned directors, supervisors and senior managers during the Reporting Period and their remunerations




☒ Applicable ☐ N/A







Unit: Share

Name	Title (Note)	Gender	Age	Start date of term of office	End date of term of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Increase or decrease of shares for the current year	Reason for increase or decrease	Total pre-tax remuneration received from the company during the Reporting Period (RMB'0000)	Whether the remuneration from the Company's related Parties is received
Jiang Chenghong	Board Chairman Director Co-CEO	Male	50	2025-03-26 2020-11-30 2023-12-08	2025-07-24 2025-03-26 2025-07-24	910,068	857,568	-52,500	Need of Personal funds	400.00	No
Yu Jianchao	Vice Chairman of the Board (Executive Chairman)	Male	56	2023-12-26	2025-07-24	1,550,000	1,550,000	0	-	300.00	No
Han Jishen	Director Co-CEO	Male	60	2020-09-29	2025-07-24	1,050,000	843,800	-206,200	Need of Personal funds	300.00	No
Zhang Yuying	Director President	Male	52	2023-12-26 2023-12-08	2025-07-24 2025-07-24	375,000	375,000	0	-	400.00	No
Wang Yusuo	Director Board Chairman (Resigned)	Male	60	2025-03-26 2008-11-26	2025-07-24 2025-03-26	1,911,750	1,911,750	0	-	290.00	Yes
Zhang Jin	Director	Female	51	2020-11-30	2025-07-24	510,000	382,500	-127,500	Need of Personal funds	60.10	Yes
Wang Zizheng	Director	Male	36	2018-06-26	2025-07-24	0	0	0	-	60.00	Yes
Tang Jiasong	Independent director	Male	50	2019-07-26	2025-07-24	0	0	0	-	24.00	No
Zhang Yu	Independent director	Male	67	2020-11-30	2025-07-24	0	0	0	-	24.00	No
Chu Yuansheng	Independent director	Male	62	2022-07-25	2025-07-24	0	0	0	-	24.00	No
Wang Chunmei	Independent director	Female	61	2022-07-25	2025-07-24	0	0	0	-	24.00	No
Li Lan	Chairman of the Board of Supervisors	Female	55	2022-07-25	2025-07-24	0	0	0	-	0.00	Yes
Wang Xi	Supervisor	Female	52	2013-06-29	2025-07-24	0	0	0	-	0.00	Yes
Liu Jie	Employee Supervisor	Male	47	2022-07-25	2025-07-24	0	0	0	-	43.63	No
Su Li	Executive Vice President	Female	52	2021-12-20	2025-07-24	500,000	470,000	-30,000	Need of Personal funds	200.00	No
Zhang Xiaoyang	Vice President	Male	49	2019-12-27	2025-07-24	600,010	600,010	0	-	160.00	No
Huang Baoguang	Vice President	Male	54	2018-12-25	2025-07-24	250,000	238,000	-12,000	Need of Personal funds	153.00	No
Jiang Yang	Assistant President	Male	39	2024-02-06	2025-07-24	300,000	300,000	0	-	160.00	No
Sun Dianfei	Assistant President	Male	47	2024-02-06	2025-07-24	100,000	100,000	0	-	160.00	No
Lin Yan	Assistant President	Female	50	2024-02-06	2025-07-24	100,000	85,000	-15,000	Need of Personal funds	150.00	No
Liang Hongyu	Assistant President Board Secretary Finance Director	Female	45	2021-06-18 2024-02-06 2025-02-28	2025-07-24 2025-07-24 2025-07-24	100,000	75,000	-25,000	Need of Personal funds	150.00	No
Zheng Wenping	Vice President (Resigned)	Male	55	2021-12-20	2025-02-18	600,000	560,000	-40,000	Need of Personal funds	140.00	No

Name	Title (Note)	Gender	Age	Start date of term of office	End date of term of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Increase or decrease of shares for the current year	Reason for increase or decrease	Total pre-tax remuneration received from the company during the Reporting Period (RMB'0000)	Whether the remuneration from the Company's related Parties is received
Zong Bo	Assistant President (Resigned) Finance Director (Resigned)	Male	41	2023-03-24 2023-12-08	2025-02-28 2025-02-28	0	0	0	-	150.00	No

Name	Work Experience
 <p>Jiang Chenghong</p>	<p>Mr. Jiang Chenghong, born in 1975, holds an EMBA Degree conferred by Xiamen University. He served as the Deputy General Manager and General Manager of the Capital Department and the Director of the Finance Department at Sinochem Group Co., Ltd.; Director of Sinochem Petroleum Exploration &amp; Production Co., Ltd., Director of Sinochem Quanzhou Petrochemical Co., Ltd, and Director of China Foreign Economy and Trade Trust Co., Ltd. Mr. Jiang Chenghong has extensive experience in financial management, capital operations, commodity price risk, and foreign exchange risk management. He possesses keen risk insight, excellent organizational coordination capability, and analytical decision-making skills. He joined ENN Group in September 2017 and worked as the Director of ENN International, CFO of ENN Group and Executive Director of ENN energy. Currently, he works as the Director of Tibet Tourism Co Ltd.; and he has worked as the Director of the Company from November 2020 to March 2025, Co-CEO of the Company since December 2023, the Chairman of the Board of Directors of the Company since March 2025.</p>
 <p>Yu Jianchao</p>	<p>Mr. Yu Jianchao, born in 1968, holds an MBA Degree conferred by China Europe International Business School and an EMBA Degree from Tsinghua PBCSF. He was the Deputy Chief Accountant, Chief Accountant, Chairman of the Supervision Committee, Chief Financial Officer, Chairman of the Finance and Audit Committee and Vice President of ENN Group Co., Ltd.; Vice President of ENN Energy Holdings Limited; and Vice President and the CEO of ENN-NG, etc. Mr. Yu Jianchao has extensive experience in company management and capital operation. Currently, he works as Directors of ENN (Zhoushan) LNG Co., Ltd. He was the Co-CEO of the Company from September 2020 to December 2023. He has served as the Director of the Company since February 2017, the Vice Chairman of the Board of Directors of the Company from November 2017 to December 2023, and Vice Chairman (Executive Chairman) of the Company since December 2023.</p>
 <p>Han Jishen</p>	<p>Mr. Han Jishen, born in 1964, holds an EMBA Degree conferred by Nanyang Technological University, Singapore. He joined ENN Energy in 1993, served as a senior executive officer in different subsidiary companies under ENN Energy. He was also the President, CEO, Co-vice Chairman and Executive Director of ENN Energy. He has extensive experience in market research, business development and operation management in energy industry. He has served as the Co-CEO and Director of the Company since September 2020.</p>

Name	Work Experience
 <p>Zhang Yuying</p>	<p>Mr. Zhang Yuying, born in 1973, holds an MBA degree conferred by Renmin University of China. Since joining ENN Group in 2003, he has held key positions in group business planning and strategic management. He has been dedicated to urban gas for many years and once served as Executive Director and President of ENN Energy Holdings Limited, Executive Vice President of ENN Group Co., Ltd. and Chairman of the Board of Directors of ENC Digital Technology Co., Ltd. Mr. Zhang Yuying has extensive experience in strategic planning, market expansion, safe operation, and digital and intelligent transformation. He possesses precise customer understanding and market insight, outstanding strategic thinking, and deployment and execution capabilities. Currently, he serves as Executive Director and Chief Executive Officer of ENN Energy Holdings Limited. He has been appointed President and Director of the Company since December 2023.</p>
 <p>Wang Yusuo</p>	<p>Mr. Wang Yusuo, born in 1964, holds a Doctorate Degree. As a founder of ENN Group, he served as the member of the 9th, 10th and 12th National Committee of the Chinese People's Political Consultative Conference, member of the standing committee of the 11th National Committee of the Chinese People's Political Consultative Conference, vice chairman of the 9th All-China Federation of Industry &amp; Commerce, vice chairman of the China Private Chamber of Commerce, member of the Standing Committee of the 12th Chinese People's Political Consultative Conference Hebei, vice chairman of Hebei Federation of Industry &amp; Commerce and vice chairman of Langfang Chinese People's Political Consultative Conference. He has more than 30 years of experience in gas business investment and management. Currently, he serves as the Chairman of the Board of Directors of ENN Group, Director of ENN International, Chairman of the Board of Director of ENN Holdings, Chairman of the Board of Directors of ENN Science and Technology Development Co., Ltd., Chairman of the Board of Directors of Langfang Natural Gas Co., Ltd., Chairman of the Board of Directors of Langfang ENN Energy Development Co., Ltd., Chairman of the Board of Directors of ENN Yingchuang Technology Co., Ltd., Chairman of the Board of Directors and Executive Director of ENN Energy; he has worked as the Chairman of the Board of Directors of the Company from November 2008 to March 2025, the Director of the Company since March 2025.</p>
 <p>Zhang Jin</p>	<p>Ms. Zhang Jin, born in 1973, graduated from Renmin University of China with a Master's Degree in Management and a Bachelor's Degree in Economics. She served as the Senior Vice President of Shanda Network Group, Vice President of Human Resources of Shanda Group, and Vice President of Human Resources of Lenovo Group. She has extensive experience in talent stimulation and corporate management. She joined ENN Group in September 2016. At present, she works as Chief Human Resources Officer of ENN Group, Director of ENC Digital Technology Co., Ltd. Executive director of ENN Energy Holdings Limited, She has worked as the Director of the Company since November 2020.</p>
 <p>Wang Zizheng</p>	<p>Mr. Wang Zizheng, born in 1988, graduated from Tongji University with a Bachelor's Degree in Urban Planning. He served as the President of ENN Group, Executive Chairman of the Board of Directors of ENN Energy, Chairman of the Board of Directors of ENC Digital Technology Co., Ltd., Deputy General Manager of ENN Science &amp; Technology Development Co., Ltd., Director of Green Transportation Energy Strategic Planning of Transfuels. LLC in U.S., Director of ENN Science &amp; Technology Development Co., Ltd. and Director of ENN International. He has extensive experience in investment, M&amp;As and operation management of overseas LNG refueling stations. At present, he works as the Director of ENN Group, Non-executive Director of ENN Energy, deputy to Hebei Provincial People's Congress, member of the Executive Committee of Hebei Federation of Industry and Commerce, member of the Standing Committee of Langfang Chinese People's Political Consultative Conference and Vice Chairman of Langfang Federation of Industry &amp; Commerce. He has worked as the Director of the Company since June 2018.</p>

Name	Work Experience
Tang Jiasong	Mr. Tang Jiasong, born in 1974, is qualified as a Certified Public Accountant. He performed the audits of consolidated statement, A-share and H-share IPO for many state-owned, private and multinational companies. From September 1995 to August 2015, he worked at Deloitte Touche Tohmatsu Certified Public Accountants LLP, and was promoted to equity partner in June 2007. Mr. Tang Jiasong is proficient in financial statement audit as well as financial risk identification and prevention management. He has professional knowledge and rich experience in corporate audit and internal control management. He has worked as the Independent Director of the Company since July 2019.
Zhang Yu	Mr. Zhang Yu, born in 1958, holds an EMBA Degree conferred by Peking University. He has long been engaged in oil production technology research, oil and gas field development, storage, transportation, production and management of oil and gas and natural gas pipeline construction, etc. He served as the Deputy General Manager, Safety Director, General Manager and Director of PetroChina Beijing Gas Pipeline Co., Ltd. Zhang Yu has a unique perspective on the development of the oil and gas industry, has rich experience in corporate management and project infrastructure management and has obtained the title of Senior Engineer. He has worked as an Independent Director of the Company since November 2020.
Chu Yuansheng	Mr. Chu Yuansheng, born in 1963, graduated from Peking University with a Master's Degree in Law and is qualified to practice law in China. He has 12 years' work experience in the legal departments of Fortune Global 500 foreign companies and is proficient in both continental law system and common law system. He used to serve as a research fellow of the Academy of Military Science and the legal counsel of China Hewlett-Packard Co., Ltd. Now he is a practicing lawyer of Beijing JYC Law Firm and has worked as the Independent Director of the Company since July 2022.
Wang Chunmei	Ms. Wang Chunmei, born in 1964, graduated from Renmin University of China with the Bachelor's Degree of Economics in National Economic Planning and is qualified for the professional title of senior engineer. She served as the Deputy General Manager of Zhejiang Zheneng Natural Gas Co., Ltd. And General Manager of Zhejiang Natural Gas Development Co. Ltd. Wang Chunmei has a senior background in energy industry and 32 years of working experience in the energy industry. She is familiar with the law and trend of market development, and has a good understanding of industrial policies. She has worked as the Independent Director of the Company since July 2022.
Li Lan	Ms. Li Lan, born in 1969, graduated from Beijing College of Mechanical Engineering with a Bachelor's degree in Engineering. She has 21 years of service experience at multinational enterprises and 9 years at local enterprises. She served as the Marketing Director of Acer China, Market Expansion Director for global production line at HP, and Marketing Management Director, Channel Management Director and President of Channel Academy of IBM China. Li Lan has rich experience in the fields of business management, strategic planning, marketing, organization and talent development. She has worked as the Chairman of the Board of Supervisors of the Company since July 2022.
Wang Xi	Ms. Wang Xi, born in 1972, holds an EMBA Degree conferred by Peking University. She served as a senior manager at ENN Group and its subsidiaries, Deputy General Manager of Changsha Xin'ao Gas Co., Ltd., General Manager of Financial Management Department and Chief Financial Officer of ENN Group and the Chairman of the Board of Supervisors of Tibet Tourism Co Ltd. Currently, she works as the Executive Vice President and Director of ENC Digital Technology Co., Ltd. and Supervisor of ENN Holdings; she has worked as the Supervisor of the Company since July 2013.



Name	Work Experience
Liu Jie	Mr. Liu Jie, born in 1977, graduated from North China University of Technology with a bachelor's degree and has been engaged in finance, investment, internal control, market development and risk management for long. He served as the Vice Finance Director and Deputy Performance Director of Xinneng Fenghuang (Tengzhou) Energy Chemical Co., Ltd., Head and Director of Investment Management Department of ENN-NG, and Deputy General Manager of Xinneng (Tianjin) Energy Co., Ltd. Liu Jie has rich experience in financial management, investment management and risk management. He has worked as the Employee Representative Supervisor of the Company since July 2022.
Su Li	Ms. Su Li, born in 1972, holds an EMBA Degree conferred by Shanghai Jiao Tong University. She joined ENN Energy in 2002 and has served as the Deputy General Manager and General Manager of several member companies of ENN Energy. She has extensive experience in energy business operations and market development. Currently, she works as the Executive Director of ENN Energy Holdings Limited. She has worked as the Executive Vice President of the Company since December 2021.
Zhang Xiaoyang	Mr. Zhang Xiaoyang, born in 1975, graduated from Wuhan University with a Master's Degree in Industrial Engineering. He served as the Assistant to the General Manager and Member of the Party Committee of Shanxi Zhangshan Power Generation Co., Ltd., the Deputy Director and Director of Chemical Market and Strategic Performance Department of ENN Energy, General Manager of Xinneng Mining Industry Co., Ltd. and General Manager of Zhuzhou Xin'ao Gas Co., Ltd., General Manager of Xinneng Fenghuang (Tengzhou) Energy Co., Ltd., General Manager and CEO of Xinneng Energy Co., Ltd. Mr. Zhang Xiaoyang has rich experience in chemical industry research, chemical assets and corporate management. He has worked as the Vice President of the Company since 27 December 2019.
Huang Baoguang	Mr. Huang Baoguang, born in 1970, holds a Master Degree of Scuola Superiore Enrico Mattei. He served as the Contract Supervisor of Legal Department, Head (Cooperation Manager) of Cooperation Division, Head (Consulting Manager) of Consulting Division of Legal Department of CNOOC, General Manager of Legal Department of CNOOC Gas & Power Group Co., Ltd., General Counsel and General Manager of the Legal Department and General Manager of the Equity Management Department of CNOOC Gas & Power Group Co., Ltd. From July 2016 to December 2018, he served as the Vice President and Executive Vice President of ENN Energy. He has extensive experience in energy project M&As, legal risk control, etc. He has worked as the Vice President of the Company since December 2018.
Jiang Yang	Mr. Jiang Yang, born in 1985, holds a bachelor's degree in oil and gas storage and transportation engineering from Southwest Petroleum University. Mr. Jiang Yang has rich experience in natural gas trade and energy distribution. He joined ENN Energy Holdings Limited in 2008 and served as Deputy General Manager of ENN Energy Trading Co., Ltd., He has held the position of the Company's Assistant to the President since February 2024, responsible for the development of the domestic market for directly sold natural gas, integration of industrial ecosystem collaboration, and overall planning for the access to international and domestic resources, customer development, and utilization of facility capabilities.
Sun Dianfei	Mr. Sun Dianfei, born in 1977, holds a bachelor's degree in chemical engineering and technology from Dalian University of Technology. Mr. Sun Dianfei has extensive experience in LNG international trade. He joined the Company in 2021 and once served as Deputy General Manager of the Natural Gas Department of China International United Petroleum & Chemicals Co., Ltd., Deputy General Manager of UNIPPEC UK Co., Ltd., Deputy General Manager of UNIPPEC Singapore Pte. Ltd., and General Manager of CITIC Commodities' LNG Department. He has assumed the position of the Company's Assistant to the President Since February 2024, primarily responsible for the procurement, optimization, and sale of global LNG resources, management of price risks, shipping delivery and comprehensive execution of work.
Lin Yan	Ms. Lin Yan, born in 1974, holds an MBA Degree conferred by China Europe International Business School. Ms. Lin Yan has over 25 years of rich experience in human resource management and talent stimulation. She joined ENN Energy Holdings Limited in 2009 and served as Human Resources Director of a subsidiary of Haier and Chief Human Resources Officer of ENN Energy Holdings Limited. She is currently the Chief Human Resources Officer of the Company and has been appointed as Assistant to the President since February 2024.

Name	Work Experience
Liang Hongyu	Ms. Liang Hongyu, born in 1979, holds a Master Degree in International Trade and Company Law from Lancaster University, UK and a Master Degree in Business Administration from the Chinese University of Hong Kong, and is qualified in law. She has over 20 years of experience in capital market transactions and legal work. She joined ENN Energy in 2011 and worked as the Deputy General Manager and Legal Director of ENN Finance Limited Liability Company, and the Co-Finance Director and Company Secretary of ENN Energy. She has worked as the Board Secretary of the Company since June 2021. Assistant to the President of the Company since February 2024, the Chief Financial Officer of the Company since February 2025.
Zheng Wenping	Mr. Zheng Wenping, born in 1969, holds an EMBA Degree conferred by the University of International Business and Economics. He served as the Deputy Director of Project Management Department of Beijing Petrochemical Engineering Co., Ltd., PMC Project Director of Engineering Construction Company under Sinopec Group, Deputy Chief Engineer and General Manager of Project Management Center of Sinopec Engineering (Group) Co., Ltd., Deputy General Manager of Beijing Petrochemical Engineering Co., Ltd. of Yanchang Petroleum Group, and General Manager of Beijing Zhonghui Technology Co., Ltd. Mr. Zheng Wenping has extensive experience in business development, project operations and corporate operations in energy industry. He has worked as the Vice President of the Company from December 2021 to February 2025.
Zong Bo	Mr. Zong Bo, born in 1983, holds a Master's Degree in Accounting from Tsinghua University. He served as the CFO of ENN Europe Transportation Energy Co., Ltd., the Director of Capital Operation & Investment Management, Senior Director of Finance and CFO of ENN Group Co., Ltd., Value-creation Operation Convener of ENN Energy Holdings Ltd. He served as the Chief Director of Finance and Value-creation Operation of the Company from February 2022 to March 2023. He has been the Assistant to the President of the Company from March 2023 to February 2025, and the Chief Financial Officer of the Company from December 2023 to February 2025.

#### Other information

√ Applicable    ☐ N/A

The Company disclosed the *Announcement of ENN-NG on the Appointment and Adjustment of Senior Manager* on 19 February 2025 at the website of Shanghai Stock Exchange, stating that Mr. Zheng Wenping applied for a resignation as the Company's vice president due to a job position adjustment and will assume the role of the Company's chief engineer; the Company held the 24th Meeting of the Tenth Board of Directors on 18 February 2025 to deliberate and approve the *Proposal on Appointment of Senior Manager*, approving Mr. Wang Bohan to be appointed as the Assistant to the President of the Company, with his term of office commencing from the date of deliberation and approval by the Board and lasting until the expiration of the 10th Board of Directors. The curriculum vitae of Mr. Wang Bohan is provided as follows:

Mr. Wang Bohan, born in 1988, holds a Bachelor's Degree in Law from Sichuan University, and has rich experience in the energy sector. Having previously worked for CNOOC Gas and Power Group and HOPU Investment, he developed remarkable industry insight and management skills. Mr. Wang joined ENN Energy Trading Co., Ltd. in August 2019 and currently serves as the General Manager of ENN Energy Holdings Limited for Zhejiang Region and the General Manager of the Company's branch in Zhejiang.

The Company disclosed the *Announcement of ENN-NG on the Appointment and Adjustment of Senior Manager* on 1 March 2025 at the website of Shanghai Stock Exchange, stating that Mr. Zong Bo resigned as the Company's Assistant to the President due to a job position adjustment and will take on the role of deputy chief financial officer at the subsidiary, ENN Energy; the Company held the 25th Meeting of the Tenth Board of Directors on 28 February 2025 to deliberate and approve

the *Proposal on Appointment of Senior Manager*, approving Ms. Liang Hongyu to be appointed as the Chief Financial Officer of the Company, with her term of office commencing from the date of deliberation and approval by the Board and lasting until the expiration of the 10th Board of Directors. The curriculum vitae of Ms. Liang Hongyu is provided in the table above.

On 26 March 2025, the Company disclosed the Announcement of ENN-NG on the Resignation of the Chairman, the Election of New Chairman, and the Alteration of the Legal Representative at the website of the Shanghai Stock Exchange. Mr. Wang Yusuo stepped down from his position as the Chairman, but remained a director of the Company to contribute to the Company's strategic and business development. In compliance with the relevant provisions of the *Company Law* and the *Articles of Association*, Mr. Jiang Chenghong was elected as the new Chairman of the Company, and his tenure coincided with that of the Tenth Board of Directors. Meanwhile, the Company's legal representative was changed to Mr. Jiang Chenghong, whose resume can be found in the table above.

## (II) Positions held by incumbent and resigned directors, supervisors and senior managers during the Reporting Period

### 1. Positions held at shareholders' companies

√ Applicable    ☐ N/A

Name of personnel	Name of shareholder's company	Position held at shareholder's company	Start date of term of office	End date of term of office
Wang Yusuo	ENN Group International Investment Limited	Director	2000-08-01	—
Wang Yusuo	ENN Holdings Investment Co., Ltd.	Board Chairman, General Manager	2000-01-13	—
Wang Zizheng	ENN Holdings Investment Co., Ltd.	Director	2015-07-30	—
Wang Xi	ENN Holdings Investment Co., Ltd.	Supervisor	2018-06-25	—
Wang Yusuo	ENN Science and Technology Development Co., Ltd.	Board Chairman	2006-08-02	—
Yu Jianchao	Hebei Weiyuan Group Co., Ltd.	Board Chairman	2010-07-19	—
Information on the positions held at shareholder's company	None			

### 2. Positions held at other companies

√ Applicable    ☐ N/A

Name of personnel	Name of shareholder's company	Position held at shareholder's company	Start date of term of office	End date of term of office
Wang Yusuo	ENN Group Co., Ltd.	Chairman of the Board of Directors	1998-12	—
Wang Yusuo	Langfang Natural Gas Co., Ltd.	Board Chairman	1992-12	—
Wang Yusuo	Langfang ENN Energy Development Co., Ltd.	Board Chairman	2010-01	—
Wang Yusuo	ENN Yingchuang Technology Co., Ltd.	Board Chairman	2021-07	—
Yu Jianchao	ENN Insurance Brokerage Co., Ltd.	Board Chairman	2016-05	—
Jiang Chenghong	Tibet Tourism Co., Ltd.	Director	2018-07-30	2027-06-26

Name of personnel	Name of shareholder's company	Position held at shareholder's company	Start date of term of office	End date of term of office
Jiang Chenghong	ENN Yingchuang Technology Co., Ltd.	Manager	2021-07	—
Zhang Jin	ENN Group Co., Ltd.	Chief Talent Inspiration Officer	2019-01	—
Zhang Jin	ENC Digital Technology Co., Ltd.	Director	2020-03-16	2026-03-29
Zhang Jin	ENN Group Co., Ltd.	Vice Chairman of the Board of Directors	2021-12	—
Wang Zizheng	ENN Group Co., Ltd.	Director	2016-11	—
Wang Zizheng	E-Cheng E-Jia Network Technology Co., Ltd.	Board Chairman, Manager	2014-10	—
Wang Zizheng	Shanghai 3040 Technology Co., Ltd.	Executive Director, General Manager	2020-10	—
Li Lan	ENN Group Co., Ltd.	Secretary General of the Board	2024-01	—
Wang Xi	ENC Digital Technology Co., Ltd.	Vice Chairman	2023-12-11	2026-03-29
Chu Yuansheng	Beijing JYC Law Firm	Practicing Lawyer	2020-09	—
Information on the position held at other company	The above only lists the main positions held by directors, supervisors and senior managers.			

### (III) Remuneration of directors, supervisors and senior managers

√ Applicable    ☐ N/A

Decision-making procedure for remuneration of directors, supervisors and senior managers	Pursuant to the relevant provisions of the Articles of Association, the remuneration of directors and supervisors of the Company shall be decided by the Company's General Meeting, and the remuneration of senior managers shall be decided by the Board of Directors.
Whether directors should recuse themselves when the board of directors discusses their remuneration matters	Yes
Details of recommendations from the Remuneration and Appraisal Committee or special meetings of independent directors regarding remuneration matters for directors, supervisors, and senior managers	The Remuneration and Appraisal Committee confirms and reviews the remuneration of directors and senior managers based on peer remuneration levels and annual performance assessments. The confirmation and payment of remuneration comply with relevant requirements.
Basis for determining the remuneration of directors, supervisors and senior managers	<p>(1) The salary level of similar enterprises in the main business premises where the Company and its controlled subsidiaries operate;</p> <p>(2) The salary level of similar job responsibilities in the same industry to which their respective job responsibilities belong; and</p> <p>(3) The completion of annual target, including performance indicator achievement, ESG work value assessment (such as low carbon development, safety, anti-corruption, compliance, employee and customer satisfaction).</p>

Actual payment of the remuneration for directors, supervisors and senior managers	During the Reporting Period, the Company paid remunerations to directors, supervisors and senior managers in accordance with the regulations and has no violation of remuneration management system.
Total remunerations actually received by all directors, supervisors and senior managers at the end of the Reporting Period	RMB 33,7273 million

#### (IV) Changes in the directors, supervisors and senior managers of the Company

√ Applicable    ☐ N/A

Name	Position held	Change	Reason for change
Jiang Yang	Assistant President	Elected	Newly appoint
Sun Dianfei	Assistant President	Elected	Newly appoint
Lin Yan	Assistant President	Elected	Newly appoint
Liang Hongyu	Assistant President Finance Director	Elected	Newly appoint
Wang Bohan	Assistant President	Elected	Newly appoint
Jiang Chenghong	Board Chairman	Elected	Newly appoint
Wang Yusuo	Board Chairman	Resigned	Work change
Zheng Wenping	Vice President	Resigned	Work change
Zong Bo	Assistant President Finance Director	Resigned	Work change

#### (V) Information on penalties imposed by Securities Regulatory Authorities in the past three years

√ Applicable    ☐ N/A

On 31 May 2024, ENC Digital Technology Co., Ltd. received the *Decision on Imposing Warning Letter Measures on ENC Digital Technology Co., Ltd. and Relevant Responsible Parties* ([2024] No. 8) issued by the Guangxi Securities Regulatory Bureau of the China Securities Regulatory Commission, stating that an administrative regulatory action in the form of a warning letter was taken against Zhang Yuying, who served as the chairman then (and also a director and president of the Company) due to failure to disclose the 2023 performance estimation as required and disclosure of inaccurate information in the financial reports of previous years.

On 27 December 2024, ENC Digital Technology Co., Ltd., suspected of violation of laws and rules in information disclosure, received the *Administrative Penalty Decision* ([2024] No. 5) from the Guangxi Securities Regulatory Bureau of the China Securities Regulatory Commission, and Wang Xi, who served as executive vice president then (and also a supervisor of the Company), was warned and fined RMB1.5 million.



## (VI) Others

☐ Applicable    ☒ N/A

## V. Information on Board Meetings Held During the Reporting Period

Meeting	Date	Resolution
The 13th Meeting of the Tenth Board of Directors	6 February 2024	1. Deliberated and approved the <i>Proposal on Appointment of Senior Managers of the Company</i>
The 14th Meeting of the Tenth Board of Directors	22 March 2024	<p>Listened to the <i>2023 Work Report of President of ENN-NG</i></p> <p>Listened to the <i>2023 Debriefing Report of Independent Directors of ENN-NG</i></p> <p>Listened to the <i>2023 Report on Duty Performance by the Audit Committee under the Board of Directors of ENN-NG</i></p> <ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>2023 Annual Report of ENN-NG</i> and its Summary</li> <li>2. Deliberated and approved the <i>2023 Work Report of the Board of Directors of ENN-NG</i></li> <li>3. Deliberated and approved the <i>2023 Self-examination Report on the Independence of Independent Directors of ENN-NG</i></li> <li>4. Deliberated and approved the <i>2023 Report on Internal Control and Evaluation of ENN-NG</i></li> <li>5. Deliberated and approved the <i>2023 Final Accounting Report of ENN-NG</i></li> <li>6. Deliberated and approved the <i>2023 Profit Distribution Plan of ENN-NG</i></li> <li>7. Deliberated and approved the <i>2023 Report on the Evaluation of Duty Performance by the Accounting Firm and the Report on the Performance of Supervisory Duties by the Audit Committee</i></li> <li>8. Deliberated and approved the <i>Proposal on Renewing the Appointment of the Accounting Firm</i></li> <li>9. Deliberated and approved the <i>Proposal on Change in Accounting Policies</i></li> <li>10. Deliberated and approved the <i>Proposal on the Realization of Performance Commitment of ENN Zhoushan for 2023</i></li> <li>11. Deliberated and approved the <i>2023 Report on Related-party Transactions of ENN-NG</i></li> <li>12. Deliberated and approved the <i>Proposal on the Provision for Asset Impairment of Holding Subsidiaries</i></li> <li>13. Deliberated and approved the <i>Proposal on Directors' Remuneration of the Company for 2023</i></li> <li>14. Deliberated and approved the <i>Proposal on Remuneration of Senior Managers of the Company for 2023</i></li> <li>15. Deliberated and approved the <i>Proposal on Deliberating the 2023 Environmental, Social and Governance Report of ENN-NG and Authorizing Management for Issuance</i></li> <li>16. Deliberated and approved the <i>Proposal on Requesting to Convene the 2023 Annual General Meeting</i></li> </ol>
The 15th Meeting of the Tenth Board of Directors	26 April 2024	<ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>2024 First Quarter Report of ENN-NG</i></li> <li>2. Deliberated and approved the <i>2024 Action Plan for Improvement of Quality, Increase in Efficiency and Focus on Returns of ENN-NG</i></li> </ol>
The 16th Meeting of the Tenth Board of Directors	17 June 2024	<ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>Proposal on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Third Unrestricted Period for the First Grant under the 2021 Restricted Stock Incentive Plan</i></li> <li>2. Deliberated and approved the <i>Proposal on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan</i></li> </ol>
The 17th Meeting of the Tenth Board of Directors	15 July 2024	<ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>Proposal on Provision of Guarantees for Three Companies with Equity Participation by Wholly-owned Subsidiaries;</i></li> <li>2. Deliberated and approved the <i>Proposal on Requesting to Convene the 2024 Second Extraordinary General Meeting</i></li> </ol>

Meeting	Date	Resolution
The 18th Meeting of the Tenth Board of Directors	16 August 2024	<ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>Proposal on Provision of Guarantees for Companies with Proposed Equity Participation by Wholly-owned Subsidiaries</i></li> <li>2. Deliberated and approved the <i>Proposal on Adjustment of the Estimated Hedging Amount of Foreign Exchange for 2024</i></li> <li>3. Deliberated and approved the <i>Feasibility Analysis Report on Conducting Foreign Exchange Hedging</i></li> <li>4. Deliberated and approved the <i>Proposal on Adjustment of the Estimated Amount of Guarantees for 2024</i></li> </ol>
The 19th Meeting of the Tenth Board of Directors	23 August 2024	<ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>2024 Semi-annual Report</i> and its Summary</li> </ol>
The 20th Meeting of the Tenth Board of Directors	11 October 2024	<ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>Proposal on Adjusting the Estimated Amount of Daily Related-party Transactions for 2024</i></li> <li>2. Deliberated and approved the <i>Proposal on the Amendment to the Information Disclosure Management System of ENN Natural Gas Co., Ltd.</i></li> </ol>
The 21st Meeting of the Tenth Board of Directors	25 October 2024	<ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>2024 Third Quarter Report of ENN-NG</i></li> <li>2. Deliberated and approved the <i>Semi-annual Evaluation Report on the 2024 Action Plan for Improvement of Quality, Increase in Efficiency and Focus on Returns of ENN-NG</i></li> </ol>
The 22nd Meeting of the Tenth Board of Directors	10 December 2024	<ol style="list-style-type: none"> <li>1. Deliberated and approved the <i>Proposal on the Estimated Amount of Guarantees for 2025</i></li> <li>2. Deliberated and approved the <i>Proposal on the Additional Counter-guarantees</i></li> <li>3. Deliberated and approved the <i>Proposal on the Estimated Amount of Entrusted Financial Management for 2025</i></li> <li>4. Deliberated and approved the <i>Proposal on Adjusting the Estimated Amount of Daily Related-party Transactions for 2025</i></li> <li>5. Deliberated and approved the <i>Proposal on the Estimated Hedging Amount of Foreign Exchange for 2025</i></li> <li>6. Deliberated and approved the <i>Proposal on the Estimated Hedging Amount of Commodities for 2025</i></li> <li>7. Deliberated and approved the <i>Proposal on the Estimated Hedging Amount of Chemical Products for 2025</i></li> <li>8. Deliberated and approved the <i>Feasibility Analysis Report on Conducting Hedging Transactions in 2025</i></li> <li>9. Deliberated and approved the <i>Proposal on the Provision of Financial Assistance to Holding Subsidiaries</i></li> <li>10. Deliberated and approved the <i>Proposal on Change in Registered Capital and Amendment to the Articles of Association of ENN Natural Gas Co., Ltd.</i></li> <li>11. Deliberated and approved the <i>Proposal on Amendment to the External Guarantee Management System of ENN Natural Gas Co., Ltd.</i></li> <li>12. Deliberated and approved the <i>Proposal on Amendment to the Administrative Measures for the Changes in Shareholdings of Directors, Supervisors and Senior Managers of ENN Natural Gas Co., Ltd.</i></li> <li>13. Deliberated and approved the <i>Proposal on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Third Unrestricted Period for the Reserved Grant under the 2021 Restricted Stock Incentive Plan</i></li> <li>14. Deliberated and approved the <i>Proposal on Requesting to Convene the 2024 Third Extraordinary General Meeting</i></li> </ol>

## VI. Performance of Duties by Directors

### (I) Attendance by the directors of the meetings of the Board of Directors and General Meetings

Attendance on General Meetings								General meetings attended
Attendance on Board Meetings								
Name of Director	Independent Director	Meetings the director should have attended in the year	Meetings attended in person	Meetings attended by means of communication	Meetings attended by proxy	Meetings the director should have attended in the year	Meetings attended in person	
Wang Yusuo	No	10	10	10	0	0	No	0
Yu Jianchao	No	10	10	9	0	0	No	4
Han Jishen	No	10	10	9	0	0	No	2
Jiang Chenghong	No	10	10	9	0	0	No	2
Zhang Yuying	No	10	10	9	0	0	No	4
Zhang Jin	No	10	10	9	0	0	No	1
Wang Zizheng	No	10	10	10	0	0	No	1
Tang Jiasong	Yes	10	10	9	0	0	No	4
Zhang Yu	Yes	10	10	9	0	0	No	4
Chu Yuansheng	Yes	10	10	9	0	0	No	4
Wang Chunmei	Yes	10	10	9	0	0	No	4

Information on the directors who have been absent from two consecutive meetings of the Board of Directors

☐ Applicable    ☒ N/A

Board meetings held during the year	10
Among which: number of on-site meetings	0
Number of meetings held by teleconference	9
Number of meetings held both on site and via teleconference	1

### (II) Objections of directors to relevant matters of the Company

☐ Applicable    ☒ N/A

### (III) Others

☐ Applicable    ☒ N/A

## VII. Special Committees Affiliated to the Board of Directors

☒ Applicable    ☐ N/A

## (I) Members of special committees affiliated to the Board of Directors

Committee	Member
Audit Committee	Tang Jiasong, Zhang Yu, Chu Yuansheng, Wang Chunmei
Nomination Committee	Chu Yuansheng, Yu Jianchao, Zhang Jin, Tang Jiasong, Zhang Yu
Remuneration and Appraisal Committee	Wang Chunmei, Tang Jiasong, Zhang Yu, Chu Yuansheng
Strategy Committee	Yu Jianchao, Wang Yusuo, Zhang Yuying, Han Jishen, Jiang Chenghong, Zhang Jin, Wang Zizheng
ESG Committee	Yu Jianchao, Jiang Chenghong, Zhang Yuying, Wang Zizheng, Tang Jiasong, Zhang Yu, Wang Chunmei, Chu Yuansheng

Note: The Company held the 26th meeting of the Tenth Board of Directors on 26 March 26, deliberating and approving the *Proposal on the Adjustment of the Members of Special Committees under the Board of Directors*, whereby the Chairman of the Strategy Committee was changed to Mr. Jiang Chenghong, and Mr. Jiang Chenghong was newly incorporated as a member of the ESG Committee.

## (II) 8 meetings held by the Audit Committee during the Reporting Period

Date	Content	Important comments and suggestions	Performance of other duties
19 March 2024	<ol style="list-style-type: none"> <li>1. Deliberated the <i>2023 Annual Report of ENN-NG</i> and its Summary</li> <li>2. Deliberated the <i>Report on the Duty Performance by the Audit Committee under the Board of Directors of ENN-EN in 2023</i></li> <li>3. Deliberated the <i>2023 Annual Internal Control Evaluation Report of ENN-NG</i></li> <li>4. Deliberated the <i>2023 Final Accounting Report of ENN-NG</i></li> <li>5. Deliberated the <i>2023 Profit Distribution Plan of ENN-NG</i></li> <li>6. Deliberated the <i>2023 Report on the Evaluation of Duty Performance by the Accounting Firm and the Report on the Performance of Supervisory Duties by the Audit Committee</i></li> <li>7. Deliberated the <i>Proposal on Renewing the Appointment of the Accounting Firm</i></li> <li>8. Deliberated the <i>Proposal on the Realization of Performance Commitment of ENN Zhoushan in 2023</i></li> <li>9. Deliberated the <i>2023 Report of ENN-NG on Related-party Transactions</i></li> <li>10. Deliberated the <i>Proposal on the Provision for Asset Impairment of Holding Subsidiaries</i></li> </ol>	Review and supervise the audit of the Company's annual report, the engagement of external auditors, and the realization of performance commitment, and agree and support the Company's development strategy and key work for the next year.	None
26 April 2024	<ol style="list-style-type: none"> <li>1. Deliberated the <i>2024 First Quarter Report of ENN-NG</i></li> </ol>	Obtain details about the financial situation and operation of the Company, and deliberate and approve the First Quarter Report of the Company.	None
15 July 2024	<ol style="list-style-type: none"> <li>1. <i>Proposal on the Provision of Guarantees for Three Companies with Equity Participation by Wholly-owned Subsidiaries</i></li> </ol>	Review the necessity and rationality of the guarantee, and agree to provide guarantees for Three Companies with Equity Participation.	None

Date	Content	Important comments and suggestions	Performance of other duties
16 August 2024	<ol style="list-style-type: none"> <li>1. Deliberated the <i>Proposal on Provision of Guarantees for Companies with Proposed Equity Participation by Wholly-owned Subsidiaries</i></li> <li>2. Deliberated the <i>Proposal on Adjustment of the Estimated Hedging Amount of Foreign Exchange for 2024</i></li> <li>3. Deliberated the <i>Feasibility Analysis Report on Conducting Foreign Exchange Hedging</i></li> <li>4. Deliberated the <i>Proposal on Adjustment of the Estimated Amount of Guarantees for 2024</i></li> </ol>	Carry out rigorous scrutiny over the rationality, the fairness of price and compliance with relevant procedures of the hedging operations within the newly increased quota and additional guarantees, and agree on the adjustment of the hedging amount for 2024 and the addition of guarantees for the companies in which equity participation is proposed.	None
22 August 2024	<ol style="list-style-type: none"> <li>1. Deliberated the <i>2024 Semi-year Report of ENN-NG</i> and its Summary</li> </ol>	Obtain details about the financial situation and operation of the Company, and deliberate and approve the Semi-annual Report of the Company.	None
11 October 2024	<ol style="list-style-type: none"> <li>1. Deliberated the <i>Proposal on Adjusting the Estimated Amount of Daily Related-party Transactions for 2024</i></li> </ol>	Carry out rigorous scrutiny over the rationality, the fairness of price and compliance with relevant procedures of daily related-party transactions within the newly increased quota, and agree to adjust the related-party transaction amount for 2024.	None
25 October 2024	<ol style="list-style-type: none"> <li>1. Deliberated the <i>2024 Third Quarter Report of ENN-NG</i></li> </ol>	Obtain details about the financial situation and operation of the Company, and deliberate and approve the Third Quarter Report of the Company.	None
10 December 2024	<ol style="list-style-type: none"> <li>1. Deliberated the <i>Proposal on the Estimated Amount of Guarantees for 2025</i></li> <li>2. Deliberated the <i>Proposal on the Additional Counter-guarantees</i></li> <li>3. Deliberated the <i>Proposal on the Estimated Amount of Entrusted Financial Management for 2025</i></li> <li>4. Deliberated the <i>Proposal on Adjusting the Estimated Amount of Daily Related-party Transactions for 2025</i></li> <li>5. Deliberated the <i>Proposal on the Estimated Hedging Amount of Foreign Exchange for 2025</i></li> <li>6. Deliberated the <i>Proposal on the Estimated Hedging Amount of Commodities for 2025</i></li> <li>7. Deliberated the <i>Proposal on the Estimated Hedging Amount of Chemical Products for 2025</i></li> <li>8. Deliberated the <i>Feasibility Analysis Report on Conducting Hedging Transactions in 2025</i></li> <li>9. Deliberated the <i>Proposal on the Provision of Financial Assistance to Holding Subsidiaries</i></li> </ol>	Review the guarantee amount estimate, basis for measurement of the amount of entrusted financial management and hedging amount, and raise the requirements for risk prevention and control of each business. Meanwhile, deliberate and formulate administrative measures for selecting and appointing accounting firms and initiate the annual accountant selection and appointment process for 2024.	None



## (III) 1 meeting held by the Nomination Committee during the Reporting Period

Date	Content	Important comments and suggestions	Performance of other duties
6 February 2024	1. Deliberated the <i>Proposal on the Appointment of Senior Managers for the Company</i>	Review the qualification and appointment procedure of senior managers and agree to appoint the senior managers.	None

## (IV) 3 meetings held by the Remuneration and Appraisal Committee during the Reporting Period

Date	Content	Important comments and suggestions	Performance of other duties
19 March 2024	1. Deliberated the <i>Proposal on Directors' Remuneration of the Company for 2023</i> 2. Deliberated the <i>Proposal on Remuneration of Senior Managers of the Company for 2023</i>	Assess the work of the senior managers and non-independent directors of the Company during the Reporting Period, and make recommendations on the remuneration packages of non-independent directors and senior managers of the Company based on the appraisal indicators including the Company's operating conditions, scope of management positions and importance of their duties.	None
17 June 2024	1. Deliberated the <i>Proposal on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Third Unrestricted Period for the First Grant under the 2021 Restricted Stock Incentive Plan</i> 2. Deliberated the <i>Proposal on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan</i>	Verify the satisfaction of conditions for removal of restrictions on sale during the third Unrestricted Period for the first grant under equity incentive, and agree to deal with removal of restrictions on sale for the corresponding incentive grantees and repurchase and cancellation matters.	None
10 December 2024	1. Deliberated the <i>Proposal on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Third Unrestricted Period for the Reserved Grant under the 2021 Restricted Stock Incentive Plan</i>	Verify the satisfaction of conditions for removal of restrictions on sale during the third Unrestricted Period for the reserved grant under equity incentive, and agree to remove restrictions on sale for the corresponding incentive grantees.	None

## (V) 2 meetings held by the Strategy Committee during the Reporting Period

Date	Content	Important comments and suggestions	Performance of other duties
22 March 2024	1. Deliberated the <i>2023 Annual Report of ENN-NG and its Summary</i>	Deliberate and approve the <i>2023 Annual Report</i> and its Summary, and accept and support the Company's development strategies.	None
23 August 2024	1. Deliberated the <i>2024 Semi-year Report of the Company and its Summary</i>	Agree to disclose the <i>2024 Semi-year Report of the Company</i> and its Summary after reviewing the operation for the first half of 2024.	None

## (VI) 2 meetings held by the ESG Committee during the Reporting Period

Date	Content	Important comments and suggestions	Performance of other duties
2024-3-19	1. Deliberated the <i>2023 Environmental, Social and Governance Report of ENN-NG</i>	Deliberate the <i>2023 Environmental, Social and Governance Report of ENN-NG</i> , and discuss the future direction of the Company's ESG work and specific issues to be carried out.	None
2024-11-28	1. Deliberated the <i>ESG Work in 2024 and Work Plan for 2025</i>	Deliberate the ESG development for the current year and the work plan for the following year, and promote the implementation of the Company's ESG work.	None

## (VII) Details on objection to relevant events

☐ Applicable    ☒ N/A

## VIII. Information on the Risks Found in the Company by the Board of Supervisors

☐ Applicable    ☒ N/A

The Board of Supervisors has no objection to the supervision matters during the Reporting Period.

## IX. Employees of the Parent Company and Major Subsidiaries at the end of the Reporting Period

## (I) Information on employees

Number of current employees in the Parent Company	268
Number of current employees in the major subsidiaries	39,097
Total number of current employees	39,365
Number of retired employees for which the Parent Company and major subsidiaries have to bear expenses	

Specialty Composition	
Category	Number
Production personnel	23,929
Sales personnel	2,487
Technician	7,849
Financial personnel	2,389
Administrative personnel	2,711
Total	39,365

Educational Background	
Category	Number (persons)
Master and above	1,185
Undergraduate	14,297
Junior college graduate	13,209
Below junior college	10,674
Total	39,365

## (II) Remuneration policy

☒ Applicable ☐ N/A

The Company has formulated different remuneration policies for personnel at different positions based on the market supply by comprehensively considering development and actual payment capabilities. Through comprehensive assessment of remuneration for directors and senior managers, it formulates the remuneration strategies based on performance indicators and ESG linked indicators (including low-carbon development, safety, anti-corruption, compliance, employee and customer satisfaction, etc.). The Company adopts the market-leading remuneration strategies for core personnel and scarce talents, and market-following strategies for sufficient staff. With these efforts, the Company not only avoids the loss of key talents, but also effectively controls and saves labor costs, providing a strong guarantee for its growth.

## (III) Training plan

☒ Applicable ☐ N/A

The Company has established a hierarchical and classified training system with the focus on internal training supplemented by external training and has developed the training plan suitable for the growth of employees and the enterprise so as to promote the rapid improvement of employee capabilities and the sound and stable development of the enterprise.

## (IV) Outsourced workers

☐ Applicable ☒ N/A

## X. Proposal for Profit Distribution or Capitalization of Capital Reserve

### (I) Formulation, implementation or adjustment of cash dividend policy

☒ Applicable ☐ N/A

As provided for in the *Articles of Association*, save as such circumstances under which the Company may not distribute dividends, the annual cash dividends of the Company shall not be less than 10% of its distributable profits realized in the corresponding year and the accumulated profits distributed in cash in the latest three years shall not be less than 30% of the average annual distributable profits realized in these three years. At the same time, the annual cash dividend ratio shall be no less than 30% of the core profit attributable to the Listed Company's shareholders of the corresponding year.

The Company held the Seventh Meeting of the Tenth Board of Directors on 24 August 2023 and the 2023 Second Extraordinary General Meeting on 28 September 2023, deliberating and approving the *Plan of Distribution of Dividends to Shareholders in the Next Three Years (2023-2025) of ENN-NG*, whereby it was specified that from 2023 to 2025, the Company can distribute dividends in cash, stock or a combination of both or other ways to the extent permitted by laws and regulations, with the main distribution to be made by cash dividends. Unless circumstances arise where the Company may not distribute dividends, the annual cash dividends of the Company shall not be less than 10% of its distributable profits realized in the corresponding year, and the accumulated profits distributed in cash in the latest three years shall not be

less than 30% of the average annual distributable profits realized in these three years. The annual increase in cash dividend distributed per share over the next three years (2023-2025) shall be no less than RMB0.15 (tax included). At the same time, the annual cash dividend ratio shall be no less than 30% of the core profit attributable to the Listed Company's shareholders of the corresponding year.

The Company held the Eleventh Meeting of the Tenth Board of Directors on 8 December 2023 and the 2023 Third Extraordinary General Meeting on 26 December 2023, deliberating and approving the *Special Dividend Plan for Shareholders in the Next Three Years (2023-2025)*. On the basis of the *Plan of Distribution of Dividends to Shareholders in the Next Three Years (2023-2025)* of ENN-NG disclosed on 25 August 2023, special dividends were distributed with the investment income from the sale of equity interest in Xinneng Mining. Cash dividends per share for 2023-2025 are set at RMB0.25 (tax included), RMB0.22 (tax included), and RMB0.18 (tax included), respectively.

The Company held its 2023 Annual General Meeting on 27 June 2024, at which the *2023 Profit Distribution*

*Plan of ENN-NG* was deliberated and approved. The Company disclosed the *Announcement on the Implementation of Equity Distribution of ENN Natural Gas Co., Ltd. for 2023* on 26 July 2024, stating that a total of RMB2,804,554,200.63 would be distributed as cash dividends to all shareholders at RMB9.1 (tax included) per 10 shares based on 3,081,927,693 shares representing the Company's total share capital of 3,097,615,107 shares prior to implementation of such profit distribution after deduction of 15,159,914 shares repurchased and 527,500 restricted shares to be repurchased and canceled, both of which would not participate in profit distribution, with the retained undistributed profits to be accumulated in the next year. In this profit distribution, no capital reserve would be converted into share capital, nor would bonus shares be given. The Company completed equity distribution for 2023 on 1 August 2024.

The accumulated profits distributed by the Company in cash in the past three years have reached 30% of the average annual distributable profits realized in these three years, which is in line with the relevant provisions of the *Articles of Association*.

## (II) Special note on cash dividend policy

☒ Applicable ☐ N/A

Whether it complies with the provisions of the Articles of Association or the resolutions of the general meeting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the criteria and percentage of dividends distribution are clear and unambiguous	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the relevant decision-making procedures and mechanisms are complete	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the independent directors have performed their duties and played their proper roles	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether minority shareholders have adequate opportunities to express their opinions and demands, and whether their legitimate rights and interests are adequately protected	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## (III) If the Parent Company is profitable and has positive profits available for distribution to shareholders but has not proposed a cash profit distribution plan during the Reporting Period, the Company shall disclose in detail the reasons and the purpose and plan for the use of the undistributed profits

☐ Applicable ☒ N/A

## (IV) Profit distribution and capitalization of capital reserve during the Reporting Period

√ Applicable ☐ N/A

Unit: Yuan Currency: RMB

Number of shares giving bonus per 10 shares (share)	0
Dividend paid per 10 shares (RMB) (tax included)	10.3
Number of shares converted into share capital per 10 shares (share)	0
Amount of cash dividends (tax included)	316,367
Net profits attributable to common shareholders of listed companies in the consolidated statements	449,318
Ratio of cash dividend amount to the net profits attributable to common shareholders of listed company in consolidated statements (%)	70.41
Amount of cash dividends credited to share repurchase in cash	0
Total amount of dividends distributed (tax included)	316,367
Ratio of total amount of dividends distributed to the net profits attributable to common shareholders of listed companies in consolidated statements (%)	70.41

## (V) Cash dividends distributed for the three most recent fiscal years

√ Applicable ☐ N/A

Unit: Yuan Currency: RMB

Accumulated amount of cash dividends (tax included) for the three most recent fiscal years (1)	754,545
Cumulative amount of repurchase and cancellation for the three most recent fiscal years (2)	0
Cumulative amount of cash dividends, repurchase and cancellation for the three most recent fiscal years (3) = (1)+(2)	754,545
Amount of average annual net profit for the three most recent fiscal years (4)	580,940
Percentage of cash dividends for the three most recent fiscal years (%) (5) = (3)/(4)	129.88
Net profits attributable to common shareholders of listed companies in consolidated statements for the most recent fiscal year	449,318
Year-end undistributed profits of the Parent Company for the most recent fiscal year	443,485

## XI. Information on and Effects from the Company's Equity Incentive Plan, Employee Stock Ownership Plan or Other Employee Incentive Measures

(I) The relevant incentive items have been disclosed in the interim announcement and there is no progress or change in the follow-up implementation

√ Applicable ☐ N/A



Summary	Query Index
<p>On 17 June 2024, the Company held the 16th Meeting of the Tenth Board of Directors and the 13th Meeting of the Tenth Board of Supervisors, deliberating and approving the <i>Proposal on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Third Unrestricted Period for the First Grant under the 2021 Restricted Stock Incentive Plan</i>, and the <i>Proposal on Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan</i>.</p>	<p>For details, please refer to the <i>Announcement of ENN-NG on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Third Unrestricted Period for the First Grant under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: 2024-043) and the <i>Announcement of ENN-NG on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: 2024-044) disclosed by the Company at the website of Shanghai Stock Exchange on 18 June 2024.</p>
<p>Upon application made by the Company to Shanghai Stock Exchange and China Securities Depository and Clearing Corporation Limited Shanghai Branch, the number of restricted shares for which restrictions on sale may be removed for 36 incentive grantees who have satisfied the conditions for removal of restrictions on sale during the third Unrestricted Period for the first grant under the 2021 Restricted Stock Incentive Plan was 3.725 million. Such shares were listed and circulated from 27 June 2024.</p>	<p>For details, please refer to the <i>Announcement of ENN-NG on the Unlocking and Listing of Shares during the Third Unrestricted Period for the First Grant under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: 2024-047) disclosed by the Company at the website of Shanghai Stock Exchange on 22 June 2024.</p>
<p>The Company held the 2023 Annual General Meeting on 27 June 2024, deliberating and approving the <i>Proposal on Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan</i>, and performed the procedure of notice to creditors in accordance with relevant legal provisions regarding the repurchase and cancellation of restricted shares.</p>	<p>For details, please refer to the <i>Announcement of ENN-NG on the Resolution of the 2023 Annual General Meeting</i> (Announcement No.: 2024-049), and the <i>Announcement of ENN-NG on the Notice to Creditors for Reduction of Registered Capital by Repurchase and Cancellation of Part of Restricted Shares</i> (Announcement No.: 2024-050) disclosed by the Company at the website of Shanghai Stock Exchange on 28 June 2024.</p>
<p>Under the 2021 Restricted Stock Incentive Plan of the Company, two incentive grantees had an “unsatisfactory” individual performance evaluation result during the second Unrestricted Period (i.e., 2022), three incentive grantees were no longer eligible for incentive grant due to resignation, and three incentive grantees were no longer eligible for the incentive grant due to adjustment of job position among the incentive grantees for the first grant, and one incentive grantee was no longer eligible for the incentive grant due to adjustment of position among the incentive grantees for the reserved grant. A total of 782,500 restricted shares in whole or in part which have been granted to the above incentive grantees but have not been released from restrictions on sale shall not be released from restrictions on sale and had been repurchased and canceled by the Company on 12 July 2024.</p>	<p>For details, please refer to the <i>Announcement of ENN-NG on the Implementation of Repurchase and Cancellation of Part of Shares Subject to the First Grant and the Reserved Grant under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: 2024-052) disclosed by the Company at the website of Shanghai Stock Exchange on 10 July 2024.</p>
<p>Under the 2021 Restricted Stock Incentive Plan of the Company, four incentive grantees had an “unsatisfactory” individual performance evaluation result during the third Unrestricted Period (i.e., 2023), one incentive grantee was no longer eligible for the incentive grant due to resignation, and two incentive grantees were no longer eligible for the incentive grant due to adjustment of job position among the incentive grantees for the first grant, and one incentive grantee had an “unsatisfactory” individual performance evaluation result during the third Unrestricted Period (i.e., 2023) among the incentive grantees for the reserved grant. A total of 527,500 restricted shares in whole or in part which have been granted to the above incentive grantees but have not been released from restrictions on sale shall not be released from restrictions on sale and had been repurchased and canceled by the Company on 24 September 2024.</p>	<p>For details, please refer to the <i>Announcement of ENN-NG on the Implementation of Repurchase and Cancellation of Part of Shares Subject to the First Grant and the Reserved Grant under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: 2024-070) disclosed by the Company at the website of Shanghai Stock Exchange on 20 September 2024.</p>

Summary	Query Index
<p>On 10 December 2024, the Company held the 22th Meeting of the Tenth Board of Directors and the 16th Meeting of the Tenth Board of Supervisors, deliberating and approving the <i>Proposal on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Third Unrestricted Period for the Reserved Grant under the 2021 Restricted Stock Incentive Plan</i>.</p>	<p>For details, please refer to the <i>Announcement of ENN-NG on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Third Unrestricted Period for the Reserved Grant under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: 2024-101) disclosed by the Company at the website of Shanghai Stock Exchange on 11 December 2024.</p>
<p>Upon application made by the Company to Shanghai Stock Exchange and China Securities Depository and Clearing Corporation Limited Shanghai Branch, the number of restricted shares for which restrictions on sale may be removed for 7 incentive grantees who have satisfied the conditions for removal of restrictions on sale during the third Unrestricted Period for the reserved grant under the 2021 Restricted Stock Incentive Plan was 217,517. Such shares were listed and circulated from 31 December 2024.</p>	<p>For details, please refer to the <i>Announcement of ENN-NG on the Unlocking and Listing of Shares during the Third Unrestricted Period for the Reserved Grant under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: 2024-107) disclosed by the Company at the website of Shanghai Stock Exchange on 26 December 2024.</p>
<p>On 21 January 2025, the Company held the 23th Meeting of the Tenth Board of Directors, deliberating and approving the <i>Proposal on the Company's 2025 Restricted Stock Incentive Plan (Draft)</i> and its Summary along with relevant proposals, and requested to convene the 2025 First Extraordinary General Meeting of ENN-NG to deliberate on the matters concerning the restricted stocks in question.</p>	<p>For details, please refer to the interim announcements (Announcement No.: 2025-001, 002, 003, 004, 005) disclosed by the Company at the website of Shanghai Stock Exchange on 22 January 2025.</p>
<p>The Company publicly announced the names and positions of the proposed incentive grantees within the Company from 22 January 2025 to 5 February 2025. As of the expiration of the public announcement period, the Company's Board of Supervisors received no objections raised by any person against the proposed incentive grantees for the first grant.</p>	<p>For details, please refer to the <i>Statement on the Publicity Status and Verification Opinions of the Board of Supervisors of ENN-NG Regarding the List of Incentive Grantees under the Company's 2025 Restricted Stock Incentive Plan</i> disclosed by the Company at the website of Shanghai Stock Exchange on 6 February 2025.</p>
<p>On 18 February 2025, the Company held the 2025 First Extraordinary General Meeting, deliberating and approving the <i>Proposal on the Company's 2025 Restricted Stock Incentive Plan (Draft)</i> and its Summary, the <i>Proposal on the Company's Measures for Implementation, Assessment and Management of the 2025 Restricted Stock Incentive Plan</i>, and the <i>Proposal on Requesting the General Meeting to Authorize the Board of Directors to Deal with Matters Related to the Company's 2025 Restricted Stock Incentive Plan</i>. In addition, the Company disclosed the <i>Self-examination Report of ENN-NG on the Sale and Purchase of the Company's Shares by Insiders with Inside Information in Relation to the Company's 2025 Restricted Stock Incentive Plan</i> according to the verification results of the sale and purchase of the Company's stocks by insiders with inside information.</p>	<p>For details, please refer to the <i>Announcement of ENN-NG on the Resolutions of the 2025 First Extraordinary General Meeting</i> (Announcement No.: 2025-008), and the <i>Self-examination Report of ENN-NG on the Sale and Purchase of the Company's Shares by Insiders with Inside Information in Relation to the Company's 2025 Restricted Stock Incentive Plan</i> (Announcement No.: 2025-012) disclosed by the Company at the website of Shanghai Stock Exchange on 19 February 2025.</p>

Summary	Query Index
On 18 February 2025, the Company held the 24th Meeting of the Tenth Board of Directors and the 18th Meeting of the Tenth Board of Supervisors, deliberating and approving the <i>Proposal on the First Grant of Restricted Shares to Incentive Grantees under the Company's 2025 Restricted Stock Incentive Plan</i> , which had been deliberated and approved by the Remuneration and Appraisal Committee under the Company's Board of Directors. The Company's Board of Supervisors verified the list of incentive grantees for the first grant again and gave relevant verification opinions.	For details, please refer to the <i>Announcement of ENN-NG on the First Grant of Restricted Shares to Incentive Grantees under the Company's 2025 Restricted Stock Incentive Plan</i> (Announcement No.: 2025-011), and the <i>Verification Opinions of the Board of Supervisors of ENN-NG on the List of Incentive Grantees for the First Grant under the Company's 2025 Restricted Stock Incentive Plan (Grant Date)</i> disclosed by the Company at the website of Shanghai Stock Exchange on 19 February 2025.

## (II) Incentives not disclosed in the interim announcement or with follow-up progress

Equity incentive

☐ Applicable ☒ N/A

Other description:

☐ Applicable ☒ N/A

Employee stock ownership plan

☐ Applicable ☒ N/A

Other incentive measures

☐ Applicable ☒ N/A

## (III) Equity incentives granted to directors and senior managers during the Reporting Period

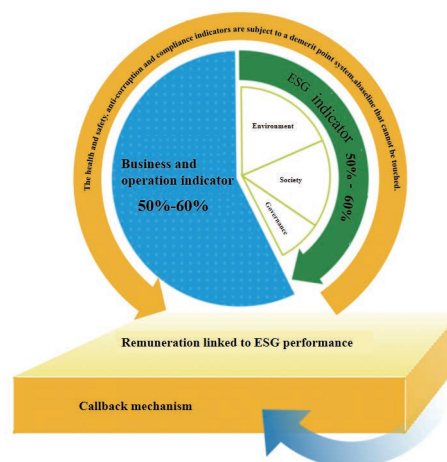
☐ Applicable ☒ N/A

## (IV) Establishment and implementation of assessment and incentive mechanisms for senior managers during the Reporting Period

☒ Applicable ☐ N/A

During the Reporting Period, the Company's Remuneration and Appraisal Committee of the Board of Directors conducted comprehensive assessment of the performance of senior managers pursuant to the *Code of Corporate*

*Governance of Listed Companies*, the *Articles of Association*, the *Rules of Procedure for the Remuneration and Appraisal Committee of the Board of Directors* and other provisions. The remunerations for senior managers of the Company disclosed in this Report were evaluated and paid in strict accordance with the relevant performance appraisal standards and procedures.



In 2021, the Company formulated and implemented the Restricted Stock Incentive Plan, and the incentive grantees include directors, senior managers and core management/business personnel serving in the Company (including branches and subsidiaries). The Company also formulated the *Administrative Measures for Evaluation of the Implementation of the 2021 Restricted Stock Incentive Plan*, providing clear performance evaluation indicators

and criteria. During the Reporting Period, the Company evaluated the relevant personnel, and released and repurchased the restricted shares they held in three aspects, including performance at the company level, performance at the business level for which the incentive grantees are responsible, and performance at individual level of the incentive grantees in accordance with the *Administrative Measures for Evaluation of the Implementation of the 2021 Restricted Stock Incentive Plan*.

## XII. Construction and Implementation of Internal Control System during the Reporting Period

☒ Applicable ☐ N/A

For details, investors can consult the *2024 Appraisal Report on Internal Controls of ENN-NG* disclosed on the website of Shanghai Stock Exchange on 27 March 2025.

Information on material defects found in internal control during the Reporting Period

☐ Applicable ☒ N/A

## XIII. Management and Control over Subsidiaries during the Reporting Period

☒ Applicable ☐ N/A

During the Reporting Period, with the principle of risk prevention and for the purpose of improving management effectiveness, the Company enhanced the execution of internal control system and the effectiveness of internal control management and developed a management closed loop of risk prevention and control, monitoring and early warning, and evaluation and optimization to establish a systematic internal control system and a long-term internal control supervision mechanism from management to business operation. The Company also strengthened the selection, appointment, dismissal and assessment of personnel at important positions in subsidiaries, and established the *Coordinated Management System on Information Disclosure of ENN-NG* and other systems to reinforce the management and collaboration of subsidiaries

by digital and intelligent means and improve its overall compliance level and operational management capability.

## XIV. Details on Audit Report on Internal Control

☒ Applicable ☐ N/A

For details, please refer to the *2024 Appraisal Report on Internal Controls of ENN-NG* disclosed by the Company on the website of Shanghai Stock Exchange on 27 March 2025, and the investors can consult it for information.

Whether the audit report on internal control is disclosed:  
Yes

Type of opinion in the audit report on internal control:  
Standard unqualified opinion

## XV. Rectification of Self-inspected Problems under the Special Action on Governance of Listed Companies

Not involved

## XVI. Others

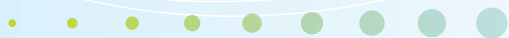
☐ Applicable ☒ N/A





05

## Environmental and Social Responsibilities





## I. Environmental Information

Whether relevant mechanisms on environmental protection are established	Yes
Funds invested in environmental protection during the Reporting Period (Unit: RMB 10,000)	2,528

### (I) Information on environmental protection of the Company and its major subsidiaries that are identified as major polluters by the environmental protection authority

√ Applicable    □ N/A

#### 1. Information on pollution discharge

√ Applicable    □ N/A

Company name	Pollutant name	Discharge method	Number of discharge outlets	Location of discharge outlets	Name of main pollutants and characteristic pollutants	Pollutant discharge standards implemented	Discharge concentration limited by national or local standards	Discharge concentration	Total discharge (t)	Total verified discharge/discharge concentration	Excessive discharge
Xinneng Energy	Exhaust gas	Centralized discharge	2	Phase I master boiler outlet	Sulfur dioxide	<i>Emission Standard of Air Pollutants for Thermal Power Plants</i> (GB13223-2011), with local governments requiring that ultra-low emission limits shall apply	35mg/m <sup>3</sup>	22.181 mg/m <sup>3</sup>	88.72197	455.06t/a 35mg/m <sup>3</sup>	None
			2	Phase II master boiler outlet	Smoke and dust		10mg/m <sup>3</sup>	5.157 mg/m <sup>3</sup>	13.77327	130.01t/a 10mg/m <sup>3</sup>	None
			2	Phase II master boiler outlet	Nitrogen oxide		50mg/m <sup>3</sup>	49.12 mg/m <sup>3</sup>	166.29572	650.07t/a 50mg/m <sup>3</sup>	None
	General solid waste	Comprehensive utilization	6	Gasifier slagging outlet	Gasified coarse slag	<i>Standard for Pollution Control on the Storage and Disposal Site for General Industrial Solid Wastes</i> (GB18599-2020)	—	—	269,767.32	—	None
					Gasified fine slag		—	—	152,775.24	—	None
		Comprehensive utilization	5	Boiler slagging outlet	Boiler ash		—	—	18,530.9	—	None
					Boiler fine ash		—	—	19,220.42	—	None
		Disposal by agreement	5	Boiler dust removal	Boiler fine ash		—	—	6,714.04	—	None
		Comprehensive utilization			Boiler fine ash		—	—	129,100.68	—	None
		Disposal by agreement	2	Phase I desulfurization tower	Desulfurization gypsum		—	—	12,854.34	—	None
		Comprehensive utilization			Desulfurization gypsum		—	—	9,737.56	—	None
		Disposal by agreement	2	Filter press outlet	Water purification station and mud for reuse of reclaimed water		—	—	11,550.1	—	None
		Disposal by agreement			Water purification station and mud for reuse of reclaimed water		—	—	11,550.1	—	None
		Disposal by itself	2	Sewage treatment	Biochemical sludge		—	—	693.1	—	None
	Hazardous waste	Disposal by itself	—	Recovery tower outlet	Fusel oil	<i>Standard for Pollution Control on Hazardous Waste Storage</i> (GB18597-2023)	—	—	9,296.24	—	None
		Disposal by agreement	—	Laboratory	Waste assay liquid		—	—	0.0355	—	None
				Dryer outlet	Carnallite		—	—	28.48	—	None
				Unit fuel tank	Waste mineral oil		—	—	48.78	—	None
				Substation UPS	Waste storage battery		—	—	3.44	—	None
				Phase I and II	Waste mineral oil drum		—	—	10.421	—	None
				Laboratory	Waste drug from laboratory		—	—	0.03605	—	None
				Phase I and II water supply	Mixed salt		—	—	1,839.2	—	None
	Noise	—	—	Boundary of the Plant	—	<i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (GB12348-2008)	Daytime 65dB (A) Night 55dB (A)	Daytime 57dB (A) Night 48.46dB (A)	—	Daytime 65dB (A) Night 55dB (A)	None

## 2. Construction and operation of pollution prevention facilities

√ Applicable    ☐ N/A

### (1) Air pollution control measures

Xinneng Energy Phase I has 3 sets of 160 t/h circulating fluidized bed boilers and uses limestone-gypsum method and out-of-furnace flue gas desulfurization. Xinneng Energy Phase II has 2 sets of 260 t/h circulating fluidized bed boilers and uses infurnace limestone method + out-of-furnace ammonia desulfurization; as each boiler of Xinneng Energy Phase I and Phase II is equipped with a high-efficiency electric bag dust remover with low-nitrogen combustion technology control and SNCR denitrification system, the boiler flue gas emissions can meet the requirements of the *Emission Standard of Air Pollutants for Thermal Power Plants* (GB13223-2011). In June 2024, the requirements set out in the document E Wu Fang Zhi Fa [2019] No.5 and the *Regulations of Ordos on the Prevention and Control of Air Pollution* were satisfied, with the flue gas emission indexes meeting the standards of  $\leq 35 \text{ mg/m}^3$  for  $\text{SO}_2$ ,  $\leq 50 \text{ mg/m}^3$  for  $\text{NO}_x$  and  $\leq 10 \text{ mg/m}^3$  for flue gas, and the requirements for ultra-low emission limits were implemented; the emission concentration of substances including particulates and methanol from the production system can meet the requirements of the Level 2 Standards of the *Comprehensive Emission Standard of Air Pollutants* (GB16297-1996) through pollution control measures during the production process. In August 2024, the "Phase I Methanol Loading Platform VOC Treatment" project was newly established to replace the original top-loading oil filling risers with bottom-loading ones. A tail gas treatment process featuring "two-stage washing + demisting + activated carbon adsorption" was adopted to mitigate air pollution and ensure that the concentration of methanol, an organic characteristic pollutant in the exhaust gas, was  $\leq 50 \text{ mg/m}^3$ .

### (2) Water pollutant treatment measures

Xinneng Energy improved water reuse rate by strictly adhering to the principles of "separating clean water from sewage, separating rainwater from sewage, and using water for multiple purposes". The A/O biochemical process was used to treat the wastewater from production, which contained substance including methanol, ammonia nitrogen, sulfide, cyanide and suspended solids, for the purpose of reuse. The recycling technology solely developed by the Ordos Yongsheng Wastewater Treatment Co., Ltd. was adopted to treat the strong brine generated during the production process, to achieve "zero discharge" of wastewater, and the industrial salt obtained was recycled for use as the raw material of chlor-alkali industry.

### (3) Noise control measures

The main sources of noise generated by Xinneng Energy included coal mills, air compressors, fans and various kinds of pumps. On the premise of meeting the technological requirements, in addition to selection of low-noise products, Xinneng Energy installed mufflers at the outlets of boiler safety valve vent tube, dust remover fan and blower as well as the inlet and outlet of air compressor. Xinneng Energy placed equipment with greater noise inside the room for sound insulation and used sound insulation and sound-absorbing materials for doors, windows, masonry, etc., to prevent noise from spreading and disseminating.

### (4) Solid waste treatment measures

The carnallite, used mineral oil and waste liquid from laboratory generated during the production process of Xinneng Energy were entrusted to a qualified unit for disposal and disposal agreements were signed; general solid wastes like gasification slag and boiler ash were comprehensively utilized and the others were transported to the slag yard designated by Dalad Economic and Technological Development Zone for disposal.

### 3. *Environmental impact assessment of construction projects and other environmental protection administrative permits*

☒ Applicable ☐ N/A

In strict compliance with the *Environmental Impact Assessment Law and the Regulations on Environmental Protection Management of Construction Projects*, Xinneng Energy conducted environmental impact assessments on the construction projects and actively completed the approval and acceptance procedures of environmental protection authorities. The environmental protection facilities and main structure were designed simultaneously, constructed simultaneously and commissioned simultaneously.

Xinneng Energy verified the initial discharge right of existing pollutants within the autonomous region pursuant to the requirements of *Notice of the Inner Mongolia Autonomous Region's Environmental Protection Department on Verification of Major Pollutant Emission Right* (Nei Huan Ban [2015] No. 242) and was allowed to discharge a certain amount of pollutants after verification and obtained the amount of pollutants discharge through the paid method. It obtained the pollutant discharge permit on 10 August 2021 and completed three changes in the pollutant discharge permit in 2024. The Ordos Bureau of Ecology and Environment carried out an annual examination of the pollutant discharge permit, which passed the examination process on 20 December 2024. At present, Xinneng Energy monitors pollutants on a real-time basis through online monitoring equipment in pollutant discharge outlets, and uploads data to the management platform of the Bureau of Ecology and Environment and pays environmental protection taxes to the taxation authority subject to the discharge amount calculated on the basis of the pollution discharge concentration.

### 4. *Environmental emergency response plan*

☒ Applicable ☐ N/A

Xinneng Energy formulated and implemented the *Environmental Emergency Response Plan of Xinneng Energy Co., Ltd.*, which was registered with the Dalad Banner Branch of Ordos Bureau of Ecology and Environment and issued on 13 August 2024. Xinneng Energy carried out on-site disposal drill for "radioactive source leakage from hydrogenated semi-coke holding tanks" on 13 August 2024 and on-site disposal drill for "leakage from flexible coupling flange at the outlet of V0202B mixed alcohol tank in phase II stock tank farm of major hazard sources for synthetic fusel oil" on 21 August 2024. These drills aimed to familiarize employees with emergency response procedures and methods, thereby enhancing their capability to deal with sudden environmental incidents.

### 5. *Environmental self-monitoring program*

☒ Applicable ☐ N/A

Pursuant to the requirements of the *Measures for the Self-monitoring and Information Disclosure by the Enterprises Subject to Intensive Monitoring and Control of the State (for Trial Implementation)* (Huan Fa [2013] No. 81) issued by the Ministry of Environmental Protection, Xinneng Energy entrusted Inner Mongolia Gengtai Environmental Technology Co., Ltd. to carry out self-monitoring. In 2024, self-monitoring was completed for underground water, air and noise for four times with satisfactory testing results which were in compliance with relevant standards and released to the public via Xinneng Energy's WeChat Official Account "Source of New Voice of Xinneng Energy Co., Ltd."

### 6. *Administrative penalties imposed for environmental issues during the Reporting Period*

☐ Applicable ☒ N/A

### 7. *Other environmental information to be disclosed*

☐ Applicable ☒ N/A

## (II) Information on environmental protection of companies other than the major polluters

√ Applicable    ☐ N/A

### 1. Administrative penalties imposed for environmental issues

√ Applicable    ☐ N/A

On 4 December 2024, Changshu ENN Energy Co., Ltd. received the *Administrative Penalty Decision* (Su Huan Xing Fa Zi 81 [2024] No. 61) issued by the Suzhou Municipal Bureau of Ecology and Environment. As a result of its failure to discharge pollutants as specified in the pollutant discharge permit, Changshu ENN Energy Co., Ltd. was levied a fine of RMB 264,000 by the Municipal Bureau of Ecology and Environment.

### 2. Disclosure of other environmental information with reference to major polluters

√ Applicable    ☐ N/A

#### (1) Information on pollution discharge

Company name	Pollutant name	Discharge/disposal method	Number of discharge outlets	Location of discharge outlets	Name of main pollutants and characteristic pollutants	Pollutant discharge standards implemented	Discharge concentration limited by national or local standards	Discharge concentration	Total discharge (t)	Total verified discharge/concentration	Excessive discharge
ENN Qinshui	Wastewater	Centralized discharge	1	Southwest corner of the Plant	COD (chemical oxygen demand)	DB141928-2019 <i>Comprehensive Wastewater Discharge Standard</i> (Shanxi Province)	40 mg/L	Q1: 38 mg/L Q2: 27 mg/L Q3: 12 mg/L Q4: 10 mg/L	0.0556	0.077t	None
					Ammonia nitrogen		2.0 mg/L	Q1: 1.78 mg/L Q2: 0.395 mg/L Q3: 0.2 mg/L Q4: 1.22 mg/L	0.0017	0.021t	None
	Exhaust gas	Centralized discharge	2	Smokestack of heat conduction oil furnace	Sulfur dioxide	<i>Emission Standard of Air Pollutants for Boilers</i> (DB14/1929-2019)	35 mg/m <sup>3</sup>	1H: 1# furnace: 22 mg/m <sup>3</sup> 2# furnace: 16 mg/m <sup>3</sup> 2H: 1# furnace: 18 mg/m <sup>3</sup> 2# furnace: 15 mg/m <sup>3</sup>	0.8029	—	None
					Nitrogen oxide		50 mg/m <sup>3</sup>	1H: 1# furnace: 21 mg/m <sup>3</sup> 2# furnace: 31 mg/m <sup>3</sup> 2H: 1# furnace: 24 mg/m <sup>3</sup> 2# furnace: 35 mg/m <sup>3</sup>	1.2535	1.5t	None
					Particulates		5 mg/m <sup>3</sup>	1H: 1# furnace: 2.4 mg/m <sup>3</sup> 2# furnace: 2.7 mg/m <sup>3</sup> 2H: 1# furnace: 3.1 mg/m <sup>3</sup> 2# furnace: 3 mg/m <sup>3</sup>	0.4278	0.56t	None
	Hazardous waste	Disposal by agreement	—	—	Waste MDEA solution (with main components including N-methyldiethanolamine)	<i>Standard for Pollution Control on Hazardous Waste Storage</i> (GB18597-2023)	—	—	4.72	—	None

Company name	Pollutant name	Discharge/disposal method	Number of discharge outlets	Location of discharge outlets	Name of main pollutants and characteristic pollutants	Pollutant discharge standards implemented	Discharge concentration limited by national or local standards	Discharge concentration	Total discharge (t)	Total verified discharge/ discharge concentration	Excessive discharge
ENN Zhoushan	Noise	—	—	Boundary of the Plant	—	<i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (GB12348 – 2008)	Daytime 60dB (A) Night 50dB (A)	Daytime 52.7dB(A) Night 42.5dB(A)	—	Daytime 60dB (A) Night 50dB (A)	None
	Hazardous waste	Disposal by agreement	/	Warehouse for hazardous waste at terminal          Mamu Offtake Station	Waste paint buckets	<i>Standard for Pollution Control on Hazardous Waste Storage</i> (GB18597-2023)	—	—	1.1058	—	None
					Waste dilute hydrochloric acid (5%)		—	—	5.355	—	None
					Waste packing materials		—	—	0.033	—	None
					Waste lubricating oil		—	—	0.0737	—	None
					Oily waste		—	—	0.387	—	None
					Waste lead-acid battery		—	—	7.88	—	None
					Waste filter elements		—	—	0.074	—	None
					Oily waste		—	—	0.0277	—	None
					Waste packing materials		—	—	0.008	—	None
					Waste paint buckets		—	—	0.038	—	None
	General solid waste	Disposal by agreement	/	Zhoushan infrastructure cluster	General solid waste		—	—	540	—	None
	Noise	—	—	Air compressor room, sea water pump area, and BOG compressor area	—	<i>Emission Standard for Industrial Enterprises Noise at Boundary</i> (GB12348 – 2008)	Daytime 65 dB (A) Night 55 dB (A)	Daytime 55 dB (A) Night 46 dB (A)	—	Daytime 65 dB (A) Night 55 dB (A)	None

## (2) Construction and operation of pollution prevention and control facilities

### 1) Air pollution control measures

**ENN Qinshui:** There are now two phased thermal oil heaters under operation adopting two sets of YY(Q) W-1400(125)Y(Q) gas boilers. Technical transformation of low-nitrogen burner effectively reduced the environmental air pollution caused by the flue gas pollutants from the boilers.

### 2) Water pollutant treatment measures

**ENN Qinshui:** The wastewater mainly comes from domestic water and the wastewater treatment facilities are in good conditions through technical transformation after completion. Advanced A2O treatment system is used to better remove the chemical oxygen demand and ammonia nitrogen in the water. The designed treatment capacity is 24 t/d (the actual treatment capacity is 5-10 t/d), and wastewater is discharged after reaching the domestic sewage discharge standard as stated in the *Comprehensive Wastewater Discharge Standard of Shanxi Province* (DB141928-2019). In order to cooperate with the local government to carry out ecological protection of the Qinhe River, the company actively responded to the call of

the government and completed the renovation project of the sewage connection to the sewage network of Jiafeng Town in time, achieving “zero discharge” of sewage from the plant. Currently, the pipeline network is undergoing restoration following partial damage, and the sewage treatment facilities in the plant are normally operating with all indicators in compliance with operating requirements.

### 3) Noise treatment measures

**ENN Qinshui:** The main sources of noise include original compressors, nitrogen compressors, refrigerant compressors, nitrogen generators, air compressors and various pumps. On the premise of meeting the technological requirements, in addition to selection of low-noise products, it equipped silencer cotton at the booster end of the expander, and a muffler at the inlet and outlet of the air compressor; and placed louder equipment indoors for sound insulation, and used sound-insulation and sound-absorbing materials to make doors, windows, masonry, etc., so as to prevent noise from spreading and dissemination. ENN Qinshui transformed the circulating water-cooling tower and changed the original open cooling water tower to a closed cooling water tower, greatly reducing the impact of noise on the residents around the plant.



**ENN Zhoushan:** A professional third-party agency was engaged to carry out quarterly noise detection at the site, and all the indicators were satisfactory. After the commencement of on-site operation of the ENN Zhoushan Terminal, the noise is primarily from the mechanical equipment at the filling station, such as BOG compressors, air compressor units, secondary high-pressure transport pumps, high-pressure seawater pumps, torches, and gasifiers. In addition, during station maintenance and system overpressure venting, the vent riser generates instantaneous strong noise, with noise levels reaching 110 dB(A) to 120 dB(A). To mitigate noise impact, noise reduction measures have been taken during the design process, such as controlling gas flow velocity and selecting low-noise equipment, and silencers have been installed to address abnormal venting noise so as to reduce noise. These measures can lower noise levels to around 100 dB(A). Furthermore, on the premise of meeting the technological requirements, in addition to selection of low-noise products, ENN Zhoushan equipped silencer cotton at the booster end of the expander and a muffler at the inlet and outlet of the air compressor. At the same time, it managed the on-site safety notification boards and safety warning signs for noise occupational hazard factors and provided employees in various positions with necessary labor protection equipment such as ear protectors.

By integrating the main noise sources of the Zhoushan Terminal into the model and combining it with the site layout, the boundary noise contributions of the station can be calculated, as shown in the table below:

Station	East boundary	South boundary	West boundary	North boundary
Distance of sound source from plant boundary	396m	290m	850m	235m
LNG terminal	43	45.8	36.4	47.6

Predicted Noise Impact of Zhoushan Terminal (dB(A))

As seen from the table above, during the operation of the Zhoushan Terminal, the noise contributions of the plant boundaries all comply with the nighttime values (55 dB(A)) of Class 3 standard in the *Emission Standard for Industrial Enterprises Noise at Boundary* (GB 12348-2008).

#### 4) Hazardous waste treatment measures

**ENN Qinshui:** The hazardous wastes generated including waste mineral oil, waste oil drums, waste MDEA solution and spent activated carbon were entrusted to qualified companies for disposal with disposal agreements signed. 4.72 tons of waste MDEA solution were disposed of in 2024.

**ENN Zhoushan:** A qualified third-party unit is entrusted every year to dispose of hazardous wastes as required. The hazardous wastes generated including waste paint pails, waste diluted hydrochloric acid, waste packaging materials, waste lubricating oil, oily waste, waste hydraulic oil, waste adhesives, sealants, waste paint, diluent, and used lead-acid batteries were entrusted to qualified companies for regular removal and disposal with disposal agreements signed.

#### (3) *Environmental impact assessment and other environmental protection administrative license for construction projects*

**ENN Qinshui:** Phase I and Phase II projects of ENN Qinshui were in strict compliance with the requirements of laws and regulations concerning environmental protection, with environmental impact assessment and completion acceptance of environmental protection completed and registered at the National Discharge Permit Management Information System Platform with registration number of 9114052167018913XQ001X and term valid until 21 March 2029.

**ENN Zhoushan:** Phase I and Phase II projects of ENN Zhoushan were in strict compliance with the requirements of laws and regulations concerning environmental protection, with environmental impact assessment and completion acceptance of environmental protection completed and registered at the National Discharge Permit Management Information System Platform with registration number of 913309000692086510001W and term valid until

26 July 2025. The environmental impact assessment report has been completed for the ENN Zhoushan Terminal's Phase III Project.

#### (4) *Emergency plan for environmental contingencies*

**ENN Qinshui:** The *Emergency Plan for Environmental Contingencies of Shanxi ENN Qinshui Clean Energy Co., Ltd.* was issued on 13 May 2022 and implemented on the same day. The Plan was filed with the Jincheng Ecology and Environment Bureau (Filing No.: 140500-2022-008M) on 19 May 2022. A comprehensive emergency drill for the leakage of propane storage tank pipelines was organized on 6 June 2024, and a comprehensive emergency drill for external pipeline leakage was conducted on 25 December 2024.

**ENN Zhoushan:** The *Emergency Plan for Environmental Contingencies of ENN (Zhoushan) LNG Co., Ltd.* was revised and subject to expert review in May 2024, and has been filed with Zhoushan Bureau of Ecology and Environment (Filing No.: 330900-2024-007-M) for record. The *Emergency Plan for Environmental Contingencies of ENN (Zhoushan) Natural Gas Pipelines Co., Ltd.*, currently implemented by ENN (Zhoushan) Natural Gas Pipelines Co., Ltd., has been respectively filed with Zhoushan Bureau of Ecology and Environment (Filing No.: 330902-2021-033-L), Zhenhai Branch of Ningbo Bureau of Ecology and Environment (Filing No.: 330211-2021-050-L) and Daishan Branch of Zhoushan Bureau of Ecology and Environment (Filing No.: 330921-2021-008-L) for record. The *Emergency Plan for Environmental Contingencies of ENN (Zhoushan) Natural Gas Pipelines Co., Ltd.* was revised and subject to expert review on 28 June 2024, and issued on July 13.

#### (5) *Environmental self-monitoring program*

**ENN Qinshui:** Pursuant to the requirements of the *Self-monitoring Technology Guidelines for Pollution Sources – General Rule (Release Version)* (HJ819-2017) and the *Measures for the Self-monitoring and Information Disclosure by the Enterprises Subject to Intensive Monitoring and Control of the State (for Trial Implementation)* (Huan Fa [2013] No. 81) issued by the Ministry of Environmental Protection, ENN Qinshui

organized self-monitoring and information disclosure of pollutants discharged, and formulated self-monitoring plans. In 2024, Shanxi Mengsheng Environmental Technology Co., Ltd. was appointed to complete testing of wastewater and noise at plant boundary for Q1 in March, testing of wastewater, exhaust gas and noise at plant boundary for Q2 in June, testing of wastewater and noise at plant boundary for Q3 in September and testing of wastewater, exhaust gas and noise at plant boundary for Q4 in November, all of which had satisfactory testing results.

**ENN Zhoushan:** Pursuant to the requirements of the *Self-monitoring Technology Guidelines for Pollution Sources – General Rule (Release Version)* (HJ819-2017) and the *Measures for the Self-monitoring and Information Disclosure by the Enterprises Subject to Intensive Monitoring and Control of the State (for Trial Implementation)* (Huan Fa [2013] No. 81) issued by the Ministry of Environmental Protection, ENN Zhoushan organized transportation and treatment, and conducted self-monitoring and information disclosure of hazardous wastes generated.

### 3. *Reason for failure to disclose other environmental information*

☐ Applicable ☒ N/A

### (III) *Information on those conducive to protection of ecology, pollution prevention and fulfillment of environmental responsibilities*

☒ Applicable ☐ N/A

#### 1. *ENN Energy*

ENN Energy upholds the principle of conserving resources to the greatest extent possible and reducing negative environmental impacts while ensuring quality and safety. Leveraging digital technologies, ENN Energy conducts thorough environmental monitoring, precisely identify environmental risks including air pollutants, noise, wastewater, solid waste, and ecological influences, and puts in place efficient management measures. The main measures are specified as follows:

- (1) In the stage of project preparation, ENN Energy proactively engaged in environmental impact assessment for projects, analyzed the current environmental quality of the areas where projects were located, identified ecological and environmental elements, conducted a comprehensive environmental assessment of the atmospheric environment, water environment, acoustic environment and soil environment based on national standards, and developed environmental protection plans to deal with potential environmental risks.
- (2) In the stage of material procurement, ENN Energy required all suppliers to comply with national laws and regulations, prioritize environmental protection, and protect and maintain the legal rights and benefits of employees in the process of production and manufacturing. The *Health, Safety, and Environment (HSE) Agreement for Suppliers* was made a part of the material procurement contracts, requiring all suppliers to observe the *Corporate Social Responsibility Code of Conduct for Suppliers of ENN Energy Holdings Limited*. At present, more than 90% of suppliers have been certified for ISO 14001 environmental management system and ISO 45001 occupational health and safety management system.
- (3) In the stage of operation, ENN Energy upheld the principle of maximizing resource conservation and minimizing negative environmental impacts while ensuring quality and safety. It leveraged digital and intelligent techniques for comprehensive environmental monitoring, accurately identified environmental risks such as air pollution, noise pollution, waste pollution, and damage to flora and fauna, and implemented effective management measures to ensure that the discharge of various pollutants such as wastewater, waste gas, and solid waste complied with national standards. A dedicated laydown area was arranged for hazardous waste, with anti-seepage measures properly implemented. A qualified third-party organization was entrusted for centralized and harmless treatment; harmless waste such as recyclable construction waste and household garbage was recycled or reused, and the remaining waste was stored at the designated site and disposed of on a regular basis upon sorting and cleaning.
- (4) ENN Energy actively utilized various digital and intelligent products to promptly monitor equipment in scenarios such as factory stations, pipeline networks, and indoor spaces to reduce natural gas leaks. It vigorously recovered boil-off gases (BOG) during storage, transportation and distribution processes to reduce methane emissions. It maximally lowered the emission and leakage of natural gas during engineering and operation processes, minimizing impacts on the surrounding ecological environment while ensuring operational safety.
- (5) ENN Energy promoted the application of clean energy and implemented a large number of photovoltaic projects. Zero carbon emissions have been achieved in some factory stations and office areas.
- (6) During the reporting period, ENN Energy rolled out an intra-company low-carbon office system which covered four key aspects of daily office scenarios, including office space, business travel, office supplies, and catering for business partners. By leveraging the E-Carbon intelligent tool and personal carbon accounts, we precisely measured employees' carbon footprints and issued carbon coins to them. We also encouraged and facilitated internal carbon coin trading, thereby effectively motivating employees to take the initiative in carbon reduction.

## 2. *Xinneng Energy*

Xinneng Energy improved water reuse rate by strictly adhering to the principle of “separating clean water from sewage, separating rainwater from sewage, and using water for multiple purposes”. The A/O biochemical process was used to treat the wastewater from production, which contains substances such as methanol, ammonia nitrogen, sulfide, cyanide and suspended solids, for the purpose of reuse. The recycling technology solely developed by the Ordos Yongsheng Wastewater Treatment Co., Ltd. was adopted to treat the brine generated during the production process to achieve “zero discharge” of wastewater. The newly initiated “Methanol Loading Platform Tail Gas Treatment Project” utilized the technology featuring two-stage washing + demisting + activated carbon adsorption to recover methanol and reduce the emission of methanol-containing exhaust gas. Upholding the management philosophy of recycling and safe disposal of solid waste, the company has achieved a comprehensive utilization rate of over 70% for general solid waste; and the air pollution resulting from the drying of heavy salt water in the plant is eliminated by leveling the drying pond and covering it with soil.

## 3. *ENN Qinshui*

In order to reduce the impact of drainage on the environment, ENN Qinshui took the initiative to contact the local government and discharged domestic sewage into the sewage network, realizing “zero external discharge” of wastewater and greatly reducing the discharge of pollutants to the Qinhe River.

On 21 September 2024, ENN Qinshui organized a public welfare campaign themed “Cherish the Mother River, Embrace Urban Beauty” at Sanhekou Park in the Qinhe River Basin adjacent to the company. This event rallied over 40 company employees and their family members who formed a volunteer team. The Qinhe River, the largest river

in ENN Qinshui’s locale, serves as a primary tributary of the Yellow River, stretching 485 kilometers with a catchment area of 13,532 square kilometers. Over thousands of years, it has sustained millions of inhabitants along its both banks, earning its status as the Mother River for local residents. Activities such as environmental oath, environmental protection quiz, painting and calligraphy for environmental protection, and poetry reading for protection of the Mother River were conducted to emphasize the urgency and importance of river protection, and disseminate knowledge and skills regarding river protection. Meanwhile, protective actions that everyone was expected to take were put forward, conveying our strong desire to be propagators of the Mother River culture and practitioners of environmental protection.

## 4. *ENN Zhoushan*

To increase the capacity of emergency disposal of oil spill pollution, a material warehouse for oil spill prevention was built and equipped with oil spill prevention equipment and facilities such as oil skimmer and oil containment boom at Zhoushan Terminal; concurrently, a marine enhancement and release plan has been established to release such species as jellyfish and large yellow croaker, aiming to compensate for fishery resources. During the Reporting Period, ENN Zhoushan carried out six fishery compensation initiatives, releasing 65.8 million jellyfishes, 6.75 million inkfishes, 8.29 million portunids, and 3.24 million large yellow croakers, thereby safeguarding the marine fishery resources.

The company organized environmental monitoring at the terminal and pipeline companies. As required by the environmental impact assessment report, the monitoring agency was commissioned to perform environmental monitoring at the terminal, Phase II and III water intake and discharge projects and pipeline projects. Throughout the year, 15 monitoring rounds were completed, generating 20 test reports, and all monitoring results were in compliance with relevant national standards.

## (IV) Measures taken to reduce its carbon emissions during the Reporting Period and their effectiveness

Whether carbon reduction measures are taken	Yes
Reduced emission of carbon dioxide equivalent (unit: t)	
Type of carbon reduction measures (such as use of clean energy for power generation, use of carbon reduction technology during production, R&D and production of new products which help reduce carbon, etc.)	Use of clean energy for power generation Use of carbon reduction technology during production R&D and production of new products which help reduce carbon emission

## Specific information

☒ Applicable   ☐ N/A

During the Reporting Period, Xinneng Energy maintained its commitment to energy-saving and carbon-reducing technological upgrades, and conducted steam balance optimization within facilities and energy-efficient retrofits of equipment. By the optimization of steam balance between Phase I and Phase II facilities, the interconnection of 2.5 MPa and 380°C superheated steam pipe network was enabled to boost the efficiency of steam cascade utilization and improve the operational stability of units, thus contributing to energy conservation and consumption reduction. Currently, the technological transformation project is at the end of its construction, and it is scheduled for commissioning in March 2025. Meanwhile, to further explore the equipment potential for energy conservation and consumption reduction, from May to October 2024, Xinneng Energy undertook the renovation of sewage treatment blowers in its water treatment workshop. By installing magnetic levitation blowers, it achieved an annual electricity savings of 3 million kilowatt-hours. From 30 October to 2 November 2024, a 72-hour performance evaluation was carried out, demonstrating a remarkable electricity saving effect with the electricity saving rate surpassing 40%.

Meanwhile, the Zhoushan Terminal persisted in its endeavors to build a green and low-carbon terminal, and continuously expanded its business operations including distributed PV, cold energy utilization, wind power, energy conservation and emission reduction to support the realization of its low-carbon terminal construction objectives. In May 2024, the proprietary LNG cold energy dual-loop power generation unit was launched for a joint trial operation, which successfully completed the whole process and achieved power generation and grid connection for both loops. Ongoing efforts are currently made to optimize power generation efficiency and address any issues with equipment. Additionally, in conjunction with production, off-peak electricity consumption approach was implemented to optimize the startup and shutdown of equipment. Frequency conversion renovation was also conducted for the existing equipment to enable continuous electricity savings. In September 2024, the PV streetlight energy-saving renovation project in the plant was accomplished, further increasing the use of green electricity. September also saw the construction and commissioning of digital and intelligent carbon management platform. Presently, planning for the construction of cold energy air separation unit is underway. This will further improve the utilization rate of cold energy and support the establishment of a zero-carbon terminal.



In terms of hydrogen energy, the company has made a comprehensive layout and actively invested in technological research and development, hydrogen energy equipment and construction of hydrogen energy projects. During the Reporting Period, the first demonstration project of blending hydrogen in natural gas, invested in and constructed by the company's subsidiary, was successfully commissioned and put in trial operation in April 2024 to help customers reduce carbon emissions. Meanwhile, the company has developed standardized design for skid-mounted products blending hydrogen in natural gas, conducted R&D on skid-mounted units, and realized output of technical equipment and products, providing support for the implementation of the project blending hydrogen in natural gas of the Inner Mongolia Huadian Hydrogen Energy Technology Co., Ltd. The blending of hydrogen in natural gas pipelines allows efficient and cost-effective transport of hydrogen, facilitates large-scale consumption of renewable energy, and reduces carbon emissions during the use of natural gas. ENN-NG took the leading role in the project of the national key R&D program, "Research on Key Technologies of Solid Oxide Fuel Cells (SOFC) for Combined Heat and Power (CHP) Generation", which passed the acceptance in June 2024. Building on this project, the SOFC project team once again took on the national key R&D program project, "Research on Key Technologies of Integrated Gasification Fuel Cells (IGFC) for Power Generation", to conduct research on SOFC under different gas source compositions, thus contributing to the research and development of industrial green microgrid integrating electricity generated by hydrogen.

## II. Performance of Social responsibilities

### (I) Whether the social responsibility report, sustainable development report or ESG report is separately disclosed

√ Applicable    ☐ N/A

During the Reporting Period, the Company disclosed the *2023 Environmental, Social and Governance Report of ENN Natural Gas Co., Ltd.* at the website of Shanghai Stock Exchange (<http://www.sse.com.cn/>) on 20 April 2024.

The Company will actively fulfill its social responsibilities, prepare the *2024 Environmental, Social and Governance Report* (ESG Report) based on the actual conditions of the Company, and conduct follow-up disclosure.

### (II) Performance of social responsibilities

√ Applicable    ☐ N/A

External donation and public welfare programs	Qty/content	Information
Total input (RMB 10,000)	2,843	
Including: Fund (RMB 10,000)	2,834	
Amount of materials (RMB 10,000)	9	Mineral water, rice, flour, oil and other materials
Number of beneficiaries (person)		

## Specific information

√ Applicable    □ N/A

Against the backdrop of profound changes in the global energy landscape and increasingly severe and complex energy situation, ENN-NG has always been committed to building a cleaner, more affordable and safer modern energy system. It leverages industrial intelligence to enhance the resilience of natural gas infrastructure, promotes the integrated development of ecosystem and market, and contributes to the construction of a modern energy system and high-quality development of the energy sector.

The Company positions the assurance of safe operation as its cornerstone and top priority for development. Leveraging digital and intelligent technologies, it has established a safe and intelligent operation management system that can identify hidden risks, address major risks and effectively manage risks across all business scenarios. Independently developed safety tools are applied to gather, process, and analyze safety-related information in real-time during operation, thereby effectively ensuring the scientific and systematic nature of safety management. Meanwhile, state-of-the-art intelligent management systems are deployed across diverse business scenarios to offer robust technical support for safe and stable operation. It continuously optimizes the intelligent control mechanism for safety risks, and establishes a long-term and effective safety management system to comprehensively safeguard the well-being and safety of all stakeholders.

The Company upholds a people-oriented principle, and considers employees as the pivotal driving force for sustainable development. It is committed to fully protecting the legitimate rights and interests of employees and places emphasis on training and career development. By fostering a diverse, equitable, and inclusive work environment and providing ample opportunities for growth, the Company endeavors to cultivate a continuously evolving talent team. The Company has introduced innovative incentive mechanisms and improved the value-sharing system to stimulate the creativity and initiative of employees, thus propelling the cultivation of a high-quality talent team.

Remaining true to its original mission, the Company actively engages in public welfare undertakings. During the Reporting Period, the Company and its subsidiaries spent approximately RMB 15.74 million on education-related public welfare activities, about RMB 11.42 million on public welfare activities for marine protection and increased efficacy of marine salvage, RMB 1.27 million on public welfare activities such as respecting and assisting the elderly, renovating community infrastructure, and providing emergency rescue and disaster relief. These public welfare and charitable activities contribute to the building of a harmonious and sustainable social environment.



III. Consolidation and Expansion of the Results in Poverty Alleviation and Rural Revitalization

√ Applicable    □ N/A

Poverty alleviation and rural revitalization projects	Qty/content	Information
Total input (RMB 10,000)	284	
Including: Fund (RMB 10,000)	284	
Amount of materials (RMB 10,000)		
Number of beneficiaries (person)		
Forms of assistance (such as poverty alleviation by developing industries, employment and education)	Poverty alleviation by developing industries and education, and providing aid to those with financial difficulties	

Specific information

√ Applicable    □ N/A

During the Reporting Period, the Company made proactive efforts to consolidate the results of poverty alleviation and persistently advanced rural revitalization. It cumulatively disbursed approximately RMB 2.84 million for public welfare. The fund was earmarked for assisting people in straitened circumstances, providing relief to vulnerable groups, constructing rural roads, and carrying out poverty alleviation and rural revitalization activities in relevant regions.







06

Major Events



## I. Performance of Commitments

### (I) Commitments of the actual controller, shareholders, related parties, purchasers and other commitment-related parties of the Company during or up to the Reporting Period

√ Applicable    □ N/A

Commitment background	Commitment type	Commitment provider	Commitment content	Time of commitment	Time limit for performance	Term of commitment	Timely and strict performance	Reasons for failure to perform commitments (if applicable) on a timely basis	Next action plan for failure to perform commitments (if applicable) on a timely basis
Commitment related to major asset restructuring	Others	Wang Yusuo	I will maintain my status as the actual controller of the Listed Company within 60 months upon completion of this restructuring in which the shares of ENN Energy are purchased by means of asset swap, issue of shares and cash payment.	12 December 2019	Yes	60 months upon completion of the restructuring (18 September 2020)	Yes		
	Solving the defects on ownership of land, etc.	ENN International	For the defects of ENN Energy and its holding subsidiaries in premises, lands, lease, business qualification and administrative penalties, we undertake to urge the obtaining of relevant certificates, and in case of failure to do so, we will bear losses accordingly.	12 December 2019	No	Indefinite	Yes		
	Solving the defects on ownership of land, etc.	Essential Investment	For the defects of ENN Energy and its holding subsidiaries in premises, lands, lease, business qualification and administrative penalties, we undertake to urge the obtaining of relevant certificates, and in case of failure to do so, we will bear losses accordingly.	12 December 2019	No	Indefinite	Yes		
	Solving horizontal competition	ENN International	Upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment, we and the companies under our control will avoid substantive horizontal competition with ENN-NG and its holding subsidiaries.	26 October 2021	No	Indefinite	Yes		
	Solving horizontal competition	Wang Yusuo	Upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment, the companies under my control and I, as the actual controller, will avoid substantive horizontal competition with ENN-NG and its holding subsidiaries.	26 October 2021	No	Indefinite	Yes		
	Solving horizontal competition	ENN Science and Technology, ENN Group and ENN Holdings	Upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment, we and the companies under our control will avoid substantive horizontal competition with ENN-NG and its holding subsidiaries.	26 October 2021	No	Indefinite	Yes		
	Solving related-party transaction	ENN International	As the controlling shareholder, we will regulate the related-party transactions concluded by us and persons acting in concert, and companies controlled by us and persons acting in concert with ENN-NG and its subsidiaries upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment.	26 October 2021	No	Indefinite	Yes		
	Solving related-party transaction	Wang Yusuo	As the actual controller, I will regulate the related-party transactions concluded by me and companies under my control with ENN-NG and its subsidiaries upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment.	26 October 2021	No	Indefinite	Yes		
	Solving related-party transaction	ENN Science and Technology, ENN Group and ENN Holdings	We will regulate the related-party transactions concluded by us and our affiliates with ENN-NG and its subsidiaries upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment.	26 October 2021	No	Indefinite	Yes		



Commitment background	Commitment type	Commitment provider	Commitment content	Time of commitment	Time limit for performance	Term of commitment	Timely and strict performance	Reasons for failure to perform commitments (if applicable) on a timely basis	Next action plan for failure to perform commitments (if applicable) on a timely basis
Commitment related to refinancing	Others	ENN International	Upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment, we will continue to maintain the independence of ENN-NG.	26 October 2021	No	Indefinite	Yes		
	Others	Wang Yusuo	Upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment, I will continue to maintain the independence of ENN-NG.	26 October 2021	No	Indefinite	Yes		
	Others	ENN Science and Technology, ENN Group and ENN Holdings	Upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment, we will continue to maintain the independence of ENN-NG.	26 October 2021	No	Indefinite	Yes		
	Restrictions on sale of shares	ENN Science and Technology	The shares of the Listed Company acquired by this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment are subject to a lock-up period of 36 months.	26 October 2021	Yes	36 months upon issue of shares (16 August 2022)	Yes		
	Restrictions on sale of shares	ENN International	We will neither reduce the shares held in ENN-NG during this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment nor transfer the shares held previously within 18 months upon completion of this restructuring.	26 October 2021	Yes	18 months upon completion of the restructuring (16 August 2022)	Yes		
	Restrictions on sale of shares	Wang Yusuo	I will neither reduce the shares held in ENN-NG during this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment nor transfer the shares held previously within 18 months upon completion of this restructuring.	26 October 2021	Yes	18 months upon completion of the restructuring (16 August 2022)	Yes		
	Solving the defects on ownership of land, etc.	ENN Science and Technology, ENN Group and ENN Holdings	We will urge and assist ENN Zhoushan and its subsidiaries to obtain relevant ownership certificates for premises, buildings, land and sea areas, and in case of failure to do so, we will bear losses accordingly.	26 October 2021	Yes	After the housing ownership certificate of ENN Zhoushan and/or its subsidiaries has been obtained	Yes		
	Others	Wang Yusuo	I will maintain my status as the actual controller of ENN-NG within 36 months upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment.	26 October 2021	Yes	36 months upon completion of the restructuring (16 August 2022)	Yes		
	Others	ENN Science and Technology	We undertake that the consideration shares received in connection with this restructuring in which 90% shares of ENN Zhoushan are purchased by means of issue of shares and cash payment will be prioritized for the fulfillment of performance compensation commitment.	26 October 2021	Yes	After issue of shares (16 August 2022) until the fulfillment of performance compensation commitment	Yes		
	Profit forecast and compensation	ENN Science and Technology, ENN Group and ENN Holdings	We undertake that the net profits attributable to owners of the parent company after deduction of nonrecurring profits or losses of ENN Zhoushan, the Target Company, are not lower than RMB 349.67 million, RMB 639.43 million, RMB 933.48 million and RMB 1,196.43 million respectively in 2022, 2023, 2024 and 2025.	26 October 2021	Yes	2022-2025	Yes		
Commitment related to refinancing	Solving related-party transaction	ENN Holdings	We will decrease and regulate the related-party transactions made by ENN Holdings and its subsidiaries with ENN-NG and its subsidiaries upon this restructuring in which shares of ENN Energy are purchased by asset swap, issue of shares and cash payment.	9 December 2019	No	Indefinite	Yes		

Commitment background	Commitment type	Commitment provider	Commitment content	Time of commitment	Time limit for performance	Term of commitment	Timely and strict performance	Reasons for failure to perform commitments (if applicable) on a timely basis	Next action plan for failure to perform commitments (if applicable) on a timely basis
	Solving related-party transaction	Wang Yusuo	I will decrease and regulate the related-party transactions made by me and companies under my control with ENN-NG and its subsidiaries upon this restructuring in which shares of ENN Energy are purchased by asset swap, issue of shares and cash payment.	9 December 2019	No	Indefinite	Yes		
	Solving horizontal competition	ENN Holdings	We and our holding subsidiaries will avoid horizontal competition with ENN-NG and its subsidiaries upon this restructuring in which shares of ENN Energy are purchased by asset swap, issue of shares and cash payment.	9 December 2019	No	Indefinite	Yes		
	Solving horizontal competition	Wang Yusuo	My holding subsidiaries and I will avoid horizontal competition with ENN-NG and its subsidiaries upon this restructuring in which shares of ENN Energy are purchased by asset swap, issue of shares and cash payment.	9 December 2019	No	Indefinite	Yes		
	Solving the defects on ownership of land, etc.	ENN Holdings	We will urge and assist the Company and its subsidiaries to obtain development/construction permits and ownership certificates for the premises and buildings concerned, and in case of failure to do so, we will bear losses accordingly.	17 May 2017	Yes	Until relevant ownership certificates have been obtained	Yes		

Note: In the major asset restructuring where the Company's actual controller, shareholders, related parties, acquirers, and other committed parties concerned participated in the acquisition of shares of ENN Energy and ENN Zhoushan, there are repeated contents in the commitments regarding maintaining independence, solving related-party transactions, and addressing horizontal competition, and the Company has consolidated such repeated contents and presented them in the table above based on the most recent commitment time of the respective committed parties. For details on all commitments made by the parties concerned, please refer to the *Report of ENN-NG on Asset Purchase by Major Asset Swap, Issue of Shares and Cash Payment, Raising of Supporting Funds and Related-party Transactions* and the *Report of ENN-NG on Asset Purchase by Issue of Shares and Cash Payment and Related-party Transactions* disclosed by the Company at the website of Shanghai Stock Exchange.

**(II) Whether there is any profit forecast on the Company's assets or projects and the Reporting Period is still in the profit forecast period, the Company shall indicate whether the original profit forecast has been achieved and the reasons therefor**

☒ Yes ☐ No ☐ N/A

ENN Zhoushan has completed the performance commitment, and for details, please refer to the Section (III) below.

**(III) Completion of commitments on performance and impact thereof on the goodwill impairment test**

☒ Applicable ☐ N/A

The audited net profits attributable to owners of the parent company after deduction of nonrecurring profits or losses achieved by ENN Zhoushan in 2024 amounted to

RMB 976.92 million, representing 104.65% of the performance commitment amount. The party making the performance commitment is not required to compensate for any excess over the performance commitment amount.

**II. Occupation of Funds by the Controlling Shareholder and Other Related Parties for Non-operating Purposes During the Reporting Period**

☐ Applicable ☒ N/A

**III. Guarantees in Violation of Applicable Regulations**

☐ Applicable ☒ N/A

**IV. Explanation by the Board of Directors for the "Non-standard Opinion Audit Report" Issued by the Accounting Firm**

☐ Applicable ☒ N/A

## V. The Company's Analysis and Explanation for the Reasons and Effects of Changes in Accounting Policies, Accounting Estimates or Corrections to Significant Accounting Errors

### (I) The Company's analysis and explanation for the reasons and effects of changes in accounting policies and accounting estimates

☐ Applicable ☒ N/A

Content and reason of changes in accounting policies	Approval procedure	Remarks (name and amount of items in financial statements that have been significantly affected)
Subject to the implementation date specified in the <i>Interpretation of Accounting Standards for Business Enterprises No. 17</i> , the contents that "the Division of Current Liabilities and Non-current Liabilities", "the Disclosure of Supplier Financing Arrangements", and "the Accounting Treatment of Sale and Leaseback Transactions" came into force on 1 January 2024.		None
Subject to the provisions of the <i>Interpretation of Accounting Standards for Business Enterprises No. 18</i> and the contents that "Subsequent Measurement of Investment Real Estate Held as a Base Item under the Floating Fee Method" and "Accounting Treatment of Quality Assurance of the Guarantee Type that does not Fall under a Single Performance Obligation", the company will implement the changed accounting policy from January 1, 2024.		None

### (II) The Company's analysis and explanation for the reasons and effects of the corrections to significant accounting errors

☐ Applicable ☒ N/A

### (III) Communication with the previous accounting firm

☐ Applicable ☒ N/A

### (IV) Approval procedure and other explanations

☐ Applicable ☒ N/A

## VI. Appointment and Dismissal of Accounting Firm

Unit RMB '0000 Currency: RMB

Current accounting firm	
Name of the domestic accounting firm	Zhongxi CPAs (Special General Partnership)
Remuneration for the domestic accounting firm	588
Service years of the domestic accounting firm	27 years
Name of certified public accountant from the domestic accounting firm	Qi Weihong, Wang Yanru
Consecutive service years of certified public accountant from the domestic accounting firm	Qi Weihong (1 year), Wang Yanru (2 years)

	Name	Remuneration
Accounting firm for internal control audit	Zhongxi CPAs (Special General Partnership)	150

Explanation on appointment and dismissal of accounting firm

✓ Applicable   ☐ N/A

The Company held the 14th Meeting of the Tenth Board of Directors on 22 March 2024, deliberating and approving the *Proposal on Renewing the Appointment of the Accounting Firm* which was submitted for deliberation and approved by the 2023 Annual General Meeting. The Company renewed the appointment of Zhongxi CPAs (Special General Partnership) as the accounting firm for the audit of the Company's 2024 annual financial statements and internal control audit. The audit service fee is estimated to be RMB 7.38 million only, including RMB 5.88 million for financial statements audit fee and RMB 1.50 million for internal control audit fee, which remained unchanged as compared with the expenses actually incurred in 2023. Such expenses are reasonably determined in respect of the professional skills required for the provision of audit services by the accounting firm, nature of work, workload to be completed as well as the number of personnel and days required for the work and the average daily fee per personnel in 2024. The actual audit expenses incurred in 2024 were consistent with the estimated expenses.

Explanation on change in accounting firms during the audit period

☐ Applicable   ✓ N/A

Statement on the reduction of audit fees by more than 20% (including 20%) over the previous year

☐ Applicable   ✓ N/A

## VII. Risk Exposure of Listing Suspension

### (I) Reasons for risk warning of listing suspension

☐ Applicable   ✓ N/A

### (II) Countermeasures to be taken by the Company

☐ Applicable   ✓ N/A

### (III) Circumstances and reasons for delisting

☐ Applicable   ✓ N/A

## VIII. Matters related to Bankruptcy and Reorganization

☐ Applicable   ✓ N/A

### IX. Material Litigation and Arbitration

☐ The Company was subject to material litigation or arbitration this year

✓ The Company was not subject to material litigation or arbitration this year

### X. Suspected Violations of Laws and Regulations by, Penalties on and Rectifications by the Listed Company and Its Directors, Supervisors, Senior Managers and Controlling Shareholder and Actual Controller

☐ Applicable   ✓ N/A

### XI. Information on the Credit Status of the Company and Its Controlling Shareholder and Actual Controller during the Reporting Period

✓ Applicable   ☐ N/A

During the Reporting Period, the Company and its controlling shareholder and actual controller were in good faith, without material breach of faith or failure to fulfill effective court judgments or to repay debts in large amount on schedule.

## XII. Major Related-party Transactions

### (I) Related-party transactions in connection with daily operation

1. *Matters that have been disclosed in the interim announcement without progress or changes in the follow-up implementation*

☐ Applicable ☒ N/A

2. *Matters that have been disclosed in the interim announcement with progress or changes in the follow-up implementation*

☒ Applicable ☐ N/A

(I) *Deliberation on related-party transaction estimate and new related-party transactions*

- (1) The Company held the Eleventh Meeting of the Tenth Board of Directors on 8 December 2023, deliberating and approving the *Proposal on the Annual Estimate of Daily Related-party Transactions of the Company for 2024-2026*. For details, please refer to the interim announcement titled the *Announcement of ENN-NG on the Annual Estimate of Daily Related-party Transactions for 2024-2026* (Announcement No.: 2023-060) disclosed by the Company on 9 December 2023 at the website of Shanghai Stock Exchange.
- (2) The Company held the 2023 Third Extraordinary General Meeting on 26 December 2023, deliberating and approving the *Proposal on the Annual Estimate*

*of Daily Related-party Transactions of the Company for 2024-2026*. For details, please refer to the interim announcement titled the *Announcement of ENN-NG on the Resolution of the 2023 Third Extraordinary General Meeting* (Announcement No.: 2023-079) disclosed by the Company on 27 December 2023 at the website of Shanghai Stock Exchange.

- (3) The Company held the 20th Meeting of the Tenth Board of Directors on 11 October 2024, deliberating and approving the *Proposal on Adjusting the Estimated Amount of Daily Related-party Transactions for 2024*. For details, please refer to the interim announcement titled the *Announcement of ENN-NG on Adjusting the Estimated Amount of Daily Related-party Transactions for 2024* (Announcement No.: 2024-077) disclosed by the Company on 12 October 2024 at the website of Shanghai Stock Exchange.

(II) *Implementation of related-party transactions in 2024*

In 2024, the actual daily related-party transactions between the Company (and its subsidiaries) and its related parties amounted to RMB 1,121.89 million, which was RMB 1,316.11 million less than the estimated amount thereof in 2024.

Comparison of Predicted and Actually Implemented Daily Related-party Transactions in 2024

Unit: RMB '0000 Currency: RMB

Category of related-party transaction	Related party	Estimated amount in 2024	Actually amount incurred in 2024
Design, construction and sales of materials and supplies	Subsidiaries controlled by the actual controller of the Company	10,800	4,899
Subtotal		10,800	4,899
Provision of technology and comprehensive services	Ennova Holdings Co., Ltd. and its subsidiaries	28,100	19,685
	Subsidiaries controlled by the actual controller of the Company	3,400	2,431
Subtotal		31,500	22,116



Category of related-party transaction	Related party	Estimated amount in 2024	Actually amount incurred in 2024
Provision of financing lease and commercial factoring	Subsidiaries controlled by the actual controller of the Company	14,000	2,086
	Shanghai 3040 Technology Co., Ltd.	1,000	74
Subtotal		15,000	2,160
Sale of gas and other goods	Subsidiaries controlled by the actual controller of the Company	4,000	3,158
Subtotal		4,000	3,158
Subtotal of income		61,300	32,333
Purchase of equipment and materials	ENN Shuneng Technology Co., Ltd. and its subsidiaries	9,600	4,632
	Subsidiaries controlled by the actual controller of the Company	11,800	13,730
	Shanghai 3040 Technology Co., Ltd.	15,000	6,647
Subtotal		36,400	25,009
Acceptance of project construction	Subsidiaries controlled by the actual controller of the Company	5,700	2,993
Subtotal		5,700	2,993
Acceptance of technology and comprehensive services	Ennova Holdings Co., Ltd. and its subsidiaries	11,100	6,965
	ENC Digital Technology Co., Ltd. and its subsidiaries	24,900	22,628
	ENN Shuneng Technology Co., Ltd. and its subsidiaries	11,700	5,524
	ENN Xinzhi Technology Co., Ltd. and its subsidiaries	18,900	4,967
	Subsidiaries controlled by the actual controller of the Company	19,800	10,680
	Shanghai 3040 Technology Co., Ltd.	4,000	1,090
Subtotal		90,400	51,854
Subtotal of expenditure		132,500	79,856
Establishment of a consortium to jointly participate in bid submission	ENC Digital Technology Co., Ltd. and its subsidiaries	50,000	
Total		50,000	
Aggregate		243,800	112,189

### 3. Matters not disclosed in the interim announcements

☐ Applicable    ☒ N/A

## (II) Related-party transactions arising from acquisition and sales of assets or equity

### 1. Matters that have been disclosed in the interim announcement without progress or changes in the follow-up implementation

☐ Applicable    ☒ N/A

### 2. Matters that have been disclosed in the interim announcement with progress or changes in the follow-up implementation

☐ Applicable    ☒ N/A

### 3. Matters not disclosed in the interim announcements

☒ Applicable    ☐ N/A

Unit: '0000    Currency: RMB

Related party	Associated relationship	Type of related-party transaction	Content of related-party transaction	Pricing principle of related-party transaction	Book value of assets transferred	Appraisal value of assets transferred	Transfer price	Method of settlement	Proceeds from transfer of assets	Impact of the transaction on operating results and financial status of the Company	Reason for significant difference between the transaction value and the book value or appraised value or fair market value
ENN Xinzhi	Subsidiary of shareholder	Acquisition of shares	Acquisition of 43% equity interests in Xinzhi Digital-intelligent Future Smart City Co., Ltd.	Negotiated pricing	754	754	782	Bank transfer	/	N/A	N/A
ENN Juneng Science and Technology (Langfang) Co., Ltd.	Subsidiary of shareholder	Acquisition of shares	Acquisition of 12% equity interests in Langfang Xinzhi Digital-intelligent Future Smart City Co., Ltd.	Negotiated pricing	210	210	218	Bank transfer	/	N/A	N/A
Jade elephant Investment Company Limited	Subsidiary of shareholder	Acquisition of shares	Purchase of 669,800 shares in ENN Energy	Negotiated pricing	/	/	3,240	Bank transfer	/	N/A	N/A

### Description of related-party transactions occurred for asset acquisition and sale

- Prior to the equity transaction, Langfang Xinzhi Digital-intelligent Future Smart City Co., Ltd. (hereinafter referred to as "Langfang Xinzhi") had a registered capital of RMB 200 million, and ENN Xinzhi held 43% equity interests in Langfang Xinzhi and made a paid-in capital contribution of RMB 7.82 million. ENN Juneng Science and Technology (Langfang) Co., Ltd. (hereinafter referred to as "Juneng Technology") held 12% equity interests in Langfang Xinzhi, and made

a paid-in capital contribution of RMB 2.18 million. On 24 June 2024, ENN Zhicheng Co., Ltd. (hereinafter referred to as “ENN Zhicheng”), a holding subsidiary of the Company, entered into a *Share Transfer Agreement* with ENN Xinzhi, under which the Parties agreed to transfer 43% equity interests held by ENN Xinzhi in Langfang Xinzhi to ENN Zhicheng at the share transfer price of RMB 7.82 million. On the same day, Beijing ENN New Energy Investment Co., Ltd. (hereinafter referred to as “Beijing ENN”), a holding subsidiary of the Company, entered into a *Share Transfer Agreement* with Juneng Technology, under which the Parties agreed to transfer 12% equity interests held by Juneng Technology in Langfang Xinzhi to Beijing ENN at the share transfer price of RMB 2.18 million. ENN Xinzhi and Juneng Technology are companies under control of the Company’s actual controller Mr. Wang Yusuo. As set forth in the *Share Listing Rules of the Shanghai Stock Exchange*, ENN Xinzhi and Juneng Technology shall be the Company’s affiliated legal persons and this transaction shall be a related-party transaction.

2. Prior to the equity transaction, Jade Elephant Investment Company Limited (hereinafter referred to as “Jade Elephant Investment”) held 669,800 shares of ENN Energy. On 15 November 2024, the Parties entered into an equity transfer agreement under which Jade Elephant Investment transferred 669,800 shares it held in ENN Energy to Xinneng Hong Kong at a price of HK\$52.35 per share (calculated based on the closing price of the trading day prior to the date of signing), totaling HK\$35,064,030 equivalent to RMB 32.40 million. Jade Elephant Investment is a company controlled by the Company’s actual controller Mr. Wang Yusuo. As set forth in the *Share Listing Rules of the Shanghai Stock Exchange*, Jade Elephant Investment shall be the Company’s affiliated legal person and this transaction shall be a related-party transaction.

#### 4. *Disclosure of performance achievement during the Reporting Period in case of performance agreements*

☒ Applicable    ☐ N/A

The Company purchased 90% shares of ENN Zhoushan held in aggregate by ENN Science and Technology, ENN Group and ENN Holdings by means of share issue and cash payment. The counterparties, ENN Science and Technology, ENN Group and ENN Holdings undertook that the net profit attributable to owners of the parent company after deducting nonrecurring gains and losses of ENN Zhoushan in 2024 would be no less than RMB 933.48 million. As presented in the *Special Audit Report of ENN Natural Gas Co., Ltd. on the Fulfillment of Performance Commitment by ENN (Zhoushan) LNG Co., Ltd. in 2024* issued by Zhongxi CPAs (Special General Partnership), the net profit attributable to owners of the parent company after deducting nonrecurring gains and losses of ENN Zhoushan amounted to RMB 976.92 million in 2024, and 104.65% of the performance commitment of RMB 933.48 million was actually completed.

### (III) Major related-party transactions involving joint external investments

1. *Matters that have been disclosed in the interim announcement without progress or changes in the follow-up implementation*

☐ Applicable    ☒ N/A

2. *Matters that have been disclosed in the interim announcement with progress or changes in the follow-up implementation*

☐ Applicable    ☒ N/A

### 3. *Matters not disclosed in the interim announcement*

☐ Applicable    ☒ N/A

## (IV) Related credits and liabilities

### 1. *Matters that have been disclosed in the interim announcement without progress or changes in the follow-up implementation*

☐ Applicable    ☒ N/A

### 2. *Matters that have been disclosed in the interim announcement with progress or changes in the follow-up implementation*

☐ Applicable    ☒ N/A

### 3. *Matters not disclosed in the interim announcement*

☐ Applicable    ☒ N/A

## (V) Financial business between the Company and its related financial companies, or between the Company's controlled financial companies and related parties

☐ Applicable    ☒ N/A

## (VI) Others

☒ Applicable    ☐ N/A

In 2024, the Company donated a total of RMB 19.8 million to the ENN Public Charity Foundation (hereafter referred to as the "Charity Foundation") to support social welfare undertakings. Mr. Zhao Jinfeng, a related natural person of the Company, serves as the President of the Charity Foundation (President). In accordance with the Article 6.3.3 of the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, the Charity Foundation is a related legal person of the Company, and the above transactions constitute related party transactions.

## XIII. Significant Contracts and Performance Thereof

### (I) Trusteeship, contracting and lease

#### 1. *Trusteeship*

☐ Applicable    ☒ N/A

#### 2. *Contracting*

☐ Applicable    ☒ N/A

#### 3. *Lease*

☐ Applicable    ☒ N/A





Guarantor	Relation between the Guarantor and the Listed Company	Guarantees for External Parties (excluding those for subsidiaries)							
		Guaranteed party	Guarantee amount	Date of signing agreement	Guarantee start date	Guarantee maturity date	Whether the guarantee has been fully executed		
							Collateral (if any)	Counter guarantee	
									Overdue amount
Information on guarantees									
	1.	The amount of guarantees incurred during the Reporting Period and the guarantee balance at the end of Reporting Period include the external guarantees provided by a subsidiary, and the amount of guarantee equals to the product of amount of guarantees provided by the subsidiary in favor of external parties multiplied by the Company's shareholding ratio in such subsidiary.							
	2.	Guarantees provided by subsidiaries for subsidiaries as at the end of the Reporting Period had a guarantee balance of RMB 10,399.49 million. Specifically:							
	(1)	ENN Energy Holdings Limited provided guarantees of up to RMB 1,501.73 million for ENN Global Trading Pte. Ltd.							
	(2)	Wen'an ENN Wingshun Gas Co., Ltd. provided guarantees of up to RMB 10 million for Wen'an County Yutong Gas Co., Ltd.							
	(3)	Hebei ENN Energy Development Co., Ltd. provided guarantees of up to RMB 17.32 million for Xian County ENN Gas Co., Ltd.							
	(4)	Changzhou Xin'ao Gas Development Co., Ltd. provided guarantees of up to RMB 30 million for Changzhou Xin'ao Gas Engineering Co., Ltd.							
	(5)	Changzhou Xin'ao Gas Engineering Co., Ltd. granted guarantees of up to RMB 200 million for Changzhou Xin'ao Gas Development Co., Ltd.							
	(6)	Dongguan ENN Gas Co., Ltd. provided guarantees of up to RMB 80 million for Dongguan New Energy Management Co., Ltd.							
	(7)	ENN (Tianjin) Energy Investment Co., Ltd. provided guarantees of up to RMB 1,220 million for ENN (Zhoushan) LNG Co., Ltd.							
	(8)	Xin'ao (China) Gas Investment Co., Ltd. granted guarantees of up to RMB 2,147.5 million in total for 14 subsidiaries including ENN Gas Development Co., Ltd.							
	(9)	ENN Gas Development Co., Ltd. granted guarantees of up to RMB 41.7 million for ENN Zhejiang Petrochemical (Zhoushan) Natural Gas Co., Ltd.							
	(10)	Xiangtan ENN Gas Development Co., Ltd. provided guarantees of up to RMB 26.4 million for Xiangtan ENN Gas Co., Ltd.							
	(11)	Xinxing (Hong Kong) Energy Investment Co., Ltd. provided guarantees of up to RMB 3,687.87 million for ENN (Singapore) Pte. Ltd.							
	(12)	Xinxiang Xin'ao Gas Engineering Co., Ltd. provided guarantees of up to RMB 100 million for Xinxiang Xin'ao Gas Co., Ltd.							
	(13)	Bengbu ENN Gas Development Co., Ltd. provided guarantees of up to RMB 106 million for Bengbu ENN Gas Co., Ltd.							
	(14)	Rui'an Natural Gas Co., Ltd. provided guarantees of up to RMB 434.5 million for Rui'an ENN Gas Co., Ltd.							
	(15)	Shijiazhuang Xin'ao Energy Development Co., Ltd., Shijiazhuang Luquan District ENN Gas Co., Ltd., and Zhengding Xin'ao Gas Co., Ltd. provided guarantees of up to RMB 578 million for Shijiazhuang Xin'ao Gas Co., Ltd.							
	(16)	Luanzhou ENN Clean Energy Co., Ltd. provided guarantees of up to RMB 15 million for Yutan ENN Gas Co., Ltd. and Tangshan Fengnan ENN Gas Co., Ltd.							
	(17)	Beijing Xin'ao Xinming Energy Investment Co., Ltd./Longyou Xinbei Comprehensive Energy Development and Utilization Co., Ltd./Longyou Juhua Thermal Energy Co., Ltd. provided guarantees of up to RMB 20 million for Longyou ENN Xinmining Energy Development Co., Ltd.							
(18)	Zhuzhou Xin'ao Gas Co., Ltd. granted guarantees of up to RMB 114 million for Zhuzhou Xin'ao Gas Development Co., Ltd.								
(19)	Zhuzhou Xin'ao Gas Development Co., Ltd. granted guarantees of up to RMB 70 million for Zhuzhou Xin'ao Gas Co., Ltd.								

Guarantor	Relation between the Guarantor and the Listed Company	Guarantees for External Parties (excluding those for subsidiaries)						
		Date of occurrence		Whether the guarantee has been fully executed		Whether the guarantee is overdue		
		Guarantee amount	Guarantee start date	Guarantee maturity date	Collateral (if any)	Counter guarantee amount	Guarantee for a related party	
Listed Company	Guaranteed party	Guarantee amount	Guarantee start date	Guarantee maturity date	Collateral (if any)	Counter guarantee amount	Guarantee for a related party	
3.	Debt guarantees directly or indirectly granted for guaranteed parties with an asset-liability ratio of more than 70% as at the end of the Reporting Period had a balance of RMB 7,674.68 million. Specifically:							
	(1)	ENN Clean Energy International Investment Limited, an overseas wholly-owned subsidiary of the Company, issued USD 800 million senior unsecured fixed-rate bonds (with ending balance of RMB 4,033.57 million) on 12 May 2021; the Company provided a cross-border joint liability surety guarantee which was deliberated and approved at the Sixteenth Meeting of the Ninth Board of Directors held on 21 July 2020 and the Second Extraordinary General Meeting held on 7 August 2020.						
	(2)	The Company provided its wholly-owned subsidiary Xinmeng (Tianjin) Energy Co., Ltd. with guarantees of up to RMB 233.04 million.						
	(3)	The Company provided its wholly-owned subsidiary ENN Xinmeng (Zhejiang) Energy Trading Co., Ltd. with guarantees of up to RMB 891.63 million.						
	(4)	The Company provided its wholly-owned subsidiary Xindi Energy Engineering Technology Co., Ltd. with guarantees of up to RMB 173.5 million.						
	(5)	Changzhou Xin'ao Gas Development Co., Ltd. provided guarantees of up to RMB 30 million for Changzhou Xin'ao Gas Engineering Co., Ltd.						
	(6)	Changzhou Xin'ao Gas Engineering Co., Ltd. provided guarantees of up to RMB 200 million for Changzhou Xin'ao Gas Development Co., Ltd.						
	(7)	Wen'an ENN Mingshun Gas Co., Ltd. provided guarantees of up to RMB 10 million for Wen'an County Yutong Gas Co., Ltd.						
	(8)	Dongguan ENN Gas Co., Ltd. provided guarantees of up to RMB 80 million for Dongguan New Energy Management Co., Ltd.						
	(9)	Xinxiang Xin'ao Gas Engineering Co., Ltd. provided guarantees of up to RMB 100 million for Xinxiang Xin'ao Gas Co., Ltd.						
	(10)	Rui'an Natural Gas Co., Ltd. provided guarantees of up to RMB 434.5 million for Rui'an ENN Gas Co., Ltd.						
	(11)	Shijiazhuang Xin'ao Energy Development Co., Ltd., Shijiazhuang Luquan District ENN Gas Co., Ltd., and Zhengding Xin'ao Gas Co., Ltd. provided guarantees of up to RMB 578 million for Shijiazhuang Xin'ao Gas Co., Ltd.						
	(12)	Luanzhou ENN Clean Energy Co., Ltd. provided guarantees of up to RMB 10 million for Yutian ENN Gas Co., Ltd.						
	(13)	Luanzhou ENN Clean Energy Co., Ltd. provided guarantees of up to RMB 5 million for Tangshan Fengnan ENN Gas Co., Ltd.						
	(14)	ENN Gas Development Co., Ltd. provided guarantees of up to RMB 41.17 million for ENN Zhejiang Petrochemical (Zhoushan) Gas Co., Ltd.						
	(15)	Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB 96 million for Kaifeng Xin'ao Gas Co., Ltd.						
	(16)	Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB 584.28 million for Daqing Gaoxin Boyuan Thermal Electricity Co., Ltd.						
	(17)	Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB 19.99 million for Luanzhou ENN Clean Energy Co., Ltd.						
	(18)	Zhuzhou Xin'ao Gas Co., Ltd. provided guarantees of up to RMB 114 million for Zhuzhou Xin'ao Gas Development Co., Ltd.						
(19)	Zhuzhou Xin'ao Gas Development Co., Ltd. provided guarantees of up to RMB 70 million for Zhuzhou Xin'ao Gas Co., Ltd.							
4.	Jinhua Xin'ao Gas Company Limited, a subsidiary of the Company, granted guarantees of up to RMB 7 million for Jinhua City Gaoya Natural Gas Co., Ltd. at the end of the Reporting Period.							
5.	At the end of the Reporting Period, the Company provided RMB 18.54 million counter guarantee for joint and several liability guarantee for Chongqing Fuling Energy Industry Group Co., Ltd., an enterprise invested by the Company, in favor of Chongqing Longran Energy Technology Co., Ltd. The counter guarantee has been deliberated and approved at the Seventeenth Meeting of the Ninth Board of Directors, the 2020 Third Extraordinary General Meeting, the Eleventh Meeting of the Tenth Board of Directors, and the 2023 Third Extraordinary General Meeting.							
6.	ENN LNG (SINGAPORE) PTE LTD, a subsidiary of the Company, provided guarantees of up to RMB 20.34 million for Gas Shanghai Pte. Ltd. The above counter guarantee has been deliberated and approved at the 18th Meeting of the Tenth Board of Directors, and the 2024 Second Extraordinary General Meeting.							

## (III) Entrusted cash asset management

## 1. Entrusted wealth management

## (1) General conditions of entrusted wealth management

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Type	Source of funding	Amount incurred	Undue balance	Overdue outstanding amount
Bank wealth management products	Self-owned fund	10,000		
Public offering fund products	Self-owned fund	377,900		

Other information

√ Applicable ☐ N/A

The Company held the 11th Meeting of the Tenth Board of Directors on 8 December 2023, approving through deliberation the *Proposal on the Estimated Amount of Entrusted Wealth Management in 2024*, whereby the Company and its subsidiaries were allowed to use the temporarily idle self-owned fund with a balance of up to RMB 4.5 billion of a single day for the entrusted wealth management provided that such use shall be subject to fund safety without prejudice to the normal operating fund demand. For details, please refer to the *Announcement of ENN Natural Gas Co., Ltd. on the Estimated Amount of Entrusted Wealth Management in 2024* (Announcement No.: 2023-058) disclosed on the website of the Shanghai Stock Exchange on 9 December 2023. During the Reporting Period, the Company used the self-owned fund for entrusted wealth management in a compliant manner within the scope of the aforesaid resolution of the Board of Directors, improving the use efficiency of idle fund and return on cash assets.

## (2) Single entrusted wealth management

☐ Applicable ☒ N/A

Other information

☐ Applicable ☒ N/A

## (3) Provision for impairment of entrusted wealth management

☐ Applicable ☒ N/A

## 2. Entrusted loans

### (1) General conditions of entrusted loans

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Type	Source of funding	Amount incurred	Undue balance	Overdue outstanding amount
Short term	Self-owned fund	1,000	895	

Other information

☐ Applicable ☒ N/A

### (2) Single entrusted loan

☐ Applicable ☒ N/A

Other information

☐ Applicable ☒ N/A

### (3) Provision for impairment of entrusted loans

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

	Book balance	Provision for bad debt
Short-term entrusted loan	895	803
Total	895	803

## 3. Other information

☐ Applicable ☒ N/A

### (IV) Other material contracts

☐ Applicable ☒ N/A

## XIV. Description of Progress of the Use of Funds Raised

☐ Applicable ☒ N/A

## XV. Other Information on Major Matters Significantly Affecting the Value Judgment and Investment Decisions of Investors

☐ Applicable ☒ N/A





07



## Change in Shares and Information on Shareholders





## I. Changes in Share Capital

### (I) Table of Changes in Shares

#### 1. Table of Changes in Shares

Unit: share

	Before change		Increase or decrease (+, -)					After change	
	Number of shares	Proportion (%)	New shares issued	Bonus shares	Capitalization of capital reserves	Other	Subtotal	Number of shares	Proportion (%)
I. Restricted shares	266,489,039	8.60	0	0	0	-9,485,034	-9,485,034	257,004,005	8.30
1. Shares held by the State									
2. Shares held by the state-owned legal persons									
3. Other shares held by domestic investors	266,489,039	8.60				-9,485,034	-9,485,034	257,004,005	8.30
Including: Shares held by domestic non-state-owned legal persons	252,808,988	8.16	0	0	0	0	0	252,808,988	8.16
Shares held by domestic natural persons	13,680,051	0.44				-9,485,034	-9,485,034	4,195,017	0.14
4. Shares held by foreign investors									
Including: Shares held by overseas legal persons									
Shares held by overseas natural persons									
II. Tradable shares without conditions on restricted sale	2,831,908,568	91.40				+8,175,034	+8,175,034	2,840,083,602	91.70
1. RMB ordinary shares	2,831,908,568	91.40				+8,175,034	+8,175,034	2,840,083,602	91.70
2. Foreign shares listed domestically									
3. Foreign shares listed overseas									
4. Others									
III. Total number of shares	3,098,397,607	100.00	0	0	0	-1,310,000	-1,310,000	3,097,087,607	100.00

## 2. Information on changes in shares

√ Applicable   ☐ N/A

### (I) Removal of restrictions on sale of 8,175,034 restricted shares under the 2021 Restricted Stock Incentive Plan

- (1) Under the 2021 Restricted Stock Incentive Plan of the Company, the conditions for removal of restrictions on sale during the second Unrestricted Period for the first grant and the reserved grant have been satisfied, with the number of restricted shares that can be released from restrictions on sale being 4,232,517. On 5 January 2024, these restricted circulating shares were listed for circulation.
- (2) Under the 2021 Restricted Stock Incentive Plan of the Company, the conditions for removal of restrictions on sale during the third Unrestricted Period for the first grant and the reserved grant have been satisfied, with the number of restricted shares that can be released from restrictions on sale being 3,725,000. On 27 June 2024, these restricted circulating shares were listed for circulation.
- (3) Under the 2021 Restricted Stock Incentive Plan of the Company, the conditions for removal of restrictions on sale during the third Unrestricted Period for the reserved grant have been satisfied, with the number of restricted shares that can be released from restrictions on sale being 217,517. On 31 December 2024, these restricted circulating shares were listed for circulation.

### (II) Repurchase and cancellation of 1,310,000 shares under the 2021 Restricted Stock Incentive Plan

- (1) Under the 2021 Restricted Stock Incentive Plan of the Company, two incentive grantees had an "unsatisfactory" individual performance evaluation result during the second Unrestricted Period (i.e., 2022), three incentive grantees were no longer eligible for the incentive grant due to resignation, and three incentive grantees were no longer eligible for the incentive grant due to adjustment of job position among the incentive grantees for the first grant; one incentive grantee was no longer eligible for the incentive grant due to adjustment of position among the incentive grantees for the reserved grant. A total of 782,500 restricted shares in whole or in part which have been granted to the above incentive grantees but have not been released from restrictions on sale had been repurchased and canceled by the Company on 12 July 2024.
- (2) Under the 2021 Restricted Stock Incentive Plan of the Company, four incentive grantees had an "unsatisfactory" individual performance evaluation result during the third Unrestricted Period (i.e., 2023), one incentive grantee was no longer eligible for the incentive grant due to resignation, and two incentive grantees were no longer eligible for the incentive grant due to adjustment of job position among the incentive grantees for the first grant; one incentive grantee had an "unsatisfactory" individual performance evaluation result during the third Unrestricted Period (i.e., 2023) among the incentive grantees for the reserved grant. A total of 527,500 restricted shares in whole or in part which have been granted to the above incentive grantees but have not been released from restrictions on sale had been repurchased and canceled by the Company on 24 September 2024.

## 3. Effect of the changes in shares on the earnings per share, net assets per share and other financial indicators of the most recent year and the most recent Reporting Period (if any)

√ Applicable   ☐ N/A

During the Reporting Period, the total number of shares of the Company was changed from 3,098,397,607 to 3,097,087,607. For details on the financial indicators such as earnings per share and net assets per share during the Company's Reporting Period calculated based on the total number of shares after change, please refer to the "Main Accounting Data and Financial Indicators in the Past Three Years" under the "Section II Company Profile and Main Financial Indicators" in this report.

**4. Other contents that the Company considers necessary, or are required by the securities regulatory authorities to be disclosed**

☐ Applicable ☒ N/A

**(II) Changes in restricted shares**

☒ Applicable ☐ N/A

Unit: share

Name of shareholder	Number of restricted shares at the beginning of the year	Number of restricted shares released during the year	Increase in the number of restricted shares during the year	Number of restricted shares at the end of the year	Reasons for restriction	Date of restriction release
Incentive Grantees for Restricted Shares in 2021	13,680,051	4,232,517 3,725,000 217,517	-1,310,000	4,195,017	Equity incentive restriction	5 January 2024 27 June 2024 31 December 2024
Total	13,680,051	8,175,034	-1,310,000	4,195,017	/	/

Note: The restricted shares granted in 2021 shall be unlocked or repurchased and canceled by batch in accordance with the relevant provisions of the 2021 Restricted Stock Incentive Plan of ENN-NG (Draft).

**II. Issue and Listing of Securities**

**(I) Issue of securities as of the Reporting Period**

☒ Applicable ☐ N/A

Unit: share Currency: RMB

Type of shares and derivative securities	Date of issue	Issue price (or interest rate)	Number of shares issued	Date of listing	Number of shares listed	Transaction termination date
Bonds (including enterprise bonds, corporate bonds and debt financing instruments of non-financial enterprises)						
2024 First Green Medium-term Note of ENN-NG	20 March 2024	Interest rate on issue: 2.65%	Amount of issue: RMB 1 billion	22 March 2024	RMB 1 billion	22 March 2027

Information on the issue of securities during the Reporting Period (for bonds with different interest rates within the duration, please specify separately):

√ Applicable ☐ N/A

During the Reporting Period, the Company completed the issue of 2024 First Green Medium-term Note. For details, please refer to the *Voluntary Announcement of ENN-NG on the Issue Result of 2024 First Green Medium-term Note* (Announcement No.: 2024-015) disclosed by the Company at the website of Shanghai Stock Exchange on 23 March 2024.

## (II) Changes in total number of shares, shareholder structure and the assets and liabilities structure of the Company

√ Applicable ☐ N/A

Specific changes are detailed in "I. Changes in Shares - (I) Table of Changes in Shares – 2. Information on changes in shares" of this Section.

### (III) Existing shares held by internal employees

☐ Applicable ☒ N/A

## III. Shareholders and Actual Controller

### (I) Total number of shareholders

Total number of ordinary shareholders as of the end of the Reporting Period (household)	22,281
Total number of ordinary shareholders at the end of the month immediately preceding the disclosure date of the Annual Report (household)	21,755
Total number of preferred shareholders with voting rights restored at the end of the Reporting Period (household)	0
Total number of preferred shareholders with voting rights restored as of the end of the month immediately preceding the disclosure date of the Annual Report (household)	0

### (II) Table of shareholdings by the top 10 shareholders and the top 10 holders of tradable shares (or holders of unrestricted shares) as of the end of the Reporting Period

Unit: share

Shareholding of the top 10 shareholders (excluding the shares lent through refinancing)							
Name of shareholder (full name)	Increase or decrease of shares during the Reporting Period	Number of shares held at the end of the Period	Proportion (%)	Pledged, marked or frozen shares			
				Number of restricted shares	Share status	Number	Nature of shareholder
ENN GROUP INTERNATIONAL INVESTMENT LIMITED	0	1,370,626,680	44.26	0	Pledged	13,000,000	Foreign legal person

## Shareholding of the top 10 shareholders

(excluding the shares lent through refinancing)

Name of shareholder (full name)	Increase or decrease of shares during the Reporting Period	Number of shares held at the end of the Period	Proportion (%)	Pledged, marked or frozen shares			
				Number of restricted shares	Share status	Number	Nature of shareholder
ENN Holdings Investment Co., Ltd.	-56,000,000	374,737,451	12.10	0	Pledged	214,450,000	Domestic non-state-owned legal person
ENN Science and Technology Development Co., Ltd.	56,000,000	308,808,988	9.97	252,808,988	Pledged	23,700,000	Domestic non-state-owned legal person
Hong Kong Securities Clearing Company Limited	-13,626,033	117,992,681	3.81	0	N/A	0	Other
Langfang Heyuan Investment Center (LLP)	0	98,360,656	3.18	0	Pledged	63,840,000	Other
Hebei Weiyuan Group Co., Ltd.	0	89,004,283	2.87	0	Pledged	52,510,000	Domestic non-state-owned legal person
Hongchuang (Shenzhen) Investment Center (L.P.)	-8,512,217	69,951,200	2.26	0	N/A	0	Other
National Social Security Fund 106 Portfolio	-6,701,448	62,534,290	2.02	0	N/A	0	Other
Basic Endowment Insurance Fund 15022 Portfolio	-1,494,729	25,260,790	0.82	0	N/A	0	Other
Huaneng Guicheng Trust Corp., Ltd.	0	19,161,414	0.62	0	N/A	0	Domestic non-state-owned legal person

## Shareholding of the top 10 shareholders of unrestricted shares (excluding the shares lent through refinancing)

Name of shareholder	Number of tradable shares without conditions on restricted sale	Category and number of shares	
		Category	Number
ENN GROUP INTERNATIONAL INVESTMENT LIMITED	1,370,626,680	Ordinary shares in RMB	1,370,626,680
ENN Holdings Investment Co., Ltd.	374,737,451	Ordinary shares in RMB	374,737,451
Hong Kong Securities Clearing Company Limited	117,992,681	Ordinary shares in RMB	117,992,681
Langfang Heyuan Investment Center (LLP)	98,360,656	Ordinary shares in RMB	98,360,656
Hebei Weiyuan Group Co., Ltd.	89,004,283	Ordinary shares in RMB	89,004,283
Hongchuang (Shenzhen) Investment Center (L.P.)	69,951,200	Ordinary shares in RMB	69,951,200
National Social Security Fund 106 Portfolio	62,534,290	Ordinary shares in RMB	62,534,290
ENN Science and Technology Development Co., Ltd.	56,000,000	Ordinary shares in RMB	56,000,000
Basic Endowment Insurance Fund 15022 Portfolio	25,260,790	Ordinary shares in RMB	25,260,790
Huaneng Guicheng Trust Corp., Ltd.	19,161,414	Ordinary shares in RMB	19,161,414
Information on special repurchase account among the top 10 shareholders	The special securities account for repurchase of the Company is not presented among the top 10 shareholders and the top 10 holders of unrestricted shares. As of 31 December 2024, the special securities account for repurchase of the Company held 25,559,980 shares of the Company, with shareholding ratio of 0.90%.		



## Shareholding of the top 10 shareholders of unrestricted shares (excluding the shares lent through refinancing)

Name of shareholder	Number of tradable shares without conditions on restricted sale	Category and number of shares	
		Category	Number
Information on voting trust, entrusted voting right and waiver of voting right of the shareholders above	N/A		
Information on associated relationship or concerted action between the aforesaid shareholders	<ol style="list-style-type: none"> <li>1. ENN GROUP INTERNATIONAL INVESTMENT LIMITED, ENNnt Holdings Co., Ltd., ENN Science and Technology Development Co., Ltd., Langfang Heyuan Investment Center (LLP) and Hebei Weiyuan Group Co., Ltd. are controlled by Mr. Wang Yusuo, the actual controller of the Company.</li> <li>2. The couple, Mr. Wang Yusuo and Ms. Zhao Baoju, signed the <i>Share Escrow Agreement in respect of ENN GROUP INTERNATIONAL INVESTMENT LIMITED</i> with ENN Holdings on 30 November 2018, under which Mr. Wang Yusuo and Ms. Zhao Baoju respectively entrusted all shares held by them in ENN International (including the rights and interests corresponding to such shares) to ENN Holdings for management, and the term continues until 31 December 2040.</li> <li>3. The Company is not aware of whether there is an associated relationship between other shareholders or whether they are acting in concert.</li> </ol>		
Information on preferred shareholders with voting rights restored and the number of shares held by them	N/A		

Shares lending through refinancing by shareholders holding 5% or more of shares, the top 10 shareholders and the top 10 shareholders of unrestricted shares

☐ Applicable    ☒ N/A

Changes from the previous period in the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares due to lending/return in refinancing

☐ Applicable    ☒ N/A

Number of shares held by the top 10 shareholders of restricted shares and conditions on restricted sale

☒ Applicable    ☐ N/A

Unit: Share

No.	Name of shareholder of restricted shares	Number of restricted shares held	Tradable conditions of restricted shares		Conditions on restricted sale
			Tradable date	Number of increased tradable shares	
1	ENN Science and Technology Development Co., Ltd.	252,808,988	16 August 2025	252,808,988	Issue of shares for asset purchase, with lock-up period of 36 months
2	Yu Jianchao	350,000	Note 1	0	Stock incentive
3	Han Jishen	350,000	Note 1	0	Stock incentive
4	Zheng Hongtao	250,000	Note 1	0	Stock incentive
5	Jiang Chenghong	227,517	Note 1	0	Stock incentive
6	Wang Dongzhi	200,000	Note 1	0	Stock incentive
7	Zhang Jin	150,000	Note 1	0	Stock incentive
8	Zheng Wenping	150,000	Note 1	0	Stock incentive
9	Zhang Xiaoyang	150,000	Note 1	0	Stock incentive
10	Yin Ming	137,500	Note 1	0	Stock incentive
Information on associated relationship or concerted action between the aforesaid shareholders		N/A			

Note 1: The restricted shares granted by the Company in 2021 shall be unlocked in batches in accordance with the relevant provisions of the *2021 Restricted Stock Incentive Plan of ENN-NG (Draft)*.

- Under the 2021 Restricted Stock Incentive Plan of the Company, the conditions for removal of restrictions on sale during the second Unrestricted Period for the first grant and the reserved grant have been satisfied, with the number of restricted shares that can be released from restrictions on sale being 4,232,517. On 5 January 2024, these restricted circulating shares were listed for circulation. For details, please refer to the *Announcement of ENN-NG on the Unlocking and Listing of Shares during the Second Unrestricted Period for the First and Reserved Grants under the 2021 Restricted Stock Incentive Plan* (Announcement No.: 2023-080) disclosed by the Company at the website of Shanghai Stock Exchange on 30 December 2023.
- Under the 2021 Restricted Stock Incentive Plan of the Company, the conditions for removal of restrictions on sale during the third Unrestricted Period for the first grant and the reserved grant have been satisfied, with the number of restricted shares that can be released from restrictions on sale being 3,725,000. On 27 June 2024, these restricted circulating shares were listed for circulation. For details, please refer to the *Announcement of ENN-NG on the Unlocking and Listing of Shares during the Third Unrestricted Period for the First Grant under the 2021 Restricted Stock Incentive Plan* (Announcement No.: 2024-047) disclosed by the Company at the website of Shanghai Stock Exchange on 22 June 2024.
- Under the 2021 Restricted Stock Incentive Plan of the Company, the conditions for removal of restrictions on sale during the third Unrestricted Period for the reserved grant have been satisfied, with the number of restricted shares that can be released from restrictions on sale being 217,517. On 31 December 2024, these restricted circulating shares were listed for circulation. For details, please refer to the *Announcement of ENN-NG on the Unlocking and Listing of Shares during the Third Unrestricted Period for the Reserved Grant under the 2021 Restricted Stock Incentive Plan* (Announcement No.: 2024-107) disclosed by the Company at the website of Shanghai Stock Exchange on 26 December 2024.

## (III) Strategic investor or general legal persons that become the top 10 shareholders as result of placement of new shares

☐ Applicable ☒ N/A

## IV. Information on Controlling Shareholder and Actual Controller

## (I) Information on controlling shareholder

## 1. Legal person

☒ Applicable ☐ N/A

Name	ENN GROUP INTERNATIONAL INVESTMENT LIMITED
Principal or legal representative	Wang Yusuo and Zhao Baoju
Date of establishment	18 July 2000
Main business	Investment holding
Shareholding in other domestic or foreign listed controlled or participating companies during the Reporting Period	A total of 99,215,297 shares in Santos Limited (listed on the Australian Securities Exchange, stock code: STO.AX), representing 3.05% of shares
Other information	N/A

## 2. Natural person

☐ Applicable ☒ N/A

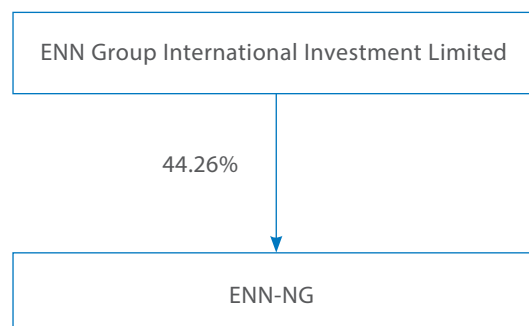
## 3. Special explanation if the Company does not have a controlling shareholder

☐ Applicable ☒ N/A

## 4. Description of changes in the controlling shareholder during the Reporting Period

☐ Applicable ☒ N/A

## 5. Block diagram of ownership and controlling relationship between the Company and the controlling shareholder

☒ Applicable ☐ N/A

## (II) Information on actual controller

## 1. Legal person

☐ Applicable ☒ N/A

## 2. Natural person

☒ Applicable ☐ N/A

Name	Wang Yusuo
Nationality	China
Right of residence in other countries or regions	No
Main occupation and post	Board of Directors of ENN Group and the Chairman of ENN-NG
Description of domestic and foreign-listed companies controlled in the past 10 years	<p>1. ENN Energy Holdings Limited Listed on: The Stock Exchange of Hong Kong Stock abbreviation: ENN Energy Stock code: 02688 Legal representative: Wang Yusuo Date of establishment: 7 February 2000</p> <p>2. ENC Digital Technology Co., Ltd. Listed on: Shanghai Stock Exchange Stock abbreviation: ENC Stock code: 603869 Legal representative: Shi Yujiang Date of establishment: 10 May 1986</p> <p>3. Tibet Tourism Co., Ltd. Listed on: Shanghai Stock Exchange Stock abbreviation: Tibet Tourism Stock code: 600749 Legal representative: Hu Xiaofei Date of establishment: 27 June 1996</p>

## 3. Special explanation if the Company does not have the actual controller

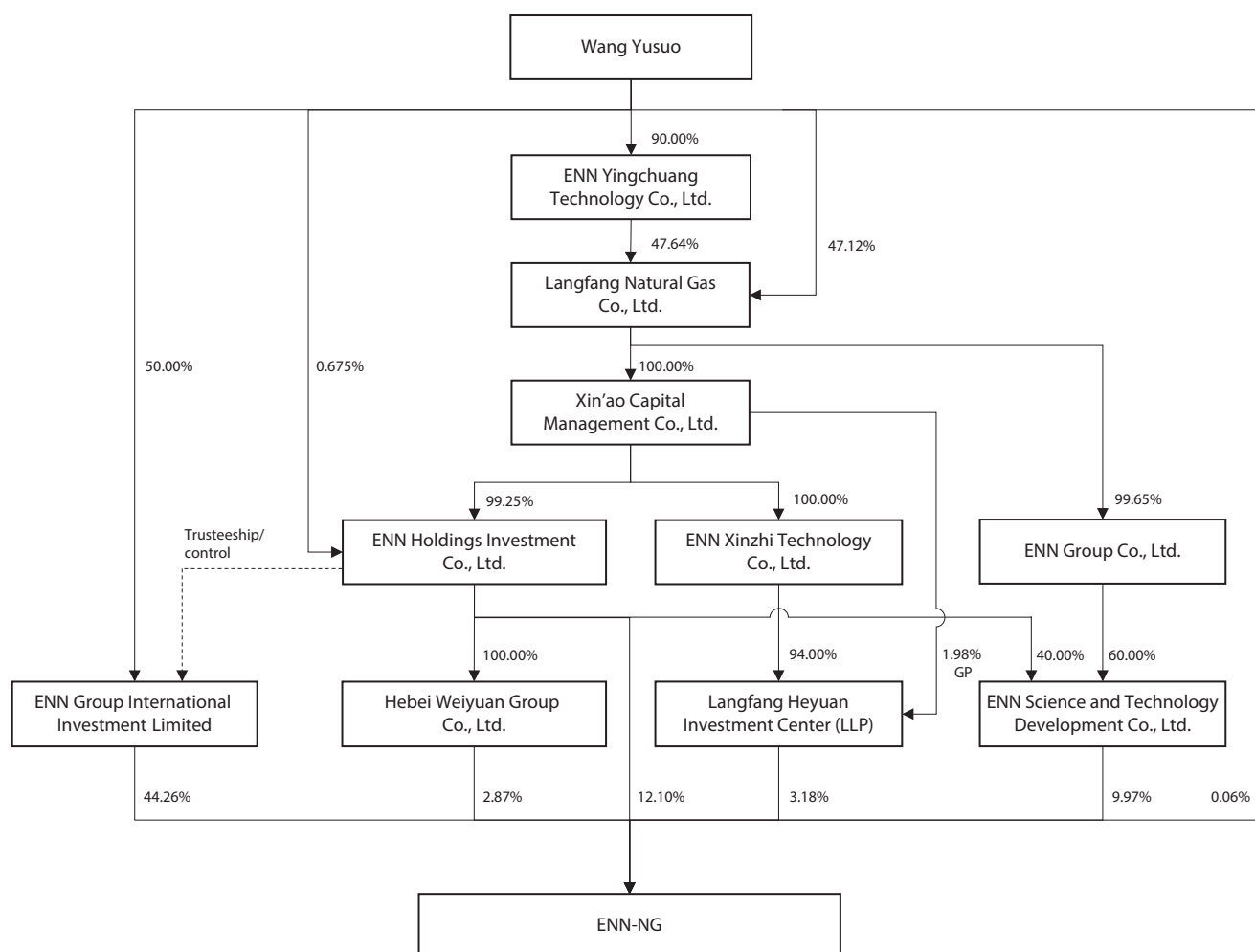
☐ Applicable ☒ N/A

4. Description of changes in the actual controller during the Reporting Period

☐ Applicable ☒ N/A

5. Block diagram of ownership and controlling relationship between the Company and the actual controller

☒ Applicable ☐ N/A



6. Control over the Company by the actual controller by trust or other asset management methods

☐ Applicable ☒ N/A



## (III) Other information on the controlling shareholder and actual controller

☐ Applicable    ☒ N/A

## V. The Company's Controlling Shareholder or the Largest Shareholder and Its Persons Acting in Concert Pledged More Than 80% of the Company's Shares Held by Them

☐ Applicable    ☒ N/A

## VI. Other Corporate Shareholders with More than 10% Shareholding

☒ Applicable    ☐ N/A

Unit: Yuan    Currency: RMB

Name of corporate shareholder	Principal or legal representative	Date of establishment	Organization code	Registered capital	Principal operations or management activities
ENN Holdings Investment Co., Ltd.	Wang Yusuo	13 January 2000	91131001721660105E	RMB 800 billion	Investment in urban infrastructure construction, energy development, municipal engineering construction, tourism, catering, electronic machinery manufacturing, chemicals, building materials manufacturing and other industries, and information technology consulting services; sales of engineering equipment, engineering materials, chemical equipment, environmental protection equipment, steel, wire and cable, instrument and apparatus, electronic products, electrical equipment, lighting appliances, building materials, hardware materials, decoration materials, pipe fittings, doors and windows, office equipment, fuel oil, lubricants, diesel, chemical raw materials and products (other than dangerous chemicals and flammable and explosive chemicals)
Description of fact	As of 31 December 2024, ENN Holdings held 374,737,451 shares in the Company, representing 12.10% of shares.				

## VII. Restrictions on Shareholding Reduction

☐ Applicable ☒ N/A

## VIII. Specific Implementation of Share Repurchase during the Reporting Period

☒ Applicable ☐ N/A

Unit: Yuan Currency: RMB

Name of share repurchase scheme	Scheme for Share Repurchase through Centralized Competitive Bidding Transaction
Disclosure date of share repurchase scheme	9 December 2023
(%) Number of shares to be repurchased and their proportion to the total capital stock (%)	16,363,637-27,272,727; 0.53-0.88



Amount of proposed repurchase	RMB 360 million (inclusive) - RMB 600 million (inclusive)
Duration of proposed repurchase	8 December 2023 to 7 December 2024
Use of repurchased shares	For stock option incentive or employee stock ownership plan
Number of shares repurchased (share)	19,751,366
Proportion of the repurchased shares to the underlying shares involved in the stock incentive plan (%) (if any)	N/A
Progress on reduction of repurchased shares by the Company through centralized competitive-price transaction	N/A

Note: The Company completed the share repurchase on 14 October 2024. The Company had actually repurchased 19,751,366 shares through centralized competitive bidding at the highest price of RMB 21.01 per share, the lowest price of RMB 17.16 per share, and average price of RMB 18.24 per share). The total consideration paid amounted to RMB 360,175,068.61 (exclusive of transaction costs). There were no discrepancies between the actual implementation and the disclosed repurchase scheme, and the repurchase was completed in compliance with the disclosed scheme.







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Information on Preferred Shares



☐ Applicable    ☒ N/A





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## Information on Bonds



## I. Corporate Bonds (including Enterprise Bonds) and Non-Financial Corporate Debt-Financing Instruments

☒ Applicable ☐ N/A

### (I) Corporate Bonds (including Enterprise Bonds)

☐ Applicable ☒ N/A

### (II) Information on the fund-raising by corporate bonds

☐ The corporate bonds involve the utilization or rectification of the raised funds during the Reporting Period

☒ None of the corporate bonds involves the utilization or rectification of the raised funds during the Reporting Period

### (III) Other matters that should be disclosed for special bonds

☐ Applicable ☒ N/A

### (IV) Important matters related to corporate bonds during the Reporting Period

☐ Applicable ☒ N/A

### (V) Non-financial corporate debt-financing instruments at the inter-bank bond market

☒ Applicable ☐ N/A

#### 1. Basic information on non-financial corporate debt-financing instruments

Unit: RMB '0000 Currency: RMB

Bond name	Short name	Code	Date of issue	Value date	Maturity date	Bond balance	Interest rate (%)	Method of repayment of principal with interests	Trading venue	Investor suitability arrangement (if any)	Trading scheme	If there is any risk from delisting
2023 First Green Medium-term Note of ENN Natural Gas Co., Ltd.	23 ENN-NG GN001	132380028	25 April 2023	26 April 2023	26 April 2026	50,000	3.30	Interests were paid annually and principal was repaid upon maturity	National interbank bond market		Trading by way of competitive pricing, quotation, inquiry and agreement	No
2024 First Green Medium-term Note of ENN Natural Gas Co., Ltd.	24 ENN-NG GN001	132480026	20 March 2024	22 March 2024	22 March 2027	100,000	2.65	Interests were paid annually and principal was repaid upon maturity	National interbank bond market		Trading by way of competitive pricing, quotation, inquiry and agreement	No

Measures to deal with the risks arising from delisting of bonds taken by the Company

☐ Applicable ☒ N/A

Overdue outstanding bond

☐ Applicable ☒ N/A

Information on interest payment and redemption of bonds during the Reporting Period

☒ Applicable ☐ N/A

Bond name	Description of interest payment and redemption
2023 First Green Medium-term Note of ENN Natural Gas Co., Ltd.	On 26 April 2024, the Company made an interest payment of RMB 16.5 million for the period from 26 April 2023 to 25 April 2024 on its issued bond 23 ENN-NG GN001.
2024 First Green Medium-term Note of ENN Natural Gas Co., Ltd.	The first interest payment for the Company's issued bond 24 ENN-NG GN001 will be made on 22 March 2025.

2. *Trigger and enforcement of option clause and investor protection clause by the issuer or investor*

☐ Applicable ☒ N/A

3. *Intermediary agencies providing services for bond issuance and business during existence*

Name of intermediary agency	Office address	Name of signatory		
		accountant	Contact person	Contact number
Bank of China Limited	1 Fuxingmen Nei Dajie, Xicheng District, Beijing	Not applicable	Xun Yamei	010-66592749
China Citic Bank Corporation Limited	Building 1, No. 10 Courtyard, Guanghua Road, Chaoyang District, Beijing	Not applicable	Jia Yuanxiang	010-66635912
Industrial Bank Co. Ltd.	398 Jiangbinzhong Avenue, Taijiang District, Fuzhou City, Fujian Province	Not applicable	Du Honghui	0311-89915622
Postal Savings Bank of China Limited	3 Financial Street, Xicheng District, Beijing	Not applicable	Zheng Yarong, Hu Xiao	010-68857446
Bank of Beijing Corporation Limited	Ground Floor, No. 17, Financial Street, Xicheng District, Beijing	Not applicable	Li Xueting	18301664651
China Everbright Bank Company Limited	25 Taipingqiao Street, Xicheng District, Beijing	Not applicable	Chang Yiyao	010-63639516
China Merchants Bank Co. Ltd.	China Merchants Bank Building, 7088 Shennan Avenue, Futian District, Shenzhen	Not applicable	Miao Jianmin	0755-88026559
China Chengxin International Credit Rating Co., Ltd.	Room 60101, Building 1, No. 2 Nanzhugan Alley, Dongcheng District, Beijing	Not applicable	Jin Bo, Ge Xing	010-66428877
China Chengxin Green Finance Technology (Beijing) Ltd.	Room 50532, 4/F, Building 1, No. 2 Nanzhugan Alley, Dongcheng District, Beijing	Not applicable	Liu Chenghao	010-66428855
Zhongxi CPAs (Special General Partnership)	Room 1101, 11/F, No. 11 Chongwenmenwai Street, Beijing	Zhang Zenggang, Deng Haifu	Deng Haifu	010-67085873
Beijing Grandway Law Offices	7/F, News Plaza, No. 26, Jianguomennei Avenue, Beijing	Not applicable	Zhang Ying, Liang Jing	010-88004488

Changes in the above intermediary agencies

☐ Applicable ☒ N/A

#### 4. Utilization of funds raised at the end of the Reporting Period

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Bond name	Total amount of funds raised	Utilized amount	Remaining amount	Operation of special account for funds raised (if any)	Rectification of illegal utilization of funds raised (if any)	Whether it is consistent with the purpose, utilization plan and other provisions set forth in the prospectus
2023 First Green Medium-term Note of ENN Natural Gas Co., Ltd.	50,000	50,000		Not applicable	Not applicable	Yes
2024 First Green Medium-term Note of ENN Natural Gas Co., Ltd.	100,000	100,000		Not applicable	Not applicable	Yes

Progress and operation benefits of funds raised for construction projects

☐ Applicable ☒ N/A

Description of changes in the purpose of the aforesaid bond funds raised during the Reporting Period

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

#### 5. Adjustment of credit rating result

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

#### 6. Implementation, change and influence of guarantee, debt repayment plan and other debt repayment guarantee measures during the Reporting Period

☐ Applicable ☒ N/A

#### 7. Description of other information on non-financial corporate debt-financing instruments

☐ Applicable ☒ N/A

(VI) Excess of the losses in the scope of consolidated financial statements during the Reporting Period of the Company by 10% of net assets as at the end of previous year

☐ Applicable ☒ N/A

(VII) Overdue interest-bearing debts other than bonds at the end of the Reporting Period

☐ Applicable ☒ N/A

(VIII) Effect from violation of laws, regulations, articles of association, information disclosure management system and provisions or commitments in bond prospectus on the rights and interests of bond investors during the Reporting Period

☐ Applicable ☒ N/A

(IX) Accounting data and financial indicators of the Company for the recent two years as of the end of Reporting Period

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Key indicator	2024	2023	Year-on-year increase or decrease (%)	Reason for change
Net profit attributable to shareholders of listed companies after deducting nonrecurring gains or losses	371,071	245,925	50.89	
Liquidity ratio	0.85	0.95	-10.53	
Quick ratio	0.79	0.90	-12.22	
Asset-liability ratio (%)	54.30	56.50	-3.89	
Ratio of EBITDA to total debt	0.58	0.64	-9.38	
Interest coverage ratio	10.96	11.26	-2.66	
Cash interest coverage ratio	15.41	13.01	18.45	
EBITDA interest coverage ratio	14.31	14.10	1.49	
Loan repayment rate (%)	100.00	100.00		
Interest coverage (%)	100.00	100.00		

## II. Convertible Corporate Bonds

☐ Applicable ☒ N/A





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Financial Report



## I. Auditor's Report

√ Applicable    ☐ N/A

### Auditor's Report

Zhongxi Financial Auditing No. 2025S00741

All shareholders of ENN Natural Gas Co., Ltd.:

#### I. Audit Opinions

We have audited the financial statements of ENN Natural Gas Co., Ltd. (hereinafter referred to as "ENN-NG"), including the consolidated balance sheet and balance sheet of parent company as at 31 December 2024, the 2024 consolidated income statement and income statement of parent company, the consolidated cash flow statement and cash flow statement of parent company, the consolidated statement of changes in shareholders' equity and the statement of changes in shareholders' equity of parent company and notes to the financial statements.

In our opinion, the attached financial statements are prepared in accordance with the provisions of the Accounting Standards for Business Enterprises in all material respects, and fairly reflect the consolidated and parent company financial position of ENN-NG as at 31 December 2024 and the consolidated and parent company operating results and cash flow in 2024.

#### II. Basis for Opinion

We conducted our audit in accordance with the provisions of the Auditing Standards for Certified Public Accountants of China. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of ENN-NG in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled our ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, are considered to be most significant in our audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### *(I) Revenue recognition*

##### *1. Description of matters*

The total operating income of ENN-NG in 2024 amounted to RMB 135.91 billion, as shown in Note III of 31. Income and Note V, 56, 57 and 58 of the financial statements for details. The revenue of ENN-NG mainly comes from natural gas retail, wholesale, direct gas sale by platform, construction and installation, Panergy business, smart home business, energy production and infrastructure operation. Since the operating income is one of the key performance indicators of ENN-NG and there is an inherent risk that the management will operate the revenue recognition in order to reach a specific target, we identify the revenue recognition of ENN-NG as a key audit matter.

## 2. Audit response

Our audit procedures for revenue recognition of ENN-NG mainly include:

- (1) We understand and evaluate the design of internal control in the sales process by the management layer of ENN-NG and test the effectiveness of key control implementation;
- (2) We identify and verify the key contract terms and performance obligations related to revenue recognition through sampling inspection of sales contracts and interviews with management in order to determine whether the revenue recognition policy of ENN-NG conforms to the requirements of the Accounting Standards for Business Enterprises and has been consistently implemented;
- (3) We perform analytical review procedures on revenue and gross profit based on business types to determine the reasonableness of changes in sales revenue and gross profit margin for the current period;
- (4) We select samples according to the schedule of income, check the supporting documents related to the operating income recognition, including contract, order, sales invoice, notice of payment for meter reading, statement of settlement, customer receipt form, completion report, etc., and check the accuracy of the project income calculation recognized according to the progress of project performance;
- (5) Combined with accounts receivable audit, we select major customers to confirm their sales revenue and accounts receivable balance by letter to check the authenticity of the revenue;
- (6) We perform a cut-off test on sales revenue recorded before and after the balance sheet date to assess whether sales revenue is recognized in the appropriate period.

## IV. Other Information

The management of ENN-NG is responsible for the other information. The other information comprises the information included in the 2024 Annual Report, but does not include the financial statements and our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.



## V. Responsibilities of Management and those Charged with Governance for the Financial Statements

The management of ENN-NG is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Business Enterprises and for design, implementation and maintenance of necessary internal control to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the ability of ENN-NG to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern assumptions unless the management either intends to liquidate ENN-NG or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of ENN-NG.

## VI. Certified Public Account's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the auditing standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to these risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- (4) Conclude on the appropriateness of the management's use of the going concern assumptions and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of ENN-NG to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to issue our modified opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause ENN-NG to cease to continue as a going concern.

- (5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within ENN-NG to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit and remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope, timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, and safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that are of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about these matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Zhongxi CPAs (Special General Partnership)

Certified Public Accountant of China:  
(Project Partner)

Qi Weihong

Certified Public Accountant of China:

Wang Yanru

Beijing, China

26 March 2025



## II. Financial Statements

### Consolidated Balance Sheet

31 December 2024

Prepared by: ENN Natural Gas Co., Ltd.

Unit: RMB '0000 Currency: RMB

Item	Notes	31 December 2024	31 December 2023
<b>Current assets:</b>			
Monetary fund	VII-1	1,343,522	1,667,344
Settlement reserve			
Lending funds	VII-2	325,369	329,449
Transaction financial assets	VII-3		20,011
Derivative financial assets	VII-4	27,214	135,073
Notes receivable	VII-5	28,223	46,564
Accounts receivable	VII-6	636,629	660,894
Receivables financing	VII-8	67,638	102,821
Prepayments	VII-9	366,106	528,640
Loans and advances	VII-10	2,842	3,623
Premiums receivable			
Reinsured accounts receivable			
Reserves for reinsurance contract receivable			
Other receivables	VII-11	127,833	127,752
Including: Interests receivable			
Dividends receivable		13,047	14,701
Buying back the sale of financial assets			
Inventories	VII-12	232,524	216,657
Including: Data resources			
Contract assets	VII-7	210,858	245,318
Assets held for sale			
Non-current assets due within one year	VII-14		1,785
Other current assets	VII-15	303,517	268,451
Total current assets		3,672,275	4,354,382
<b>Non-current assets:</b>			
Loans and advances			
Debt investment	VII-16		254
Other debt investment			
Long-term receivables	VII-18	5,940	5,940
Long-term equity investment	VII-19	779,433	739,750
Investment in other equity instruments	VII-20	25,338	22,580
Other non-current financial assets	VII-21	460,220	452,202
Investment real estate	VII-22	24,640	26,814

Item	Notes	31 December 2024	31 December 2023
Fixed assets	VII-23	6,418,054	6,132,633
Construction in progress	VII-24	557,531	498,372
Productive biological assets			
Oil-gas assets			
Right-of-use assets	VII-27	61,293	52,221
Intangible assets	VII-28	773,885	762,453
Including: Data resources			
Development expenditure	VII-29	36,687	49,859
Including: Data resources			
Goodwill	VII-30	54,536	55,802
Long-term prepaid expenses	VII-31	101,163	30,790
Deferred tax assets	VII-32	262,791	248,063
Other non-current assets	VII-33	14,964	25,235
Total non-current assets		9,576,475	9,102,968
Total assets		13,248,750	13,457,350
<b>Current liabilities:</b>			
Short-term borrowings	VII-35	924,025	955,432
Borrowings from the central bank			
Borrowing funds			
Transaction financial liabilities			
Derivative financial liabilities	VII-37	93,968	29,440
Notes payable	VII-38	78,034	78,148
Accounts payable	VII-39	1,008,617	1,070,281
Advance receipts			
Contract liabilities	VII-41	1,449,375	1,495,238
Financial assets sold for repurchase			
Deposits from customers and interbank	VII-42	20,258	17,664
Acting trading securities			
Acting underwriting securities			
Payroll payable	VII-43	114,382	119,892
Taxes payable	VII-44	197,138	260,509
Other payables	VII-45	187,746	198,530
Including: Interests payable			
Dividends payable		33,279	16,354
Handling charges and commissions payable			
Cession insurance premiums payable			
Liabilities held for sales			
Non-current liabilities due within one year	VII-47	138,924	242,832
Other current liabilities	VII-48	124,850	135,259
Total current liabilities		4,337,317	4,603,225
<b>Non-current liabilities:</b>			
Reserve for insurance contract			
Long-term borrowings	VII-49	759,508	874,591

Item	Notes	31 December 2024	31 December 2023
Bonds payable	VII-50	1,279,434	1,284,234
Including: Preferred shares			
Perpetual bonds			
Lease liabilities	VII-51	40,119	36,206
Long-term payables	VII-52		275
Long-term payroll payable			
Anticipation liabilities			
Deferred income	VII-55	113,656	122,329
Deferred tax liabilities	VII-32	307,115	313,943
Other non-current liabilities	VII-56	357,240	368,882
Total non-current liabilities		2,857,072	3,000,460
Total liabilities		7,194,389	7,603,685
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital (share capital)	VII-57	309,709	309,840
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve	VII-59	12,180	15,160
Less: Treasury shares	VII-60	48,212	15,755
Other comprehensive income	VII-61	8,794	133,723
Special reserve	VII-62	5,390	4,771
Surplus reserve	VII-63	49,843	51,590
General risk provisions	VII-64	19,676	18,852
Undistributed profits	VII-65	1,989,346	1,847,301
Total owners' equity (or shareholders' equity) attributable to the parent company		2,346,726	2,365,482
Minority interest		3,707,635	3,488,183
Total owners' equity (or shareholders' equity)		6,054,361	5,853,665
Total liabilities and owners' equity (or shareholders' equity)		13,248,750	13,457,350

Person in charge of the Company:  
Jiang Chenghong

Person in charge of accounting:  
Liang Hongyu

Person in charge of the accounting organization:  
Cheng Zhiyan

## Balance Sheet of the Parent Company

31 December 2024

Prepared by: ENN Natural Gas Co., Ltd.

Unit: RMB '0000 Currency: RMB

Item	Notes	31 December 2024	31 December 2023
<b>Current assets:</b>			
Monetary fund		27,329	296,515

Item	Notes	31 December 2024	31 December 2023
Transaction financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable	XIX-1	2,468	2,299
Receivables financing			
Prepayments		9	79
Other receivables	XIX-2	1,388,599	1,103,775
Including: Interests receivable			
Dividends receivable		347,323	88,911
Inventories			
Including: Data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		279	1,110
Total current assets		1,418,684	1,403,778
<b>Non-current assets:</b>			
Debt investment			
Other debt investment			
Long-term receivables		52,715	51,404
Long-term equity investment	XIX-3	1,115,279	1,115,687
Investment in other equity instruments			
Other non-current financial assets			
Investment real estate			
Fixed assets		154	194
Construction in progress			
Productive biological assets			
Oil-gas assets			
Right-of-use assets		436	
Intangible assets		2,549	2,790
Including: Data resources			
Development expenditure		288	1,940
Including: Data resources			
Goodwill			
Long-term prepaid expenses			
Deferred tax assets			
Other non-current assets			
Total non-current assets		1,171,421	1,172,015
Total assets		2,590,105	2,575,793
<b>Current liabilities:</b>			
Short-term borrowings		1,009	59,531
Transaction financial liabilities			
Derivative financial liabilities			
Notes payable		198,000	117,500
Accounts payable		875	1,387

Item	Notes	31 December 2024	31 December 2023
Advance receipts			
Contract liabilities			
Payroll payable		236	318
Taxes payable		15,085	24,842
Other payables		592,183	539,259
Including: Interests payable			
Dividends payable			
Liabilities held for sales			
Non-current liabilities due within one year		436	17,189
Other current liabilities			
Total current liabilities		807,824	760,026
<b>Non-current liabilities:</b>			
Long-term borrowings		19,500	19,700
Bonds payable		152,945	51,030
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		226	
Long-term payables		248,583	316,933
Long-term payroll payable			
Anticipation liabilities			
Deferred income			479
Deferred tax liabilities			
Other non-current liabilities		81,390	95,472
Total non-current liabilities		502,644	483,614
Total liabilities		1,310,468	1,243,640
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital (share capital)		309,709	309,840
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve		446,872	446,288
Less: Treasury shares		48,212	15,755
Other comprehensive income			
Special reserve			
Surplus reserve		127,783	101,789
Undistributed profits		443,485	489,991
Total owners' equity (or shareholders' equity)		1,279,637	1,332,153
Total liabilities and owners' equity (or shareholders' equity)		2,590,105	2,575,793

Person in charge of the Company:  
Jiang Chenghong

Person in charge of accounting:  
Liang Hongyu

Person in charge of the accounting organization:  
Cheng Zhiyan



## Consolidated Income Statement

January – December 2024

Unit: RMB '0000 Currency: RMB

Item	Notes	2024	2023
I. Gross revenue		13,591,010	14,384,188
Including: Operating income	VII-66	13,583,649	14,375,398
Interest revenue	VII-67	7,361	8,790
Earned premium			
Handling charges and commissions income			
II. Gross operating cost		12,474,126	13,250,627
Including: Operating cost	VII-66	11,691,167	12,370,740
Interest expenses	VII-67	1,201	962
Handling charges and commissions expense	VII-68	174	246
Surrender value			
Net payments for insurance claims			
Net deposit for duty of reinsurance			
Expenditures dividend policy			
Amortized reinsurance expenses			
Taxes and surcharges	VII-69	39,951	54,371
Selling expenses	VII-70	151,187	142,868
Administrative expenses	VII-71	395,771	420,250
Research and development expenditure	VII-72	82,600	96,130
Financing expense	VII-73	112,075	165,060
Including: Interest expense		112,494	140,341
Interest revenue		39,177	23,071
Plus: Other income	VII-74	63,728	54,207
Investment income (losses as in "-")	VII-75	184,377	792,202
Including: Investment incomes from associated ventures and joint ventures		57,736	23,348
Derecognized income of financial assets measured at amortized cost (losses as in "-")			
Exchange gains (losses as in "-")	VII-76	-10	-11
Net exposure hedging gains (losses as in "-")			
Income from changes in fair values (losses as in "-")	VII-78	-35,213	-147,905
Credit impairment losses (losses as in "-")	VII-79	-42,300	-39,636
Assets impairment losses (losses as in "-")	VII-80	-29,961	-206,885
Assets disposal gains (losses as in "-")	VII-81	-7,013	-6,293
III. Operating profit (losses as in "-")		1,250,492	1,579,240
Plus: Non-operating income	VII-82	30,514	16,494
Less: Non-operating expenditure	VII-83	17,410	19,115
IV. Total profit (total losses as in "-")		1,263,596	1,576,619
Less: Income tax expenses	VII-84	269,216	323,606

Item	Notes	2024	2023
V. Net profit (net losses as in "-")		994,380	1,253,013
(I) Classified by the continuity of operations			
1. Net profit of going concern (net losses as in "-")		994,380	827,302
2. Net profit of discontinuing operation (net losses as in "-")			425,711
(II) Classified by attribution of ownership			
1. Net profit attributable to shareholders of the parent company (net losses as in "-")		449,318	709,111
2. Minority shareholders' profits and losses (net losses as in "-")		545,062	543,902
VI. Net of tax from other comprehensive income		-116,171	87,061
(I) Net after-tax amount of other comprehensive income attributable to owners of the parent company		-124,929	87,888
1. Other comprehensive income that cannot be reclassified into profit or loss		91	-365
(1) Re-measurement of the amount of changes in the defined benefit plans			
(2) Other other comprehensive income that cannot be transferred to profit or loss under the equity method			
(3) Changes in fair value of other equity instrument		91	-365
(4) Changes in fair value of enterprise's own credit risk			
2. Other comprehensive income that will be reclassified into profit or loss		-125,020	88,253
(1) Other comprehensive income that can be transferred to profit or loss under equity method			
(2) Changes in the fair value of other creditor's rights investments			
(3) Amount of financial assets reclassified into other comprehensive income			
(4) Preparation for credit impairment of other creditor's rights investment			
(5) Cash flow hedge reserve		-136,779	76,630
(6) Conversion difference of financial statements in foreign currency		11,744	11,613
(7) Others		15	10
(II) Net income of tax of other comprehensive income attributable to minority shareholders		8,758	-827
VII. Total comprehensive income		878,209	1,340,074
(I) Total consolidated income attributable to owners of the parent company		324,389	796,999
(II) Total comprehensive income attributable to minority shareholders		553,820	543,075
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)		1.46	2.30
(II) Diluted earnings per share (RMB/share)		1.46	2.30

Person in charge of the Company:  
Jiang Chenghong

Person in charge of accounting:  
Liang Hongyu

Person in charge of the accounting organization:  
Cheng Zhiyan

## Income Statement of the Parent Company

January – December 2024

Unit: RMB '0000    Currency: RMB

Item	Notes	2024	2023
I. Operation revenue	XIX-4	301	2,359
Less: Operating cost	XIX-4	4	5
Taxes and surcharges		104	499
Selling expenses			
Administrative expenses		4,190	6,258
Research and development expenditure		6	498
Financing expense		13,139	15,835
Including: Interest expenses		14,239	15,236
Interest revenue		5,920	3,323
Plus: Other income		534	313
Investment income (losses as in "-")	XIX-5	279,387	534,480
Including: Investment incomes from associated ventures and joint ventures		-408	-960
Derecognized income of financial assets measured at amortized cost			
Net exposure hedging gains (losses as in "-")			
Income from changes in fair values (losses as in "-")			
Credit impairment losses (losses as in "-")		32	
Assets impairment losses (losses as in "-")			
Assets disposal gains (losses as in "-")		260	
II. Operating profit (losses as in "-")		263,071	514,057
Plus: Non-operating income		501	7
Less: Non-operating expenditure		308	3,000
III. Total profit (total losses as in "-")		263,264	511,064
Less: Income tax expenses		3,321	24,848
IV. Net profit (net losses as in "-")		259,943	486,216
(I) Net profit of going concern (net losses as in "-")		259,943	486,216
(II) Net profit of discontinuing operation (net losses as in "-")			
V. Net of tax from other comprehensive income			
(I). Other comprehensive income that cannot be reclassified into profit or loss			
1. Re-measurement of the amount of changes in the defined benefit plans			
2. Other other comprehensive income that cannot be transferred to profit or loss under the equity method			
3. Changes in fair value of other equity instrument			
4. Changes in fair value of enterprise's own credit risk			

Item	Notes	2024	2023
(II) Other comprehensive income that will be reclassified into profit or loss			
1. Other comprehensive income that can be transferred to profit or loss under equity method			
2. Changes in the fair value of other creditor's rights investments			
3. Amount of financial assets reclassified into other comprehensive income			
4. Preparation for credit impairment of other creditor's rights investment			
5. Cash flow hedging reserve			
6. Conversion difference of financial statements in foreign currency			
7. Others			
VI. Total comprehensive income		259,943	486,216
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)			
(II) Diluted earnings per share (RMB/share)			

Person in charge of the Company:  
Jiang Chenghong

Person in charge of accounting:  
Liang Hongyu

Person in charge of the accounting organization:  
Cheng Zhiyan

## Consolidated Cash Flow Statement

January – December 2024

Unit: RMB '0000 Currency: RMB

Item	Notes	2024	2023
<b>I. Cash flow from operating activities:</b>			
Cash received from selling goods and providing labor services		16,931,157	17,685,800
Net increase of customer's deposit and deposit from other banks		2,594	
Net increase of borrowings from the central bank			
Net increase of funds borrowed from other financial institutions			
Cash gained from the received premium of the original contract			
Net cash received from reinsurance operations			
Net increase of the deposit of the insured and the investment funds			
Cash of the received interest, handling charges and commissions		5,985	7,582
Net decrease in customers' loans and advances		538	
Net increase of borrowing funds			
Net increase of the repurchased business capital			

Item	Notes	2024	2023
Net cash of receivings from vicariously traded securities			
Refund of taxes received		46,963	75,585
Other cash received related to operating activities	VII-86	157,686	105,902
Subtotal cash inflow from operating activities		17,144,923	17,874,869
Cash paid for purchasing goods and accepting labor services		14,396,355	15,001,153
Net decrease of customer's deposit and deposit from other banks			6,020
Net increase in customers' loans and advances			7,185
Net decrease of the repurchase business funds			36,519
Net increase of deposits in the central bank and other banks			
Cash paid for compensated funds of the original insurance contract			
Net increase of lending funds			
Cash paid for interest, handling charges and commissions			
Cash paid for policy dividends			
Cash payments to and on behalf of employees		631,540	608,190
Taxes and dues paid		518,668	641,946
Other cash paid related to operating activities	VII-86	182,144	197,911
Subtotal cash outflow from operating activities		15,728,707	16,498,924
Net cash flow from operating activities		1,416,216	1,375,945
<b>II. Cash flow from investing activities:</b>			
Cash received from investment recovery	VII-86	3,101,680	972,645
Cash received from investment return	VII-86	136,832	220,657
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		25,731	30,196
Net cash received from disposal of subsidiaries and other business units		1,399	655,979
Other cash received related to investing activities	VII-86	16,659	386,709
Subtotal cash inflow from investing activities		3,282,301	2,266,186
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		837,379	925,866
Cash paid for investments	VII-86	3,094,043	1,035,081
Net increase of pledged loans			
Net cash paid by subsidiaries and other business units		325	6,402
Other cash paid related to investing activities	VII-86	41,115	65,715
Subtotal cash outflow from investing activities		3,972,862	2,033,064
Net cash flow from investing activities		-690,561	233,122



Item	Notes	2024	2023
<b>III. Cash flow from financing activities:</b>			
Cash received from investment absorption		12,168	16,846
Including: Cash received from subsidiaries for investment by minority interest		12,150	14,749
Cash received from loans		2,135,971	2,050,187
Other cash received related to financing activities	VII-86	410,165	227,614
Subtotal cash inflow from financing activities		2,558,304	2,294,647
Cash paid for debt repayment		2,586,444	2,332,919
Cash paid for dividend distribution, profits distribution, or interest payment		677,271	607,716
Including: Dividends and profits paid to minority owners by subsidiaries		274,937	303,325
Other cash paid related to financing activities	VII-86	366,595	181,858
Subtotal cash outflow from financing activities		3,630,310	3,122,493
Net cash flow from financing activities		-1,072,006	-827,846
<b>IV. Impact of exchange rate movement on cash and cash equivalents</b>		5,097	901
<b>V. Net increase of cash and cash equivalents</b>		-341,254	782,122
Plus: Beginning balance of cash and cash equivalents		1,877,676	1,095,554
<b>VI. Ending cash and cash equivalents balance</b>		1,536,422	1,877,676

Person in charge of the Company:  
Jiang Chenghong

Person in charge of accounting:  
Liang Hongyu

Person in charge of the accounting organization:  
Cheng Zhiyan

## Cash Flow Statement of the Parent Company

January – December 2024

Unit: RMB '0000 Currency: RMB

Item	Notes	2024	2023
<b>I. Cash flow from operating activities:</b>			
Cash received from selling goods and providing labor services		146	137
Refund of taxes received			
Other cash received related to operating activities		30,346	359,275
Subtotal cash inflow from operating activities		30,492	359,412
Cash paid for purchasing goods and accepting labor services			
Cash payments to and on behalf of employees		252	417
Taxes and dues paid		13,194	493
Other cash paid related to operating activities		7,592	15,576
Subtotal cash outflow from operating activities		21,038	16,486
Net cash flow from operating activities		9,454	342,926

Item	Notes	2024	2023
<b>II. Cash flow from investing activities:</b>			
Cash received from investment recovery		180,000	
Cash received from investment return		55,860	325,314
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		715	
Net cash received from disposal of subsidiaries and other business units			672,868
Other cash received related to investing activities			3
Subtotal cash inflow from investing activities		236,575	998,185
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		121	363
Cash paid for investments		180,000	
Net cash paid by subsidiaries and other business units			
Other cash payments related to investing activities		63	
Subtotal cash outflow from investing activities		180,184	363
Net cash flow from investing activities		56,391	997,822
<b>III. Cash flow from financing activities:</b>			
Cash received from investment absorption			
Cash received from loans		429,760	329,880
Other cash received related to financing activities		2,159,237	796,925
Subtotal cash inflow from financing activities		2,588,997	1,126,805
Cash paid for debt repayment		405,650	332,032
Cash paid for dividend distribution, profit distribution, or interest payment		293,362	159,590
Other cash payments related to financing activities		2,221,089	1,710,290
Subtotal cash outflow from financing activities		2,920,101	2,201,912
Net cash flow from financing activities		-331,104	-1,075,107
<b>IV. Impact of exchange rate movement on cash and cash equivalents</b>		-3,994	-4,355
<b>V. Net increase of cash and cash equivalents</b>		-269,253	261,286
Plus: Beginning balance of cash and cash equivalents		293,743	32,457
<b>VI. Ending cash and cash equivalents balance</b>		24,490	293,743

Person in charge of the Company:  
Jiang Chenghong

Person in charge of accounting:  
Liang Hongyu

Person in charge of the accounting organization:  
Cheng Zhiyan

## Consolidated Statement of Changes in Owners' Equity

January – December 2024

Unit: RMB '0000 Currency: RMB

Item		2024														
		Owners' equity attributable to the parent company														
		Paid-in capital (or share capital)	Other equity instrument			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Subtotal	Minority interest	Total owners' equity
			Preferred shares	Perpetual bonds	Others											
I.	Ending balance of last year	309,840			15,160	15,755	133,723	4,771	51,590	18,852	1,847,301		2,365,482	3,488,183	5,853,665	
	Plus: Change in accounting policies															
	Early error correction															
	Others															
II.	Beginning balance of the current year	309,840			15,160	15,755	133,723	4,771	51,590	18,852	1,847,301		2,365,482	3,488,183	5,853,665	
III.	Increase or decrease of the current period (decrease expressed with "-")	-131			-2,980	32,457	-124,929	619	-1,747	824	142,045		-18,756	219,452	200,696	
(I)	Total comprehensive income						-124,929				449,318		324,389	553,820	878,209	
(II)	Capital invested and reduced by owners	-131			-2,980	32,457			-27,741				-63,309	-40,848	-104,157	
1.	Common stock invested by owners	-131			-658	-789								24,942	24,942	
2.	Capital invested by other equity instrument holders															
3.	Amount of share-based payment included in owners' equity				1,242	-2,776							4,018		4,018	
4.	Others				-3,564	36,022			-27,741				-67,327	-65,790	-133,117	

Item	2024														
	Owners' equity attributable to the parent company														
	Paid-in capital (or share capital)	Other equity instrument			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Subtotal	Minority interest	Total owners' equity
		Preferred shares	Perpetual bonds	Others											
(III) Profit distribution									25,994	824	-307,273		-280,455	-293,502	-573,957
1. Appropriation of surplus reserve									25,994		-25,994				
2. Appropriation of general risk provisions										824	-824				
3. Distribution to owners (or shareholders)											-280,455		-280,455	-293,502	-573,957
4. Others															
(IV) Internal carry-over of owners' equity															
1. Capital reserve converted into capital (or share capital)															
2. Surplus reserve converted into capital (or share capital)															
3. Surplus reserve made up for losses															
4. Change in defined benefit plans carried forward to retained earnings															
5. Other comprehensive income carried forward to retained earnings															
6. Others															
(V) Special reserve								619					619	-18	601
1. Appropriation of the current period								8,736					8,736	2,346	11,082
2. Utilization of the current period								8,117					8,117	2,364	10,481
(VI) Others															
IV. Ending balance of the current period	309,709				12,180	48,212	8,794	5,390	49,843	19,676	1,989,346		2,346,726	3,707,635	6,054,361

[illegible]



2023													
Item	Owners' equity attributable to the parent company												
	Paid-in capital (or share capital)	Other equity instrument			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Subtotal
		Preferred shares	Perpetual bonds	Others								Minority interest	Total owners' equity
(IV) Internal carry-over of owners' equity													
1. Capital reserve converted into capital (or share capital)													
2. Surplus reserve converted into capital (or share capital)													
3. Surplus reserve made up for losses													
4. Changes in defined benefit plans carried forward to retained earnings													
5. Other comprehensive income carried forward to retained earnings													
6. Others													
(V) Special reserve								-451					-451
1. Appropriation of the current period								20,798					20,798
2. Utilization of the current period								21,249					21,249
(VI) Others													
IV. Ending balance of the current period	309,840				15,160	15,755	133,723	4,771	51,590	18,852	1,847,301		2,365,482
												3,488,183	5,853,665

Person in charge of the Company:  
Jiang Chenghong

Person in charge of accounting:  
Liang Hongyu

Person in charge of the accounting organization:  
Cheng Zhiyan

## Statement of Changes in Owners' Equity of the Parent Company

January – December 2024

Unit: RMB '0000 Currency: RMB

Item	2024										Total owners' equity
	Paid-in capital (share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	
I. Ending balance of last year	309,840				446,288	15,755			101,789	489,991	1,332,153
Plus: Change in accounting policies											
Early error correction											
Others											
II. Beginning balance of the current year	309,840				446,288	15,755			101,789	489,991	1,332,153
III. Increase or decrease of the current period (decrease expressed with "-")	-131				584	32,457			25,994	-46,506	-52,516
(I) Total comprehensive income										259,943	259,943
(II) Capital invested and reduced by owners	-131				584	32,457					-32,004
1. Common stock invested by owners	-131				-658	-789					
2. Capital invested by other equity instrument holders											
3. Amount of share-based payment included in the owner's equity					1,242	-2,776					4,018
4. Others						36,022					-36,022
(III) Profit distribution									25,994	-306,449	-280,455
1. Extraction of surplus reserve									25,994	-25,994	
2. Distribution to owners (or shareholders)										-280,455	-280,455
3. Others											
(IV) Internal carry-over of ownership interests											
1. Capital reserve converted into capital (or share capital)											
2. Surplus reserve converted into capital (or share capital)											
3. Surplus reserve makes up for losses											
4. Changes in defined benefit plans carried forward to retained earnings											
5. Other comprehensive income carried forward to retained earnings											
6. Others											
(V) Special reserve											
1. Appropriation of the current period											
2. Utilization of the current period											
(VI) Others											
IV. Ending balance of the current period	309,709				446,872	48,212			127,783	443,485	1,279,637

Item	2023										
	Paid-in capital (share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total owners' equity
I. Ending balance of last year	309,866				444,027	19,182			53,167	210,119	997,997
Plus: Change in accounting policies											
Early error correction											
Others											
II. Beginning balance of the current year	309,866				444,027	19,182			53,167	210,119	997,997
III. Increase or decrease of the current period (decrease expressed with "-")	-26				2,261	-3,427			48,622	279,872	334,156
(I) Total comprehensive income										486,216	486,216
(II) Capital invested and reduced by owners	-26				2,261	-3,427					5,662
1. Common stock invested by owners	-26				-154	-180					
2. Capital invested by other equity instrument holders											
3. Amount of share-based payment included in owner's equity					2,415	-3,247					5,662
4. Others											
(III) Profit distribution									48,622	-206,344	-157,722
1. Extraction of surplus reserve									48,622	-48,622	
2. Distribution to owners (or shareholders)										-157,722	-157,722
3. Others											
(IV) Internal carry-over of ownership interests											
1. Capital reserve converted into capital (or share capital)											
2. Surplus reserve converted into capital (or share capital)											
3. Surplus reserve makes up for losses											
4. Changes in defined benefit plans carried forward to retained earnings											
5. Other comprehensive income carried forward to retained earnings											
6. Others											
(V) Special reserve											
1. Appropriation of the current period											
2. Utilization of the current period											
(VI) Others											
IV. Ending balance of the current period	309,840				446,288	15,755			101,789	489,991	1,332,153

Person in charge of the Company:  
Jiang Chenghong

Person in charge of accounting:  
Liang Hongyu

Person in charge of the accounting organization:  
Cheng Zhiyan

### III. General Information of the Company

#### 1. Company Profile

✓ Applicable ☐ N/A

ENN Natural Gas Co., Ltd. (hereinafter referred to as “Company”, “the Company” or “ENN-NG” for short) was established in July 1992 under the approval document of No. 1 (1992) and No. 40 by Hebei Sports Reform Commission and Yiji Sports Reform Commission. The original name of ENN Natural Gas Co., Ltd. is Hebei Weiyuan Industrial Co., Ltd. In December 1993, the letter No. 52 [1993] of the China Securities Regulatory Commission (hereinafter referred to as the “CSRC” for short) passed the re-approval of the CSRC, 20 million ordinary shares were issued in RMB to the public, listed and traded on the Shanghai Stock Exchange on January 3, 1994 with the stock code of 600803. In March 1999, it was changed into Hebei Weiyuan Biochemical Co., Ltd. and the business license of enterprise legal person was changed. With registration number of 1300001000524. On 18 October of the same year, with the approval of document [1999] No. 117 of the China Securities Regulatory Commission, the Company implemented a share allotment based on the total share capital at the end of 1998. The total share capital after the allotment was RMB118.2217 million including RMB 52.1257 million of state-owned legal person shares and RMB 66.096 million of social public shares. The state-owned legal person shares were held by Hebei Weiyuan Group Co., Ltd.

On 12 May 2004, the State-owned Assets Supervision and Administration Commission of the State Council approved the change plan of the property rights of the controlling shareholder of Hebei Wei Group Co., Ltd. and the change of the property rights of the state-owned shares of the company by the State-owned Assets Equity Document [2004] No. 365, and ENN Group Co., Ltd. and Shijiazhuang Xinao Investment Co., Ltd. realized the change of the actual controller of the company through the purchase of Hebei Weiyuan Group Co., Ltd. as a whole. On 28 December 2004, the China Securities Regulatory Commission approved the exemption of obligation to tender offer of ENN Group Co., Ltd. and Shijiazhuang Xinao Investment Co., Ltd. for controlling 52.1257 million shares in Hebei Weiyuan Group Co., Ltd. Due to the acquisition of equity of Hebei Weiyuan Group Co., Ltd. with the approval of China Securities Regulatory Commission in document No. 116 of Securities Regulatory Company [2004]. ENN Group Co., Ltd. has become an indirect controlling shareholder of Hebei Weiyuan Biochemical Co., Ltd. because of the purchase of 80% equity in Hebei Weiyuan Group Co., Ltd.

On 4 April 2006, the shareholders’ meeting regarding the stock split reform of the Company deliberated and approved the Scheme on Reform of Stock Split of Hebei Weiyuan Biochemical Co., Ltd. under which Hebei Weiyuan Group Co., Ltd., the non-tradable shareholder, should be granted with circulation right for the non-tradable shares held by it and offer 2.5 shares to tradable shareholders for every 10 shares, with a total of 16,524,000 shares offered. After the implementation of the Scheme, the Company’s total share capital remained unchanged.

On 30 May 2006, the Company’s 2005 Annual General Meeting considered and approved the Profit Distribution and Capital Provident Fund Transfer Scheme. Based on the total share capital at the end of 2005, the Company increased 10 shares per 10 shares to all shareholders, a total of 118,221,713 shares. After the implementation of the plan, the company’s total share capital was changed to 236,443,426 shares.

On 27 December 2010, China Securities Regulatory Commission issued to the company license [2010] No. 1911 approval document, approving that Hebei Weiyuan Biochemical Co., Ltd. issued 75,388,977 shares in total to ENN Holdings Investment Limited (referred to as “ENN Holdings” for short) to buy the 75% equity of Xinneng (Zhangjiagang) Energy Co., Ltd. and 100% equity of Xinneng (Bengbu) Energy Co., Ltd. On 6 January 2011, the

Company completed the procedures for the securities registration change of the new-added shareholders, and on January 28, the registration procedures for the industrial and commercial change of the new-added capital of ENN Holdings Investment Limited were completed. The total amount of the company's equity was changed to 311,832,403 shares.

According to the resolution of the Second Extraordinary General Meeting of Shareholders of 2012 and the approval of China Securities Regulatory Commission [2013] No. 211, of "the approval of Hebei Weiyuan Biochemical Co., Ltd. to purchase assets from ENN Holdings Investment Limited and other issued shares", the Company non-publicly issued 229,872,495 shares to ENN Holdings Investment Limited; issued 98,360,656 shares to Beijing ENN-Jianyin Energy Development Equity Investment Fund (Limited Partnership) (short for "ENN Fund"); issued 78,688,525 shares, to Langfang Heyuan Investment Center (Limited Partnership) (short for Heyuan Investment); issued 100,182,149 shares, to Stone Capital Energy Equity Investment Fund (Shanghai) (Limited Partnership) (short for Taoshi Fund); issued 63,752,277 shares to Shenzhen Ping'an Innovation Capital Investment Co., Ltd. (short for "Ping'an Capital"); issued 19,672,131 shares to Legend Holdings (short for "Legend Holdings"), and issued 19,672,131 shares to Oceanwide Energy Investment Co., Ltd. (short for "Oceanwide Investment") to acquire Xinneng Mining Industry Co., Ltd. (short for "Xinneng Mining") which is totally held by seven companies. The company acquired 100% equity of the Xinneng Mining Industry Co., Ltd. and 75% equity indirectly of Xinneng Energy Co., Ltd. Through. Xinneng Mining on 4 July 4 2013, the Company completed the registration and alteration procedures in the Shanghai Branch of China Securities Registration and Settlement Co., Ltd. On 12 August 2013, the Company completed the registration procedures for the industrial and commercial changes of a total capital increase of RMB610,200,364, to ENN Holdings, ENN Fund, He Investment, Taoshi Fund, Ping An Capital, Legend Holdings and Fanhai Investment, and the Company's equity changed to 922,032,767 shares.

According to the approval of the Reply to Approval of the Acquisition of Issued Shares of ENN Holdings Investment Limited by Hebei Weiyuan Biochemical Co., Ltd. by the resolution of Second Extraordinary General Meeting of Shareholders of 2012 and the China Securities Regulatory Commission Regulatory License [2013] No. 211, the Company non-publicly issued a total of 63,752,276 ordinary shares (A shares) on 26 December 2013 with a face value of RMB 1 per share and an issue price of RMB10.98 per share. On 31 December 2013, the procedures for the registration and alteration of non-public shares and the registration procedures of industrial and commercial changes in registered capital were completed, and the equity was changed to 985,785,043 shares.

After deliberation and approval by the Second Extraordinary General Meeting of Shareholders in 2014, the name of the Company was changed to "ENN Ecological Holdings Co., Ltd." on 24 December 24 2014, and the Company obtained a new "Business License for Enterprise Legal Person" issued by Shijiazhuang Administration for Industry and Commerce. Approved by the Shanghai Stock Exchange, the Company securities abbreviation shall be changed from "Weiyuan Biochemical" to "ENN-NG" since 16 January 2015, and the securities code remained unchanged.

According to the Resolution on the Allotment Security Issuance Plan of the Company for 2017 and the Resolution on Adjusting the Allotment Security Issuance Plan of the Company for 2017, which were considered and approved by the Eighth Meeting of the Eighth Board of Directors held by the Company on 17 April 2017 and the Third Extraordinary General Meeting of Shareholders held by the Company on 3 May 2017 and the 13rd Meeting of the Eighth Board of Directors held on 2 August 2017, on 30 August 2017, at its Fifteenth Meeting of the Eighth Board of Directors, the Resolution on Determining the Proportion of Company Allotments was considered and approved. On 19 January 2018, the Company received the approval document (Securities Regulatory [2018] No. 115) of the China Securities Regulatory Commission (CSRC) on Approval of the Allotment of Shares of ENN Ecological Holdings Co., Ltd. The shares allotment was based on a total of 985,785,043 shares after the closing of the Shanghai Stock



Exchange on 1 February 2018, shares were allotted to all Shareholders at 2.5 shares per 10 shares and at a price of RMB 9.33 per share. As of 12 February, 2018, the Shareholders of all the tradable shares with unlimited conditions actually acquired 243,570,740 shares of RMB common shares, and the company actually received the acquisition amount of RMB 2,272,515,004.20; the company deducted various issuance charges of RMB 33,684,570.74 (including tax); and actually recruited funds net amount of RMB 2,238,830,433.46, among them: Included in the equity of RMB 243,570,740.00 and included in capital reserve of RMB 1,997,166,367.26. Meanwhile, the registered capital of the Company has been changed to RMB 1,229,355,783.00.

According to the Resolution on Replacement of Major Assets, Issuance of Shares and Payment of Cash for Purchase of Assets and Matching Fund-Raising Plan which was considered and approved at the Fourth Meeting of the Ninth Board of Directors of the Company, the Resolution on Revising the Plan on Replacement of Major Assets, Issuance of Shares and Payment of Cash for Purchase of Assets and Matching Fund-Raising Plan, which was considered and approved at the Eighth Meeting of the Ninth Board of Directors, the Concerning Approval of the Issuance of Shares to ENN Group International Investment Limited to Buy Assets and Raise Matching Funds (Securities Regulatory Commission [2020] No. 806) and the Notice on the Adjustment of the Issuance Price and Issuance Quantity of the Issued Assets after the Assignment of Equity in 2019, issued by ENN Ecological Holdings Co., Ltd. China Securities Regulatory Commission, the Company issued 1,370,626,680 common shares (A shares) in RMB to ENN International Co., Ltd to purchase assets. The Company applies for an increase of the registered capital of RMB 1,370,626,680.00, which shall be subscribed by ENN International with its corresponding shareholding in ENN Energy. The registered capital after the change shall be RMB 2,599,982,463.00.

After deliberation and approval of the 4th Extraordinary General Meeting in 2020, the name of the company was changed to ENN Natural Gas Co., Ltd. on 2 December 2020, and the new Business License issued by Shijiazhuang Market Supervision Bureau was obtained.

As resolved at the 4th Meeting of the Ninth Board of Directors held on 9 September 2019, the 8th Meeting of the Ninth Board of Directors held on 21 November, 2019, the 6th Extraordinary General Meeting held on 9 December 2019, the 11th Meeting of the Ninth Board of Directors held on 12 March 2020, as well as at the First Extraordinary General Meeting held on 30 March 2020, and the Approval for ENN Ecological Holdings Co., Ltd. to Issue Shares to ENN Group International Investment Limited to Purchase Assets and Raise Matching Funds (CSRC [2020] No. 806) issued by China Securities Regulatory Commission, the Company has issued 245,871,156.00 ordinary shares (A shares) with a par value of RMB 1.00 each at an issue price of RMB 12.50 per share to specific recipients by way of private offering raising gross proceeds of RMB 3,073,389,450.00, and after deducting the issuance fee of RMB 45,029,544.86 (excluding taxes), the actual net amount of funds raised is RMB3,028,359,905.14. The Company has used RMB 245,871,156.00 of the capital raised from this non-public issuance of shares to increase the registered capital, and the remaining part has been added to the Company's capital surplus as issue premium after deducting issue expenses. The registered capital after the renewal is RMB 2,845,853,619.00.

According to the Proposal on the Company's Assets Purchase by Issue of Shares and Cash Payment and Related-party Transaction Scheme deliberated and approved at the 44th Meeting of the Ninth Board of Directors, the approval documents of the Official Reply on Approval of Issue of Shares by ENN Natural Gas Co., Ltd. to ENN Science and Technology Development Co., Ltd. for Purchase of Assets (CSRC License [2022] No. 1660) issued by CSRC and the Company's Announcement on Adjusting the Issue Price and Number of Shares Issued and Cash Payment for Purchase of Assets or Related-party Transactions after the Implementation of Equity Distribution in 2021, the Company issued 252,808,988 RMB ordinary shares (A-share) for assets purchase to ENN Science and Technology Development Co., Ltd. (hereinafter referred to as "ENN Science and Technology"), and applied for an

increase in registered capital of RMB 252,808,988.00, which was subscribed for by ENN Science and Technology with its 45% equity interest in ENN (Zhoushan) LNG Co., Ltd. (hereinafter referred to as "ENN Zhoushan"). The registered capital after change amounted to RMB 3,098,662,607.00.

In accordance with the *Proposal on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan* approved by the 47th meeting of the Ninth Board of Directors, the 26th Meeting of the Ninth Board of Supervisors and the 2022 Third Extraordinary General Meeting of Shareholders, and the *Proposal on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan* approved by the Fifth Meeting of the Tenth Board of Directors, the Forth Meeting of the Tenth Board of Supervisors and the 2022 Sixth Extraordinary General Meeting of Shareholders, 265,000 restricted shares were repurchased and canceled on 24 February 2023, and the registered capital after change was RMB 3,098,397,607.00, and the share capital denominated in RMB was RMB 3,098,397,607.00.

According to the *Proposal on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan* considered and approved by the Twelfth Meeting of the Tenth Board of Directors, the Tenth Meeting of the Tenth Board of Supervisors, and the 2024 First Extraordinary General Meeting of Shareholders, 782,500 restricted shares were repurchased and canceled on 12 July 2024, and the registered capital after change was RMB 3,097,615,107.00, and the share capital denominated in RMB was RMB 3,097,615,107.00.

According to the *Proposal on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan* considered and approved by the 16th Meeting of the Tenth Board of Directors, the 13th Meeting of the Tenth Board of Supervisors, and the 2023 Annual General Meeting of Shareholders, 527,500 restricted shares were repurchased and canceled on 24 September 2024, and the registered capital after change was RMB 3,097,087,607.00, and the share capital denominated in RMB was RMB 3,097,087,607.00.

As at 31 December 2024, the registered capital of the Company was RMB 3,098,397,607.00; legal representative: Wang Yusuo; registered office of the Company: No. 383, Heping East Road, Shijiazhuang City; headquarter address of the Company: 118 Huaxiang Road, Gungyang District, Langfang City.

The primary business activities of the Company and its subsidiaries include sale of natural gas-based clean energy, Panergy business, construction and installation, energy production, natural gas infrastructure operation and related smart home services.

These financial statements and the notes thereto were approved at the Company's 14th Meeting of the Tenth Board of Directors on 26 March 2025.

## IV. Basic of Preparation of Financial Statements

### 1. Basis of Preparation

The financial statements have been prepared on a going-concern basis subject to the actual transactions and matters and in accordance with the Accounting Standards for Business Enterprises — Basic Standards issued by the Ministry of Finance and specific accounting standards, guidance on the application of the Accounting Standards for Enterprises, interpretation of the Accounting Standards for Enterprises and other relevant regulations (hereinafter collectively referred to as "ASBE"), as well as the provisions on disclosure of the Preparation Rules for Information Disclosures by Companies Offering Shares to the Public No. 15 — General Provisions on Financial Reports (revised in 2023) issued by China Securities Regulatory Commission.

## 2. Going Concern

☒ Applicable ☐ N/A

The Company has evaluated the going concern ability within 12 months since the end of the Reporting Period and has not found any event or circumstance causing substantial doubt about the going concern ability. These financial statements were therefore prepared on the basis of going concern assumption.

## 3. Accounting Basis and Valuation Principle

The Company's accounting is based on accrual basis accounting. In addition to certain financial instruments, investment real estate is measured at fair value, and these financial statements are based on historical costs. In the case of impairment of assets, a provision for impairment shall be made accordingly.

Under historical cost measurement, assets are measured at the fair value of the cash or cash equivalents paid at the time of purchase or the corresponding price paid. The liabilities shall be measured in terms of the amount of money or assets actually received as a result of the current obligation, or the contract amount of the current obligation, or in terms of the amount of cash or cash equivalent expected to be paid for the repayment of the liabilities in daily activities.

# V. Significant Accounting Policies and Accounting Estimates

Indication of specific accounting policies and accounting estimates:

☒ Applicable ☐ N/A

The Company determines the policies on depreciation of fixed assets, amortization of intangible assets and recognition of income based on its production and operation characteristics. See Note V-21, Note V-26 and Note V-34 for specific accounting policies.

## 1. Statement of Compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the Company comply with the requirements of the Accounting Standards for Business Enterprises, and give a true and complete reflection on the Company's financial position, operating results, changes in shareholders' equity, cash flow and other relevant information.

## 2. Accounting Period

The fiscal year of the Company begins on 1 January and ends on 31 December of a calendar year.

## 3. Operating Cycle

☒ Applicable ☐ N/A

The Company treats 12 months as one operating cycle.

## 4. Recording Currency

RMB is the currency prevailing in the primary economic environment in which the Company and its domestic subsidiaries operate, and the Company and its domestic subsidiaries use RMB as their recording currency. Part of the overseas subsidiaries of the Company determine USD as their recording currency based on the primary economic environment in which they operate. The currency used by the Company in the preparation of these financial statements is RMB.

## 5. Determination Method and Selection Basis of Materiality Criteria

√ Applicable    ☐ N/A

Item	Materiality criteria
Material construction in progress	More than RMB 100 million of budge amount
Material other payables aged over one year	More than 1% of ending book value of other payables
Material non-wholly owned subsidiaries	More than 10% profit contribution
Material capitalized research and development projects	More than RMB 100 million of budge amount
Material cash related to investing activities	More than 1,000 million

## 6. Accounting Treatment Method of Business Combination under Common Control and Different Control

√ Applicable    ☐ N/A

- (1) Business combination under common control: A business combination under common control is a business combination in which all the combining enterprises are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory. Assets and liabilities that are obtained by the Company in a business combination under common control shall, except for adjustments made due to different accounting policies, be measured at the book value of the assets and liabilities of the combined party (including the goodwill arising from the acquisition of the combined party by the final controller) in the consolidated financial statements of the final controller on the combination date. Assets and liabilities that are acquired in a business combination by the Company shall be measured at their book values as recorded by the combined party on the combination date. The difference between the book value of the net assets acquired and the book value of the consideration paid for the combination (or the aggregate face value of shares issued) shall be adjusted to the capital reserve. If the capital reserve is not sufficient to offset the difference, excess shall be adjusted against retained earnings. The intermediary fees of auditing, legal services, evaluation and consultation and other directly relevant expenses incurred for the business combination shall be charged against profit or loss in the period in which the cost is incurred; the transaction costs of issuing equity securities for the purpose of business combination shall be deducted from the proceeds of issuance of equity securities, and shall be deducted from the premium income when the equity instruments are issued at a premium, or shall be deducted from the surplus reserve and undistributed profits when the equity securities are issued without a premium or the amount of the premium is insufficient to be deducted.
- (2) Business combination not under common control: The Company's assets paid as consideration for a business merger, liabilities incurred or assumed on the purchase date are measured at fair value. The balance between the fair value and its book value shall be recorded in the profits and losses of the current period. The difference between the combination cost and the fair value shares of the identifiable net assets of the acquiree acquired in the combination shall be recognized as goodwill by the company; Where the combination cost is less than the fair value shares of the identifiable net assets of the acquiree acquired in the combination, the difference between them shall be included in the profits and losses of the current period after reexamination. The intermediary expenses, such as auditing, legal services, consultation on evaluation, and other management expenses incurred for the merger of an enterprise are used to be included in the current profit and loss when it

occurs. The transaction costs of the purchaser for equity securities or debt securities issued as the consideration in the business combination shall be recorded as the initial confirmed amount of the equity securities or debt securities.

The fair value of the identifiable net assets of the purchased party refers to the balance after the fair value of the identifiable assets obtained in the merger of the acquiree is deducted from the fair value of the liabilities and contingent liabilities; at the end of the current period of business combination, if the fair value of the identifiable assets, liabilities and contingent liabilities obtained during the enterprise merger or the cost of the enterprise merger can only be determined temporarily, the purchaser shall confirm and measure the business combination on the basis of the temporarily determined value. If the temporarily determined value is adjusted within 12 months after the purchase date, it shall be deemed to be confirmed and measured on the purchase date.

## 7. Control Criteria and Preparation Method for Consolidated Financial Statements

☒ Applicable   ☐ N/A

### (1) *Control criteria*

The scope of the consolidated financial statements is determined on the basis of control. Control means that the investor has power over the investee, enjoying a variable return by participating in the relevant activities of the investee, and has the ability to use the power over the investee to affect the amount of the return. The term “relevant activities” refers to activities that have a significant impact on the returns of the investee. The relevant activities of the investee shall be judged according to the specific circumstances, usually including the sale and purchase of commodities or services, the management of financial assets, the purchase and disposal of assets, research and development activities and financing activities. The Company will reassess the relevant elements involved in the definition of control as a result of changes in relevant facts and circumstances.

In determining whether a structured subject should be included in the scope of consolidation, the Company will assess whether the structured subject has been controlled based on a comprehensive view of all facts and circumstances, including an assessment of establishment purpose and design of the structured subject, identification of types of variable returns, and whether the Company assumes some or all of the variable returns by participation in its activities.

### (2) *Method for preparation of consolidated financial statements*

Based on its own financial statements and those financial statements of its subsidiaries, the Company shall prepare consolidated financial statements on the basis of other relevant information. The Company prepares consolidated financial statements, regarding the whole enterprise group as an accounting subject, and reflecting the overall financial situation, operating results and cash flow of the enterprise group according to the confirmation, measurement and reporting requirements of relevant enterprise accounting standards and according to unified accounting policies.

- ① Consolidate the items including assets, liabilities, owners' equity, income, expenses and cash flows of the parent company and subsidiaries.
- ② Offset the long-term equity investment of the parent company in the subsidiaries and the share of the parent company in the owners' equity of subsidiaries.



- ③ Offset the impact of internal transactions between parent company and subsidiary and between subsidiaries. If the internal transaction indicates that the relevant assets have suffered impairment losses, the partial loss shall be fully recognized.
- ④ Adjust the special transaction from the point of view of the enterprise group.

### (3) *Special considerations in consolidation offset*

If there is a temporary difference between the book value of the assets and liabilities in the consolidated balance sheet and the tax base of the tax payers due to the offset of the unrealized internal sales gains and losses, the deferred income tax assets or deferred income tax liabilities shall be determined in the consolidated balance sheet and the income tax expenses in the consolidated profit statement shall be adjusted simultaneously, except for the deferred income tax related to the merger of enterprises and the transactions or matters directly recorded into the owners' equity.

The profit or loss on unrealized internal transactions incurred by the Company in selling assets to a subsidiary shall be fully offset by the "net profit attributable to owners of parent company". The profit or loss on unrealized internal transactions incurred by the sale of assets from the subsidiary to the Company shall be offset based on the Company's distribution ratio to the subsidiary between the "net profit attributable to owners of parent company" and the "minority interest". Any unrealized internal transaction profit or loss incurred by the sale of assets between the subsidiaries shall be set off based on the Company's distribution ratio to the seller subsidiary between "net profit attributable to owners of parent company" and the "minority interest".

If the current loss shared by the minority shareholder of a subsidiary exceeds the equity enjoyed by the minority shareholder in the minority shareholder's initial equity of the subsidiary, the balance shall still be used to reduce the owners' equity.

For the purchase of subsidiary minority equity or the disposal of a partial equity investment without losing control over the subsidiary, as an equity transaction accounting, adjust the book value of the owners' equity attributable to parent company and minority interest to reflect the change of the parent company's relevant interest in the subsidiary. The capital reserve is adjusted according to the balance between the adjustment of minority interest and the fair value of the payment/receipt of the consideration. If the capital reserve is insufficient to be reduced, the retained earnings shall be adjusted.

If, through multiple transactions, the purchased party's equity is acquired step by step, and an business combination not under common control is finally formed, it shall be processed separately according to the fact whether or not it belongs to the "package transaction": In the case of "package transactions", the transactions shall be treated as a transaction in which control is obtained. If it does not belong to the "package transaction", it shall be treated as an accounting transaction obtained control on the date of purchase, and the equity held by the purchased party prior to the date of purchase shall be re-measured according to the fair value of the equity on the date of purchase, and the balance between the fair value and the book value shall be recorded in the profits and losses of the current period; The equity of the purchased party held by the purchaser before the date of purchase relates to other comprehensive income of equity method accounting, and other owner's equity changes of equity method accounting. It shall be transferred to current income on the date of purchase.

If the control over the original subsidiary is lost due to the disposal of part of the equity investment or in other reasons, the remaining equity shall be re-measured according to its fair value on the date of loss of control. The sum of the consideration obtained from the disposal of the equity and the fair value of the remaining equity, minus the balance between the share of the original subsidiary's net assets calculated continuously from the date of purchase based on the original shareholding ratio, which shall be included in the investment income of the current period of loss of control while shall reduce goodwill at the same time. Other original comprehensive returns related to the equity investment of subsidiaries will be converted into current investment returns when control is lost.

## 8. Classification of Joint Arrangements and Accounting Treatment Method for Joint Operations

☒ Applicable   ☐ N/A

Joint arrangements include joint operations and joint ventures. The joint operation means the joint arrangement in which the joint venture party enjoys the relevant assets and assumes the relevant liabilities of the arrangement. The joint enterprise refers to a joint arrangement in which the joint venture party has the right only to the net assets of the arrangement.

The parties to the joint venture shall recognize the following items relating to their share of profits in joint operations: recognize the assets held separately and of the assets held jointly at their share; recognize the liabilities to be assumed separately and the liabilities to be assumed jointly according to their respective shares; recognize the revenue generated from the sale of the share of common operating output it enjoys; recognize revenue generated from the sale of outputs of joint venture according to their shares; recognize the costs incurred separately and the costs incurred in joint venture according to their shares.

## 9. Recognition Criteria for Cash and Cash Equivalents

Cash refers to the cash on hand and deposits that can be readily used for payment. Cash equivalents refer to short-term and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

## 10. Foreign Currency Transaction and Translation of Foreign Currency Financial Statements

☒ Applicable   ☐ N/A

### ***(1) Method for determining the exchange rate for translation in foreign currency transactions***

The approximate exchange rate of the spot exchange rate or spot exchange rate at the date of the transaction shall be converted into the book currency when the initial recognition of the foreign currency transaction of the Company is made.

### ***(2) Method for translation of monetary items and in foreign currency on balance sheet date***

As for monetary items in foreign currency on the balance sheet date, the spot rate on the balance sheet date shall be adopted. The exchange difference arising from the difference between the spot exchange rate at the balance sheet date and the spot exchange rate at the initial recognition date or at the previous balance sheet date is recognized through current profit or loss.

### (3) *Translation method of financial statements denominated in foreign currency*

Before the conversion of the financial statements of an enterprise's overseas operations, the accounting period and the accounting policy of the overseas operation shall be adjusted so as to be consistent with the accounting period and the accounting policy of the enterprise, and the financial statements of the corresponding currency (currencies other than bookkeeping base currency) shall be prepared according to the adjusted accounting policy and the accounting period, and then the financial statements of the overseas operation shall be converted according to the following methods:

- ① The items of assets and liabilities in the balance sheet shall be converted at the spot exchange rate on the balance sheet date, and the items of owners' equity shall be converted at the spot exchange rate at the time of occurrence in addition to the item of "undistributed profits".
- ② The income and expense items in the profit statement shall be converted by the spot exchange rate on the date of the transaction or by the approximate exchange rate of the spot exchange rate.
- ③ When preparing the consolidated financial statements, the resulted foreign currency financial statements translation difference shall be included in "other comprehensive income" separately under the items of owners' equity in the consolidated balance sheet.
- ④ Foreign currency cash flow and cash flow of overseas subsidiaries shall be converted by the spot exchange rate on the date of cash flow or by the approximate exchange rate of the spot exchange rate on the date of cash flow. The impact of exchange rate changes on cash shall be regarded as an adjustment item and shall be reported separately in the cash flow statement.

## 11. Financial Instruments

√ Applicable    ☐ N/A

Financial instruments refer to contracts that form financial assets of one party and financial liabilities or equity instruments of the other party. The Company recognizes a financial asset or financial liability when it becomes one party to a financial instrument contract.

Financial assets and financial liabilities are measured at fair value when they are initially recognized. For financial assets and financial liabilities measured at fair value and whose changes are recorded in the profits and losses of the current period, the related transaction costs are directly recorded into the profits and losses of the current period; for other types of financial assets and financial liabilities, the transaction costs are included in the initial determination amount. Accounts receivable or notes receivable arising from the sale of goods or the provision of services that do not contain or do not consider significant financing components shall be initially measured according to the amount of consideration expected to be entitled to receive.

The amortization cost of a financial asset or financial liability is the initially determined amount of the financial asset or financial liability deducted by the principal that has been repaid, plus or minus the accumulated amortization amount formed by amortizing the difference between the initial determined amount and the amount on maturity by the effective interest rate method, and then deducting the accumulated loss reserve (applicable only to financial assets).

The effective interest rate method refers to the method of calculating the amortization cost of financial assets or financial liabilities and apportioning interest income or interest expenses into each accounting period.

The effective interest rate refers to the interest rate used to convert the estimated future cash flow of a financial asset or financial liability into the book balance of the financial asset or the amortization cost of the financial liability. In determining the effective interest rate, the expected cash flow is estimated on the basis of consideration of all contract terms (such as advanced repayment, rollover, call options or other similar options) of financial assets or financial liabilities, without considering the expected credit loss.

### ***(1) Classification and measurement of financial assets***

Financial assets are initially recognized at fair value. After initial recognition, according to the business model of managing financial assets and the contractual cash flow characteristics of financial assets, the Company divides the financial assets into: (1) Financial assets measured at amortized cost; (2) Financial assets measured at fair value and with changes included in other consolidated income; (3) Financial assets that are measured at fair value and whose variations are included in the current profits and losses.

#### *Debt instrument*

Financial assets measured at amortized cost

The contract terms of a financial asset stipulate that the cash flow generated at a specified date is only the payment of principal and interest based on the unpaid principal amount, and the business model of the financial asset management by the company is to collect contract cash flow as the goal. The company classifies the financial asset as a financial asset measured at amortization cost.

For such financial assets, the effective interest rate method is adopted for subsequent measurement according to the amortized cost. The profit or loss when the impairment occurs or terminates the determination should be included into the current profit and loss. Such assets of the Company comprise monetary capital, lending funds, loans and advances granted, notes receivable, accounts receivable, other receivables, debt investments and long-term receivables, etc. The Company presents its debt investments and long-term receivables due within one year (including one year) from the balance sheet date as non-current assets due within one year; Debt investments with a maturity of one year (including one year) or less at the time of acquisition are listed as other current assets.

The Company recognizes interest income for financial assets classified as amortization costs according to the effective interest rate method. The Company shall calculate and determine interest income by multiplying the book balance of the financial assets by the actual interest rate, except as follows: a) the financial asset becomes a credit impairment financial asset during the follow-up period, and the interest income of the company shall be calculated and determined according to the amortization cost and the actual interest rate of the financial asset during the follow-up period; b) If, during the follow-up period, the financial instrument ceases to have credit impairment due to an improvement in credit risk, and this improvement may be associated with an event following the application of the above-mentioned provision, the Company shall calculate and determine interest income at the actual interest rate multiplied by the book balance of the financial asset.

#### Financial assets measured at fair value through other comprehensive income

The contract term of a financial asset stipulates that the cash flow generated at a specific date is only for the payment of principal and interest based on the amount of unpaid principal, and that the business mode of the Company in charge of the financial asset is both to collect the contract cash flow and to sell the financial asset, the financial asset is classified as a financial asset measured at fair value and its changes are included in other comprehensive income.

The relevant profits and impairment losses, the interest income calculated by the effective interest rate method and exchange profits and losses of the financial asset measured at fair value and whose changes are included in other comprehensive income are recorded in the current profit and loss. In addition, the fair value changes of the financial assets are recorded in other comprehensive income. When the financial asset terminates its determination, the accumulated profits or losses previously recorded in the other comprehensive income shall be transferred out from the other comprehensive income and shall be recorded in the current profit or loss. The Company's financial assets mainly include receivables financing, other debt investment and so on. The Company presents its debt investments and long-term receivables due within one year (including one year) from the balance sheet date as non-current assets due within one year; debt investments with a maturity of one year (including one year) or less at the time of acquisition are listed as other current assets.

#### Financial assets measured at fair value through profit or loss for the current period

Financial assets measured at fair value and whose changes are included in current profit or loss include financial assets classified as being measured at fair value and whose changes are included into current profit or loss and financial assets designated as being measured at fair value and whose changes are included into current profit or loss.

The Company classifies the debt instruments held by the company that are not classified as measured at amortization cost and measured at fair value with changes included in other comprehensive income, as financial assets measured at fair value with changes included in current profit and loss, and lists them as trading financial assets. Those which will mature in more than one year from the balance sheet date and are expected to be held more than one year are listed as other non-current financial assets.

The Company shall carry out follow-up measurements of such financial assets at fair value and shall include the profits or losses resulting from changes in fair value and the dividends and interest income related to such financial assets into the current profit or loss.

#### *Equity instrument investment*

The equity instrument investments that are not controlled, jointly controlled and significantly affected by the Company shall be measured at fair value and its changes shall be recorded in the profits and losses of the current period, and shall be listed as trading financial assets; Those which will mature in more than one year from the balance sheet date and are expected to be held more than one year are listed as other non-current financial assets.

In addition, at the time of initial determination, the Company may, on the basis of a single financial asset, irrevocably designate a non-trading equity instrument as a financial asset measured at fair value and whose changes are included in other comprehensive income, and display it as an investment in other equity instruments.



After the financial asset has been designated, the fair value change of the financial asset shall be determined in the other comprehensive income. When the financial asset terminates the determination, the accumulated profits or losses previously included in the other comprehensive income shall be transferred from the other comprehensive income and shall be included in the retained income. During the investment period when the Company holds the equity instrument, its right to collect dividends has been established, and the dividend-related economic benefits are likely to flow to the Company. When the amount of the dividend can be measured reliably, the income from the dividend is determined and included in the current profit or loss.

## **(2) *Impairment of financial instruments***

The Company recognizes loss provision on the basis of expected credit losses for debt instrument investments and financial guarantee contracts that are classified as measured by the amortization cost, measured by fair value and included changes in other comprehensive income.

### *Determination of expected credit loss*

Expected credit loss refers to the weighted average of credit loss of financial instruments weighted by the risk of default. Credit loss refers to the difference between all contract cash flows receivable by the Company at the original effective interest rate and all cash flows expected to be received, that is, the present value of all cash shortages.

The Company determines the expected credit loss of relevant financial instruments according to the following methods:

- For financial assets, credit loss is the present value of the difference between the contract cash flow and the expected cash flow.
- In case of a financial security contract, the credit loss shall be the amount of the expected payment made by the company to the holder of the contract in respect of the loss of credit incurred, minus the present value of the difference between the amount that the company expects to receive from the contract holder, debtor, or any other party.
- For a financial asset whose credit impairment has occurred on the balance sheet date, but which has not been acquired or which has occurred at the source, the credit loss is the difference between the book balance of the financial asset and the present value of estimated future cash flows discounted at the original effective interest rate.

Factors reflected in the Company's method for measuring expected credit losses of financial instruments include: The weighted average amount of unbiased probability determined by evaluating a series of possible results; Time value of money; reasonable and reliable information about past events, current conditions and future economic conditions can be obtained on the balance sheet date without paying unnecessary additional costs or efforts.

The Company measures its reserve for loss of accounts receivable, contract assets and notes receivable formed by transactions regulated by income standards that do not contain significant financing components at an amount equivalent to the expected credit losses during the entire duration.

For other financial instruments, the Company evaluates the changes of the credit risk of the relevant financial instruments from the initial recognition on each balance sheet date. If the credit risk of the financial instrument has increased significantly from the initial recognition, the Company shall measure its reserve for loss at the amount equivalent to the expected credit loss of the financial instrument during the entire duration. If the credit risk of the financial instrument has not increased significantly from the initial recognition, the Company shall measure its reserve for loss at the amount equivalent to the expected credit loss of the financial instrument over the next 12 months. The increase or return amount of the reserve for credit loss shall be recorded as impairment loss or gain in the current profit or loss, and the Company shall offsets the credit loss provision against the book balance of related financial assets with the exception of financial assets which are classified as being measured at fair value and whose changes are included in other comprehensive income; for a financial asset which is classified as being measured at fair value and whose changes are included in other comprehensive income, the Company confirms its reserve for credit loss in other comprehensive income and the book value of the financial asset listed in the balance sheet is not reduced.

The Company has measured its reserve for losses during the previous accounting period at the amount of the expected credit loss of the financial instrument in the entire duration. However, on the current balance sheet day, the financial instrument is no longer subject to a significant increase in credit risk since the initial recognition. On the current balance sheet day, the Company measured its reserve for losses at the amount of the expected credit loss of the financial instrument over the next 12 months, and the reversion of the resulting loss reserve is credited to the current profit and loss as impairment gains.

The Company considers the expected credit loss according to a single item of notes receivable, accounts receivable and contract assets that have been credit-impaired, and the Company uses an impairment matrix to determine the relevant credit losses on a combination basis for the notes receivable, accounts receivable and contract assets that are not credit-impaired. Based on the common risk characteristics, the Company divides the notes receivable, accounts receivable and contract assets considered on a combination basis into different groups. The common credit risk characteristics adopted include: the business type and business channel corresponding to the notes receivable, accounts receivable and contract assets, whether the debtor is a related party, etc. The basis for combination determination is specified as follows:

A. Notes receivable

- Combination 1: Banker's acceptance bills
- Combination 2: Commercial acceptance bills

B. Accounts receivable

- Combination 1: Related party payment
- Combination 2: Non-related party payment

The non-related party payment combinations of accounts receivable include gas sale combination, gas wholesale combination, panergy business portfolio, energy engineering combination, energy production combination, etc.

#### C. Contract assets

The contract assets include energy engineering.

The aging of accounts receivable and contract assets is calculated from the date of recognition.

#### D. Other Receivable

The Company considers the expected credit loss according to a single item of other receivables that have been credit-impaired, and the Company uses an impairment matrix to determine the relevant credit losses on a combination basis for the other receivables that are not credit-impaired. Based on the common risk characteristics, the Company divides the other receivables considered on a combination basis into different groups. The common credit risk characteristics adopted include: the nature of other receivables, whether the debtor is a related party, etc.

- Other receivables combination 1: Related party payment
- Other receivables combination 2: Non-related party payment

The Company considers the expected credit loss according to a single item for other financial assets (including loans and advances, debt investment, long-term receivables, etc.) and other debt investments that have been credit-impaired. The expected credit loss is calculated for those that are not credit-impaired in light of the nature of investment and based on the types of counterparty and risk exposure with default risk exposure and the expected credit loss ratio within the next 12 months or the entire duration.

#### *Significant increase of credit risk*

The Company uses reasonable and sound forward-looking information available to determine whether the credit risk of financial instruments has increased significantly since the initial determination by comparing the risk of default on the balance sheet date with the risk of default on the initial recognition date. For a financial guarantee contract, the Company shall, when applying the financial instrument impairment provision, make the date on which the Company becomes the party making the irrevocable undertaking as the initial recognition date.

The Company will take into account the following factors when assessing whether there is a significant increase in credit risk:

- Whether the external market indicators of credit risk of the same financial instrument or similar financial instrument with the same expected duration have changed significantly;
- Whether the external credit rating of financial instruments changes significantly in real or expected terms;
- The expected adverse changes in business, financial or economic conditions that will result in significant changes in the debtor's ability to perform its debt service obligations;
- Whether the actual or expected performance of the debtor's business has changed significantly;
- Whether there are significant adverse changes in the supervision, economic or technical environment of the debtor;

- Whether a contractual payment is overdue for more than 30 days (inclusive), provided that the Company can obtain, without undue cost or effort, reasonable and substantiated information to demonstrate that, although the contractual payment terms have been exceeded by 30 days, there has been no significant increase in credit risk since initial recognition.

On balance sheet date, if the Company determines that a financial instrument has only a lower credit risk, the Company assumes that the credit risk of the financial instrument has not increased significantly since the initial recognition. If the default risk of a financial instrument is low, and the borrower's ability to fulfill his contractual cash flow obligation is very strong, and even if there are unfavorable changes in the economic situation and operating environment over a long period of time, it may not necessarily reduce the borrower's performance of its contractual cash obligations, the financial instrument is considered to have lower credit risk.

#### *Financial assets that have suffered credit impairment*

When one or more events that are expected to adversely affect the future cash flow of a financial asset occur, the financial asset becomes a financial asset that has suffered credit impairment. Evidence of credit impairment in financial assets includes the following observable information:

- Major financial difficulties occurred to the issuer or debtor;
- The debtor violates the contract, such as paying interest or defaulting on the principal or being overdue;
- Creditors, due to economic or contractual considerations related to the debtor's financial difficulties, offer concessions to the debtor that would not be made under any other circumstances.
- The debtor is likely to go bankrupt or undertake other financial restructuring;
- The financial difficulties of issuer or debtor cause the disappear of active market of the financial assets.

The Company believes that if a financial instrument is overdue for more than 90 days, it has breached the contract; unless the Company has reasonable and reliable information indicating that it is more appropriate to take longer overdue time as the default standard.

#### *Write-down of financial assets*

When the Company no longer reasonably expects the cash flow of a financial asset contract to be recoverable in whole or in part, it shall directly write down the book balance of the financial asset. Such write-down constitute the derecognition of the financial asset.

### **(3) *Transfer of financial assets***

Financial assets meeting one of the following conditions shall be derecognized: ① The contractual right to receive the cash flow of the financial asset is terminated; the financial asset has been transferred and almost all the risks and rewards in the ownership of the financial asset have been transferred to the transferee; the financial asset has been transferred. Although the Company has neither transferred nor retained almost all the risks and rewards in the ownership of the financial asset, the Company has not retained its control over the financial asset.

If the Company has neither transferred nor retained almost all of the risks and rewards of the ownership of the financial asset, but the company has retained control over the financial asset, the company shall continue to determine the transferred financial asset according to its continuing involvement in the transferred financial asset and shall determine the relevant liabilities accordingly.

The Company shall measure the relevant liabilities in the following manner:

Where a transferred financial asset is measured at amortized cost, the book value of the relevant liability shall be equal to the book value of the transferred financial asset, minus the amortized cost of the rights reserved by the Company (if the Company retains the relevant rights due to the transfer of the financial asset) and plus the amortized cost of the Company's obligations (if the Company assumes the relevant obligations due to the transfer of the financial asset). The relevant liabilities are not designated as financial liabilities measured at fair value and whose changes are included in the profits and losses of the current period.

Where a transferred financial asset is measured at fair value, the book value of the relevant liabilities shall be equal to the book value of the continued to be transferred financial asset, minus fair value of the rights reserved by the Company (if the Company reserves the relevant rights due to the transfer of the financial asset) and the fair value of the Company's obligations (if the Company assumes the relevant obligations due to the transfer of the financial asset), the fair value of the rights and obligations is the fair value measured on an independent basis.

Where the overall transfer of a financial asset meets the conditions for derecognition, the book value of the transferred financial asset and the difference between the corresponding value received as a result of the transfer and the accumulated amount of changes in the fair value originally included in other comprehensive income shall be included in the profits and losses of the current period. For non-trading equity instruments designated to be measured at fair value and whose changes are included in other comprehensive income, the accumulated gains or losses previously included in other comprehensive earnings are transferred out of other comprehensive earnings and included in retained earnings.

If a partial transfer of a financial asset satisfies the conditions for derecognition, the carrying amount of the financial asset as a whole before the transfer is apportioned between the derecognized portion and the continuing recognized portion based on their respective relative fair values at the date of transfer, and the difference between the consideration received for the transfer and the sum of the cumulative amount of changes in fair value previously recognized in other comprehensive income to be apportioned to the derecognized portion and the previously apportioned carrying amount is recognized in profit or loss for the current period. If the financial assets transferred by the Company are non-transmission equity instruments investment designated to be measured at fair value and whose changes are included in other comprehensive income, the accumulated gains or losses previously included in other comprehensive income shall terminate. The determined portion shall be transferred from other comprehensive income and be included in retained earnings.

If the overall transfer of financial assets fails to meet the conditions for derecognition, the Company shall continue to determine the transferred financial assets as a whole, and the consideration received by the transfer of assets shall be recognized as liabilities upon receipt.



#### ***(4) Classification, recognition and measurement of financial liabilities***

The Company classifies the financial instruments or its components as financial liabilities or equity instruments at the time of initial recognition, according to the terms of the contract of the financial instrument issued and the economic substance reflected therein, rather than in the form of law alone, combining the definitions of financial liabilities and equity instruments.

Financial liabilities are classified, at the time of initial recognition, into financial liabilities at fair value through profit or loss and other financial liabilities.

##### ***① Financial liabilities which are measured at fair value and whose changes are included in the current profits and losses***

Financial liabilities measured at fair value and included in profits and losses of the current period, including trading financial liabilities (including derivatives of financial liabilities) and financial liabilities designated to be measured at fair value and whose changes are included in profits and losses of the current period.

At the time of initial recognition, financial liabilities which meet any of the following conditions may be irrevocably designated as financial liabilities to be measured at fair value and whose changes are included in the profits and losses of the current period: (a) the designation may eliminate or significantly reduce the inconsistency in the recognition and measurement of relevant gains or losses due to the difference in the measurement basis of the financial liability; (b) according to such risk management or investment strategies as are set out in the formal written document, manage and evaluate financial liabilities or financial assets on a fair value basis and to report to key managers; and (c) eligible hybrid instruments containing embedded derivatives.

Trading financial liabilities are subsequently measured at fair value, and profits or losses resulting from changes in fair value as well as dividends or interest expenses related to such financial liabilities are included in the profits and losses of the current period.

Financial liability which is designated to be measured at fair value and whose changes are included in the profits and losses of the current period, the changes in the fair value arising from changes in the Company's credit risk shall be included in other comprehensive income, and when the financial liability is derecognized, the accumulated changes at fair value caused by changes in the own credit risk included in other comprehensive income shall be transferred to retained earnings.

Profits or losses resulting from other changes in fair value and dividends or interest expenses related to such financial liabilities are included in profits and losses of the current period. If dealing with the impact of the changes in the credit risk of such financial liabilities in the aforementioned manner will result in or enlarge the accounting mismatch in the profits and losses, the Company shall include all the gains and losses (including the amount affected by the changes in the enterprise's own credit risk) of such financial liabilities into the current profits and losses.

*Other financial liabilities*

Except for the financial liabilities formed by continuing to be involved in the transferred financial assets, other financial liabilities outside the financial guarantee contract are classified as financial liabilities measured at amortization cost. The effective interest method is adopted and subsequent measurement is performed at amortization cost. The profits or losses from derecognition or amortization are included in profits and losses of the current period.

A financial guarantee contract is a contract whereby the issuer of a financial guarantee pays a specified sum to the contract holder who has suffered losses in the event that the debtor is unable to pay its liabilities as they fall due in accordance with the terms of any of the original or any modification thereto. Financial guarantee contracts which are not designated as financial liabilities at fair value through current profit or loss shall, after initial recognition, be measured based on the balance of the provision for losses or the amount of initial recognition less the accumulative amortization amount within the guarantee period, whichever is higher.

**(5) *Derecognition of financial liabilities***

If the current obligations of a financial liability have been discharged in whole or in part, such financial liability or a part thereof shall be derecognized. The Company (borrower) signs an agreement with the lender to replace the original financial liability by assuming the new financial liability. If the contract terms of the new financial liability and the original financial liability are substantially different, the company shall derecognize the original financial liability and simultaneously recognize a new financial liability.

Where a financial liability is derecognized in whole or in part, the Company shall recognize the difference between the book value and consideration paid (including the transferred non-cash assets or new financial liabilities assumed) of the derecognized portions into the current profit and loss.

**(6) *Equity instruments***

Equity instruments are contracts that prove ownership of the residual interest in the Company's assets after deducting all liabilities. The issuance (including refinancing), repurchase, sale or cancellation of the equity instruments of the Company shall be treated as changes in the equity. The Company does not recognize changes in the fair value of equity instruments. The transaction fees related to the equity transactions shall be deducted from the equity.

The distribution to the holders of equity instruments by the Company shall be treated as profit distribution. The share dividend issued by the Company shall not affect the total shareholder equity.

**(7) *Derivatives and hedging instruments***

The Company's related derivative financial instruments include option contracts, swaps, forwards, etc. Derivatives are initially measured at fair value on the date of signing the relevant contract, and are measured subsequently at fair value. Changes in the fair value of derivatives are included in the profits and losses of the current period.

For a hybrid contract composed of embedded derivatives and a principle contract, if the principal contract belongs to financial assets, the Company does not separate the embedded derivatives from the hybrid contract, and the hybrid contract as a whole applies to the accounting standards on the classification of financial assets.

If the principal contract contained in the hybrid contract does not belong to financial assets and meets the following conditions, the Company shall separate the embedded derivatives from the hybrid instruments and treats them as separate derivative financial instruments: Embedded derivatives are not closely related to the principle contract in terms of economic characteristics and risks; A separate instrument with the same terms as the embedded derivatives meets the definition of the derivatives; The hybrid contract is not measured at fair value and its changes are included in the profits and losses of the current period.

The embedded derivative is separated from the hybrid contract, and the Company shall perform accounting treatment to the principle contract of the hybrid contract according to the applicable accounting standards. If the Company cannot reliably measure the fair value of the embedded derivative according to the terms and conditions of the embedded derivative, the fair value of the embedded derivative shall be determined based on the difference between the fair value of the hybrid contract and the fair value of the principle contract. If, after using the above method, the fair value of the embedded derivative on the acquisition date or the subsequent balance sheet date still cannot be measured separately, the Company shall designate the hybrid contract as a financial instrument as a whole measured at fair value and whose changes shall be included in the profits and losses of the current period.

The hedging accounting method refers to the method by which the Company includes the profits or losses generated by the hedging instrument and the hedged item into profits and losses of the current period (or other comprehensive income) in the same accounting period to reflect the impact of risk management activities. The Company uses a cash-flow hedging, specifying certain derivatives to hedge specific risks associated with the cash flows of expected transactions with determined assets or liabilities which are very likely to occur.

The hedged item refers to the item which can be measured reliably; can make the Company to face the risk of cash flow change and is designated as the hedged object. The Company is designated as the hedged item. There is the expectation that the company will face the risk of changes in cash flow and the purchases or sales, etc. may be conducted at a future market price that has not yet been determined.

A hedging instrument is a financial instrument designated by the Company for hedging or a financial instrument whose cash flow changes are expected to offset the cash flow changes of the hedged item.

If the hedging meets the following conditions at the same time, the Company determines that the hedging relationship meets the requirements for the hedging validity:

There is an economic relationship between hedged items and hedging instruments. This economic relationship causes the value of the hedging instrument and the hedged item to change in the opposite direction due to the facing of the same risk of being hedged.

The credit risk does not play a dominant role in the change of value caused by the economic relationship between hedged items and hedging instruments.

The hedging ratio of the hedging relationship is equal to the ratio of the number of hedged items actually hedged by the Company to the actual number of hedging instruments used to hedge the hedged items. But it does not reflect the imbalance of the relative weights of the hedged items and the hedging instruments.

#### *Cash flow hedging*

Cash flow hedging refers to the hedging of risk exposure to changes in cash flow. The cash flow changes arise from transactions very likely to occur with determined assets or liabilities, or specific risks associated with the above-mentioned components of the project, and will affect the profits and losses of the Company. The Company shall, as a cash flow hedging reserve, include in other comprehensive income the part of the gain or loss generated by the hedging instrument that is the effective part of the hedging. The amount of the cash flow hedging reserve is the absolute amount of the following two items, whichever is lower:

- Accumulated gains or losses from the start of the hedging of the hedging instruments;
- The cumulative change in the present value of the expected future cash flow of the hedged item since the beginning of the hedging.

The amount of cash flow hedging reserves included in each period is considered as the change of current cash flow hedging reserves.

The portion of the gains or losses generated by hedging instruments that is ineffective in hedging is included in the profits and losses of the current period.

The hedged item is an expected transaction, and the expected transaction causes the company to subsequently recognize a non-financial asset or non-financial liability, or when the expected transaction of non-financial assets or non-financial liabilities forms a definite commitment applicable to fair value hedge accounting, the Company shall transfer the amount of the cash flow hedging reserves previously determined in other comprehensive income into the initial determination amount of the asset or liability.

For cash flow hedging which does not belong to the above-mentioned situation, the Company shall transfer the cash flow hedging amount originally determined in other comprehensive income to the profits and losses of the current period during the same period in which the expected cash flow to be hedged affects profit and loss.

When the hedging relationship no longer meets the risk management objectives due to changes in risk management objectives (i. e., the subject no longer seeks to achieve the risk management objectives); when the hedging instrument is expired, sold; when the contract is terminated or has been exercised; when the economic relationship between the hedged item and the hedging instruments ceases to exist; when the impact of the credit risk begins to dominate the value change caused by the economic relationship between the hedged item and the hedging instrument; or if the hedging no longer meets the requirements of the hedging accounting method, the Company shall terminate the hedging accounting. If the hedged future cash flow is still expected to occur, the amount of accumulated cash flow hedging reserves determined in other comprehensive income shall be retained and be dealt with according to the above-mentioned accounting

policy for cash flow hedging. If the hedged future cash flow is expected to no longer occur, the amount of the accumulated cash flow hedging reserves shall be transferred from other comprehensive income to the profits and losses of the current period. If the hedged future cash flow is no longer highly likely to occur but may still be expected to occur, in the expect of still occurring, the amount of accumulated cash flow hedging reserves shall be retained and be dealt with according to the above-mentioned accounting policy for cash flow hedging.

#### **(8) Fair value of financial instruments**

The fair value of a financial asset or a financial liability with an active market shall be determined by the quoted price in the active market. Where there is no active market, the Company uses valuation techniques to determine its fair value. When evaluating the fair value of a financial asset or a financial liability, the Company uses valuation techniques that are applicable under current circumstances and are supported by sufficient data and other information to select input values consistent with the features of the asset or liability considered by market participants in the transactions of related asset or liability and uses relevant observable input values as possible. Non-observable input values are used if relevant observable input values cannot be obtained or are impracticable.

The valuation techniques the Company adopts including reference prices used in recent orderly transactions by market participants, reference current fair value of other financial instruments that are substantially the same, discounted cash flow and option pricing models. When using DCF analysis, the estimated future cash flows are based on the management's best estimate, and the discount rate used is the market discount rate for similar tools. For certain financial instruments (including derivative financial instruments) are valued using pricing models that take into account contract and market prices, correlation coefficient, the time value of money, credit risk, yield curve factors and/or prepayment ratios. The use of different pricing models and assumptions can lead to significant differences in fair value estimates.

For financial instruments that significant unobservable input values are used in their valuation methods, their fair values are classified as level 3 fair values.

#### **(9) Offset of financial assets and financial liabilities**

When the Company has a legal right to offset recognized financial assets and financial liabilities and such legal rights are currently executable, and the Company plans to settle on a net basis or to cash the financial assets and pay off the financial liabilities at the same time, the financial assets and financial liabilities shall be presented in the balance sheet at the amount offset by each other. In addition, financial assets and financial liabilities shall be separately presented on the balance sheet and should not be offset each other.

## **12. Notes Receivable**

√ Applicable   ☐ N/A

***Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations***

√ Applicable   ☐ N/A



See the Note “V-11. Financial Instruments (2) Impairment of financial instruments” for details on the category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations of notes receivable.

***Aging calculation method for determination of credit risk characteristic combinations based on aging***

☐ Applicable    ☒ N/A

***Individual provision criteria based on individual provision for bad debts***

☒ Applicable    ☐ N/A

See the Note “V-11. Financial Instruments (2) Impairment of financial instruments” for details on the individual provision criteria based on individual provision for bad debts for notes receivable.

### 13. Accounts Receivable

☒ Applicable    ☐ N/A

***Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations***

☒ Applicable    ☐ N/A

See the Note “V-11. Financial Instruments (2) Impairment of financial instruments” for details on the category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations of accounts receivable.

***Aging calculation method for determination of credit risk characteristic combinations based on aging***

☐ Applicable    ☒ N/A

***Individual provision criteria based on individual provision for bad debts***

☒ Applicable    ☐ N/A

See the Note “V-11. Financial Instruments (2) Impairment of financial instruments” for details on the individual provision criteria based on individual provision for bad debts of accounts receivable.

### 14. Receivables Financing

☒ Applicable    ☐ N/A

The characteristics of contractual cash flow are consistent with the basic borrowing and lending arrangement, and the business model of the company for managing such financial assets is the bills receivables and accounts receivables which is aimed at both collecting the contractual cash flow and selling, so the company classifies it as receivables financing, which is measured at fair value and its changes are included in other comprehensive income. By termination of confirmation, the accumulated gains or losses previously recorded as other comprehensive income shall be transferred out and reckon in current profit or loss.

***Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations***

√ Applicable   ☐ N/A

See the Note “V-11. Financial Instruments (2) Impairment of financial instruments” for details on the Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations of receivables financing.

***Aging calculation method for determination of credit risk characteristic combinations based on aging***

☐ Applicable   √ N/A

***Individual provision criteria based on individual provision for bad debts***

√ Applicable   ☐ N/A

See the Note “V-11. Financial Instruments (2) Impairment of financial instruments” for details on the individual provision criteria based on individual provision for bad debts of receivables financing.

## 15. Other Receivables

√ Applicable   ☐ N/A

***Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations***

√ Applicable   ☐ N/A

See the Note “V-11. Financial Instruments (2) Impairment of financial instruments” for details on the category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations of other receivables.

***Aging calculation method for determination of credit risk characteristic combinations based on aging***

☐ Applicable   √ N/A

***Individual provision criteria based on individual provision for bad debts***

√ Applicable   ☐ N/A

See the Note “V-11. Financial Instruments (2) Impairment of financial instruments” for details on the individual provision criteria based on individual provision for bad debts of other receivables.

## 16. Inventories

☒ Applicable ☐ N/A

### *Types of inventories, outward pricing methods, inventory system and amortization method of low-value consumables and packages*

☒ Applicable ☐ N/A

- (1) Inventories refer to the finished goods or commodities held for sale in its daily activities, work in process and materials consumed during the course of production or in the course of providing services, etc. Inventories are classified into raw materials, goods in stock, finished products, goods in transit, revolving materials, etc.
- (2) Valuation of inventories: Inventories are measured at their initial costs according to their compositions and the way to obtain them. Weighted average method is adopted for the valuation of raw materials and goods in stock.
- (3) The perpetual inventory system is adopted for inventories.

### *Recognition standard and accrual method of provision for decline in value of inventories*

☒ Applicable ☐ N/A

The basis to determine the net realizable value of inventories: As at balance sheet date, inventories are stated at the lower of the cost or net realizable value. When its net realizable value is lower than the cost, the provision for inventory depreciation should be accounted. Net realizable value refers to the amount of the estimated selling price of the inventory in the day-to-day activities minus the estimated cost to be incurred at completion, the estimated selling cost, and related taxes. In determining the net realizable value of the inventory, the purpose of holding the inventory and the impact of the future balance sheet matters shall be taken into account on the basis of conclusive evidence obtained. The difference between the cost and the net realizable value of a single inventory item is recorded as the provision for the inventory. In the event that the impact of the previous write-down on the value of the inventory has disappeared, and the net realizable value of the inventories is higher than its book value, the amount to be returned shall be recorded into the profit or loss for the current period.

### *Category of combinations and determination basis for provision for decline in value of inventories on a combination basis and determination basis for net realizable value of different categories of inventories*

☐ Applicable ☒ N/A

### *Calculation method and determination basis of net realizable value of various inventory aging combinations for determination of net realizable value of inventories based on inventory aging*

☐ Applicable ☒ N/A

## 17. Contract Assets

☒ Applicable ☐ N/A

### *Method and criteria for recognition of contract assets*

☒ Applicable ☐ N/A

The Company lists the contract assets in the balance sheet in accordance with the relationship between the performance of the contract obligations and the payment by the customer. The consideration which the Company is entitled to charge from customers for the transfer of goods or services provided to them (and such right is subject to factors other than the passage of time) is listed as contract assets.

Contract assets and contract liabilities are presented separately in the balance sheet. The contract assets and contract liabilities under the same contract are presented on a net basis. If the net amount is a debit balance, it is presented under the item "Contract Assets" or "Other Non-Current Assets" according to its liquidity; if the net amount is a credit balance, it is presented under the "Contract Liabilities" or "Other Non-Current Liabilities" according to its liquidity. Contract assets and contract liabilities under different contracts cannot be set off against each other.

### *Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations*

☒ Applicable ☐ N/A

See the Note "V-11. Financial Instruments (2) Impairment of financial instruments" for details on the category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations of contract assets.

### *Aging calculation method for determination of credit risk characteristic combinations based on aging*

☐ Applicable ☒ N/A

### *Individual provision criteria based on individual provision for bad debts*

☒ Applicable ☐ N/A

See the Note "V-11. Financial Instruments (2) Impairment of financial instruments" for details on the individual provision criteria based on individual provision for bad debts of contract assets.

## 18. Held-for-sale Non-current Assets or Disposal Portfolio

☒ Applicable ☐ N/A

### *Determination criteria and accounting treatment methods for non-current assets or disposal portfolio classified as held for sale*

☒ Applicable ☐ N/A

The determining conditions for classification of non-current assets held for sale and disposal portfolios: ① In line with the conventional practice of selling such assets or disposal portfolios in similar transactions, an immediate sale would be reached under current conditions; ② Where the sales plan needed to be approved by relevant authorities or supervision department before selling, approved; ③ A sale is most likely to occur, that is, the Company has decided on the sale plan and purchase commitment has been reached, the sale is to be completed within one year.

Other relevant accounting standards apply respectively to the measurement of rights arising from the investment real estates subject to subsequent measurement using fair value model, biological assets measured at its fair value less costs to sell, assets formed by employee compensation, deferred income tax assets, financial assets regulated by the accounting standards relating to financial instruments and insurance contracts regulated by the accounting standards relating to insurance contracts. For initial measurement or re-measurement on the balance sheet date of a non-current asset or disposal portfolio held for sale, if its book value is higher than the net amount of fair value less costs to sell, the book value shall be written down to the net amount of fair value less costs to sell, and the write-down amount is recognized as the asset impairment loss through current profit and loss, and the provision for impairment of held-for-sale assets is made at the same time.

When a non-current assets or disposal portfolio held for sale is not classified as held for sale or the non-current asset is removed from the disposal portfolio held for sale due to it no longer meets the conditions for classification as held for sale, it shall be measured at the lower of the following two items:

① The book value before being classified as held for sale based on the amount of depreciation, amortization or impairment after adjustment that should be recognized if it is assumed not to be classified as the held-for-sale category; ② recoverable amount.

The Company separately presents the non-current assets or disposal portfolios which meet the held-for-sale conditions as "Held-for-sale Assets" in current assets on balance sheet date, and the liabilities directly related to the assets are presented as the "Held-for-sale Liabilities" in current liabilities.

#### ***Determination criteria and presentation method of discontinued operation***

√ Applicable    ☐ N/A

Discontinued operation refers to the segment that satisfies the following conditions that has been disposed of or classified as held for sale by the Company and can be distinguished separately when operating or preparing financial statements: The segment represents an independent major business or a major business area; the segment is part of a proposed disposal plan for an independent major business or a major business area.

If a discontinued operation is classified as held for sale, it shall be treated as per the presentation requirements for the above held-for-sale category. If the discontinued operation is disposed of rather than classification as held for sale, no held-for-sale assets or liabilities relating thereto shall be presented on the balance sheet for the current period or for comparable accounting period.

The Company shall separately present the profits or losses from continuing operations and discontinued operations, and add the items of "net profit from continuing operations" and "net profit from discontinued operations" under "net profit" in the income statement so as to respectively reflect the profits or losses from continuing operations and discontinued operations in after-tax net amount.



## 19. Long-term Equity Investments

√ Applicable    □ N/A

Long-term equity investment refers to the equity investment in which the investor controls and has significant influence over the invested entity, as well as the equity investment in the Company's joint venture.

### (1) *Criteria for joint control and significant influence*

Joint control is the contractually agreed sharing of control of an arrangement, and relevant activity of such arrangement must be decided under unanimous consent of the parties sharing control. In assessing whether there is joint control, it is necessary to assess first whether all the parties, or a group of the parties, control the arrangement collectively, and then assess whether the decisions about the relevant activities of the arrangement require the unanimous consent of the parties that collectively control the arrangement. If all the parties, or a group of the parties shall act in concert to decide the relevant activities of an arrangement, it will be concluded that all the parties, or a group of the parties collectively control the arrangement; if there are two or more groups of the parties able to collectively control an arrangement, no joint control exists. In determining whether a joint control exists, protective rights are not considered.

Significant influence is the power to participate in the financial and operating policy decisions of the investee without the power to control or jointly control with other parties those policies. In determining where a significant influence is imposed on the investee, the influences from the presumed conversion of the voting shares held directly or indirectly by the investor in the investee and the current exercisable potential voting rights held by the investor and other parties into the shares of investee shall be considered, including the influences from the current convertible warrants, stock option and convertible bonds issued by the investee.

### (2) *Determination of investment cost*

For a long-term equity investment formed from business combination, its investment cost is determined in accordance with the following standards:

A. In case of business combination under common control, if the Company pays the consideration by cash payment and transfer of non-cash assets or assumption of debts, the cost of long-term equity investments is the share of the book value of the owners' equity of the merged party in the consolidated financial statement of the ultimate controller on the merger date. Capital reserve is adjusted according to the difference between the cost of long-term equity investment and the book value of the cash paid, the non-cash assets transferred and the liabilities assumed; where the capital reserve is insufficient for write-down, the retained earnings shall be adjusted.

Where the Company issues equity securities as the consideration, the cost of long-term equity investment is the share of the book value of the owners' equity of the merged party in the consolidated financial statement of the ultimate controller on the merger date. The total par value of the issued shares is recorded as capital stock, and capital reserve is adjusted according to the difference between the cost of long-term equity investment and the total par value of the issued shares; where the capital reserve is insufficient for write-down, the retained earnings shall be adjusted.

B. In case of business combination not under common control, the investment cost is the assets paid, the liabilities occurred or assumed and the fair value of the issued equity securities on acquisition date. If the fair value of the acquisition cost is greater than the share of the fair value of the identifiable net assets of the merged party, the difference is recorded into goodwill; If the fair value of the acquisition cost is lower than the share of the fair value of the identifiable net assets of the merged party, the difference is recorded into the current profit or loss.

Where a long-term equity investment is not formed with a merger but paid by cash, the cost of the investment is the actual price paid by the acquirer; where the merger is acquired with issuing equity securities of the acquirer, the cost of investment is the fair value of the issued equity securities. Where the long-term equity investment is formed from investors' investment, the cost of investment is the agreed price in the investment contract or agreement, unless the value agreed upon in the investment contract or agreement is unfair; the cost of long-term equity investment obtained from the exchange of non-monetary assets with commercial substance is measured at the fair value of the assets traded out and related tax and surcharges, and the difference between the book value of the assets traded out and its fair value is recorded into current profit or loss; the cost of long-term equity investment obtained from debt restructuring is measured at fair value, and the difference between the fair value and the book value of the debt is recorded into current profit and loss.

### **(3) *Subsequent measurement and recognition method of profits and losses***

The long-term equity investment calculated by cost method is priced at the initial investment cost. Additional or withdrawn investment adjusts the cost of long-term equity investment. Cash dividends or profits distributed by investee announced as a confirmed current investment income.

If the initial investment cost of a long-term equity investment calculated by the method of rights and interests is greater than the fair value of the identifiable net assets of the invested entity, the initial investment cost of the long-term equity investment should not be adjusted; Where the initial investment cost of a long-term equity investment is less than that the share of the fair value of the identifiable net assets of the invested entity, the difference between the initial cost and the share of fair value is recorded into "Non-operating Income" and the cost of long-term equity investment is adjusted accordingly.

After obtaining the long-term equity investment, the investment income and other comprehensive income should be recognized separately according to the share of the net profit and loss and other comprehensive income realized by the invested unit, and the book value of the long-term equity investment should be adjusted at the same time; the book value of long-term equity investment should be reduced according to the portion of the profit or cash dividend declared by the invested unit; the book value of the long-term equity investment is adjusted according to the changes in the owners' equity of the invested equity other than net profit or loss, other comprehensive income and profit distribution and is included in "Capital Reserve – Other Capital Reserve". When confirming the share of the investee's net profit or loss, based on the fair value of the identifiable net assets of the investee when the investment was obtained, the net profit of the investee is adjusted and confirmed.

Where the accounting policy and accounting period adopted by the invested entity are inconsistent with that of the parent company, the financial statements of the invested entity shall be adjusted in accordance with the accounting policy and accounting period of the parent company, and the investment income and other comprehensive income are recognized in the same manner. The Company shall recognize the net loss

incurred by the invested entity until the book value of the long-term equity investment and other long-term interests which substantially constitute the net investment in the invested entity are reduced to zero, unless the parent company is obliged to bear additional loss. If the invested entity realizes any net profit afterward, the parent company shall, after the amount of its attributable share of profits offsets its attributable share of the unrecognized losses, resume recognizing its attributable share of profits.

In calculating and recognizing the net profit or loss which the investee is entitled to or shall be shared by the investee, the portion of income from internal unrealized transactions with associates and joint ventures which are attributable to the parent company shall be calculated according to the corresponding ratio and recognize the profit and loss on investments on such basis. Where the losses from internal transactions between the parent company and the investee fall into assets impairment loss, the full amount of such losses shall be recognized.

Where it is able to exercise significant influence or joint control, which does not constitute a control, over the investee as a result of additional investment or other reasons, the sum of fair value of the original equity and the cost of new investment shall be the initial investment cost for transition to equity method on the date of transition. If the original equity is classified as the non-trading equity instrument investment measured at fair value through other comprehensive income, the change in accumulative fair value formerly included in other comprehensive income shall be converted into retained earnings when equity method is adopted instead.

Where joint control or significant influence over the investee is lost due to partial disposal of equity investment and other reasons, and the remaining equity is accounted in accordance with the Accounting Standards for Enterprises No. 22 – Recognition and Measurement of Financial Instruments, then the difference between the fair value and book value at the date of loss of joint control or significant influence shall be recognized in current profit or loss. Other comprehensive income recognized because equity method is adopted for the former equity investment shall be subject to accounting treatment on the same basis as that of the direct disposal of underlying assets or debts by the investee upon termination of the use of equity method; and other changes in owners' equity in relation to the former shall be included in the current profit and loss in full.

Where control over the investee is lost due to partial disposal of equity investment and other reasons and the remaining equity after disposal allows for exercise of joint control or significant influence over the investee, the investment shall be measured by equity method and such remaining equity shall be deemed as adjusted upon acquisition with the equity method; the remaining equity that fails to allow for exercise of joint control or significant influence over the investee is subject to accounting treatment in accordance with the Accounting Standards for Enterprises No. 22 – Recognition and Measurement of Financial Instruments, and the difference between the fair value and book value on the date when control is lost is included in current profit and loss.

In case of an decrease in the shareholding by the Company due to increased capital contributed by other investors, thus resulting in loss of control but joint control or significant influence over the investee, the increased share of net assets in the investee resulted from capital increase and share expansion to which the Company is entitled shall be recognized based on the new shareholding ratio, and the difference with the original book value of the long-term equity investment with respect to the decreased portion of shareholding to be carried forward shall be included in current profit and loss; subject to new shareholding ratio, it shall be deemed as adjusted upon acquisition of investment with the equity method.

For the unrealized profits and losses from internal transactions between the Company and its associates or joint ventures, the portio attributable to the Company calculated with the shareholding ratio shall be recognized on the offset basis, but unrealized loss of internal transactions between the Company and the investee which is the impairment losses of transferred assets shall not be offset.

#### *Equity investment held for sale*

See the Note V. 18 "held-for-sale non-current assets or disposal portfolio" for the accounting treatment of the equity investments in associates or joint ventures classified as held-for-sale assets.

The remaining equity investments that are not classified as held-for-sale assets shall be subject to the accounting treatment using equity method.

The equity investments in associates or joint ventures classified as held-for-sale assets that no longer satisfy the classification conditions of held-for-sale assets shall be retroactively adjusted using equity method from the date of classification as held-for-sale assets.

See the Note "V. 27 Long-term asset impairment" for the impairment test method and impairment provision method of long-term equity investments.

#### **(4) Disposal of long-term equity investments**

For disposal of long-term equity investments, the difference between the book value and the actual price shall be included into the current profit or loss. The long-term equity investment accounted for by the equity method should be treated by accounting on the same basis as the assets or liabilities directly disposed of by the invested entity when the investment is disposed, and the portion originally included in the other comprehensive income should be treated according to the corresponding proportion.

## **20. Investment Real Estate**

### **(1). If the fair value measurement model is adopted:**

#### *Basis for selecting fair value measurement*

Investment real estates are properties held to earn rentals or for capital appreciation or both. The investment real estates of the Company include the land use rights and buildings which have been rented.

#### **(1) Recognition of investment real estate**

Investment real estates can be recognized only if the following conditions are satisfied: the economic benefits associated with investment real estates are likely to flow into the Company; and the cost of investment real estates can be measured reliably.

#### **(2) Initial measurement of investment real estate**

The cost of purchased investment real estate includes the purchase price, related taxes and surcharges and other expenses directly attributable to the asset.

The cost of self-built investment real estate consists of the expenditure necessary to build the asset until it reaches its intended usable state.

The cost of investment real estate acquired by other means shall be determined in accordance with the relevant accounting standards.

Subsequent expenditures related to investment real estate which meet the recognition standards of investment real estate shall be included in the cost of investment real estate; those do not satisfy the recognition standards are included in current profit or loss.

### (3) Subsequent measurement of investment real estate

The Company subsequently measures the investment real estate in a fair value model on the balance sheet date.

If the Company has conclusive evidence that the fair value of the investment real estates can be obtained continuously and reliably, the fair value model shall be adopted for subsequent measurement of the investment real estates.

To make a measurement through the fair value model, the following conditions shall be met simultaneously:

There is an active real estate market where the investment real estate locates;

The Company has access to the market price and other related information of the same or similar property from the real estate market, so as to make a reasonable estimate of the fair value of investment real estate.

When the fair value model is adopted, depreciation or amortization of the investment property is not accounted, the book value of the investment property shall be adjusted on the basis of the fair value of the investment property on the balance sheet date, and the difference between the fair value and the original book value shall be included in current profit or loss.

### (4) Conversion of investment real estate

The Company has conclusive evidence that the use of real estate changes, the investment real estate converts into other assets, investment real estate that is measured at fair value converts into self-use real estate, the book value of then self-use property shall be the fair value of the real estate on the date of conversion, and the difference between the fair value and the original book value is included into current profit or loss.

When self-use real estate or inventory is converted to investment property measured at fair value, the investment property shall be priced at its fair value on the conversion date. If the fair value on the conversion date is less than the original book value, the difference shall be recorded into the current profit and loss. If the fair value on the conversion date is greater than the original book value, the difference shall be recorded in the owners' equity.

## 21. Fixed Assets

### (1). Recognition criteria

☒ Applicable ☐ N/A

Fixed assets are tangible assets that are held for production of goods, provision of services, rental or administrative purposes, and have service life of more than one fiscal year. A fixed asset is recognized only when it is probable that economic benefits associated with the asset will flow to the Company and its cost can be measured reliably.

### (2). Depreciation method

☒ Applicable ☐ N/A

Category	Depreciation method	Depreciation period (year)	Residual rate	Annual depreciation rate
Houses and buildings	Straight-line depreciation method	30~40 years	5%-10%	2.38%~3.17%
Machines and equipments	Straight-line depreciation method	6~30 years	5%-10%	3.17%~15.83%
Office and electronic communication equipment	Straight-line depreciation method	6~8 years	5%-10%	11.88%~15.83%
Means of transportation	Straight-line depreciation method	6~8 years	5%-10%	11.88%~15.83%
Gas pipeline	Straight-line depreciation method	20~30 years	0%-10%	3.00%~4.50%

Starting from the next month when the fixed assets reach the predetermined serviceable state, the straight-line method is adopted to extract the depreciation, and the depreciation rate is determined according to the expected service life and estimated net salvage value rate of the fixed assets category.

## 22. Construction in Progress

☒ Applicable ☐ N/A

- (1) Construction in progress refers to capital assets under construction and is recorded at actual cost. Costs include construction works, installation works, purchase price of machinery and equipment, construction expenses and other indirect expenses, as well as capitalized interest and exchange profit or loss.
- (2) Time limit on transferring construction in progress to fixed assets: The fixed assets purchased and constructed shall be transferred to fixed assets on the date of reaching the working condition for their intended use, and depreciation of the asset shall start from the following month. If the final accounting procedures for the completion of the project have not been completed, it shall be transferred into fixed assets at an estimated value and depreciation is accounted according to such value. After the final accounting procedures for the completion of the project completed, the original estimated value shall be adjusted according to the actual cost, but the originally accounted depreciation shall not be adjusted.

## 23. Borrowing Costs

☒ Applicable ☐ N/A



- (1) Borrowing costs refer to interest and other related costs incurred as a result of borrowing, including interest on borrowing, amortization of discount or premium, surcharges (including service charges) and exchange differences arising from foreign currency borrowings.
- (2) Borrowing costs incurred that can be directly attributable to the acquisition and construction or production of assets eligible for capitalization should be capitalized and included in the costs of related assets; other borrowing costs are recognized as expenses according to the amount incurred when incurred and recorded into current profit or loss. Assets eligible for capitalization refer to fixed assets, investment property, inventories and other assets which may reach their intended use or sale status only after long-time acquisition and construction or production activities.
- (3) The borrowing costs can be capitalized when the following conditions are met at the same time:

The expenditures for the asset are being incurred, including the payment of cash, the transfer of non-cash assets, or the payment of interest-bearing debts for acquiring and constructing or producing assets eligible for capitalization;

The borrowing costs have already occurred;

The acquisition and construction or production activities which are necessary to prepare the asset for its intended use or sale have commenced.

- (4) Borrowing costs incurred during capitalization for the acquisition, construction or production of assets eligible for capitalization that meet the above capitalization conditions and incurred before the assets reach the intended use or saleable state shall be included in the cost of the assets. Borrowing costs incurred afterward shall be directly included into the current finance costs.
- (5) If asset eligible for capitalization is abnormally interrupted during the acquisition, construction or production process, and the interruption lasts for more than 3 months, the capitalization of borrowing costs is suspended. The loan expenses incurred during the interruption are recognized as expenses and are recorded in the profit and loss of the current period until the purchase and construction of the assets or the resumption of production activities. The capitalization of the borrowing expenses continues if the interruption is necessary for the acquisition or production of a capitalized asset to reach the intended usable or saleable state. Borrowing costs cease to be capitalized when the assets purchased or constructed or produced that meet the capitalization conditions reach the intended use or sale. Subsequent borrowing costs are recognized as expenses in the period in which they are incurred.
- (6) The capitalized amount of the borrowing costs shall be determined in accordance with the following methods: Where a special loan is borrowed for the purpose of purchasing or producing an asset which meets the capitalization conditions, the amount of interest actually incurred for the current period of the special loan should be determined by deducting the amount of interest income derived from the deposit of the outstanding loan funds into the bank or from the investment income derived from the temporary investment; If a general borrowing is occupied for the purpose of purchasing or producing an asset that meets the capitalization requirements, the amount of interest to be capitalized for the general borrowing should be calculated on the basis of the weighted average of the expenses of the assets that have been spent over the part of the particular loan multiplied by the capitalization rate of the general borrowing. The capitalization rate is calculated on the basis of the weighted average interest rate of general borrowings.

## 24. Biological Assets

☐ Applicable    ☒ N/A

## 25. Oil and Gas Assets

☐ Applicable    ☒ N/A

## 26. Intangible Assets

### (1). Service life and its determination basis, estimate, amortization method or review procedure

☒ Applicable    ☐ N/A

The Company's intangible assets refer to the identifiable non-monetary assets owned or controlled by the Company that have no physical form, including land use right, patent right, mining right, right of management, production capacity index, software, etc.

Intangible asset is initially measured at cost and its service life is determined on acquisition. An intangible asset with a finite service life is amortized within the expected service life by a method which can reflect the expected realization of economic benefits related to the asset since the intangible asset is available for use; when the expected realization of economic benefits cannot be reliably determined, intangible asset is amortized under straight-line method; an intangible asset with an indefinite service life is not amortized.

Amortization methods of intangible assets with finite service life are shown as follows:

Item	Expected service life	Determination basis of service life	Amortization method
Land use right	30-50 years	Term of title registration	Straight-line method
Patent right	6-10 years	Expected benefit period	Straight-line method
Right of management	10-30 years	Business license term	Straight-line method
Software	5-6 years	Expected benefit period	Straight-line method

The Company reviews the service life of the intangible assets at the end of each year. If there is evidence that the service life of the intangible assets is different from the previous estimates, the amortization period of the intangible assets with limited service life shall be changed; for intangible assets with uncertain service life, if there is an evidence that their service life is limited, they shall be treated by the principle of intangible assets with limited service life. As of the balance sheet date, the Company had no intangible assets with uncertain useful life.

At the end of the year, the Company inspects the ability of various intangible assets to be expected to bring future economic benefits to the enterprise. If the estimated recoverable amount is lower than its book value, an impairment provision shall be made based on the difference between the individual's estimated recoverable amount and the book value. Once an intangible assets impairment loss is confirmed, it cannot be reversed in subsequent accounting periods.

**(2). Accumulation scope and relevant accounting treatment methods of research and development expenditures**

√ Applicable    ☐ N/A

An internal research and development project is classified into research phase and development phase by the Company. The Specific criteria for the classification of expenditure on research phase and expenditure on development phase is specified as follows: a planned investigation phase undertaken with the prospect of gaining new technologies and knowledge is identified as the research phase featured by planning and exploration; application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices and products before the start of commercial production or use is identified as the development phase featured by pertinence and greater possibility of results.

Expenditure on research phase is recorded in current profit or loss when incurred for the intangible assets developed by the Company independently; expenditure on development phase is recognized as an intangible asset (patented technology and non-patented technology) if all of the following conditions are satisfied simultaneously:

- (1) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (2) Its intention to complete the intangible asset so that it will be available for use or sale;
- (3) How the intangible asset will generate probable future economic benefits. Among other things, it can be demonstrated that there is a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the intangible asset is useful;
- (4) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- (5) Its ability to reliably measure the expenditure attributable to the intangible asset during its development.

## 27. Long-term Asset Impairment

√ Applicable    ☐ N/A

On each balance sheet date, the Company inspects long-term equity investment, fixed assets, construction in progress, intangible assets with limited service life and other items, and conducts impairment tests when there are signs of impairment. Impairment tests shall be conducted to goodwill and intangible assets with uncertain service life at the end of each year, regardless whether there are signs of impairment or not.

There may be an impairment of assets when one of the following signs occurs: (1) The current market price of asset falls, and its decrease is obviously higher than the expected drop over time or due to the normal use; (2) The economic, technological or legal environment in which the enterprise operates, or the market where the assets are situated will have any significant change in the current period or in the near future, which will cause adverse impact on the enterprise; (3) The market interest rate or any other investment market return rate has increased in the current period, and thus the discount rate of the enterprises for calculating the expected future cash flow of the assets will be affected, which will result in great decline of the recoverable amount of the assets; (4) Any evidence shows that the assets have become obsolete or have been damaged substantially; (5) The assets have been or

will be left unused, or terminated for use, or disposed ahead of schedule. (6) Evidence from the internal report of the Company indicates that the economic performance of the assets has been or will be lower than expected, for example, the net cash flow or operating profit (or loss) generated from the assets falls far below the expected amount; (7) Other evidence indicates that the impairment of assets has been occurred.

The Company tests the recoverable amount of a single asset, and the recoverable amount is the higher of the net value of the asset's fair value less the disposal costs and the present value of the asset's expected future cash flow. If it is difficult to conduct impairment test of recoverable amount of a single asset, then the test shall be conducted to the asset group or portfolio to which the asset belongs.

After the impairment test, if the book value of the asset exceeds its recoverable amount, the difference shall be recognized as impairment loss. Once the impairment loss of the asset is recognized, it shall not be reversed during the subsequent accounting period.

## 28. Long-term Prepaid Expenses

☒ Applicable ☐ N/A

Long-term prepaid expenses refer to all the expenses that have been incurred by the Company and are supposed to be amortized in current period and future period of more than one year. The long-term prepaid expenses are measured at actual cost and shall be amortized evenly during the benefit period of the project.

## 29. Contractual Liabilities

☒ Applicable ☐ N/A

The Company shall present contractual liabilities according to the relationship between performance obligations and customer payments. The obligations of the Company to transfer goods or provide services to customers for which consideration has been received or receivable are presented as contractual liabilities.

## 30. Employee Compensation

### (1). Accounting treatment method of short-term compensation

☒ Applicable ☐ N/A

Basic remuneration (wages, bonuses, allowances and subsidies) for employees: During the accounting period when employees serve the Company, the actual short-term compensation is recognized as liabilities and included in current profit and loss, except other accounting standards required or permitted to be included in the cost of assets.

Employee benefits: The employee benefits incurred by the Company shall be recorded into the current profit or loss or the cost of relevant assets according to the actual amount when incurred. Where the employee benefits are non-monetary benefits, it shall be measured at fair value.

Social insurance premiums such as medical insurance premiums, work injury insurance premiums, birth insurance premiums and housing provident funds, labour union funds and employee education funds: The Company pays medical insurance premiums, work injury insurance premiums, birth insurance premiums and

other social insurance premiums and housing provident funds, as well as labour union funds and employee education funds for our employees. During the accounting period in which the employee provides services, the employee compensation shall be calculated and determined according to the stipulated basis and proportion, and the corresponding liabilities shall be recognized and recorded into the current profit and loss or the cost of relevant assets.

Short-term paid absence: When the employees provide services and increase compensated absence in the future, the Company recognizes employee compensation related to cumulative paid absence which is measured at the increased expected payment amount of accumulated non-exercise of rights. The Company recognizes employee compensation related to non-cumulative paid absences during the accounting period in which the employee's absence actually occurs.

**(2). Accounting treatment method for post-employment benefits**

☒ Applicable   ☐ N/A

The post-employment benefit plans include defined contribution plans and defined benefit plans. Among them, defined contribution plan refers to the after-service benefit plan which the Company assumes no more payment obligations after paying fix amount to an independent fund. A defined benefit plan refers to after-service benefit plans other than a defined contribution plan.

Defined contribution plan: The Company shall, in accordance with the relevant regulations of the local government, pay the basic endowment insurance and unemployment insurance for its employees. During the accounting period for which the employees provide services, the amount payable calculated according to the payment base and ratio stipulated by the local government shall be recognized as liabilities and be recorded into current profit and loss or the cost of related assets.

Defined benefit plan: Welfare obligations arising from defined benefit plans will be attributed to the periods when employees provide services in accordance with a formula established by the method of expected cumulative welfare units, and recorded into current profit and loss or the cost of relevant assets.

**(3). Accounting treatment method for dismissal benefits**

☒ Applicable   ☐ N/A

Dismissal benefits refer to the compensation paid to employees by the Company for the early termination of labor relations before the expiration of the labor contract, or to encourage employees to accept layoff voluntarily. If the Company provides dismissal benefits to employees, the employee compensation liabilities arising from the dismissal benefits shall be recognized earlier in either of the following categories and shall be recorded into the profit and loss of the current period: when an enterprise cannot unilaterally withdraw the dismissal benefits provided by the plan for the labor relationship termination or a layoff proposal; when the Company recognizes the costs or expenses related to the payment of the dismissal benefits.

**(4). Accounting treatment method for other long-term employee benefits**

☐ Applicable   ☒ N/A

### 31. Estimated Liabilities

☒ Applicable   ☐ N/A

The Company's obligations related to the contingent events are recognized as estimated liabilities when the following conditions are met: The obligation is the current obligation of the company; The performance of this obligation is likely to result in the outflow of economic benefits from the company; The amount of the obligation can be measured reliably.

The Company initially measures the liability at the best estimate of the payment for performing related current obligations, reviews estimated liabilities on balance sheet date and adjusts the book value according to the current best estimate.

### 32. Share-based Payment

☒ Applicable   ☐ N/A

#### (1) *Equity-settled share-based payments*

In order to obtain the services provided by employees, the Company offers its employees (including directors) with an equity-settled share-based stock option plan. For equity-settled share-based payments in exchange for services rendered by employees, the Company measures the equity instruments invested to employees at fair value on the date of awarding. The amount of the fair value shall, during the waiting period, be accounted into the relevant costs or expenses according to the straight-line method on the basis the best estimate of the number of the number of viable equity instruments, and the capital reserve shall be increased accordingly.

On each balance sheet day during the waiting period, the Company shall, according to the assessment on relevant non-market conditions, correct the number of equity instruments that are ultimately expected to be vested. The impact of the above estimates shall be recorded in the relevant costs or expenses of the current period, and the capital reserve shall be adjusted accordingly.

When the share option is exercised, the previously recognized share option reserve shall be transferred to capital stock and capital stock premium; if the option is forfeited after the vesting date or is not exercised on the expiration date, the originally recognized option reserve is transferred to retained earnings.

#### (2) *Cash settled share-based payments*

Cash settled share-based payments are measured at the fair value of liabilities calculated and determined based on shares or other equity instruments assumed by the company.

For cash settled share-based payments that are exercisable immediately after the grant, the fair value of the liabilities assumed by the company on the grant date is included in the relevant costs or expenses, and the liabilities are increased accordingly.

For cash-settled share-based payments that cannot be exercised until the services within the waiting period have been completed or the prescribed performance conditions have been met, on each balance sheet date within the waiting period, based on the best estimate of the vesting situation, the services obtained in the current period are included in costs or expenses and corresponding liabilities at the fair value of the liabilities assumed by the Company.



On the balance sheet date, if subsequent information indicates that the fair value of the debt assumed by the company in the current period is different from previous estimates, adjustments should be made and adjusted to the actual exercisable level on the vesting date.

The Company remeasures the fair value of the liabilities on each balance sheet date and settlement date before the settlement of the relevant liabilities, and the changes are included in the current profit and loss.

### 33. Other Financial Instruments such as Preferred Stock and Perpetual Bond

☐ Applicable ☒ N/A

### 34. Revenue

#### (1). *Accounting policies for revenue recognition and measurement disclosed by business types*

☒ Applicable ☐ N/A

The Company's revenue mainly comes from businesses such as natural gas retail, natural gas wholesale, Direct Gas Sales by Platform, project construction and installation, panergy business, smart home business, energy production and infrastructure operation. When the Company has fulfilled its obligations under the contract, that is, upon the transfer of control of promised products or services to customers, the Company recognizes revenue according to the transaction price apportioned to the performance obligations. Performance obligations refer to the contractual commitment of which the Company shall transfer goods or provide services that can be clearly distinguished to the customer.

The Company assesses the contract on the contract commencement date to identify the separate performance obligations contained in the contract and to determine whether the separate performance obligations are performed within a certain period of time or at a certain point of time. If one of the following conditions is met and the performance obligation belongs to the category that shall be performed within a certain period of time, the Company shall recognize revenue according to the performance progress during a certain period of time: (1) The customer acquires and consumes the economic benefits while the Company deliver its performance; (2) The customer is able to control the goods in process when the Company is performing its obligation; (3) The goods produced by the Company during its performance of contract are irreplaceable use and the Company has the right to receive payments for the accumulated performance it has delivered during the contract period. Otherwise, the Company shall recognize revenue at the point when the customer gains control over relevant goods or services.

The performance obligations and timing of revenue recognition for different business contracts of the Company:

#### (1) *Retail of natural gas*

The Company sells natural gas to customers through pipelines, including residential, commercial and industrial customers. Revenue is recognized when the pipeline natural gas is delivered to customers and is consumed by customers, that is, when customers take control of the products. The volume of gas sold is calculated according to the gas meter installed at the customers' premises.

The Company also operates a gas filling station for vehicles to fuel them with LNG and CNG. Revenue is recognized after gas filled in vehicles (namely, LNG or CNG is transferred to the customer).

(2) *Wholesale of natural gas*

The Company supplies LNG to wholesale customers. Revenue is recognized when the control of LNG is transferred (i.e., LNG has been delivered in bulk to the customer at a specified location).

(3) *Direct Gas Sales by Platform*

The Company primarily engages in purchase of international natural gas resources, supported by domestic self-owned and managed LNG liquid plants, and sells natural gas to customers such as city gas operators, energy groups and great industries, distributors, energy operators, international oil and gas companies and utility companies. Revenue is recognized when the control of natural gas is transferred (i.e., natural gas has been delivered to the customer at a specified location).

(4) *Panergy Business*

The Company supplies a variety of energy products, such as gas, electricity, cold energy, heat energy and steam, etc. When the energy is delivered to customers and is consumed by the customers, i.e., the customer acquires control of the products, the Company recognizes revenue. Revenue from energy services is recognized according to the progress of services delivered during contract period.

(5) *Energy production*

The Company engages in the production and sale of the products such as methanol and sale of trading products. Revenue is recognized when the control of commodity is transferred to the purchaser depending on the nature of specific business and contractual provisions.

(6) *Construction and installation*

Construction and installation services include project design, equipment manufacturing and integration, project construction and installation services related to natural gas, new chemical industry and energy conservation and environment protection. The project construction and installation businesses of the Company are mainly performance obligations performed within a certain period of time, and the revenue is recognized according to the performance progress during the contract period.

(7) *Smart home business*

The Company provides various smart home services to customers, including but not limited to kitchen products, heating products and security products. Revenue is recognized when customers accept the services for installation service. In addition, if the Company sells building materials and other energy products to commercial and industrial customers, revenue is recognized when customers obtain the control of goods.

*(8) Infrastructure operation*

The Company operates natural gas receiving terminals to provide LNG liquid loading and unloading services, LNG liquid warehousing services, LNG gaseous external transportation services and natural gas pipeline transportation services to its customers. Relevant revenue will be recognized when those services have been provided and confirmed by the customers.

The transaction price refers to the amount of consideration the Company is expected to be entitled to receive as a result of the transfer of goods or services to the customers, but the payments received on behalf of a third party and the payments expected to be refunded to the customers by the Company are not included. Where a contract contains two or more performance obligations, the Company, on the commencement date of the contract, assigns the transaction price to each individual performance obligation according to the relative ratio of the individual selling price of the committed products or services under each individual performance obligation.

Where there is a significant financing component in the contract, the Company shall determine the transaction price based on the assumption that the customer pays in cash at the time of acquiring control of the goods or services. The difference between the transaction price and the contract consideration shall be amortized using the real interest rate method during the contract period. If, on the date of commencement of the contract, the Company expected the customer would pay the consideration within one year after acquiring control over the goods or services, significant financing elements are not taken into account.

For a sale with a quality assurance clause, if the quality assurance provides a separate service in addition to assuring the customer that the goods or services sold meet established standards, the quality assurance constitutes a separate performance obligation. Otherwise, the Company shall conduct accounting treatment for the quality assurance liability according to the *Accounting Standards for Business Enterprises No. 13 — Contingency*.

The Company determines whether it is the principal responsible person or the agent at the time of the transaction based on whether it has control over the goods or services prior to the transfer of such goods or services to customers. Where the Company is able to control the goods or services before transferring them to customers, the Company shall be the principal responsible person, and revenue shall be recognized according to price received or receivable. Otherwise, the Company acts as an agent and shall recognize revenue according to the amount of commission or service charges it expected to be entitled to charge. The amount is recognized at the net of the total consideration received or receivable less the amount payable to other relevant parties or the agreed commission amount or rate.

***(2). Different revenue recognition method and measurement method for the same business under different business models***

☐ Applicable    ☒ N/A

### 35. Contract Cost

☒ Applicable   ☐ N/A

Contract cost is divided into contract performance cost and contract acquisition cost.

The cost incurred by the Company for the performance of contract shall be recognized as an asset when the following conditions are met: ① The cost is directly related to a current contract or a contract expected to be awarded, including direct labor, direct materials, manufacturing expenses (or similar costs), costs clearly assumed by the customer and other costs incurred solely in connection with this contract. ② The cost increases the Company's future resources to perform its performance obligations. ③ The cost is expected to be recovered.

The incremental costs incurred by the Company to acquire a contract that are expected to be recovered are recognized as an asset as contract acquisition cost. Assets related to contract costs are amortized on the same basis as revenue recognition of goods or services related to the asset; However, if the amortization period for contract acquisition cost is shorter than one year (including one year), the Company shall include it in the current profit or loss when it occurs.

When the book value of the assets related to the contract cost is greater than the difference between the following two items, the Company shall make provision for impairment of the excess part, and shall recognize the impairment loss of the assets, as well as further considers whether estimated liabilities related to onerous contract should be accounted: ① The remaining consideration expected to be received as a result of transferring goods or services related to the asset; ② Estimated cost to be incurred for the transfer of goods or services related to the asset.

If the aforementioned asset impairment provision is subsequently reversed, the book value of the asset after reversion shall not exceed the book value of the asset on the reversion date assuming no impairment provision is made.

Contract performance costs recognized as assets shall be included in "Inventories" if they are amortized within one year or within one normal operating cycle at initial recognition; those are amortized beyond one year or one normal operating cycle at initial recognition shall be included in "Other Non-current Assets".

Contract acquisition costs recognized as assets shall be included in "Other Current Assets" if they are amortized within one year or within one normal operating cycle at initial recognition; those are amortized beyond one year or one normal operating cycle at initial recognition shall be included in "Other Non-current Assets".

### 36. Government Subsidies

☒ Applicable   ☐ N/A

Government subsidies are monetary and non-monetary assets obtained free of charge by the Company from the government. Which are divided into assets-related government subsidies and revenue-related government subsidies.

Assets-related government subsidies refer to government subsidies obtained by the Company to purchase, construct or acquire long-term assets with other means. Assets-related government subsidies received by the Company shall be recognized as Deferred Income upon receiving, and shall be included in "Other Income" in a

reasonable and systematic manner during the service life of the relevant assets. Where the relevant assets are sold, transferred, scrapped or damaged before the end of their useful lives, the balance of the relevant deferred income which has not been distributed shall be transferred to the profit or loss of the current period of asset disposal.

Government subsidies related to the Company's daily activities shall be treated according to the following circumstances: (1) if it is used to compensate relevant expenses or losses of the Company in subsequent periods, it shall be recognized as deferred income and shall be included into "Other Income" during the period of recognition of relevant expenses; (2) those used to compensate related expenses or losses incurred by the Company shall be directly recorded into "Other Income" of the current period; (3) the government subsidies for comprehensive projects shall be decomposed into assets-related parts and revenue-related parts, which should be accounted separately; if it is difficult to distinguish between assets-related and revenue-related subsidies, the government subsidies as a whole shall be classified as revenue-related government subsidies, or included into "Other Income" during the project period.

Government subsidies unrelated to the daily activities of the Company shall be recorded in non-operating income.

### 37. Deferred Tax Assets/Deferred Tax Liabilities

☒ Applicable ☐ N/A

(1) The Company adopts the balance sheet liability approach for the accounting treatment of income tax.

(2) Basis for recognition of deferred tax assets/deferred tax liabilities:

On balance sheet date, where there is a deductible temporary difference or taxable temporary difference between the book value of an asset or liability and its tax base, the temporary difference shall be calculated in accordance with the applicable tax rate during the period of expected recovery of the asset or repayment of the liability, and the deferred tax asset or deferred tax liability shall be recognized accordingly.

(3) At the end of each financial year, the Company reviews the book value of deferred tax assets and liabilities. If the applicable tax rate changes during the period of expected recovery of the asset or repayment of the liability, the Company shall re-measure the recognized deferred tax asset and deferred tax liability. Except for the deferred tax assets and deferred tax liabilities arising from transactions or events directly recognized in the equity, the impact thereof shall be included in the income tax expense of the current period of change. If it is probable that sufficient taxable profit will not be available against which the deductible benefits of deferred tax assets, the Company shall write down the book value of the deferred tax assets. In the event that sufficient taxable income is likely to be obtained, the write-down amount shall be reversed.

### 38. Lease

☒ Applicable ☐ N/A

***Judgment basis and accounting treatment method for simplified treatment of short-term lease and lease of low-value assets as a lessee***

☒ Applicable ☐ N/A

### *Identification of lease*

On the contract commencement date, the Company, as a lessee or lessor, assesses whether the customer under the contract is entitled to substantially all of the economic benefits arising from the use of identified assets during a period of use and shall have the right to lead the use of identified assets during the period of use. If a party to the contract assigns the right to control the use of one or more identified assets for a certain period in exchange for consideration, the Company will consider the contract to be a lease or to include a lease.

#### (1) The Company as the lessee

On the commencement date of the lease term, the Company shall recognize right-of-use assets and lease liabilities for all leases except for short-term lease and lease of low-value assets subject to simplified treatment.

Short-term lease is a lease that excludes an option to purchase and has a lease term of less than 12 months. Lease of low-value assets is a lease of a single lease asset with low value when it is new. The Company elects not to recognize short-term leases and leases of low-value assets as right-of-use assets and lease liabilities, and includes the relevant lease payments in each lease term in relevant asset costs or current profit or loss using straight-line method.

The Company recognizes the short-term leases and low-value leases other than those mentioned above as right-of-use assets and lease liabilities.

### *Right-of-use assets*

Right-of-use assets are the right of the Company, as a lessee, to use the leased assets during the term of the lease. Except for short-term lease and low-value assets lease, the Company recognizes the right-of-use assets on the beginning date of the lease. Right-of-use assets are recognized when it is probable that economic benefits will flow in and the cost can be measured reliably. The Company's Right-of-use assets categories mainly include houses and buildings, machinery and equipment, leased land and transportation equipment.

Right-of-use assets are initially measured at cost. This cost includes:

- (1) The initial measurement amount of the lease liabilities;
- (2) For the lease payment made on or before the commencement date of the lease term, if there is a lease incentive, the relevant amount of the lease incentive already enjoyed shall be deducted;
- (3) Initial direct costs incurred by the Company;
- (4) Costs expected to be incurred by the Company in dismantling and removing the leased assets, restoring the premises where the leased assets are located, or restoring the leased assets to its agreed condition under the terms of the lease.

The Company subsequently adopts cost model to depreciate the right-of-use assets. If it can be reasonably determined to obtain the ownership of the leased asset when the lease term expires, the company shall accrue depreciation for the remaining useful life of the leased asset. If it cannot be reasonably determined to obtain the ownership of the leased asset when the lease term expires, the company shall set aside depreciation during the shorter period between the lease term and the remaining life of the leased asset.



The Company determines whether the right-of-use assets has been impaired and carried out accounting treatment in accordance with the relevant provisions of *Accounting Standards for Business Enterprises No.8 — Asset Impairment*.

When the Company re-measures the lease liability according to the present value of the lease payment after the change, and adjusts the book value of the right-of-use asset accordingly, if the book value of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, the remaining amount shall be recorded in the profits and losses of the current period.

#### *Lease liabilities*

At the start date of the lease, the company recognizes the present value of the unpaid lease payments as lease liabilities, except for short-term leases, and low-value asset leases. When calculating the present value of lease payment, the interest rate implicit in the lease is used as the discount rate. If it is impossible to determine the inherent interest rate of leasehold, the company's incremental borrowing interest rate is used as the discount rate. The difference between the amount of lease payments and the present value of leases shall be taken as unconfirmed financing expenses, and the interest expenses shall be recognized in accordance with the discount rate of the present value of the confirmed lease payments during each period of the lease term, and shall be included in the profits and losses of the current period. The amount of variable lease payments not included in the measurement of lease liabilities shall be included in the current profit or loss at the time of actual occurrence.

Lease payments are payments made by the Company to the lessor in relation to the right to use the leased assets during the lease term, including:

- (1) Fixed payment and substantial fixed payment, if there is lease incentive, the relevant amount of lease incentive shall be deducted;
- (2) The exercise price of call to purchase reasonably determined by the Company;
- (3) The amount payable for termination of lease option if the lease term reflects the exercise of lease termination option by the Company.

After the commencement date of the lease term, the company calculates the interest expense of the lease liability in each period of the lease term at the fixed periodic interest rate, and records it into the current profit and loss or relevant asset cost.

After the commencement of the lease term, when there is a change in the actual fixed payment amount, the expected amount payable for the guarantee residual value, the index or ratio used to determine the lease payment amount, the evaluation result of the purchase option, the renewal option or the termination option or the actual exercise situation, the Company shall re-measure the lease liabilities according to the present value of the lease payment after the change, and adjust the corresponding right-of-use assets. If the book value of the Right-of-use assets has been reduced to zero; however, if the lease liabilities still need to be further reduced, the Company shall include the difference in current profits and losses.

#### *Lease modification*

If the lease is modified and meets the following conditions at the same time, the Company will account for the lease modification as a separate lease: ① The lease modification increases the scope of the lease by adding the right to use one or more underlying assets; and ② The increased consideration is equivalent to the individual price of the extended portion of the lease adjusted for the circumstances of the contract.

For a lease modification that is not accounted for as a separate lease, the Company reallocates the consideration of the contract after modification, re-determines the lease term and remeasures the lease liabilities at the present value calculated based on the modified lease payments and the revised discount rate.

If the lease modification results in a reduction in the scope of the lease or a shortened lease term, the Company will reduce the book value of right-of-use assets accordingly, and include the gains or losses related to the lease partially or completely terminated in current profit or loss.

If other lease modifications cause the re-measurement of lease liabilities, the Company will adjust the book value of right-of-use assets accordingly.

#### ***Lease classification standard and accounting treatment method as a lessor***

√ Applicable    ☐ N/A

The Company divides the lease into financing lease and operating lease on the lease commencement date based on the substance of transactions. Financing lease is a lease that substantially transfers almost all the risks and rewards related to the ownership of the leased assets. Operating lease is a lease other than financing lease.

##### ***① Operating lease***

The Company recognizes lease receipts from operating leases as rental income by using the straight-line method. The variable lease payment which is related to operating leases but not included in lease receipts shall be included in current loss and profit when actually incurred.

##### ***② Financing lease***

On the commencement date of the lease term, the Company recognizes the financing lease receivables and derecognizes the financing lease assets. The financing lease receivables are initially measured at net investment in lease (the sum of unguaranteed residual value and the present value of lease receipts that have not been received on the commencement date of lease discounted at interest rate in the lease), and the interest income incurred during the lease term is calculated and recognized at the fixed periodic interest rate. The variable lease payment received by the Company that is not included in the measurement of net investment in lease is recorded in current profit and loss when actually incurred.

### **39. Other Significant Accounting Policies and Accounting Estimates**

√ Applicable    ☐ N/A

#### ***(1) Provision and utilization of work safety costs***

The Company shall, in accordance with the Administrative Measures for the Withdrawal and Utilization of Enterprise Work Safety Costs (Cai Zi [2022] No. 136) jointly promulgated by the Ministry of Finance and the State Administration of Work Safety, collect work safety funds. The collection and utilization of work safety funds for relevant businesses are as follows:

### A. *Project construction*

In accordance with the provisions of Article 17 of Cai Zi [2022] No. 136, the construction projects subsidiaries of the Company shall, on the basis of the construction project price, make provision for work safety costs subject to the project progress at the end of the month by applying the criteria “(II) 3% for railway projects, housing construction projects and urban rail transit projects; (IV) 2% for smelting, mechanical and electrical installation, chemical petroleum and communication projects; (V) 1.5% for municipal public works, harbor and waterway projects as well as highway projects”.

The work safety costs for which provisions are made by project construction entities shall be used for the expenses incurred directly in connection with work safety and protection during project construction.

### B. *Production and storage of hazardous goods*

In accordance with the provisions of Article 21 of Cai Zi [2022] No. 136, the manufacturers of hazardous goods under the Company shall make provision for the work safety costs on the basis of the actual operating income from the previous year and in an excess regressive manner according to the following criteria:

- 1) 4.5% if the actual sales revenue throughout the year amounts to RMB 10 million and below;
- 2) 2.25% if the portion of actual sales revenue throughout the year falls within the range from RMB 10 million to RMB 100 million (inclusive);
- 3) 0.55% if the portion of actual sales revenue throughout the year falls within the range from RMB 100 million to RMB 1,000 million (inclusive);
- 4) 0.2% if the portion of actual sales revenue throughout the year exceed RMB 1,000 million.

The work safety costs for which provisions are made by the manufacturers of hazardous goods under the Company shall be used for the expenses incurred directly in connection with work safety and protection during production of hazardous goods.

### C. *Transportation of hazardous goods*

In accordance with the provisions of Article 24 of Cai Zi [2022] No. 136, the transportation entities of hazardous goods under the Company shall make provision for the work safety costs on the basis of the actual operating income from the previous year and by applying the proportion of “1.5% for passenger transportation, pipeline transportation, transportation of dangerous goods and other special cargo transportation operations”.

The work safety costs for which provisions are made by the transportation entities of hazardous goods under the Company shall be used for the expenses incurred directly in connection with safety and protection during transportation of hazardous goods.

The work safety costs for which provisions are made by the Company in accordance with the above regulations shall be included in the current profit or loss and special reserve. When the use of work safety funds belongs to expense expenditure, special reserve shall be directly written off. If a fixed asset is

formed by the use of work safety funds, the expenditures of such use shall be included in "Construction in Progress" and shall be transferred to fixed-assets when the safety project reaches its working conditions for intended use. At the same time, special reserve shall be deducted by the amount of the cost of the fixed asset constructed and accumulated depreciation of the same amount shall be recognized. The fixed assets are no longer subject to depreciation during subsequent periods. The "Special Reserve" item under the owners equity in the balance sheet is set to reflect the closing balance of work safety costs separately.

## **(2) Repurchased share**

The shares repurchased by the Company are managed as treasury stock prior to their cancellation or transfer, and all expenses incurred for the shares repurchased are converted into treasury stock cost.

Where the consideration and transaction expenses paid in a share repurchase reduce shareholders' equity, no gain or loss will be recognized when the shares of the Company are repurchased, transferred or canceled.

For transfer of a treasury stock, the difference between the amount actually received and the book value of the treasury stock is included in the capital reserves, and where the capital reserves are insufficient for offset, surplus reserves and undistributed profits shall be offset against. For cancellation of a treasury stock, the share capital shall be reduced at the par value of stock and the number of shares canceled, and the difference between the book balance of the treasury stock canceled and the par value shall be used to offset against the capital reserves. Where the capital reserves are insufficient for offset, surplus reserves and undistributed profits shall be offset against.

## **(3) Restricted shares**

Under the equity incentive plan, the Company grants restricted shares to grantees who shall subscribe for the shares first, and if the unlocking conditions as previously agreed are not satisfied subsequently, the Company shall repurchase the shares at a previously agreed price. Where registration and other capital increase procedures have been completed in accordance with relevant regulations for the restricted shares issued among employees, the Company shall, on the grant date, recognize the share capital and capital reserve (capital premium) based on the subscription amount received from the employees, and recognize treasury share and other payables in connection with the repurchase obligation at the same time; where registration and other capital increase procedures have been completed in accordance with relevant regulations for the restricted shares granted to employees with repurchased treasury stocks, the Company shall, on the grant date, adjust the value of treasury stock based on the subscription payment made by the employees and recognize other payables in connection with the repurchase obligation.

## **(4) Information on division**

The Company determines the operating division based on the internal organizational structure, management requirements and internal reporting system, and determines the reporting division based on the operating division and discloses the information of the division.

An operating division is a segment that simultaneously meets the following conditions: (1) The segment is capable of generating revenue and incurring expenses in its daily activities; (2) Management is able to periodically evaluate the operating results of the segment in order to determine the allocation of resources to it and to evaluate its performance; (3) The accounting information such as the financial position, operating results and cash flow of such segment is available. Where two or more operating divisions have the similar economic characteristics and meet certain conditions, they may be merged into one operating division.

**(5) Profit distribution**

For a subsidiary with foreign shareholders, after-tax profit shall be distributed in accordance with the resolution of its Board of Directors. The profits of other subsidiaries shall be distributed in the following order after making up the losses of the previous years:

Item	Proportion
Provision for statutory reserve fund	10%
Provision for discretionary surplus reserve	Decided by the General Meeting
Payment of dividends on ordinary shares	Decided by the General Meeting

**40. Changes in Significant Accounting Policies and Accounting Estimates****(1). Changes in significant accounting policies**

☒ Applicable   ☐ N/A

Unit: RMB '0000   Currency: RMB

Content and reason of changes in accounting policies	Significantly influenced financial statements item	Amount of effect
In accordance with the implementation date stipulated in the Interpretation of Accounting Standards for Business Enterprises No. 17, the contents of "On the division of current and non-current liabilities", "on the disclosure of supplier financing arrangements" and "on the accounting treatment of sale and leaseback transactions" are required to be implemented from January 1, 2024.	No	0
In accordance with the provisions of "Interpretation of Accounting Standards for Business Enterprises No. 18", "On the subsequent measurement of investment real estate held as a foundation project under the floating fee method", "on the accounting treatment of quality assurance that is not a single performance obligation". In accordance with the above accounting interpretation, the Company will implement the changed accounting policy from January 1, 2024.	No	0

**(2). Changes in significant accounting estimates**

☐ Applicable   ☒ N/A

**(3). Adjustment to the financial statements at the beginning of year of initial implementation due to initial implementation of new accounting standards of interpretations on the standards since 2024**

☐ Applicable   ☒ N/A

**41. Others**

☐ Applicable   ☒ N/A

## VI. Taxation

### 1. Main Tax Categories and Tax Rates

#### *Main tax categories and tax rates*

√ Applicable    □ N/A

Tax category	Taxation basis	Tax rate
Value added tax (VAT)	Taxable income for VAT	13%, 9%, 6%, 3%
Urban maintenance and construction tax	Turnover tax payable	7% and 5%
Corporate income tax	Taxable income	25%, 15%, 20%
Education surcharge	Turnover tax payable	5%
Property tax	Rental income of rental property and 70% of the original value of self-use property	12% and 1.2%
Stamp duty	Amount listed in the contract as the taxation basis for economic contracts; amount listed in the proof as the taxation basis for title transfer proofs; total amount of paid-in capital (share capital) and capital reserve recorded in the account book as the taxation basis for taxable business account books	0.005%, 0.03%, 0.05%, 0.1%, 0.025%
Land use tax	Area of land actually occupied	RMB 0.6 – RMB 30/m <sup>2</sup>
Overseas subsidiaries		
Hong Kong profits tax	Profits and gains generated in Hong Kong	16.50%
Tax on dividends	Dividend income derived in mainland China by a Hong Kong resident enterprise	10% or 5%
British Virgin Islands	Tax has not been levied on profits, capital gains, and wages of offshore companies incorporated in the British Virgin Islands	0%
Cayman Islands	Tax has not been levied on profits, capital gains, and wages of offshore companies incorporated in the Cayman Islands	0%
Corporate income tax (Singapore)	Income from all over the world	17%, 10%
Corporate income tax (USA)	Income from all over the world	21%
Corporate income tax (UK)	Income from all over the world	19%-25%

Disclosure of situations where there are different tax payers with different corporate income tax rates

√ Applicable    □ N/A

Name of taxpayer	Income tax rate (%)
Xinneng Energy Co., Ltd.	15
Shanxi Qinshui ENN Clean Energy Co., Ltd.	15
Shanghai International Engineering Consulting Company	15
Xindi Energy Engineering Technology Co., Ltd.	15
Xin'ao (Hainan) Energy Trading Co., Ltd.	15
ENN (Zhoushan) LNG Co., Ltd.	15



Name of taxpayer	Income tax rate (%)
Dongguan ENN Gas Co., Ltd.	15
Zhaoqing Xin'ao Clean Energy Co., Ltd.	15
Langfang ENN Intelligent Technology Co., Ltd.	15
Tongliao ENN Gas Co., Ltd.	15
Haining ENN Gas Co., Ltd.	15
Hunan Yintong Science and Technology Co., Ltd.	15
Guilin ENN Gas Co., Ltd.	15
Guigang ENN Gas Co., Ltd.	15
Guilin ENN Gas Development Co., Ltd.	15
Tongliao ENN Gas Development Co., Ltd.	15
Luoyang ENN Huayou Gas Co., Ltd.	15
Xin'an ENN Gas Co., Ltd.	15
Guangzhou ENN Gas Co., Ltd.	15
Guangzhou Panyu ENN Gas Co., Ltd.	15
Shijiazhuang Xin'ao Energy Development Co., Ltd.	15
Yancheng ENN Energy Development Co., Ltd.	15
Luoyang ENN Energy Development Co., Ltd.	15
Luoyang ENN Gas Development Co., Ltd.	15
Mudanjiang ENN Energy Development Co., Ltd.	15
Longyou ENN Intelligent Energy Co., Ltd.	15
Longchang Zhong'ou Oil and Gas Energy Co., Ltd.	15
Baotou ENN Gas Co., Ltd.	15
Guangzhou Xinrui New Energy Development Co., Ltd.	15
E-Cheng E-Jia Network Technology Co., Ltd.	15
Guigang ENN Gas Engineering Co., Ltd.	15
Yangpu ENN Energy Development Co., Ltd.	15
ENN Gas North America Investment Co., Ltd.	16.5
ENN LNG Trading Co., Ltd.	16.5
Jiangsu Energy Holdings Co., Ltd.	16.5
ENN LNG (SINGAPORE) PTE LTD	17, 10
ENN Global Trading Pte. Ltd.	17
ENN Clean Energy International Investment Limited	0
ENN International (UK) LTD	19-25

Some subsidiaries of the Company: Guangdong Xinzhi Energy Services Co., Ltd., Huai'an ENN Huaiyin Automotive Gas Co., Ltd., and Yueyang ENN Gas Co., Ltd. were applicable to the provisions of the *Announcement of the Ministry of Finance and the State Taxation Administration on the Preferential Income Tax Policies for Micro and Small Enterprises and Individual Industrial and Commercial Households* (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No. 6) and the *Announcement of the Ministry of Finance and the State Taxation Administration on the Further Implementation of Preferential Income Tax Policies for Micro and Small Enterprises* (Announcement of the Ministry of Finance and the State Taxation Administration [2022] No. 13): The annual taxable income of small low-profit enterprises shall be included in the taxable income at a reduced rate of 25% and subject

to a corporate income tax rate of 20%. The aforesaid small low-profit enterprise shall mean an enterprise that engages in industries which are not restricted or prohibited by the State and satisfies three conditions of annual taxable income not exceeding RMB 3 million, number of employees not exceeding 300, and total assets amount not exceeding RMB 50 million.

Some subsidiaries of the Company: Zhoushan Xinrui Photovoltaic Energy Co., Ltd., Tonglu Xinrui Photovoltaic Energy Co., Ltd., and Hangzhou Xinrui Photovoltaic Energy Co., Ltd. were applicable to the provisions of the *Notice of the Ministry of Finance and State Taxation Administration on Issues Relevant to Implementation of the List of Public Infrastructure Projects Enjoying Enterprise Income Tax Preferences* (Cai Shui [2008] No. 46). For enterprises engaged in a public infrastructure project included in the *List of Public Infrastructure Projects Enjoying Enterprise Income Tax Preferences* that complies with relevant conditions, technical standards, and national investment management regulations, and has been approved after 1 January 2008, the income derived from their investment and operation shall, starting from the taxation year when the project generates its first revenue from production and operation, be exempt from corporate income tax from the first to the third year, and imposed with corporate income tax at a reduced rate of 50% from the fourth to the sixth year.

## 2. Tax Preference

☒ Applicable    ☐ N/A

1. According to the provisions of the *Announcement on the Extension of Enterprise Income Tax Policies for Western Development* (Announcement No. 23 published by the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission in 2020), and the *Catalogue of Encouraged Industries in Western Regions (2025 Version)*, from 1 January 2021 to 31 December 2030, the enterprises in encouraged industries located in western regions shall be subject to the corporate income tax at a reduced rate of 15%. Xinneng Energy Co., Ltd., Baotou ENN Gas Co., Ltd., Tongliao ENN Gas Development Co., Ltd. and Guigang ENN Gas Engineering Co., Ltd. of the Company were subject to the corporate income tax at a reduced rate of 15%.
2. Some subsidiaries of the Company: Xindi Energy Engineering Technology Co., Ltd., ENN (Zhoushan) LNG Co., Ltd., Dongguan ENN Gas Co., Ltd., and Langfang ENN Intelligent Technology Co., Ltd. were awarded the high-tech enterprise certificates, and subject to a preferential corporate income tax rate of 15% for high-tech enterprises within three years.
3. Some subsidiaries of the Company: Guangdong Xinzhi Energy Services Co., Ltd., Huai'an ENN Huaiyin Automotive Gas Co., Ltd., and Yueyang ENN Gas Co., Ltd. were applicable for the provisions of the *Announcement of the Ministry of Finance and the State Taxation Administration on the Preferential Income Tax Policies for Micro and Small Enterprises and Individual Industrial and Commercial Households* (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No. 6) and the *Announcement of the Ministry of Finance and the State Taxation Administration on the Further Implementation of Preferential Income Tax Policies for Micro and Small Enterprises* (Announcement of the Ministry of Finance and the State Taxation Administration [2022] No. 13): The annual taxable income of small low-profit enterprises shall be included in the taxable income at a reduced rate of 25% and subject to a corporate income tax rate of 20%. The aforesaid small low-profit enterprise shall mean an enterprise that engages in industries which are not restricted or prohibited by the State and satisfies three conditions of annual taxable income not exceeding RMB 3 million, number of employees not exceeding 300, and total assets amount not exceeding RMB 50 million.

4. Some subsidiaries of the Company: Zhoushan Xinrui Photovoltaic Energy Co., Ltd., Tonglu Xinrui Photovoltaic Energy Co., Ltd., and Hangzhou Xinrui Photovoltaic Energy Co., Ltd. were applicable to the provisions of the *Notice of the Ministry of Finance and State Taxation Administration on Issues Relevant to Implementation of the List of Public Infrastructure Projects Enjoying Enterprise Income Tax Preferences* (Cai Shui [2008] No. 46). For enterprises engaged in a public infrastructure project included in the *List of Public Infrastructure Projects Enjoying Enterprise Income Tax Preferences* that complies with relevant conditions, technical standards, and national investment management regulations, and has been approved after 1 January 2008, the income derived from their investment and operation shall, starting from the taxation year when the project generates its first revenue from production and operation, be exempt from corporate income tax from the first to the third year, and imposed with corporate income tax at a reduced rate of 50% from the fourth to the sixth year.
5. ENN (Hainan) Energy Trading Co., Ltd. and Yangpu Xinrui Energy Development Co., Ltd., subsidiaries of the Company, were applicable to the provisions of the *Notice of the Ministry of Finance and the State Taxation Administration on Preferential Corporate Income Tax Policies for Hainan Free Trade Port* (Cai Shui [2020] No. 31), the *Catalogue of Industries for Encouraging Foreign Investment (2022 Version)*, *Guidance Catalogue for Industrial Structure Adjustment (2024 Version)* and the Catalogue of New Encouraged Industries for Hainan Free Trade Port: The enterprises of encouraged industries registered in Hainan Free Trade Port and engaged in substantive operation are subject to the corporate income tax at a reduced rate of 15%.
6. ENN LNG (SINGAPORE) PTE LTD, a subsidiary of the Company, was approved by the Enterprise Singapore to qualify as a “Global Trader” and its LNG business was eligible for an income tax rate of 10% from 1 January 2023 to 31 December 2025.

### 3. Others

☐ Applicable    ☒ N/A

## VII. Notes to the Items in the Consolidated Financial Statements

### 1. Monetary Fund

☒ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Closing balance	Opening balance
Cash on hand	59	142
Bank deposits	1,211,478	1,543,429
Other monetary fund	88,226	80,203
Statutory reserves deposited with the central bank	43,759	43,570
Total	1,343,522	1,667,344
Including: Total amount deposited overseas	532,060	547,756

Other information:

The details of use of restricted monetary fund as a result of mortgage, pledge or freezing are listed as follows:

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Statutory reserves deposited with the central bank	43,759	43,570
Bank acceptance margin	27,061	27,097
Guarantee margin	13,089	3,091
Futures margin	6,325	344
Special fund for gas purchase	4,839	8,256
Electricity sales agent margin	4,373	6,633
Project construction bond	2,948	3,037
L/C margin	1,761	300
Margin for salary of migrant workers	1,109	1,673
Franchise margin	610	1,546
Others	26,595	23,571
Total	132,469	119,118

## 2. Lending Fund

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Domestic bank	325,369	329,449
Total	325,369	329,449

## 3. Transaction Financial Assets

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance	Reason and bases for designation
Financial assets measured at fair value through current profit and loss		20,011	/
Including:			
Structured deposits		10,000	/
Monetary fund		10,011	/
Total		20,011	/

Other information:

☒ Applicable ☐ N/A

The transaction financial assets at the end of current period decreased by 100% from the amount at the end of previous period mainly due to the decreased structured deposits of subsidiaries of the Company during the Reporting Period.

#### 4. Derivative Financial Assets

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Closing balance	Opening balance
Non-hedging derivatives	15,883	42,430
Including: Commodity derivative contracts	5,846	42,430
Foreign exchange derivative contracts	10,037	
Hedging derivatives	11,331	92,643
Including: Commodity derivative contracts	2,200	92,643
Foreign exchange derivative contracts	9,131	
Total	27,214	135,073

Other information:

1. The Company's exposure to commodity price risk arises primarily from LNG sale and purchase contracts linked to indexes such as crude oil and natural gas. To manage and mitigate commodity price risk, the Company has signed multiple commodity derivative contracts with several financial institutions, some of which are designated as hedging instruments.
2. The Company's exposure to foreign exchange risk arises primarily from various bonds and bank loans denominated in USD. To manage and reduce the foreign exchange exposure, the Company has signed multiple foreign currency derivative contracts with several financial institutions, some of which are designated as hedging instruments.
3. The derivative financial assets decreased by 79.85% and the derivative financial liabilities increased by 219.18% at the end of current period from the amount at the end of previous period mainly due to the decline in fair value of the commodity derivative contracts of subsidiaries of the Company during the Reporting Period.

#### 5. Notes Receivable

##### (1). Presentation of notes receivable by category

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Closing balance	Opening balance
Bank acceptance notes	26,958	45,620
Commercial acceptance notes	1,265	944
Total	28,223	46,564

##### (2). Notes receivable pledged by the Company at the end of the period

☐ Applicable    √ N/A

(3). Notes receivable which are not matured as at the balance sheet date but have been endorsed or discounted by the Company at the end of the period

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptance notes		16,315
Commercial acceptance notes		813
Total		17,128

(4). Disclosure by the methods of provision for bad debt

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debt			Book balance		Provision for bad debt		
	Amount	Proportion (%)	Amount	Proportion of accrual (%)	Book value	Amount	Proportion (%)	Amount	Proportion of accrual (%)	Book value
Bad debt provision made individually										
Bad debt provision made by portfolio	28,236	100.00	13	0.05	28,223	46,574	100.00	10	0.02	46,564
Including:										
Bank acceptance notes	26,958	95.47			26,958	45,620	97.95			45,620
Commercial acceptance notes	1,278	4.53	13	1.00	1,265	954	2.05	10	1.00	944
Total	28,236	/	13	/	28,223	46,574	/	10	/	46,564

Bad debt provision made individually:

☐ Applicable ☒ N/A

Bad debt provision made by portfolio:

☒ Applicable ☐ N/A

Item subject to provision made by portfolio: Commercial acceptance notes

Unit: RMB '0000 Currency: RMB

Name	Closing balance		
	Notes receivable	Provision for bad debt	Proportion of accrual (%)
Commercial acceptance notes	1,278	13	1.00
Total	1,278	13	/



Description of bad debt provision made by portfolio

☐ Applicable ☒ N/A

Bad debt provision made according to the general model of expected credit loss

☐ Applicable ☒ N/A

Description of significant change in the book balance of notes receivable with a change in loss provision during the current period:

☐ Applicable ☒ N/A

**(5). Information on provision for bad debt**

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Category	Opening balance	Amount of change in the current period			Closing balance
		Accrual	Recovered or reversed	Charge-off or write-off	
Bad debt provision of notes receivable	10	3			13
Total	10	3			13

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable ☒ N/A

**(6). Notes receivable actually written-off during the current period**

☐ Applicable ☒ N/A

Write-off of significant notes receivable:

☐ Applicable ☒ N/A

Write-off of notes receivable:

☐ Applicable ☒ N/A

Other information:

☒ Applicable ☐ N/A

The notes receivable at the end of current period decreased by 39.39% from the amount at the end of previous period mainly due to the maturity of bank acceptance notes issued by the subsidiaries of the Company during the Reporting Period.

## 6. Accounts Receivable

### (1). Disclosure by aging

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Aging	Closing book balance	Opening book balance
Within one year		
Including: Sub-item due within one year		
Within one year	471,265	536,065
Sub-item due within one year	471,265	536,065
One to two years	135,216	118,706
Two to three years	84,944	74,182
Three to five years	74,410	24,885
More than five years	22,543	18,953
Total	788,378	772,791

### (2). Disclosure by methods of bad debt provision

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debt			Book balance		Provision for bad debt		
	Amount	Proportion (%)	Amount	Proportion of accrual (%)	Book value	Amount	Proportion (%)	Amount	Proportion of accrual (%)	Book value
Bad debt provision made individually	24,084	3.05	24,084	100.00		22,180	2.87	22,180	100.00	
Bad debt provision made by portfolio	764,294	96.95	127,665	16.70	636,629	750,611	97.13	89,717	11.95	660,894
Including:										
Related party payment	92,970	11.79	4,133	4.45	88,837	54,839	7.10	2,154	3.93	52,685
Non-related party payment	671,324	85.16	123,532	18.40	547,792	695,772	90.03	87,563	12.59	608,209
Total	788,378	/	151,749	/	636,629	772,791	/	111,897	/	660,894

Bad debt provision made individually:

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Name	Closing balance			
	Book value	Provision for bad debt	Proportion of accrual (%)	Reason for accrual
Provision made separately for bad debts which are not significant in an individual amount	24,084	24,084	100.00	Receivables that are difficult to recover and are likely to become bad debts
Total	24,084	24,084	100.00	/

Description of bad debt provision made individually:

☐ Applicable ☒ N/A

Bad debt provision made by portfolio:

☒ Applicable ☐ N/A

Item subject to provision made by portfolio: Related party payment

Unit: RMB '0000 Currency: RMB

Name	Closing balance		
	Accounts receivable	Provision for bad debt	Proportion of accrual (%)
Within one year	67,686	597	0.88
One to two years	11,590	542	4.68
Two to three years	8,220	872	10.61
Three to five years	4,500	1,148	25.51
More than five years	974	974	100.00
Total	92,970	4,133	4.45

Item subject to provision made by portfolio: Non-related party payment

Unit: RMB '0000 Currency: RMB

Name	Closing balance		
	Accounts receivable	Provision for bad debt	Proportion of accrual (%)
Within one year	399,297	6,260	1.57
One to two years	121,350	19,365	15.96
Two to three years	70,876	22,581	31.86
Three to five years	59,387	54,912	92.46
More than five years	20,414	20,414	100.00
Total	671,324	123,532	18.40

Description of bad debt provision made by portfolio:

☐ Applicable ☒ N/A

Bad debt provision made according to the general model of expected credit loss

☐ Applicable ☒ N/A

Description of significant change in the book balance of accounts receivable with a change in loss provision during the current period:

☐ Applicable ☒ N/A

## (3). Information on provision for bad debt

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Recovered or reversed	Charge-off or write-off	Other change	
Bad debt provision made individually	22,180	4,538	2,385	249		24,084
Bad debt provision made by portfolio	89,717	38,203		807	-552	127,665
Including:						
Related party payment	2,154	1,979				4,133
Non-related party payment	87,563	36,224		807	-552	123,532
Total	111,897	42,741	2,385	1,056	-552	151,749

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable ☒ N/A

## (4). Accounts receivable actually written-off for the current period

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Write-off amount
Accounts receivable actually Written-off	1,056

Write-off of significant accounts receivable

☐ Applicable ☒ N/A

Write-off of accounts receivable:

☐ Applicable ☒ N/A

## (5). Accounts receivable and contract assets in the top five closing balances collected by debtors

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion in the total closing balance of accounts receivable and contract assets (%)	Closing balance of bad debt provision
Top 1	30,436		30,436	3.00	17
Top 2	18,305	348	18,653	1.84	3,506
Top 3	16,491		16,491	1.63	54
Top 4	15,395	438	15,833	1.56	118
Top 5	13,932		13,932	1.38	8
Total	94,559	786	95,345	9.41	3,703

Other information:

☐ Applicable ☒ N/A

## 7. Contract Assets

### (1). Information on contract assets

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value
Contract assets	224,796	13,938	210,858	262,762	17,444	245,318
Total	224,796	13,938	210,858	262,762	17,444	245,318

### (2). Amount and reason for significant changes in the book value during the Reporting Period

☐ Applicable ☒ N/A

### (3). Disclosure by methods of bad debt provision

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion	Amount	Proportion		Amount	Proportion	Amount	Proportion	
		(%)		of accrual (%)			(%)		of accrual (%)	
Bad debt provision made individually	6,405	2.85	6,405	100.00		12,788	4.87	12,788	100.00	
Bad debt provision made by portfolio	218,391	97.15	7,533	3.45	210,858	249,974	95.13	4,656	1.86	245,318
Including:										
Energy engineering	218,391	97.15	7,533	3.45	210,858	249,974	95.13	4,656	1.86	245,318
Total	224,796	/	13,938	/	210,858	262,762	/	17,444	/	245,318

Bad debt provision made individually:

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name	Closing balance				Reason for accrual
	Book value	Provision for bad debt	Proportion of accrual (%)		
Provision made separately for bad debts which are not significant in an individual amount	6,405	6,405	100.00		Receivables that are difficult to recover and are likely to become bad debts
Total	6,405	6,405	100.00	/	

Description of bad debt provision made individually:

☐ Applicable ☒ N/A

Bad debt provision made by portfolio:

☒ Applicable ☐ N/A

Item subject to provision made by portfolio: Energy engineering

Unit: RMB '0000 Currency: RMB

Name	Closing balance		
	Contract assets	Provision for bad debt	Proportion of accrual (%)
Within 1 year	152,926	2,113	1.38
1-2 years	34,564	1,261	3.65
2-3 years	15,126	810	5.36
More than 3 years	15,775	3,349	21.23
Total	218,391	7,533	3.45



Description of bad debt provision made by portfolio

☐ Applicable ☒ N/A

Bad debt provision made according to the general model of expected credit loss

☐ Applicable ☒ N/A

Description of significant change in the book balance of contract assets with a change in loss provision during the current period:

☐ Applicable ☒ N/A

**(4). Bad debt provision for contract assets during the current period**

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Amount of current change			Closing balance	Reason
		Current accrual	Current recovery or reversal	Current charge-off/write-off		
Bad debt provision made individually	12,788	-57		6,326	6,405	Charge-off made for current period
Bad debt provision made by portfolio	4,656	2,877			7,533	Bad debt provision made according to the general model of expected credit loss
Total	17,444	2,820		6,326	13,938	/

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable ☒ N/A

**(5). Contract assets actually written-off for the current period**

☐ Applicable ☒ N/A

Write-off of significant contract assets

☐ Applicable ☒ N/A

Write-off of contract assets:

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

## 8. Receivables Financing

### (1). Presentation by classification of receivables financing

☒ Applicable   ☐ N/A

Unit: RMB '0000   Currency: RMB

Item	Closing balance	Opening balance
Notes receivable measured at fair value through other comprehensive income	67,638	102,821
Total	67,638	102,821

### (2). Receivables financing pledged by the Company at the end of the period

☐ Applicable   ☒ N/A

### (3). Receivables financing which are not matured as at the balance sheet date but have been endorsed or discounted at the end of the period

☒ Applicable   ☐ N/A

Unit: RMB '0000   Currency: RMB

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptance notes	82,709	
Total	82,709	

### (4). Disclosure by methods of bad debt provision

☐ Applicable   ☒ N/A

Bad debt provision made individually:

☐ Applicable   ☒ N/A

Description of bad debt provision made individually:

☐ Applicable   ☒ N/A

Bad debt provision made by portfolio:

☐ Applicable   ☒ N/A

Bad debt provision made according to the general model of expected credit loss

☐ Applicable   ☒ N/A

Description of significant change in the book balance of receivables financing with a change in loss provision during the current period:

☐ Applicable   ☒ N/A

**(5). Information on provision for bad debt**

☐ Applicable    ☒ N/A

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable    ☒ N/A

**(6). Receivables financing actually written-off during the current period**

☐ Applicable    ☒ N/A

Write-off of significant receivables financing

☐ Applicable    ☒ N/A

Description of write-off:

☐ Applicable    ☒ N/A

**(7). Increase/decrease in receivables financing and change in fair value for the current period:**

☐ Applicable    ☒ N/A

**(8). Other information**

☒ Applicable    ☐ N/A

The receivables financing at the end of current period decreased by 34.22% from the amount at the end of previous period mainly due to the maturity of bank acceptance notes issued by the subsidiaries of the Company during the Reporting Period.

**9. Prepayments****(1). Presentation of prepayments by aging**

☒ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Aging	Closing balance		Opening balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within one year	351,857	96.11	508,282	96.15
One to two years	6,745	1.84	11,362	2.15
Two to three years	2,559	0.70	5,309	1.00
More than three years	4,945	1.35	3,687	0.70
Total	366,106	/	528,640	/

## (2). Prepayments with the top the five closing balances collected by suppliers

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of entity	Closing balance	Proportion in total closing balance of advances to suppliers (%)
Top 1	102,429	27.98
Top 2	47,868	13.07
Top 3	12,940	3.53
Top 4	12,058	3.29
Top 5	11,941	3.26
Total	187,236	51.13

Other information:

√ Applicable ☐ N/A

The prepayments at the end of current period decreased by 30.75% from the amount at the end of previous period mainly due to the decrease in prepayments for natural gas business of the Company during the Reporting Period.

## 10. Loans and Advances

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Corporate loans	2,900	3,697
Total loans and advances to customers	2,900	3,697
Less: provision for loan loss	58	74
Book value of loans and advances to customers	2,842	3,623

## 11. Other Receivables

Presentation of items

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Interests receivable		
Dividends receivable	13,047	14,701
Other receivables	114,786	113,051
Total	127,833	127,752

Other information:

☐ Applicable    ☒ N/A

### ***Interests receivable***

#### *(1). Classification of interests receivable*

☐ Applicable    ☒ N/A

#### *(2). Significant overdue interest*

☐ Applicable    ☒ N/A

#### *(3). Disclosure by methods of bad debt provision*

☐ Applicable    ☒ N/A

Bad debt provision made individually:

☐ Applicable    ☒ N/A

Description of bad debt provision made individually:

☐ Applicable    ☒ N/A

Bad debt provision made by portfolio:

☐ Applicable    ☒ N/A

#### *(4). Bad debt provision made according to the general model of expected credit loss*

☐ Applicable    ☒ N/A

Description of significant change in the book balance of interests receivable with a change in loss provision during the current period:

☐ Applicable    ☒ N/A

#### *(5). Information on provision for bad debt*

☐ Applicable    ☒ N/A

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable    ☒ N/A

#### *(6). Interests receivable actually written-off during the current period*

☐ Applicable    ☒ N/A

Write-off of significant interests receivable

☐ Applicable ☒ N/A

Description of write-off:

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

### ***Dividends receivable***

#### *(1). Dividends receivable*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Project (or investee)	Closing balance	Opening balance
Sinopec ENN (Tianjin) Energy Co., Ltd.	541	541
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	3,261	4,356
Shantou Huarun ENN Gas Co., Ltd.	240	240
Luquan Fuxin Gas Co., Ltd.	2,007	2,007
Ningbo ENN Gas Co., Ltd.		1,960
Xinxiang Hope Thermal Energy Co., Ltd.	878	878
Shandong Luxin Natural Gas Co., Ltd.	120	120
Shenzhen ENN Shipping Co., Ltd.		259
Yantai ENN Gas Development Co., Ltd.	5,000	4,250
Hunan Yiwei Power Distribution Co., Ltd.		90
Lianyungang Zhongxin Gas Co., Ltd.	1,000	
<b>Total</b>	<b>13,047</b>	<b>14,701</b>

#### *(2). Significant dividends receivable due beyond one year*

☐ Applicable ☒ N/A

#### *(3). Disclosure by methods of bad debt provision*

☐ Applicable ☒ N/A

Bad debt provision made individually:

☐ Applicable ☒ N/A

Description of bad debt provision made individually:

☐ Applicable ☒ N/A



Bad debt provision made by portfolio:

☐ Applicable    ☒ N/A

(4). *Bad debt provision made according to the general model of expected credit loss*

☐ Applicable    ☒ N/A

Description of significant change in the book balance of dividends receivable with a change in loss provision during the current period:

☐ Applicable    ☒ N/A

(5). *Information on provision for bad debt*

☐ Applicable    ☒ N/A

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable    ☒ N/A

(6). *Dividends receivable actually written-off during the current period*

☐ Applicable    ☒ N/A

Write-off of significant dividends receivable

☐ Applicable    ☒ N/A

Description of write-off:

☐ Applicable    ☒ N/A

Other information:

☐ Applicable    ☒ N/A

**Other receivables**

(1). *Disclosure by aging*

☒ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Aging	Closing book value	Opening book value
Within one year		
Including: Sub-item due within one year		
Within one year	36,735	42,489
Sub-item due within one year	36,735	42,489

Aging	Closing book value	Opening book value
One to two years	15,702	13,903
Two to three years	15,391	18,713
Three to five years	36,212	28,795
More than five years	23,879	20,485
Total	127,919	124,385

## (2). Classification by the nature of payments

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Nature of payment	Closing book value	Opening book value
Settled but unpaid derivative contracts	2,987	269
Performance bond or deposit	53,288	52,342
Current account	50,366	45,159
Asset disposal proceeds	7,722	13,538
Employee borrowings and reserves	3,007	3,074
Others	10,549	10,003
Total	127,919	124,385

## (3). Accrual of provision for bad debts

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Provision for bad debt	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	
Balance on 1 January 2024	2,073		9,261	11,334
Balance on 1 January 2024 in the current period				
— Transfer to the second stage				
— Transfer to the third stage	-422		422	
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period	1,374		906	2,280
Reversal in current period				
Charge-off in current period				
Write-off in current period			481	481
Other changes				
Balance on 31 December 2024	3,025		10,108	13,133

Description of significant change in the book balance of other receivable with a change in loss provision during the current period:

☐ Applicable ☒ N/A

Amount of provision made for bad debts and the basis adopted to evaluate whether the credit risk of financial instruments have increased significantly in current period:

☐ Applicable ☒ N/A

(4). *Information on provision for bad debt*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Category	Opening balance	Amount of change in the current period			Closing balance
		Accrual	Recovered or reversed	Charge-off or write-off	
Bad debt provision for other receivables	11,334	2,280		481	13,133
<b>Total</b>	<b>11,334</b>	<b>2,280</b>		<b>481</b>	<b>13,133</b>

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable ☒ N/A

(5). *Other receivables actually written-off during the current period*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Write-off amount
Other receivables actually written-off	481

Write-off of other receivables which are significant:

☐ Applicable ☒ N/A

Write-off of other receivables:

☐ Applicable ☒ N/A

(6). *Other receivables with the top five closing balances collected by the debtor*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of entity	Closing balance	Proportion in total closing balance of other receivables (%)	Nature of payment	Aging	Closing balance of bad debt provision
Top 1	8,303	6.48	Current account	Within one year, 1-2 years, 2-3 years, 3-5 years	281
Top 2	7,430	5.81	Performance bond or deposit	Within one year, 1-2 years, 2-3 years, 3-5 years	
Top 3	7,055	5.52	Current account	Within one year, more than 5 years	
Top 4	7,032	5.50	Current account	Within one year, 1-2 years	
Top 5	4,003	3.13	Current account	Within one year	74
Total	33,823	26.44	/	/	355

(7). Presentation in other receivables due to centralized management of funds

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

## 12. Inventories

(1). Classification of inventories

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for decline in value of inventories/ impairment provision for contract	performance cost	Book balance	Provision for decline in value of inventories/ impairment provision for contract	Book value
Raw materials	88,865		88,865	108,492		108,492
Products in process	2,137		2,137	5,386		5,386
Goods in stock	151,982	10,985	140,997	101,531		101,531
Goods shipped	12		12	737		737
Materials for consigned processing	245		245	497		497
Other	268		268	14		14
Total	243,509	10,985	232,524	216,657		216,657

**(2). Data resources recognized as inventories**☐ Applicable ☒ N/A**(3). Provision for decline in value of inventories and impairment provision for contract performance cost**☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Amount of current increase		Amount of current decrease		Closing balance
		Accrual	Other	Reversal or charge-off	Other	
Goods in stock		10,985				10,985
<b>Total</b>		10,985				10,985

Reason for reversal or charge-off of provision for decline in value of inventories during the current period

☐ Applicable ☒ N/A

Provision for decline in value of inventories by portfolio

☐ Applicable ☒ N/A

Criteria for provision for decline in value of inventories by portfolio

☐ Applicable ☒ N/A**(4). Capitalized amount of borrowing costs included in inventory closing balance and its calculation standard and basis**☐ Applicable ☒ N/A**(5). Description of amortization amount of contract performance cost in the current period**☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A**13. Held-for-sale Assets**☐ Applicable ☒ N/A

## 14. Non-current Assets Due within One Year

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Debt investment due within one year		528
Loans and advances due within one year		980
Long-term receivables due within one year		277
Total		1,785

*Debt investment due within one year*√ Applicable ☐ N/A

## (1). Information on debt investment due within one year

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Debt investment due within one year				539	11	528
Total				539	11	528

Change in the impairment provision for debt investment due within one year during the current period

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Increase for current period	Decrease for current period	Closing balance
Impairment provision for debt investment due within one year	11		11	
Total	11		11	

## (2). Debt investment due within one year which is significant at the end of the period

☐ Applicable ☒ N/A



(3). *Accrual of impairment provision*√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	
Provision for bad debt				
Balance on 1 January 2024	11			11
Balance on 1 January 2024 in the current period				
– Transfer to the second stage				
– Transfer to the third stage				
– Reversal to the second stage				
– Reversal to the first stage				
Provision in current period				
Reversal in current period	11			11
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 31 December 2024				

Description of significant change in the book balance with a change in loss provision during the current period:

☐ Applicable    √ N/A

Amount of impairment provision and the basis adopted to evaluate whether the credit risk of financial instruments have increased significantly in current period

☐ Applicable    √ N/A(4). *Debt investment due within one year actually written-off during the current period*☐ Applicable    √ N/A

Write-off of debt investment due within one year which is significant

☐ Applicable    √ N/A

Description of write-off of debt investment due within one year:

☐ Applicable    ☒ N/A

Other information:

☐ Applicable    ☒ N/A

***Other debt investments due within one year***

☐ Applicable    ☒ N/A

***Loans and advances due within one year***

(1). *Loans and advances due within one year*

Unit: RMB '0000    Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Loans and advances due within one year				1,300	320	980
Total				1,300	320	980

Change in the impairment provision for loans and advances due within one year during the current period

Unit: RMB '0000    Currency: RMB

Item	Opening balance	Increase for current period	Decrease for current period	Closing balance
Impairment provision for loans and advances due within one year	320		320	
Total	320		320	

(2). *Accrual of impairment provision*

Unit: RMB '0000 Currency: RMB

	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	
Provision for bad debts				
Balance on 1 January 2024	20		300	320
Balance on 1 January 2024 in the current period				
– Transfer to the second stage				
– Transfer to the third stage				
– Reversal to the second stage				
– Reversal to the first stage				
Provision in current period				
Reversal in current period	20		300	320
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 31 December 2024				

*Long-term receivables due within one year*(1). *Long-term receivables due within one year*

Unit: RMB '0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Long-term receivables due within one year	1,986	1,986		2,266	1,989	277
Total	1,986	1,986		2,266	1,989	277

Change in the impairment provision for long-term receivables due within one year during the current period

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Increase for current period	Decrease for current period	Closing balance
Impairment provision for long-term receivables due within one year	1,989		3	1,986
Total	1,989		3	1,986

## (2). Accrual of impairment provision

Unit: RMB '0000 Currency: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	
Balance on 1 January 2024	3		1,986	1,989
Balance on 1 January 2024 in the current period				
– Transfer to the second stage				
– Transfer to the third stage				
– Reversal to the second stage				
– Reversal to the first stage				
Provision in current period				
Reversal in current period	3			3
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 31 December 2024			1,986	1,986

Other information:

The non-current assets due within one year at the end of current period decreased by 100% from the amount at the end of previous period mainly due to the recovery of matured loans and advances by the Company's subsidiaries during the Reporting Period.

## 15. Other Current Assets

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Value added tax to be deducted, certified or prepaid	243,620	209,349
Prepaid corporate income tax	39,218	38,213
Prepaid business tax	2,485	3,383
Prepaid social security and provident fund	340	326
Entrusted loan	92	1,465
Factoring receivable	17,455	14,867
Other	307	848
Total	303,517	268,451

Other information:

(1) *Accrual of Impairment provision for other current assets*

Unit: RMB '0000 Currency: RMB

	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	
Provision for bad debts				
Balance on 1 January 2024	1,150			1,150
Balance on 1 January 2024 in the current period				
– Transfer to the second stage				
– Transfer to the third stage	-800		800	
– Reversal to the second stage				
– Reversal to the first stage				
Provision in current period	17			17
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 31 December 2024	367		800	1,167

## 16. Debt Investment

(1). *Information on debt investment*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Factoring receivable				260	6	254
Total				260	6	254

Change in the impairment provision for debt investments during the current period

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Increase for current period	Decrease for current period	Closing balance
Impairment provision for debt investments	6		6	
Total	6		6	

(2). *Significant debt investments at the end of the period*

☐ Applicable ☒ N/A

(3). *Accrual of impairment provision*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

	Stage 1	Stage 2	Stage 3	
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	Total
Provision for bad debt				
Balance on 1 January 2024	6			6
Balance on 1 January 2024 in the current period				
– Transfer to the second stage				
– Transfer to the third stage				
– Reversal to the second stage				
– Reversal to the first stage				
Provision in current period				
Reversal in current period	6			6
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 31 December 2024				

Description of significant change in the book balance of debt investments with a change in loss provision during the current period:

☐ Applicable ☒ N/A



Amount of impairment provision and the basis adopted to evaluate whether the credit risk of financial instruments have increased significantly in current period

☐ Applicable    ✓ N/A

**(4). Debt investments actually written-off during the current period**

☐ Applicable    ✓ N/A

Write-off of debt investments which are significant

☐ Applicable    ✓ N/A

Write-off of debt investments:

☐ Applicable    ✓ N/A

Other information:

☐ Applicable    ✓ N/A

## 17. Other Debt Investments

**(1). Information on other debt investments**

☐ Applicable    ✓ N/A

Change in the impairment provision for other debt investments during the current period

☐ Applicable    ✓ N/A

**(2). Other debt investments which are significant at the end of the period**

☐ Applicable    ✓ N/A

**(3). Accrual of impairment provision**

☐ Applicable    ✓ N/A

Description of significant change in the book balance of other debt investments with a change in loss provision during the current period:

☐ Applicable    ✓ N/A

Amount of impairment provision and the basis adopted to evaluate whether the credit risk of financial instruments have increased significantly in current period

☐ Applicable    ✓ N/A

**(4). Other debt investments actually written-off during the current period**

☐ Applicable    ☒ N/A

Write-off of other debt investments which are significant

☐ Applicable    ☒ N/A

Write-off of other debt investments:

☐ Applicable    ☒ N/A

Other information:

☐ Applicable    ☒ N/A

**18. Long-term Receivables****(1). Information on long-term receivables**

☒ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Closing balance			Opening balance			Discount rate interval
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value	
Financing lease receivable	6,000	60	5,940	6,000	60	5,940	5.00%
Including: Unrealized financing income	463		463	1,088		1,088	
Total	6,000	60	5,940	6,000	60	5,940	/

**(2). Disclosure by methods of bad debt provision**

☐ Applicable    ☒ N/A

Bad debt provision made individually:

☐ Applicable    ☒ N/A

Description of bad debt provision made individually:

☐ Applicable    ☒ N/A

Bad debt provision made by portfolio:

☐ Applicable    ☒ N/A

(3). *Bad debt provision made according to the general model of expected credit loss*√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Provision for bad debt	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	
Balance on 1 January 2024	60			60
Balance on 1 January 2024 in the current period				
– Transfer to the second stage				
– Transfer to the third stage				
– Reversal to the second stage				
– Reversal to the first stage				
Provision in current period				
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 31 December 2024	60			60

Description of significant change in the book balance of long-term receivables with a change in loss provision during the current period:

☐ Applicable    √ N/A

Amount of provision for bad debts and the basis adopted to evaluate whether the credit risk of financial instruments have increased significantly in current period

☐ Applicable    √ N/A(4). *Information on provision for bad debt*√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Recovered or reversed	Charge-off or write-off	Other change	
Financing lease receivable	60					60
Total	60					60

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable ☒ N/A

**(5). Long-term receivables actually written-off during the current period**

☐ Applicable ☒ N/A

Write-off of long-term receivables which are significant

☐ Applicable ☒ N/A

Write-off of long-term receivables:

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

## 19. Long-term Equity Investments

**(1). Information on long-term equity investments**

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Investee	Increase or decrease for the current period									Closing balance	Closing balance of impairment provision
	Opening balance	Additional investment	Reduced investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Changes in other equity	Declare to issue cash dividends or profit	Impairment provision withdrawal	Other		
I. Joint Venture											
Chongqing Fuxin Natural Gas Co., Ltd.	917			168			93			992	
Yancheng ENN Compressed Natural Gas Co., Ltd.	2,122			-883						1,239	
Luquan Fuxin Gas Co., Ltd.	18,051			3,158						21,209	
Ningbo ENN Gas Co., Ltd.				932			-1,960			2,892	
Yantai ENN Gas Development Co., Ltd.	58,301			4,584			4,000			58,885	
Kaifeng ENN Yin Hai Automobile Gas Co., Ltd.				63						63	
Yunnan Yuntou Xin'ao Gas Co., Ltd.	9,157			580						9,737	
Tangshan ENN Yongshun Clean Energy Co., Ltd.	2,539			-235						2,304	
Hebei PetroChina Kunlun Natural Gas Co., Ltd.	31,613			2,929			2,248			32,294	
Henan Jingbao ENN New Energy Co., Ltd.	6,754			613			3,920			3,447	
Hangzhou Xiaoshan Huanneng Industrial Co., Ltd.	93		100	7							
Quzhou ENN Sinopec Automobile Gas Co., Ltd.	1,087			192			135			1,144	

Investee	Increase or decrease for the current period										Closing balance of impairment provision
	Opening balance	Additional investment	Reduced investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Changes in other equity	Declare to issue cash dividends or profit	Impairment provision withdrawal	Other	Closing balance	
Jiaxing Sinopec ENN Gas Co., Ltd.	312		324	12							
Jinhua Sinopec ENN Automobile Natural Gas Co., Ltd.	270		417	147							
Liaocheng Shihua Natural Gas Co., Ltd.	11,695			2,309			1,715			12,289	
Guangxi Xijiang ENN Clean Energy Co., Ltd.				261						261	
Anhui Wanneng ENN Natural Gas Co., Ltd.	7,712			1,438			823			8,327	
Xuzhou Guotou ENN Energy Co., Ltd.	2,003			35						2,038	
Qingdao International Airport New Energy Development Co., Ltd.	6,650			91						6,741	
Jiangxi Poyang Lake LNG Co., Ltd.	3,606			-293						3,313	
Dongguan Haofeng ENN Energy Co., Ltd.	2,826			693						3,519	
Yunnan Natural Gas Xuanwei ENN Gas Co., Ltd.	4,318			126						4,444	
Chenzhou Sanxiang ENN Clean Energy Co., Ltd.	847			-495			139			213	
Wulian Run'ao Energy Development Co., Ltd.	1,345			-17						1,328	
Xuancheng Hezhong Natural Gas Pipeline Network Co., Ltd.	3,162			1,106			350			3,918	
Dongguan Zhongdian ENN Heating Co., Ltd.	4,790			665			88			5,367	
Zhuzhou Tai'ao Energy Co., Ltd.	272		335	70			7				
Shanghai Kunlun ENN Clean Energy Co., Ltd.	18,048			2,177						20,225	
Lianyungang Chengxin Gas Co., Ltd.	7,416			1,329						8,745	
Bengbu ENN PetroChina Sales Co., Ltd.	675			163			112			726	
Sinopec Yuexi Pipeline Network Co., Ltd.	8,106			-883						7,223	
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	729			108			46			791	
Henan Zhongyuan Natural Gas Development Co., Ltd.	53,100			2,437			3,300			52,237	
Shanxi Hengjing Energy Co., Ltd.	1,091			100						1,191	
Shenzhen ENN Shipping Co., Ltd.	8,200			1,438			932			8,706	
Xinxiang Hope Thermal Energy Co., Ltd.	243		1,042	799							
Haining Guangyao Thermoelectric Co., Ltd.	3,423			-939						2,484	
Fuzhou ENN Energy Technology Co., Ltd.		650		-168						482	
Langfang Lveng Zhihui Energy Co., Ltd.		60		-54						6	
Langfang Xinzhi Digital-intelligent Future Smart City Co., Ltd.		2,078		137						2,215	
Dehua Guang'an Natural Gas Co., Ltd.		7,651		-3						7,648	
Sub-total	281,473	10,439	2,218	24,897			15,948			298,643	
II. Associate											
CNOOC Gas and Electricity North Sea Gas Co., Ltd.	1,166			-501						665	1,563
Beijing Zhongnong Big Biotechnology Incorporated Company	200			-35						165	
Chongqing Longran Energy Technology Co., Ltd.	2,951			-374						2,577	

Investee	Increase or decrease for the current period										Closing balance	Closing balance of impairment provision
	Opening balance	Additional investment	Reduced investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Changes in other equity	Declare to issue cash dividends or profit	Impairment provision withdrawal	Other	Closing balance		
Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	7,214			141						7,355		
Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.				165						165		
Zhanjiang Xinyi Real Estate Development Co., Ltd.	2,525			-1,082						1,443		
Zhanjiang Zhongyou ENN Natural Gas Co., Ltd.	1,087			-627						460		
Liaoning Liaoyou ENN Shengyu Natural Gas Co., Ltd.				17						17		
Shijiazhuang Kunlun ENN Gas Co., Ltd.	55,169			7,549			3,220			59,498		
Taizhou City Natural Gas Co., Ltd.	2,808			-124		-40				2,644		
Guangzhou Ganghua Gas Co., Ltd.	4,172			891			800			4,263		
Taizhou Yinxingshu Gas Co., Ltd.	506			85			94			497		
CNOOC Xinrun Liaoning Gas Co., Ltd.	1,001			43			92			952		
Changzhou Meilu ENN Energy Co., Ltd.			398	398								
Suzhou Wanneng Natural Gas Co., Ltd.	3,332			41			196			3,177		
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	5,925			2,860			1,395			7,390		
Wuzhou PetroChina Kunlun ENN Gas Co., Ltd.	4,528			344			284			4,588		
Shantou Huarun ENN Gas Co., Ltd.	20,044			2,964			2,450			20,558		
Enniu Chengfu (Langfang) Public Service Technology Co., Ltd.			42	42								
Ningbo ENN Gas Development Co., Ltd.	3,891			358						4,249		
Shanghai Zhuoxiao Energy Technology Co., Ltd.	437		420	-17								
Shijiazhuang Blue Sky ENN Natural Gas Pipeline Network Co., Ltd.	4,798			166						4,964		
Zhoushan Lanyan Gas Co., Ltd.	54,642			554			1,380			53,816		
Hunan Yiwei Power Distribution Co., Ltd.	3,126			57						3,183		
Guangxi Daren Energy Co., Ltd.	3,818			59			179			3,698		
Luoyang Natural Gas Storage and Transportation Co., Ltd.	2,954			27						2,981		
Huzhou Gas Co., Ltd.	37,062			3,253			1,816			38,499		
Huzhou Nanxun Xin'ao Gas Co., Ltd.	22,055			2,080			2,341			21,794		
Huzhou Nanxun Xin'ao Gas Development Co., Ltd.	6,283			2,759			2,738			6,304		
Shandong Airport Intelligent Energy Development Co., Ltd.	480			-11						469		
Bengbu Ruiyuan Power Distribution Co., Ltd.	540			1						541		
Lianyungang Zhongxin Gas Co., Ltd.	16,347			1,423			1,000			16,770		
Ningbo ENN Xinrui Energy Development Co., Ltd.	2,666			219						2,885		
Shandong Luxin Natural Gas Co., Ltd.	1,941			173			248			1,866		



Investee	Increase or decrease for the current period								Closing balance	Closing balance of impairment provision
	Opening balance	Additional investment	Reduced investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Changes in other equity	Declare to issue cash dividends or profit	Impairment provision withdrawal	Other	
Jinhua City Gaoya Natural Gas Co., Ltd.	1,767			66						1,833
Changzhou Zhongwu Power Distribution Co., Ltd.	377			10			2			385
Changshu China Petroleum Kunlun Natural Gas Development Co., Ltd.	315			-10			1			304
Danjiangkou ENN Energy Development Co., Ltd.	37		26	-11						
Xuyi Guolian ENN Natural Gas Pipeline Network Co., Ltd.	5,379			-34						5,345
Minshang (Guangdong) Investment Partnership (Limited Partnership)	4,758			-4,758						
Beijing Shanjing Huisheng Pipeline Technology Development Co., Ltd.	574		574							
Changzhou Gas Storage Co., Ltd.	1,226			-43						1,183
Chizhou Qianjiang Gas Co., Ltd.	2,543			-43			67			2,433
Xinsheng Natural Gas Sales Co., Ltd.	841	750		70						1,661
Yancheng Guotou Gas Pipeline Network Co., Ltd.	21,724	3,365		358						25,447
Hai'an Huihai Natural Gas Pipeline Network Co., Ltd.	3,457			-44						3,413
Qinzhou PetroChina Kunlun Gas Co., Ltd.	3,218			862						4,080
Shijiazhuang ENN City Gas Development Co., Ltd.	6,412			266						6,678
Suqian Heating Pipe Network Co., Ltd.	2,406			29						2,435
Guanyun PetroChina Kunlun Gas Co., Ltd.	12,124			1,642			1,707			12,059
Changsha ENN Gas Co., Ltd.	117,451			10,453						127,904
Huai'an PetroChina Kunlun Gas Co., Ltd.		5,000		82						5,082
Guangzhou Panyu Mingqijia Information Technology Co., Ltd.				23						23
Liangshan Prefecture Lvran Gas Co., Ltd.		2,069		23						2,092
Subtotal	458,277	11,184	1,460	32,839		-40	20,010			480,790
Total	739,750	21,623	3,678	57,736		-40	35,958			779,433

(2). Impairment test on long-term equity investments

☐ Applicable ☒ N/A

## 20. Other Equity Instrument Investments

### (1). Information on other equity instrument investments

√ Applicable    □ N/A

Unit: RMB '0000    Currency: RMB

Item	Opening balance	Additional investment	Reduced investment	Increase/decrease for the current period		Other	Closing balance	Dividend revenue recognized for current period	Accumulated gains included in other comprehensive income	Accumulated losses included in other comprehensive income	Reason for designation to be measured at fair value through other comprehensive income
				Gains included in other comprehensive income for current period	Losses included in other comprehensive income for current period						
Jiaxing Gas Group Co., Ltd.	8,022			80			8,102	691	3,989		Strategic investment
Shanghai Zhongyou Baihe Petroleum Gas Co., Ltd.	1,138				-13		1,125	42	675		Strategic investment
Shanghai Petroleum and Gas Exchange Co., Ltd.	4,398			61			4,459	95	259		Strategic investment
Chongqing Petroleum and Gas Exchange Co., Ltd.	5,554			85			5,639	149	390		Strategic investment
Xiangtan Desheng Energy Distribution Co., Ltd.	152	139		124			415		116		Strategic investment
Sanmenxia Swan Power Co., Ltd.	980				-63		917			-584	Strategic investment
Nanjing Jiangbei New District Power Distribution Co., Ltd.	471			9			480	9	30		Strategic investment
Heilongjiang Electric Power Trading Center Co., Ltd.	356						356				Strategic investment
Jibei Electric Power Trading Center Co., Ltd.	290						290			-1	Strategic investment
Zhejiang Hesen Energy Co., Ltd.	137			1			138			-102	Strategic investment
Guangxi Power Exchange Center Co., Ltd.	267			3			270		10		Strategic investment
Langfang Youqi Business Planning Co., Ltd.	183				-6		177			-45	Strategic investment
Shenzhen Dapeng Liquefied Natural Gas Sales Co., Ltd.	582			5			587	392	462		Strategic investment
Dongguan Fengneng LNG Co., Ltd.	25						25				Strategic investment
Dongguan Fengneng LNG Terminal Co., Ltd.	25						25				Strategic investment
Deneb Ocean Transport Company		391		5			396		5		Strategic investment
Altair Ocean Transport Company		391		5			396		5		Strategic investment
Vega Ocean Transport Company		391		5			396		5		Strategic investment
Gas Shanghai Pte. Ltd.		1,145					1,145				Strategic investment
Total	22,580	2,457		383	-82		25,338	1,378	5,946	-732	/

## (2). Description of derecognition for current period

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

## 21. Other Non-current Financial Assets

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Derivative financial assets included in other non-current financial assets included in	16,816	18,788
Non-hedging derivatives	127	2,861
Including: Commodity derivative contracts		2,861
Foreign exchange derivative contracts	127	
Hedging derivatives	16,689	15,927
Including: Commodity derivative contracts		12,130
Foreign exchange derivative contracts	16,689	3,797
Financial assets measured at fair through current profit or loss	443,404	433,414
Total	460,220	452,202

The details of financial assets measured at fair value through current profit or loss are listed as follows:

Unit: RMB '0000 Currency: RMB

Name of investee	Closing balance	Opening balance
Sinopec Marketing Co., Ltd.	417,000	417,000
Shanghai Dazhong Public Utilities (Group) Co., Ltd.	25,975	14,760
Guokai Siyuan (Beijing) Investment Fund Co., Ltd.	389	1,621
Hunan Silver Co., Ltd.	40	33
Total	443,404	433,414

Other information:

☒ Applicable ☐ N/A

1. Please refer to "Note VII-4. Derivative financial assets" for the foreign exchange derivative contracts and commodity derivative contracts.

2. The Company holds 1.13% equity stake in the non-listed company Sinopec Marketing Co., Ltd. The Company holds 4.38% shares in the listed company Shanghai Dazhong Public Utilities (Group) Co., Ltd. The Company holds 0.01% shares in the listed company Hunan Silver Co., Ltd.

## 22. Investment Real Estate

### Measurement model of investment real estate

#### Investment real estate using fair value measurement model

Unit: RMB '0000 Currency: RMB

Item	Houses and buildings	Land use rights	Construction in progress	Total
I. Balance at the beginning of the period	26,814			26,814
II. Changes in the current period	-2,174			-2,174
Add: Outsourcing				
Transfer from inventories/fixed assets/construction in process	119			119
Increase in business combinations				
Less: Disposal				
Other transfer out	-690			-690
Changes in fair value	-1,603			-1,603
III. Balance at the end of the period	24,640			24,640

#### (1). Investment real estate with property rights certificate uncompleted

☐ Applicable ☒ N/A

#### (2). Description of conversion into investment real estate and adoption of fair value measurement model

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Accounting subject before conversion	Amount	Reason for conversion	Approval procedure	Effect on profit and loss	Effect on other comprehensive income
Houses and buildings	Fixed assets	10	Conversion from self-use to rental	Approved by the general manager		109
Total	/	10	/	/	/	/

Other information:

☐ Applicable ☒ N/A

## 23. Fixed Assets

### Presentation of items

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Closing balance	Opening balance
Fixed assets	6,418,054	6,132,633
Disposal of fixed assets		
Total	6,418,054	6,132,633

### Fixed assets

#### (1). Information on fixed assets

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Houses and buildings	Machinery & equipment	Office & electronic communication equipment	Means of transportation	Gas pipeline	Total
I. Original book value:						
1. Opening balance	1,346,780	1,516,099	264,028	45,065	5,077,304	8,249,276
2. Current increase	57,291	218,430	31,950	5,939	377,465	691,075
(1) Purchase	4,926	78,626	22,992	5,939	45,101	157,584
(2) Transferred from construction in progress	51,675	139,804	8,958		332,364	532,801
(3) Increase in business combinations						
(4) Transferred from investment real estate	690					690
3. Current decrease	18,282	41,233	8,076	9,752	49,690	127,033
(1) Disposal or scrap	12,582	21,554	6,727	8,581	24,644	74,088
(2) Transferred to investment real estate	10					10
(3) Decrease in business combinations	5,690	19,679	1,349	1,171	25,046	52,935
4. Closing balance	1,385,789	1,693,296	287,902	41,252	5,405,079	8,813,318

Item	Houses and buildings	Machinery & equipment	Office & electronic communication equipment	Means of transportation	Gas pipeline	Total
II. Accumulated depreciation						
1. Opening balance	221,908	512,657	169,728	27,097	974,545	1,905,935
2. Current increase	34,156	98,529	25,479	4,818	160,310	323,292
(1) Provision	34,156	98,529	25,479	4,818	160,310	323,292
3. Current decrease	5,185	19,214	5,827	8,392	15,431	54,049
(1) Disposal or scrap	3,743	10,919	5,126	7,269	8,987	36,044
(2) Decrease in business combinations	1,442	8,295	701	1,123	6,444	18,005
4. Closing balance	250,879	591,972	189,380	23,523	1,119,424	2,175,178
III. Impairment provision						
1. Opening balance	28,485	171,487	187	569	9,980	210,708
2. Current increase	1,657	8,909	163		2,648	13,377
(1) Provision	1,657	7,293	163		2,582	11,695
(2) Transferred from construction in progress		1,616			66	1,682
3. Current decrease		3,997	2			3,999
(1) Disposal or scrap		3,997	2			3,999
4. Closing balance	30,142	176,399	348	569	12,628	220,086
IV. Book value						
1. Closing book value	1,104,768	924,925	98,174	17,160	4,273,027	6,418,054
2. Opening book value	1,096,387	831,955	94,113	17,399	4,092,779	6,132,633

## (2). Temporarily idle fixed assets

☐ Applicable    ☒ N/A

## (3). Fixed assets rent through operating lease

☒ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Closing book value
Leased out through operating leases	6,674



## (4). Fixed-assets with property right certificate uncompleted

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Book value	Reason for uncompleted property rights certificate
Production & office premises	102,123	The Company is communicating with the local government departments on this matter

## (5). Impairment test on fixed assets

√ Applicable ☐ N/A

Determination of net recoverable amount at fair value less disposal costs

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Book value	Recoverable amount	Impairment amount	Determination method of fair value and disposal cost	Key parameter	Determination basis of key parameter
Gas station	1,327		1,327	Cost method	Disposal value of assets	Residual value of assets
Panergy business assets	5,828		5,828	Cost method	Disposal value of assets	Residual value of assets
Total	7,155		7,155	/	/	/

Determination of recoverable amount at present value of future projected cash flow

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Book value	Recoverable amount	Impairment amount	Duration of forecast period	Key parameter of forecast period	Key parameter of stable period	Determination basis for key parameter of stable period
Panergy business assets	8,740	5,681	3,059	5 years	Unit price, sales volume	Discount rate	Industry average return on investment
Gas business assets	6,442	4,961	1,481	5 years	Unit price, sales volume	Discount rate	Industry average return on investment
Total	15,182	10,642	4,540	/	/	/	/

Reasons for the difference between the aforesaid information and the information adopted for impairment tests in previous years or external information

☐ Applicable ☒ N/A

Reasons for the obvious difference between the information adopted for impairment tests in previous years and the actual situation in current year

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

Disposal of fixed assets

☐ Applicable ☒ N/A

## 24. Construction in Progress

### *Presentation of items*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Construction in progress	537,071	479,891
Project materials	20,460	18,481
Total	557,531	498,372

Other information:

☐ Applicable ☒ N/A

### *Construction in progress*

#### *(1). Information on construction in progress*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Distributed energy project	112,290		112,290	99,209	66	99,143
Gas engineering	243,605	181	243,424	284,737		284,737
Zhoushan project phase III	159,115		159,115	60,528		60,528
Environmental protection technology reform for water system				9,610	1,488	8,122
Other projects	23,122	880	22,242	28,369	1,008	27,361
Total	538,132	1,061	537,071	482,453	2,562	479,891

## (2). Current changes in major construction in progress

√ Applicable    □ N/A

Unit: RMB '0000    Currency: RMB

Name of project	Budget	Opening balance	Current increase	Amount transferred to fixed assets in the current period	Other current decreases	Closing balance	Accumulated investment as a percentage of budget (%)	Project progress	Accumulated capitalized amount of interest	Including: Capitalized amount of interest in current period	Capitalization rate of interest in current period (%)	Sources of funding
Phase III LNG Storage Tank and Supporting Facilities for Zhejiang Zhousha LNG Receiving Terminal and Filling Station	292,096	60,528	98,587			159,115	54.70	85.32%	3,252	3,234	3.00	Self-financing and loan
ENN Science Park R&D Workshop	32,395	11,104	5,928	17,032			52.57	85.00%				Self-financing
ENN Research Institute Project (1#)	80,984	1,532	7,759			9,291	11.47	25.00%				Self-financing
ENN Research Institute Project (2#)	65,614	3,768	4,040			7,808	11.90	30.00%				Self-financing
High-pressure Natural Gas Pipeline Project from China-Russia Eastern Route Xinghuamen Station to Zhuhongmen Station	16,220	4,622	5,825	10,447			64.41	91.00%				Self-financing
Natural Gas Supply Pipeline Works for Ningzhou Gas and Electricity Project	135,905	2,176	11,280	10,347		3,109	92.39	98.50%	1,613	550	4.50	Self-financing and loan
Dongguang High-pressure Natural Gas Pipeline Network Project along North Ring Road and Zhonghong Branch	47,402	24,219	11,970	35,852		337	77.30	92.00%				Self-financing
Dongguang High-pressure Natural Gas Pipeline Network Project along Sangcha Express Way and Eastern Extension Line	17,160	98	136			234	1.36	5.00%				Self-financing
Relocation and Reconstruction of Dongguan High-pressure Natural Gas Pipeline Network Project (Changhu Expressway - Chang'an Pressure Regulation Station)	12,912		1,330	1,113		217	10.30	12.00%				Self-financing
Total	700,688	108,047	146,855	74,791		180,111	/	/	4,865	3,784	/	/

## (3). Provision for impairment of construction in progress in the current period

√ Applicable    □ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Increase for current period	Decrease for current period	Closing balance	Reason for provision
Distributed energy project	66		66		Transfer to fixed assets
Gas engineering		181		181	Decline in economic benefits from the assets
Equipment and supporting facilities for stable light hydrocarbon	176			176	
Integrated equipment and related assets of methanol	2,320		1,616	704	Partial transfer to fixed assets
Total	2,562	181	1,682	1,061	/

## (4). Impairment tests on construction in progress

√ Applicable ☐ N/A

Determination of net recoverable amount at fair value less disposal costs

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Book value	Recoverable amount	Impairment amount	Determination method of fair value and disposal cost	Key parameter	Determination basis for key parameter
Gas engineering	181		181	Cost method	Disposal value of assets	Residual value of assets
Total	181		181	/	/	/

Determination of recoverable amount at present value of future projected cash flow

☐ Applicable ☒ N/A

Reasons for the difference between the aforesaid information and the information adopted for impairment tests in previous years or external information

☐ Applicable ☒ N/A

Reasons for the obvious difference between the information adopted for impairment tests in previous years and the actual situation in current year

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

**Project materials****(1). Information on project materials**√ Applicable   ☐ N/A

Unit: RMB '0000   Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Special-purpose materials	20,460		20,460	18,481		18,481
Total	20,460		20,460	18,481		18,481

**25. Productive Biological Assets****(1). Productive biological assets using cost measurement model**☐ Applicable   √ N/A**(2). Impairment tests on productive biological assets using cost measurement model**☐ Applicable   √ N/A**(3). Productive biological assets using fair value measurement model**☐ Applicable   √ N/A

Other information:

☐ Applicable   √ N/A**26. Oil-gas Assets****(1) Information on oil-gas assets**☐ Applicable   √ N/A**(2) Impairment tests on oil-gas assets**☐ Applicable   √ N/A**27. Right-of-use Assets****(1) Information on right-of-use assets**√ Applicable   ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Land	Houses and buildings	Equipment	Means of transportation	Other	Total
I. Original book value						
1. Opening balance	22,981	66,129	858	589	1,102	91,659
2. Current increase	1,828	11,202	15,477	164	355	29,026
(1) New lease	1,828	11,202	15,477	164	355	29,026
3. Current decrease	554	981				1,535
(1) Determination of lease	554	981				1,535
4. Closing balance	24,255	76,350	16,335	753	1,457	119,150
II. Accumulated depreciation						
1. Opening balance	8,766	29,273	499	582	318	39,438
2. Current increase	3,246	14,062	1,083	33	362	18,786
(1) Provision	3,246	14,062	1,083	33	362	18,786
3. Current decrease	45	322				367
(1) Disposal	45	322				367
4. Closing balance	11,967	43,013	1,582	615	680	57,857
III. Impairment provision						
1. Opening balance						
2. Current increase						
(1) Provision						
3. Current decrease						
(1) Disposal						
4. Closing balance						
IV. Book value						
1. Closing book value	12,288	33,337	14,753	138	777	61,293
2. Opening book value	14,215	36,856	359	7	784	52,221

## (2) Impairment tests on right-of-use assets

☐ Applicable    ☒ N/A

## 28. Intangible Assets

## (1). Information on intangible assets

☒ Applicable    ☐ N/A



Unit: RMB '0000 Currency: RMB

Item	Land use right	Patent right	Software	Right of management	Other	Total
<b>I. Original book value</b>						
1. Opening balance	328,506	26,998	167,855	572,335	26,618	1,122,312
2. Current increase	8,213	1,608	54,313	20,277	4,251	88,662
(1) Purchase	8,213	231	12,709	20,277	993	42,423
(2) Increase in business combinations						
(3) Transferred from development expenditure		1,377	41,604		3,258	46,239
3. Current decrease	11,682	801	236		26	12,745
(1) Disposal	2,939	235	236		3	3,413
(2) Decrease in business combinations	8,743	566			23	9,332
4. Closing balance	325,037	27,805	221,932	592,612	30,843	1,198,229
<b>II. Accumulated amortization</b>						
1. Opening balance	60,445	15,348	81,544	182,180	13,769	353,286
2. Current increase	8,355	2,193	25,614	24,827	2,484	63,473
(1) Provision	8,355	2,193	25,614	24,827	2,484	63,473
3. Current decrease	2,231	466	556		15	3,268
(1) Disposal	699	150	556		2	1,407
(2) Decrease in business combinations	1,532	316			13	1,861
4. Opening balance	66,569	17,075	106,602	207,007	16,238	413,491
<b>III. Impairment provision</b>						
1. Opening balance			1,623	4,950		6,573
2. Current increase				4,280		4,280
(1) Provision				4,280		4,280
3. Current decrease						
(1) Disposal						
4. Closing balance			1,623	9,230		10,853
<b>IV. Book value</b>						
1. Closing book value	258,468	10,730	113,707	376,375	14,605	773,885
2. Opening book value	268,061	11,650	84,688	385,205	12,849	762,453

At the end of the period, intangible assets formed through internal R&D accounted for 1.36% of the balance of intangible assets of the Company.

(2). *Data resources recognized as intangible assets*

☐ Applicable ☒ N/A

## (3). Land use right with property right certificate uncompleted

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Book value	Reason for uncompleted property right certificate
Land use right	13,078	In progress

## (4). Impairment tests on intangible assets

√ Applicable ☐ N/A

Determination of net recoverable amount at fair value less disposal costs

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Book value	Recoverable amount	Impairment amount	Determination method of fair value and disposal cost	Key parameter	Determination basis for key parameter
Right of management	3,389		3,389	Cost method	Disposal value of assets	Residual value of assets
Total	3,389		3,389	/	/	/

Determination of recoverable amount at present value of future projected cash flow

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Book value	Recoverable amount	Impairment amount	The years of the forecast period	Key parameters of the forecast period	Key parameters of stable period	The basis to determine the key parameters of stable period
Right of management	891		891	5 years	Price and sales volume	Discount rate	Industry average return on investment
Total	891		891	/	/	/	/

Reasons for the difference between the aforesaid information and the information adopted for impairment tests in previous years or external information

☐ Applicable ☒ N/A

Reasons for the obvious difference between the information adopted for impairment tests in previous years and the actual situation in current year

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

## 29. Development Expenditure

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase		Current decrease			Closing balance
		Internal development expenditure	Other	Recognized as intangible assets	Included in current profit or loss	Other	
Digital-intelligent safety project	2,731	30	6,442	6,973		221	2,009
Digital-intelligent management project	28,007	431	7,629	20,008			16,059
GreatGas ecological platform project	12,184	2,051	8,748	12,952			10,031
Digital-intelligent Panergy business project	509		4,371	1,790			3,090
Intelligent customer service platform project	1,904	169	1,202	142			3,133
Other projects	4,524	505	1,716	4,374	6		2,365
Total	49,859	3,186	30,108	46,239	6	221	36,687

## 30. Goodwill

### (1). Original book value of goodwill

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of investee or events forming goodwill	Opening balance	Current increase	Current decrease	Closing balance
		Resulted from business combination	Disposal	
Langfang ENN Gas Co., Ltd.	425			425
Qingdao ENN Gas Co., Ltd.	153			153
Qingdao ENN Jiaonan Gas Co., Ltd.	589			589
Bengbu ENN Gas Co., Ltd.	501			501
Yancheng ENN Gas Development Co., Ltd.	350			350
Huai'an ENN Gas Co., Ltd.	241			241
Lianyungang ENN Gas Co., Ltd.	1,763			1,763
Taizhou ENN Gas Co., Ltd.	303			303
Xiangtan ENN Gas Co., Ltd.	498			498
Zhuzhou Xin'ao Gas Co., Ltd.	127			127
Xinxiang Xin'ao Gas Co., Ltd.	919			919
Kaifeng ENN Gas Co., Ltd.	1,583			1,583
Guigang ENN Gas Co., Ltd.	756			756
Luoyang ENN LNG Co., Ltd.	1,001			1,001

Name of investee or events forming goodwill	Opening balance	Current increase	Current decrease	Closing balance
		Resulted from business combination	Disposal	
Xin'an ENN Gas Co., Ltd.	135			135
Anhui Anran Gas Co., Ltd.	3,363			3,363
Liaocheng Jin'ao Gas Development Co., Ltd.	2,440			2,440
Xuancheng ENN Gas Co., Ltd.	10,024			10,024
Baotou ENN Gas Co., Ltd.	2,066			2,066
Jiangsu Energy Holdings Co., Ltd.	5,184			5,184
Quanzhou Gas Co., Ltd.	985			985
Guangzhou ENN Gas Co., Ltd.	2,064			2,064
Linyi Xin'ao Energy Development Co., Ltd.	1,549			1,549
Pingxiang ENN Changfeng Gas Co., Ltd.	1,275			1,275
Quzhou ENN Gas Co., Ltd.	441			441
Zhejiang Pujiang Gaofeng PNG Co., Ltd.	2,748			2,748
Hongze ENN Gas Co., Ltd.	350			350
Harbin ENN Gas Co., Ltd.	1,914			1,914
Changzhou Xin'ao Gas Development Co., Ltd.	129			129
Qingdao ENN Jiaocheng Gas Co., Ltd.	33			33
Lanxi ENN Gas Co., Ltd.	69			69
Hangzhou Xiaoshan Pipeline Gas Development Co., Ltd.	3,701			3,701
Guilin ENN Gas Co., Ltd.	61			61
Jinjiang ENN Gas Co., Ltd.	384			384
Shanghai Zhongfen Pyroelectricity Co., Ltd.	2,958			2,958
Beijing ENN Jinggu Gas Co., Ltd.	78			78
Tongliao ENN Gas Co., Ltd.	57			57
Shuangmin Gas (Jiangsu) Co., Ltd.	974			974
Jiangsu Datong PNG Co., Ltd.	1,183			1,183
Dongguan ENN Gas Co., Ltd.	2,462			2,462
Dehua Guang'an Natural Gas Co., Ltd.	1,266		1,266	
Shanghai International Engineering Consulting Company	283			283
Total	57,385		1,266	56,119

## (2). Provision for impairment of goodwill

√ Applicable    ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of investee or events forming goodwill	Opening balance	Current increase	Current decrease	Closing balance
		Provision	Disposal	
Kaifeng ENN Gas Co., Ltd.	1,583			1,583
Total	1,583			1,583

## (3). Information relating to the asset group or asset group portfolio in which the goodwill lies

√ Applicable    ☐ N/A

Name	Composition and basis of asset group portfolio	Business division and basis	Consistence with previous years
Langfang ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Qingdao ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Qingdao ENN Jiaonan Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Bengbu ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Yancheng ENN Gas Development Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Huai'an ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Lianyungang ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Taizhou ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Xiangtan ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Zhuzhou Xin'ao Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Xinxiang Xin'ao Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Kaifeng ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Guigang ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Luoyang ENN LNG Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Xin'an ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Anhui Anran Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Liaocheng Jin'ao Gas Development Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Xuancheng ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes

Name	Composition and basis of asset group portfolio	Business division and basis	Consistence with previous years
Baotou ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Jiangsu Energy Holdings Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Quanzhou Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Guangzhou ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Linyi Xin'ao Energy Development Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Pingxiang ENN Changfeng Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Quzhou ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Zhejiang Pujiang Gaofeng PNG Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Hongze ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Harbin ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Changzhou Xin'ao Gas Development Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Qingdao ENN Jiaocheng Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Lanxi ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Hangzhou Xiaoshan Pipeline Gas Development Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Guilin ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Jinjiang ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Shanghai Zhongfen Pyroelectricity Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Panergy business	Yes
Beijing ENN Jinggu Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Tongliao ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Shuangmin Gas (Jiangsu) Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Jiangsu Datong PNG Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Dongguan ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Shanghai International Engineering Consulting Company	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Smart home business	Yes



Change in asset group or asset group portfolio

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

**(4). Specific determination method of recoverable amount**

Determination of net recoverable amount at fair value less disposal costs

☐ Applicable ☒ N/A

Determination of recoverable amount at present value of future projected cash flow

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Book value	Recoverable amount	Impairment amount	Duration of forecast period	Key parameter of forecast period (growth rate, profit rate)	Determination basis for key parameter of forecast period	Key parameter of stable period (growth rate, profit rate, discount rate)	Determination basis for key parameter of stable period
Langfang ENN Gas Co., Ltd.	140,631	149,534		2025-2029	Revenue growth rate: 0.10%~4.27% Profit rate: 3.73%~6.64%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 6.64% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Qingdao ENN Gas Co., Ltd.	50,138	62,606		2025-2029	Revenue growth rate: 1.03%~4.49% Profit rate: 7.10%~7.37%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 7.12% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Qingdao ENN Jiaonan Gas Co., Ltd.	67,819	78,168		2025-2029	Revenue growth rate: 3.00%~5.59% Profit rate: 8.58%~8.72%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 8.58% Discount rate: 11.29%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group

Item	Book value	Recoverable amount	Impairment amount	Duration of forecast period	Key parameter of forecast period (growth rate, profit rate)	Determination basis for key parameter of forecast period	Key parameter of stable period (growth rate, profit rate, discount rate)	Determination basis for key parameter of stable period
Bengbu ENN Gas Co., Ltd.	93,568	106,508		2025-2029	Revenue growth rate: 0.62%~4.57% Profit rate: 3.42%~3.61%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 3.47% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Yancheng ENN Gas Development Co., Ltd.	70,252	72,645		2025-2029	Revenue growth rate: 1.78%~5.46% Profit rate: 4.07%~4.59%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 4.59% Discount rate: 11.29%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Hua'an ENN Gas Co., Ltd.	77,731	84,977		2025-2029	Revenue growth rate: 3.72%~5.63% Profit rate: 8.01%~10.45%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 10.45% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Lianyungang ENN Gas Co., Ltd.	82,954	117,524		2025-2029	Revenue growth rate: 1%~2.43% Profit rate: 5.62%~7.31%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 7.31% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Taizhou ENN Gas Co., Ltd.	18,338	19,659		2025-2029	Revenue growth rate: 3.33%~6.56% Profit rate: 4.75%~6.95%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 5.2% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Xiangtan ENN Gas Co., Ltd.	65,588	69,933		2025-2029	Revenue growth rate: 1.76%~4.70% Profit rate: 7.48%~8.32%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 7.77% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group

Item	Book value	Recoverable amount	Impairment amount	Duration of forecast period	Key parameter of forecast period (growth rate, profit rate)	Determination basis for key parameter of forecast period	Key parameter of stable period (growth rate, profit rate, discount rate)	Determination basis for key parameter of stable period
Zhuzhou Xin'ao Gas Co., Ltd.	121,518	137,696		2025-2029	Revenue growth rate: 2.01%~6.76% Profit rate: 7.54%~7.74%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 7.74% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Xinxiang Xin'ao Gas Co., Ltd.	58,573	79,462		2025-2029	Revenue growth rate: 1.30%~6.52% Profit rate: 6.25%~6.53%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 6.28% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Kaifeng ENN Gas Co., Ltd.	77,498	75,788	1,684	2025-2029	Revenue growth rate: 1.28%~6.87% Profit rate: 0.75%~1.33%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 1.33% Discount rate: 11.29%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Guigang ENN Gas Co., Ltd.	24,795	25,693		2025-2029	Revenue growth rate: 4.88%~6.83% Profit rate: 9.86%~10.10%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 9.86% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Luoyang ENN LNG Co., Ltd.	172,218	187,429		2025-2029	Revenue growth rate: 2.15%~3.25% Profit rate: 4.18%~5.71%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 5.65% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Xin'an ENN Gas Co., Ltd.	17,890	20,823		2025-2029	Revenue growth rate: 4.65%~6.48% Profit rate: 5.62%~7.03%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 6.15% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group

Item	Book value	Recoverable amount	Impairment amount	Duration of forecast period	Key parameter of forecast period (growth rate, profit rate)	Determination basis for key parameter of forecast period	Key parameter of stable period (growth rate, profit rate, discount rate)	Determination basis for key parameter of stable period
Anhui Anran Gas Co., Ltd.	33,488	34,959		2025-2029	Revenue growth rate: 4.42%~6.83% Profit rate: 12.36%~14.59%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 14.59% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Liaocheng Jin'ao Gas Development Co., Ltd.	38,304	40,787		2025-2029	Revenue growth rate: 2.41%~6.54% Profit rate: 6.25%~9.25%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 6.75% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Xuancheng ENN Gas Co., Ltd.	114,930	128,919		2025-2029	Revenue growth rate: 2.21%~5.86% Profit rate: 8.27%~8.89%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 8.89% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Baotou ENN Gas Co., Ltd.	17,591	18,852		2025-2029	Revenue growth rate: 1.57%~5.86% Profit rate: 6.38%~7.11%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 6.85% Discount rate: 11.29%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Jiangsu Energy Holdings Co., Ltd.	50,117	52,850		2025-2029	Revenue growth rate: 2.15%~4.82% Profit rate: 11.70%~13.38%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 11.7% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Quanzhou Gas Co., Ltd.	138,633	157,913		2025-2029	Revenue growth rate: 2.33%~6.78% Profit rate: 2.28%~2.55%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 2.55% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group

Item	Book value	Recoverable amount	Impairment amount	Duration of forecast period	Key parameter of forecast period (growth rate, profit rate)	Determination basis for key parameter of forecast period	Key parameter of stable period (growth rate, profit rate, discount rate)	Determination basis for key parameter of stable period
Guangzhou ENN Gas Co., Ltd.	51,758	61,074		2025-2029	Revenue growth rate: 5.14%~6.85% Profit rate: 5.10%~5.91%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 5.91% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Linyi Xin'ao Energy Development Co., Ltd.	13,298	16,294		2025-2029	Revenue growth rate: 1.59%~4.78% Profit rate: 4.33%~5.33%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 5.33% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Pingxiang ENN Changfeng Gas Co., Ltd.	25,700	26,239		2025-2029	Revenue growth rate: 1.61%~6.47% Profit rate: 3.82%~4.84%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 4.84% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Quzhou ENN Gas Co., Ltd.	31,726	35,594		2025-2029	Revenue growth rate: 2.77%~6.49% Profit rate: 5.66%~7.27%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 7.27% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Zhejiang Pujiang Gaofeng PNG Co., Ltd.	32,671	34,574		2025-2029	Revenue growth rate: 1.09%~6.74% Profit rate: 13.58%~14.96%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 13.58% Discount rate: 11.29%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Hongze ENN Gas Co., Ltd.	14,192	15,512		2025-2029	Revenue growth rate: 2.35%~6.35% Profit rate: 5.42%~7.58%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 7.58% Discount rate: 11.29%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group

Item	Book value	Recoverable amount	Impairment amount	Duration of forecast period	Key parameter of forecast period (growth rate, profit rate)	Determination basis for key parameter of forecast period	Key parameter of stable period (growth rate, profit rate, discount rate)	Determination basis for key parameter of stable period
Harbin ENN Gas Co., Ltd.	23,171	25,668		2025-2029	Revenue growth rate: 3.39%~6.66% Profit rate: 11.39%~16.64%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 16.64% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Changzhou Xin'ao Gas Development Co., Ltd.	8,950	203,959		2025-2029	Revenue growth rate: 1.93%~4.98% Profit rate: 11.84%~12.24%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 12.24% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Qingdao ENN Jiaocheng Gas Co., Ltd.	19,167	19,413		2025-2029	Revenue growth rate: 0.51%~4.26% Profit rate: 2.83%~3.15%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 3.1% Discount rate: 11.29%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Lanxi ENN Gas Co., Ltd.	26,585	29,104		2025-2029	Revenue growth rate: 0.10%~4.50% Profit rate: 2.90%~4.83%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 3.52% Discount rate: 11.29%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Hangzhou Xiaoshan Pipeline Gas Development Co., Ltd.	90,043	102,010		2025-2029	Revenue growth rate: 1.33%~4.36% Profit rate: 11.35%~11.76%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 11.76% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Guilin ENN Gas Co., Ltd.	27,206	28,121		2025-2029	Revenue growth rate: 0.37%~5.87% Profit rate: 4.63%~5.73%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 5.73% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group



Item	Book value	Recoverable amount	Impairment amount	Duration of forecast period	Key parameter of forecast period (growth rate, profit rate)	Determination basis for key parameter of forecast period	Key parameter of stable period (growth rate, profit rate, discount rate)	Determination basis for key parameter of stable period
Jinjiang ENN Gas Co., Ltd.	47,242	61,196		2025-2029	Revenue growth rate: 0.45%~3.17% Profit rate: 4.71%~5.11%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 5.1% Discount rate: 11.29%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Shanghai Zhongfen Pyroelectricity Co., Ltd.	17,078	23,906		2025-2029	Revenue growth rate: 3.06%~6.77% Profit rate: 5.99%~7.31%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 7.31% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Beijing ENN Jinggu Gas Co., Ltd.	6,422	7,528		2025-2029	Revenue growth rate: 1.21%~6.76% Profit rate: 4.36%~4.79%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 4.36% Discount rate: 11.29%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Tongliao ENN Gas Co., Ltd.	5,319	5,504		2025-2029	Revenue growth rate: 4.34%~6.85% Profit rate: 5.17%~6.09%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 6.09% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Shuangmin Gas (Jiangsu) Co., Ltd.	20,402	22,099		2025-2029	Revenue growth rate: 6.32%~6.86% Profit rate: 5.89%~6.43%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 6.43% Discount rate: 11.44%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Jiangsu Datong PNG Co., Ltd.	18,546	23,202		2025-2029	Revenue growth rate: 2.42%~3.89% Profit rate: 9.95%~11.32%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 9.95% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistence of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group

Item	Book value	Recoverable amount	Impairment amount	Duration of forecast period	Key parameter of forecast period (growth rate, profit rate)	Determination basis for key parameter of forecast period	Key parameter of stable period (growth rate, profit rate, discount rate)	Determination basis for key parameter of stable period
Dongguan ENN Gas Co., Ltd.	415,955	477,775		2025-2029	Revenue growth rate: 4.30%~5.92% Profit rate: 2.98%~3.28%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 3.28% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Shanghai International Engineering Consulting Company	450	1,726		2025-2029	Revenue growth rate: 5.00%~20.00% Profit rate: 6.71%~12.80%	Based on the Company's operating performance, growth rate, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 12.8% Discount rate: 11.14%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period; ② Discount rate: After-tax interest rate that reflects the time value of money in the current market and specific risks of relevant asset group
Total	2,428,455	2,943,223	1,684	/	/	/	/	/

Other information:

The Company carried out impairment test on each asset group related to goodwill at the end of the period. The goodwill and goodwill attributable to minority shareholders were first included to adjust each asset group to its carrying value, and then the adjusted carrying value of each asset group was compared with its recoverable amount to determine whether each asset group (including goodwill) had been impaired.

Reasons for the difference between the aforesaid information and the information adopted for impairment tests in previous years or external information

☐ Applicable    ☒ N/A

Reasons for the obvious difference between the information adopted for impairment tests in previous years and the actual situation in current year

☐ Applicable    ☒ N/A

#### (5). *Performance commitment and impairment of corresponding goodwill*

Performance commitment is made when goodwill is formed and the Reporting Period or preceding period of the Reporting Period fall within the performance commitment period

☐ Applicable    ☒ N/A

Other information:

☐ Applicable    ☒ N/A

### 31. Long-term unamortized expenses

√ Applicable    □ N/A

Unit: RMB '0000    Currency: RMB

Item	Opening balance	Current increase	Amortization amount for the current period	Other decreases	Closing balance
Decoration	8,661	5,248	4,942	110	8,857
Road construction	794		45		749
Maintenance and renovation expenses	4,484	4,278	2,523		6,239
Costs for periodic tests and inspection	7,468	7,550	4,168		10,850
Power supply route project	928		36		892
Refurbishment of old pipeline networks		65,632	296		65,336
Others	8,455	3,522	3,730	7	8,240
<b>Total</b>	<b>30,790</b>	<b>86,230</b>	<b>15,740</b>	<b>117</b>	<b>101,163</b>

Other information:

The long-term unamortized expenses at the end of current period increased by 228.56% from the amount at the end of previous period mainly due to the increased expenditure by the Company's subsidiaries on the refurbishment of aged gas pipeline network during the Reporting Period.

### 32. Deferred income tax assets/deferred income tax liabilities

#### (1). Deferred income tax asset without offset

√ Applicable    □ N/A

Unit: RMB '0000    Currency: RMB

Item	Closing balance		Opening balance	
	Taxable temporary difference	Deferred income tax assets	Taxable temporary difference	Deferred income tax assets
Provision for assets impairment	168,186	39,769	130,354	29,968
Unrealized profits from internal transactions	503,071	102,112	460,783	97,383
Deferred income	403,902	100,098	417,393	103,726
Long-term account current	25,076	3,813	25,076	3,813
Trial run revenue from construction in progress	5,574	836	6,096	914
Lease liabilities	57,585	14,298	49,275	12,259
Changes in fair value of financial assets	11,305	1,865		
<b>Total</b>	<b>1,174,699</b>	<b>262,791</b>	<b>1,088,977</b>	<b>248,063</b>

(2). *Deferred income tax liability without offset*√ Applicable   ☐ N/A

Unit: RMB '0000   Currency: RMB

Item	Closing balance		Opening balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Value-added assessment on assets from business combination not under common control	270,180	67,545	294,469	73,617
Effect on one-time pretax deduction of fixed assets	749,898	186,927	742,614	185,005
Right-of-sue assets	60,474	15,026	51,830	12,900
Capitalized interest	114,278	28,569	110,101	27,525
Tax on dividends	87,846	4,392	127,455	6,373
Changes in fair value of financial assets	8,675	1,935	30,933	5,570
Others	12,662	2,721	13,830	2,953
Total	1,304,013	307,115	1,371,232	313,943

(3). *Deferred income tax assets or liabilities presented at net value after offset*☐ Applicable   √ N/A(4). *Details of unrecognized deferred income tax assets*√ Applicable   ☐ N/A

Unit: RMB '0000   Currency: RMB

Item	Closing balance	Opening balance
Deductible losses	843,719	1,036,655
Provision for assets impairment	258,462	235,345
Total	1,102,181	1,272,000

(5). *Unrecognized deductible losses on deferred income tax assets will mature in the following years*√ Applicable   ☐ N/A

Unit: RMB '0000 Currency: RMB

Year	Closing balance	Opening balance	Remark
2024		57,269	
2025	40,347	72,994	
2026	81,590	130,250	
2027	187,269	362,263	
2028	201,308	413,879	
2029	333,205		
Total	843,719	1,036,655	/

Other information:

☐ Applicable ☒ N/A

### 33. Other non-current assets

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Investment in prepaid equity and equity acquisition	3,374		3,374	1,379		1,379
Prepayment for equipment works				10,106		10,106
Value-added tax to be deducted, certified or prepaid	11,540		11,540	13,700		13,700
Others	50		50	50		50
Total	14,964		14,964	25,235		25,235

Other information:

The other non-current assets at the end of current period decreased by 40.70% from the amount at the end of previous period mainly due to the transfer of prepayments for equipment engineering of subsidiaries of the Company into fixed assets during the Reporting Period.

### 34. Restricted ownership or right-of-use assets

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	End of period				Beginning of period			
	Book balance	Book value	Type of restriction	Details of restriction	Book balance	Book value	Type of restriction	Details of restriction
Monetary fund	132,469	132,469	Other	Margin and statutory reserve	119,118	119,118	Other	Margin and statutory reserve
Notes receivable					12	12	Pledge	Bill pledge
Receivables financing					5,272	5,272	Pledge	Bill pledge
Fixed assets	7,052	7,052	Mortgage	Loan mortgage	9,948	9,948	Mortgage	Loan mortgage
Intangible assets	4,055	4,055	Other	Loan mortgage and freezing due to litigation	469	469	Mortgage	Loan mortgage
Other equity instrument investment	1,145	1,145	Pledge	Equity pledge				
Total	144,721	144,721	/	/	134,819	134,819	/	/

Other information:

1. The restricted monetary fund is mainly represented by reserves and margins of the Company in various financial institutions, primarily including the statutory reserves amounting to RMB 438 million and bank acceptance margins amounting to RMB 271 million deposited in the central bank.
2. The gas charging right of some subsidiaries was pledged by the Company as security for obtaining credit facilities from banks.

### 35. Short-term borrowings

#### (1). Classification of short-term borrowings

√ Applicable    ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Loan on credit	362,082	607,643
Guaranteed loan	68,108	89,408
Pledged loan	461,835	257,381
Mortgage loan	2,000	1,000
Pledged and guaranteed loans	30,000	
Total	924,025	955,432



Description of the classification of short-term borrowings:

1. Guaranteed loan: The loan of RMB 200 million was guaranteed by Changzhou Xin'ao Gas Engineering Co., Ltd.; the loan of RMB 80 million was guaranteed by Dongguan Xin'ao Gas Co., Ltd.; the loan of RMB 135.99 million was guaranteed by Xin'ao (China) Gas Investment Co., Ltd.; the loan of RMB 10.09 million was guaranteed by ENN Xinneng (Zhejiang) Energy Trading Co., Ltd.; the loan of RMB 100 million was guaranteed by Xinxiang Xin'ao Gas Co., Ltd.; the loan of RMB 70 million was guaranteed by Zhuzhou Xin'ao Gas Development Co., Ltd.; the loan of RMB 30 million was guaranteed by Changzhou Xin'ao Gas Development Co., Ltd.; the loan of RMB 30 million was guaranteed by Xin'ao (China) Gas Investment Co., Ltd. and Yangzhou Yuhe Gas Co., Ltd.; the loan of RMB 15 million was guaranteed by Luanzhou ENN Clean Energy Co., Ltd.; and the loan of RMB 10 million was guaranteed by Wen'an ENN Mingshun Gas Co., Ltd.
2. Pledged loan: The loan of RMB 666 million was obtained by the subsidiaries, Dongguan Xin'ao Gas Co., Ltd., Huaihua ENN Gas Co., Ltd., and Xinxiang County Zhongnengfu Heating Power Co., Ltd. with their charging rights pledged; the loan of RMB 10 million was obtained by Shanxi Qinshui ENN Clean Energy Co., Ltd. with its patent right pledged; and RMB 3,942.35 million arose from the notes discounted.
3. Mortgage loan: The loan of RMB 20 million was obtained by the subsidiaries Zouping ENN Gas Co., Ltd. and Anhui Anran Gas Co., Ltd. With their land use rights and house ownership mortgaged.
4. Pledged and guaranteed loans: The loan of RMB 300 million was guaranteed by the subsidiaries Shijiazhuang Xin'ao Gas Co., Ltd., Shijiazhuang Xin'ao Energy Development Co., Ltd., Shijiazhuang Luquan District ENN Gas Co., Ltd. and Zhengding Xin'ao Gas Co., Ltd. and obtained with their gas charging rights pledged.

**(2). Overdue and outstanding short-term borrowings**

☐ Applicable ☒ N/A

Overdue and outstanding short-term borrowings which are significant are specified as follows:

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

**36. Transaction financial liabilities**

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

**37. Derivative financial liabilities**

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Non-hedging derivatives	38,295	20,019
Including: Commodity derivative contracts	38,295	20,019
Foreign exchange derivative contracts		
Derivatives designated as hedging instrument	55,673	9,421
Including: Commodity derivative contracts	55,673	6,893
Foreign exchange derivative contracts		2,528
Total	93,968	29,440

Other information:

See "Notes VII-4. Derivative financial assets" for details.

### 38. Notes payable

#### (1). Presentation of notes payable

☒ Applicable   ☐ N/A

Unit: RMB '0000 Currency: RMB

Type	Closing balance	Opening balance
Commercial acceptance bills		4,000
Bank acceptance bills	78,034	74,148
Total	78,034	78,148

The total amount of notes payable due and outstanding at the end of the current period is RMB 0.

### 39. Accounts payable

#### (1). Presentation of accounts payable

☒ Applicable   ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Accounts payable	1,008,617	1,070,281
Total	1,008,617	1,070,281

#### (2). Significant account payable aging over one year or overdue

☐ Applicable   ☒ N/A

Other information:

☐ Applicable   ☒ N/A

## 40. Advances from customers

### (1). Presentation of advances from customers

☐ Applicable ☒ N/A

### (2). Significant advances from customers aging over one year

☐ Applicable ☒ N/A

### (3). Amount and reason for significant changes in the book value during the Reporting Period

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

## 41. Contract liabilities

### (1). Information on contract liabilities

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Deferred income	26,007	23,971
Sale of natural gas	1,279,678	1,256,215
Payment received on settled but uncompleted project	143,690	215,052
Total	1,449,375	1,495,238

### (2). Significant contract liabilities aging over one year

☐ Applicable ☒ N/A

### (3). Amount and reason for significant changes in the book value during the Reporting Period

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

## 42. Deposits from customers and interbank

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Current deposit	20,182	14,435
– The Company	20,182	14,435
Fixed term deposit		3,229
– The Company		3,229
Other deposits	76	
Total	20,258	17,664

## 43. Payroll payable

## (1). Presentation of payroll payable

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
I. Short-term salary	118,227	558,118	563,588	112,757
II. Post-employment benefits – defined contribution plan	1,665	64,079	64,119	1,625
III. Dismission benefits		3,832	3,832	
IV. Other benefits due within one year				
Total	119,892	626,029	631,539	114,382

## (2). Presentation of short-term salary

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
I. Wages, bonuses, allowances and subsidies	105,327	434,690	440,804	99,213
II. Employee welfare		32,619	32,619	
III. Social insurance	461	28,514	28,553	422
Including: Medical insurance	411	25,981	26,010	382
Work injury insurance	32	2,015	2,024	23
Maternity insurance	18	518	519	17
IV. Housing provident fund	3,080	51,903	52,068	2,915
V. Union fund and staff education fund	9,359	10,370	9,524	10,205
VI. Short-term paid absence				
VII. Short-term profit-sharing scheme				
VIII. Others		22	20	2
Total	118,227	558,118	563,588	112,757

*(3). Presentation of defined contribution plan*√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
1. Basic endowment insurance	1,473	61,287	61,280	1,480
2. Unemployment insurance	185	2,560	2,610	135
3. Enterprise annuity contribution	7	232	229	10
Total	1,665	64,079	64,119	1,625

Other information:

☐ Applicable ☒ N/A**44. Taxes payable**√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Value added tax (VAT)	31,847	32,379
Business tax	623	642
Corporate income tax	162,491	224,504
Individual income tax	1,091	1,199
Urban maintenance and construction tax	113	194
Education surcharge	26	101
Property tax	204	112
Stamp duty	198	155
Environmental protection tax	20	30
Others	525	1,193
Total	197,138	260,509

**45. Other payables***(1). Presentation of items*√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Interests payable		
Dividends payable	33,279	16,354
Other payables	154,467	182,176
<b>Total</b>	<b>187,746</b>	<b>198,530</b>

Other information:

☐ Applicable ☒ N/A**(2). Interests payable***Presentation by categories*☐ Applicable ☒ N/A

Overdue significant interests payable:

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A**(3). Dividends payable***Presentation by categories*☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Ordinary stock dividends	33,279	16,354
<b>Total</b>	<b>33,279</b>	<b>16,354</b>

Other information, including unpaid dividends for more than one year, and reasons for failure to pay:

The dividends payable at the end of current period increased by 103.49% from the amount at the end of previous period mainly due to the increase in dividends payable as a result of declaration of dividend distribution by the Company and its subsidiaries during the Reporting Period.

**(4). Other payables**

Presentation of other payables by nature

☒ Applicable ☐ N/A



Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Current accounts	64,054	75,993
Margin and deposit	37,254	26,653
Equity transfer payment	17,446	33,342
Payment collected and deducted for other party	3,744	7,151
Restricted share repurchase obligation	2,482	6,063
Settled but outstanding derivative contracts	2,906	11,731
Other	26,581	21,243
Total	154,467	182,176

Other payables which are significant aging over one year

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Reason for failure of repayment or carry-over
Top 1	17,594	Payment terms unsatisfied
Top 2	5,575	Payment terms unsatisfied
Top 3	5,357	Payment terms unsatisfied
Top 4	3,751	Payment terms unsatisfied
Top 5	3,298	Payment terms unsatisfied
Total	35,575	/

Other information:

☐ Applicable ☒ N/A**46. Liabilities held for sales**☐ Applicable ☒ N/A**47. Non-current liabilities due within one year**☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Long-term borrowings due within one year	120,793	229,329
Long-term payables due within one year		122
Lease liabilities due within one year	18,131	13,381
Total	138,924	242,832

Other information:

Information on classification of long-term borrowings due within one year:

1. Guaranteed loan: The loan of RMB 32 million was guaranteed by ENN-NG; the loan of RMB 11.46 million was guaranteed by the subsidiaries ENN Gas Development Co., Ltd. (60%) and Zhengjiang Rongsheng Holding Group Co., Ltd. (40%); the loan of RMB 318.76 million was guaranteed by the subsidiary Xin'ao (China) Gas Investment Co., Ltd.; the loan of RMB 6 million was guaranteed by the subsidiary Xiangtan ENN Gas Development Co., Ltd.; and the loan of 22.5 million was guaranteed by the subsidiary Bengbu Xin'ao Gas Development Co., Ltd.
2. Pledged loan: The loan of RMB 7.2 million was obtained by the subsidiary Dingzhou Fuyuan Natural Gas Co., Ltd. with its gas charging right pledged.
3. Mortgage loan: The loan of RMB 200,000 was obtained by the subsidiary Binzhou ENN Gas Engineering Co., Ltd. with its equipment mortgaged and mortgage of lands and equipment from Zouping ENN Gas Co., Ltd.
4. Mortgage and pledged loans: The loan of RMB 30 million was obtained by the subsidiary Zouping ENN Gas Co., Ltd. with its gas charging rights pledged and mortgage of pipeline assets from Binzhou ENN Gas Engineering Co., Ltd.
5. Pledged and guaranteed loans: The loan of RMB 40 million was guaranteed by the subsidiary Rui'an Natural Gas Co., Ltd. and obtained with the gas charging right of the subsidiary Rui'an ENN Gas Co., Ltd. pledged; the loan of RMB 2.68 million was guaranteed by Hebei ENN Energy Development Co., Ltd. and obtained with the gas charging right of the subsidiary Xian County ENN Gas Co., Ltd. pledged; the loan of RMB 2 million was guaranteed by the subsidiaries Shijiazhuang Luquan District ENN Gas Co., Ltd., Zhengding Xin'ao Gas Co., Ltd. and Shijiazhuang Xin'ao Energy Development Co., Ltd. and obtained with the gas charging right of Shijiazhuang Xin'ao Gas Co., Ltd. pledged.
6. Mortgage and guaranteed loans: RMB 990,000 was obtained by ENN (Zhoushan) LNG Co., Ltd. with its Phase III project assets (upon completion) mortgaged, and guaranteed by ENN-NG and ENN (Tianjin) Energy Investment Co., Ltd.; RMB 800,000 was obtained by Longyou ENN Xinruineng Energy Development Co., Ltd. with its land use right mortgaged, and guaranteed by Beijing ENN Xinneng Energy Investment Co., Ltd., Longyou Xinbei Comprehensive Energy Development and Utilization Co., Ltd., and Longyou Juhua Thermal Energy Co., Ltd.

#### 48. Other current liabilities

##### *Information on other current liabilities*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Output tax to be carried forward	124,850	135,259
Total	124,850	135,259

Increase/decrease in short-term bonds payable:

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

## 49. Long-term borrowings

### (1). Classification of long-term borrowings

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Loan on credit	403,853	392,166
Guaranteed loan	156,152	380,720
Pledged loan	6,130	18,328
Mortgage loan	939	959
Mortgage and pledged loans		3,000
Pledged and guaranteed loans	68,514	29,400
Mortgage and guaranteed loans	123,920	50,018
Total	759,508	874,591

Information on classification of long-term borrowings:

1. Guaranteed loan: The loan of RMB 57.15 million was guaranteed by ENN Gas Development Co., Ltd. (60%) and Zhengjiang Rongsheng Holding Group Co., Ltd. (40%); the loan of RMB 1,400.47 million was guaranteed by Xin'ao (China) Gas Investment Co., Ltd.; the loan of RMB 20.4 million was guaranteed by Xiangtan ENN Gas Development Co., Ltd.; the loan of RMB 83.5 million was guaranteed by Bengbu Xin'ao Gas Development Co., Ltd.
2. Pledged loan: The loan of RMB 61.3 million was obtained by the subsidiary Dingzhou Fuyuan Natural Gas Co., Ltd. with its gas charging rights pledged.
3. Mortgage loan: The loan of RMB 9.39 million was obtained by the subsidiary Binzhou ENN Gas Engineering Co., Ltd. with its equipment mortgaged and mortgage of lands and equipment from Zouping ENN Gas Co., Ltd.
4. Pledged and guaranteed loans: The loan of RMB 276 million was guaranteed by Shijiazhuang Luquan District ENN Gas Co., Ltd., Zhengding Xin'ao Gas Co., Ltd. and Shijiazhuang Xin'ao Energy Development Co., Ltd. and obtained with the gas charging right of Shijiazhuang Xin'ao Gas Co., Ltd. pledged; the loan of RMB 394.5 million was guaranteed by Rui'an Natural Gas Co., Ltd. and obtained with the gas charging right of the subsidiary Rui'an ENN Gas Co., Ltd. pledged; the loan of RMB 14.64 million was guaranteed by Hebei ENN Energy Development Co., Ltd. and obtained with the gas charging right of the subsidiary Xian County ENN Gas Co., Ltd. pledged.

5. Mortgage and guaranteed loans: RMB 1,220 million was obtained by ENN (Zhoushan) LNG Co., Ltd. with its Phase III project assets (upon completion) mortgaged, and guaranteed by ENN-NG and ENN (Tianjin) Energy Investment Co., Ltd.; RMB 19.2 million was obtained by Longyou ENN Xinruineng Energy Development Co., Ltd. with its land use right mortgaged, and guaranteed by Beijing ENN Xinneng Energy Investment Co., Ltd., Longyou Xinbei Comprehensive Energy Development and Utilization Co., Ltd., and Longyou Juhua Thermal Energy Co., Ltd.

During the Reporting Period, the Company had no long-term borrowings that had not been duly repaid.

Other information:

☐ Applicable ☒ N/A

## 50. Bonds payable

### (1). Bonds payable

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Mid-term notes	152,945	51,030
Bonds issued overseas	1,126,489	1,233,204
Total	1,279,434	1,284,234

### (2). Specific information on bonds payable: (excluding other financial instruments such as preferred share and perpetual bonds classified as financial liabilities)

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of bond	Face value	Coupon rate (%)	Date of issue	Term of bond	Amount of issue	Opening balance	Issue in current period	Interest at par	Amortization of premium and discount	Amount repaid in current period	Closing balance	Default
23 ENN-NG GN001	RMB 100	3.3	2023/4/25	3 years	RMB 500 million	51,030		1,650	40		51,070	No
24 ENN-NG GN001	RMB 100	2.65	2024/3/20	3 years	RMB 1,000 million		100,000	2,054	-179		101,875	No
VEYONG 3.375% 2026	USD 100	3.375	2021/5/12	5 years	USD 800 million	455,259		13,258	7,688	61,177	401,142	No
2030 Senior Notes	USD 100	2.625	2020/9/17	10 years	USD 750 million	388,635		9,354	6,233	64,895	329,521	No
2027 Senior Notes	USD 100	4.625	2022/5/17	5 years	USD 550 million	389,310		18,061	6,484		395,826	No
Total	/	/	/	/	USD 2.1 billion, RMB 1.5 billion	1,284,234	100,000	44,377	20,266	126,072	1,279,434	/

Information on bonds payable:

1. 23 ENN-NG GN001

As approved by the *Registration Acceptance Notice* (Zhong Shi Xie Zhu [2022] No. GN28) issued by the National Association of Financial Market Institutional Investors, the registered limit of the Company's Green Mid-term Notes amounted to RMB 3,000 million and shall be valid for 2 years from the date of the Notice. The Company engaged Bank of China Limited as the lead underwriter and China CITIC Bank Corporation Limited as the co-lead underwriter to issue the three-year Green Mid-term Notes (23 ENN-NG GN001) with a face value of RMB 500 million and payment of interest by instalments and repayment of principal upon maturity on 25 April 2023 at a coupon rate of 3.30% and issue price of RMB 100/hundred.

2. 24 ENN-NG GN001

As approved by the *Registration Acceptance Notice* (Zhong Shi Xie Zhu [2022] No. GN28) issued by the National Association of Financial Market Institutional Investors, the registered limit of the Company's Green Mid-term Notes amounted to RMB 3,000 million and shall be valid for 2 years from the date of the Notice. The Company engaged Bank of China Limited as the lead underwriter, and Industrial Bank Co., Ltd., Savings Bank of China Co., Ltd., Bank of Beijing Co., Ltd., China Everbright Bank Co., Ltd, China Merchants Bank Co., Ltd. and China CITIC Bank Corp. Ltd. as the co-lead underwriters to issue the three-year Green Mid-term Notes (24 ENN-NG GN001) with a face value of RMB 1,000 million and payment of interest by instalments and repayment of principal upon maturity on 20 March 2024 at a coupon rate of 2.65% and issue price of RMB 100/hundred.

3. VEYONG 3.375% 2026

On 12 May 2021, ENN Clean Energy International Investment Limited, a subsidiary of the Company, issued USD 800 million of senior notes at a coupon rate of 3.375%; the interest payment dates fell on May 12 and November 12 of each year commencing on 12 November 2021; the interest accrual dates fell on April 27 and October 28. The bonds will mature in 2026 and be unconditionally guaranteed by ENN Natural Gas Co., Ltd. From 12 May 2024, the issuer may choose to redeem all or any part of the notes at any time within a period of 12 months commencing on May 12 of each year, and the redemption price will be at 101.688% of the price in 2024 and 100.844% of the price in 2025; the issuer may redeem all, but not any part, of the bonds at its option at any time prior to 12 May 2024 at a redemption price equivalent to 100% of the principal amount of the notes to be redeemed, plus an insurance premium for accrued and unpaid interest (if any) applicable to, but not including, the date of redemption.

The subsidiaries of the Company repurchased the principal amount of USD 86.101 million (equivalent to RMB 612 million) at the open market during the Reporting Period, and canceled the bonds repurchased during the Reporting Period.

4. 2030 Senior Notes

On 17 September 2020, ENN Energy Holdings Limited, a subsidiary of the Company, issued senior notes with a total face value of USD 750 million and an interest rate of 2.625%. The net amount after deducting the issue cost was USD 739 million. The "2030 Senior Notes" will expire on 17 September 2030. Subject to the terms and conditions of these "2030 Senior Notes", the subsidiary ENN Energy Holdings Limited may, by not less than 30 days or 60 days' notice to the holders of the notes, redeem all (but not part) of the bonds at any time and from

time to time at the aggregate price of the bonds to the date of redemption (excluding the date of redemption) and pay the full amount of early redemption plus unpaid interest calculated up to but excluding the date of redemption. During the Reporting Period, the subsidiaries of the Company repurchased the face amount of USD 91.143 million (equivalent to RMB 649 million) at the open market.

#### 5. 2027 Senior Notes

On 17 May 2022, ENN Energy Holdings Limited, a subsidiary of the Company, issued senior notes with a face value of USD 550 million and an interest rate of 4.625%. The net amount after deducting the issue cost was USD 545 million. The “2027 Senior Notes” will expire on 17 May 2027. Subject to the terms and conditions of these “2027 Senior Notes”, the issuer may, by not less than 30 days but not more than 60 days’ notice to the holders of the notes, redeem all (but not part) of the unsecured bonds at any time or from time to time at the aggregate price of the bonds to the date of redemption (excluding the date of redemption) and pay the full amount of early redemption plus unpaid interest calculated up to but excluding the date of redemption.

#### (3). Information on convertible corporate bonds

☐ Applicable    ☒ N/A

Accounting treatment and judging criteria for conversion to equity

☐ Applicable    ☒ N/A

#### (4). Other financial instruments that are classified as financial liabilities

Basic information on other outstanding financial instruments such as preferred share and perpetual bond at the end of the period

☐ Applicable    ☒ N/A

Statement of changes in outstanding financial instruments such as preferred share and perpetual bond at the end of the period

☐ Applicable    ☒ N/A

Basis for classification of other financial instruments as financial liabilities

☐ Applicable    ☒ N/A

Other information:

☐ Applicable    ☒ N/A

### 51. Lease liabilities

☒ Applicable    ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Lease liabilities	40,119	36,206
<b>Total</b>	<b>40,119</b>	<b>36,206</b>

## 52. Long-term payables

### *Presentation of items*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Long-term payables		275
Special payables		
<b>Total</b>		<b>275</b>

Other information:

☐ Applicable ☒ N/A

### *Long-term payables*

#### *(1). Presentation of long-term payables by nature of payment*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Installment payable for M&A consulting fee		275
<b>Total</b>		<b>275</b>

### *Special payables*

#### *(2). Presentation of special payables by nature of payment*

☐ Applicable ☒ N/A

## 53. Long-term payroll payable

☐ Applicable ☒ N/A

## 54. Anticipation liabilities

☐ Applicable ☒ N/A



## 55. Deferred income

### Information on deferred income

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Other change	Closing balance	Reason
Government subsidies	122,329	49,157	20,336	-37,494	113,656	Asset-related and income-related government subsidies
Total	122,329	49,157	20,336	-37,494	113,656	/

Other information:

☐ Applicable ☒ N/A

## 56. Other non-current liabilities

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Derivative financial liabilities included in other non-current liabilities:	10,844	1,380
Derivatives designated as hedging instrument	10,844	1,380
Including: Foreign exchange derivative contracts	3	619
Commodity derivative contracts	10,841	761
Contract liabilities included in other non-current liabilities	265,006	272,030
Others	81,390	95,472
Total	357,240	368,882

## 57. Share capital

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

	Opening balance	Current increase or decrease (+, -)					Closing balance
		Issue of new shares	Share donation	Reserved fund converted into share capital	Other	Subtotal	
Total number of shares	309,840				-131	-131	309,709

Other information:

The decrease in share capital for current period was attributable to the Company's repurchase and cancellation of some shares subject to first and reserved grants under the the 2021 Restricted Stock Incentive Plan during the Reporting Period.

## 58. Other equity instruments

### (1). Basic information on other outstanding financial instruments such as preferred share and perpetual bond at the end of the period

☐ Applicable    ☒ N/A

### (2). Statement of changes in outstanding financial instruments such as preferred share and perpetual bond at the end of the period

☐ Applicable    ☒ N/A

Increase or decrease in other equity instruments, reason for such changes change and relevant accounting treatment basis:

☐ Applicable    ☒ N/A

Other information:

☐ Applicable    ☒ N/A

## 59. Capital reserve

☒ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Capital premium (share capital premium)		4,207	4,207	
Other capital reserves	15,160	1,120	4,100	12,180
Total	15,160	5,327	8,307	12,180

Other information including current increase or decrease and reason for such change:

1. The current increase in capital premium (share capital premium) was mainly attributable to the transfer of stock incentive included in other capital reserves to the capital premium resulted from the satisfaction of conditions for removal of restrictions on sale during the third Unrestricted Period for the first grant and the reserved grant under the 2021 Restricted Stock Incentive Plan.

2. The current decrease in capital premium (share capital premium) was mainly attributable to the offset of capital reserve with the difference between the repurchase price for the shares repurchased by ENN Energy, a subsidiary of the Company, during the Reporting Period, and the share of net assets corresponding to the treasury shares repurchased on the repurchase date, and the offset of capital reserve with with the difference between the long-term equity investment newly acquired with purchase of minority interest by subsidiary of the Company, with its increased shareholding in the subsidiary and the share of net assets to which the subsidiary was entitled continuously calculated at the new shareholding ratio from the purchase date.

3. The current increase in other capital reserves was mainly attributable to the expenses for restricted shares allocated and recognized by the Company during the Reporting Period.

4. The current decrease in other capital reserves was mainly attributable to the transfer of stock option incentive expense included in other capital reserves to the capital premium resulted from the satisfaction of conditions for removal of restrictions on sale during the third Unrestricted Period for first grant and reserved grant under the 2021 Restricted Stock Incentive Plan.

## 60. Treasury shares

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Treasury shares	15,755	36,022	3,565	48,212
Total	15,755	36,022	3,565	48,212

Other information including current increase or decrease and reason for such change:

1. The current increase in treasury shares was mainly attributable to the repurchase of the Company's shares by the Company through centralized competitive pricing during the Reporting Period.
2. The current decrease in treasury shares was mainly attributable to the offset of the repurchase obligation recognized upon the satisfaction of conditions for removal of restrictions on sale during the third Unrestricted Period for the first grant and the reserved grant under the 2021 Restricted Stock Incentive Plan during the Reporting Period.

## 61. Other comprehensive income

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Amount incurred in current period							Closing balance
	Opening balance	Amount incurred before current income tax	Less: Comprehensive income transferred to profit or loss which previously recognized as other comprehensive income	Less: Recorded in other comprehensive income in previous periods and transferred into retained earnings in current period	Less: Income tax expenses	Amount attributable to parent company, net of tax	Amount attributable to minority shareholders, net of tax	
I. Other comprehensive income that cannot be reclassified into profit or losses	1,075	301			62	91	148	1,166
Including: Re-measurement of the amount of changes in the defined benefit plans								
Other comprehensive income that cannot be transferred to profit or loss under the equity method								
Changes in fair value of other equity instruments	1,075	301			62	91	148	1,166
Changes in fair value of enterprise's own credit risk								

Item	Amount incurred in current period							Closing balance
	Opening balance	before current income tax	Less:		Less: Income tax expenses	Amount attributable to parent company, net of tax	Amount attributable to minority shareholders, net of tax	
			Comprehensive income transferred to profit or loss which previously recognized as other comprehensive income	Less: Recorded in other comprehensive income in previous periods and transferred into retained earnings in current period				
II. Other comprehensive income reclassified into profits or losses	132,648	-66,409	66,854		-16,853	-125,020	8,610	7,628
Including: Other comprehensive income that can be included in profit or loss under equity method								
Changes in the fair value of other debt investments								
Amount of financial assets reclassified into other comprehensive income								
Provision for credit impairment of other debt investments								
Cash flow hedging reserve	80,423	-79,084	66,854		-16,826	-136,779	7,667	-56,356
Conversion difference of foreign currency financial statements	51,390	12,637				11,744	893	63,134
Others	835	38			-27	15	50	850
Total other comprehensive income	133,723	-66,108	66,854		-16,791	-124,929	8,758	8,794

Other information including the adjustment to the effective part of the cash flow hedge gain or loss converted into the amount initially recognized for the hedged item:

The other comprehensive income at the end of current period decreased by 93.42% from the amount at the end of previous period mainly due to the offset of cash flow hedging reserves by derivative financial instruments which were included in the cash flow hedging reserves in the previous year and matured and settled during the current period.

## 62. Special reserve

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Work safety costs	4,771	8,736	8,117	5,390
Total	4,771	8,736	8,117	5,390

### 63. Surplus reserve

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Statutory surplus reserve	51,590	25,994	27,741	49,843
Total	51,590	25,994	27,741	49,843

Information on surplus reserve including current increase or decrease and reason for such change:

1. The current increase in surplus reserve was mainly attributable to the provision of statutory surplus reserve by the Company during the Reporting Period.

2. The current decrease in surplus reserve was mainly attributable to the offset of capital reserve with the difference between the repurchase price for the shares repurchased by ENN Energy, a subsidiary of the Company, during the Reporting Period, and the share of net assets corresponding to the treasury shares repurchased on the repurchase date, and the offset of capital reserve with the difference between the long-term equity investment newly acquired with purchase of minority interest by subsidiary of the Company, with its increased shareholding in the subsidiary and the share of net assets to which the subsidiary was entitled continuously calculated at the new shareholding ratio from the purchase date.

### 64. General risk provision

Unit: RMB '0000    Currency: RMB

Item	Opening balance	Current provision	Current decrease	Closing balance
General risk provision	18,852	824		19,676
Total	18,852	824		19,676

Other information: The general provision was made pursuant to the provisions of the *Administrative Measures for the Provision of Reserves of Financial Enterprises* (Cai Jin [2012] No. 20) issued by the Ministry of Finance.

### 65. Undistributed profit

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Current period	Previous year
Undistributed profit at the end of last period before adjustment	1,847,301	1,344,725
Total undistributed profits at the beginning of the adjustment period (+ for increase, – for decrease)		-178
Undistributed profit at the beginning of the period after adjustment	1,847,301	1,344,547
Plus: Net profit attributable to owners of the parent company during the current period	449,318	709,111
Less: Appropriation of statutory surplus reserve	25,994	48,622

Item	Current period	Previous year
Appropriation of discretionary surplus reserve		
Provision for general risk	824	13
Payable dividends on ordinary shares	280,455	157,722
Dividends on ordinary shares transferred to share capital		
Others		
Undistributed profit at the end of the period	1,989,346	1,847,301

## 66. Operating income and operating cost

### (1). Information on operating income and operating cost

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Primary business	13,494,556	11,618,752	14,224,530	12,280,552
Other business	89,093	72,415	150,868	90,188
Total	13,583,649	11,691,167	14,375,398	12,370,740

### (2). Breakdown of operating income and operating cost

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Classification of contracts	ENN Natural Gas Co., Ltd.		Total	
	Operating income	Operating cost	Operating income	Operating cost
Type of goods				
Retail of natural gas	6,724,220	5,919,100	6,724,220	5,919,100
Wholesale of natural gas	2,364,877	2,356,159	2,364,877	2,356,159
Direct gas sale by platform	1,288,363	1,079,150	1,288,363	1,079,150
Construction and installation	593,573	362,812	593,573	362,812
Panergy business	1,556,425	1,321,024	1,556,425	1,321,024
Smart home business	477,824	169,436	477,824	169,436
Energy production	432,930	396,130	432,930	396,130
Infrastructure operation	56,344	14,941	56,344	14,941
Total	13,494,556	11,618,752	13,494,556	11,618,752

Other information:

☐ Applicable ☒ N/A

## (3). Description of performance obligation

√ Applicable    □ N/A

Unit: RMB '0000    Currency: RMB

Item	Time for fulfillment of performance obligation	Significant payment terms	Nature of goods to be transferred by the Company with commitment	Principal person in charge	Payment expected to be refunded to the customer by the Company	Type of quality warranty provided by the Company and related obligation
Retail of natural gas	The piped natural gas has been transported to the customer and consumed by the customer	1. Customers with a smart IC card: By advances received 2. Customer without a smart IC card: Regular meter reading is performed for the customer and the payment is settled at the time as set forth in the contract after such meter reading	Natural gas	Yes	0	N/A
Wholesale of natural gas	LNG has been delivered in bulk to the customer at a specified location	1. Domestic sales: The payment for natural gas is received by advances as agreed in the contract 2. Foreign sales: The customer requests a L/C under the contract prior to the agreed window phase, and then makes payment at the time as provided in the contract upon receipt of invoice.	Natural gas	Yes	0	N/A
Direct gas sale by platform	The natural gas has been delivered to the customer at a specified location	1. Domestic sales: The payment for natural gas is received in advance as agreed in the contract 2. Foreign sales: The customer requests a L/C under the contract prior to the agreed window phase, and then makes payment at the time as provided in the contract upon receipt of invoice.	Natural gas	Yes	0	N/A
Construction and installation	Revenue is recognized within the contract term for the performance obligation to be performed during a certain period of time based on the performance progress	The customer pays by installments as per the schedule provided in the contract	Construction and installation	Yes	0	Guaranteed warranty with warranty obligation fulfilled according to the national regulations
Panergy business	1. Energy products: The energy has been delivered to the customer and consumed by the customer 2. Energy services: Revenue is recognized within the contract term for the performance obligation to be performed during a certain period of time based on the progress of service provision	1. Energy products: The payment for energy is received in advance as agreed in the contract 2. Energy services: The customer pays by installments as per the schedule provided in the contract	Integrated energy	Yes	0	Energy services: Guaranteed warranty with warranty obligation fulfilled according to the national regulations



Item	Time for fulfillment of performance obligation	Significant payment terms	Nature of goods to be transferred by the Company with commitment		Payment expected to be refunded to the customer by the Company	Type of quality warranty provided by the Company and related obligation
			Principal person in charge			
Smart home business	1. Smart home products: The customer has obtained the control over goods 2. Smart home services: The time when the customer accepts the service	Pay as agreed in the contract	Various smart home services	Yes	0	Smart home products: Guaranteed warranty with warranty obligation fulfilled according to the national regulations
Energy production	The control over goods has been transferred to the purchaser	The goods are shipped upon receipt of payment; upon signing of the contract, the customer shall make full payments in installments before pickup of goods	Methanol, etc.	Yes	0	N/A
Infrastructure operation	The service has been provided and confirmed by the customer	The customer pays in full within the period as provided in the contract upon receipt of monthly payment notice or other payment notices	Operation services for natural gas terminals	Yes	0	N/A
Total	/	/	/	/	/	/

**(4). Information on apportionment to the remaining performance obligations**

☒ Applicable ☐ N/A

At the end of the Reporting Period, the revenue attributable to the performance obligations that have been contracted for but not yet performed or have not been performed in full was RMB 6,886.44 million.

**(5). Change in material contracts or adjustment to material transaction price**

☐ Applicable ☒ N/A

## 67. Interest revenue and interest expense

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest revenue	7,361	8,790
Including: Loan interest revenue	172	283
Discount interest revenue		13
Revenue from interests on transactions among financial institutions	3,490	3,346
Lease interest revenue	311	706
Factoring interest revenue	3,388	4,442
Interest expense	1,201	962

## 68. Handling fee and commission expenses

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Fee and commission expenses	174	246

## 69. Taxes and surcharges

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Urban maintenance and construction tax	7,750	9,619
Education surcharge	5,929	7,361
Resources tax		9,860
Property tax	5,461	5,463
Land use tax	4,738	5,241
Stamp duty	13,083	12,805
Charges collected by the local government	1,328	1,337
Environmental protection tax	77	125
Water resources tax	10	232
Consumption tax	34	994
Others	1,541	1,334
Total	39,951	54,371

## 70. Selling expenses

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	101,193	87,257
Travel expense	2,435	2,311
Advertising, publicity and promotion fees	3,083	1,853
Entertainment expense	1,033	1,000
Tenancy expense	2,081	2,091
Maintenance fee	10,173	15,600
Depreciation expense	23,212	21,111
Commission fee for products commissioned to sell	340	477
Communication expense	367	472
Other	7,270	10,696
Total	151,187	142,868

## 71. Administrative expenses

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	222,479	239,516
Repair cost	12,871	9,925
Depreciation and amortization	65,478	65,999
Office & travel expenses	20,406	19,552
Entertainment expense	21,789	21,114
Vehicle cost	9,772	7,095
Fees for intermediaries	18,099	17,307
Water and electricity expenses	3,352	3,048
Property insurance premium	2,864	3,398
Tenancy expense	3,236	2,689
Share-based payment	1,114	2,601
Others	14,311	28,006
Total	395,771	420,250

## 72. Research and development expense

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	37,335	40,864
Depreciation expense	10,187	12,970
Materials	28,943	33,055
Experiment and test fee	245	516
Water and electricity expenses	2,858	2,441
Consultation expense	205	744
Outsourced processing charges	124	2,252
Others	2,703	3,288
Total	82,600	96,130

## 73. Financing expense

√ Applicable    ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest expense	112,494	140,341
Plus: Interest revenue	-39,177	-23,071
Exchange loss (or gain)	31,942	38,995
Bank charges	6,509	8,057
Others	307	738
Total	112,075	165,060

Other information:

1. The year-on-year decrease in financing expense by 32.10% was mainly attributable to the year-on-year decrease in interest expense incurred as a result of the year-on-year decline in the scale of domestic loans and USD debts, and the year-on-year increase in bank interest income incurred as a result of the year-on-year rise in USD deposits and deposit interest rate in the subsidiaries of the Company.

2. The year-on-year increase in financing expense – interest income by 69.81% was mainly attributable to the year-on-year increase in bank interest income incurred as a result of the year-on-year rise in USD deposits and year-on-year increase in the deposit interest rate for the subsidiaries of the Company during the Reporting Period.

#### 74. Other income

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Classification by nature	Amount incurred in the current period	Amount incurred in the previous period	Related to assets/income
I. Government subsidies included in other income	55,846	51,404	
Including: Government subsidies related to deferred income	20,336	8,125	Related to assets/income
Value added tax refund	5,331	7,438	Related to income
Government subsidies directly included in current profit or loss	30,179	35,841	Related to income
II. Item relating to other day-to-day activities and included in other income	7,882	2,803	
Total	63,728	54,207	/

#### 75. Investment income

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Income from long-term equity investment calculated by equity method	57,736	23,348
Investment income from disposal of long-term equity investments	10,343	427,654
Investment income from other transaction financial assets during the holding period	3,513	
Dividend revenue from other equity instrument investments during the holding period	1,378	2,161
Investment income from disposal of transaction financial assets	5,917	3,887
Settlement gains and losses arising from derivative financial instruments	82,666	273,885
Gain or loss from re-measurement of previously held equity	-276	19,241
Gain or loss from debt restructuring	10,292	28,723
Investment income from other non-current financial assets during the holding period	12,808	13,303
<b>Total</b>	<b>184,377</b>	<b>792,202</b>

Other information:

The year-on-year decrease in investment income by 76.73% was mainly attributable to the year-on-year decrease in income realized from disposal of subsidiaries and derivatives by the Company during the Reporting Period.

## 76. Exchange gain

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Exchange gain	-10	-11

## 77. Net exposure hedging income

☐ Applicable ☒ N/A

## 78. Income from changes in fair values

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Sources of income from changes in fair values	Amount incurred in the current period	Amount incurred in the previous period
Investment real estates measured at fair value	-1,603	-883
Income from changes in fair value of financial assets measured at fair value	-33,061	-145,218
Unrealized gains on ineffective portion of cash flow hedge	-879	-3,221
Income from changes in fair value arising from cash-settled share-based payment in liabilities	330	1,417
<b>Total</b>	<b>-35,213</b>	<b>-147,905</b>

Other information:

The income from changes in fair value increased by RMB 1.127 billion year-on-year mainly due to the settlement upon maturity in the current period of floating income from derivative financial instruments not mature at the end of last year, which offset the year-on-year decrease in income from changes in fair value.

## 79. Credit impairment loss

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Bad debt loss on notes receivable	-3	15
Bad debt loss on accounts receivable	-40,356	-34,417
Bad debt loss on other receivables	-2,280	-5,031
Impairment loss on debt investments	6	-6
Bad debt loss on loans and advances	16	16
Bad debt loss on long-term receivables		-57
Bad debt loss on other current assets	-17	-208
Bad debt loss on non-current assets due within one year	334	52
Total	-42,300	-39,636

## 80. Assets impairment loss

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Impairment loss on contract assets	-2,820	-1,020
II. Loss of decline in value of inventories and impairment loss on contract performance cost	-10,985	
III. Impairment loss on long-term equity investments		
IV. Impairment loss on investment real estates		
V. Impairment loss on fixed assets	-11,695	-200,145
VI. Impairment loss on project materials		
VII. Impairment loss on construction in progress	-181	-2,496
VIII. Impairment loss on productive biological assets		
IX. Impairment loss on oil and gas assets		
X. Impairment loss on intangible assets	-4,280	-1,641
XI. Impairment loss on goodwill		-1,583
XII. Others		
Total	-29,961	-206,885

Other information:

The year-on-year decrease in assets impairment loss by RMB 1.769 billion was mainly caused by the year-on-year decrease in the provision for impairment of fixed assets by subsidiaries of the Company during the Reporting Period.

## 81. Gains on disposal of assets

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Gain on the disposal of fixed assets	-7,528	-7,106
Gain on the disposal of intangible assets	515	813
Total	-7,013	-6,293

## 82. Non-operating income

### *Information on non-operating income*

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in current non-recurring gain or loss
Gains on inventory profit	21	443	21
Income from default	1,166	1,047	1,166
Unpayable accounts payable	3,512	4,139	3,512
Income from disposal of waste and old materials	1,014	1,228	1,014
Compensation income	21,553	4,205	21,553
Others	3,248	5,432	3,248
Total	30,514	16,494	30,514

Other information:

√ Applicable ☐ N/A

Non-operating income decreased by 85.00% year-on-year mainly due to the increased compensation received by subsidiaries of the Company during the Reporting Period over the same period of last year.

## 83. Non-operating expense

√ Applicable ☐ N/A



Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in current non-recurring gain or loss
Total losses on disposal of non-current assets	5,607	2,177	5,607
Including: Loss on disposal of fixed assets	5,607	2,177	5,607
External donations	3,127	7,724	3,127
Penalty expense	1,116	752	1,116
Loss on disposal of waste and old materials	1,008	1,684	1,008
Compensation expense	3,575	2,026	3,575
Others	2,977	4,752	2,977
Total	17,410	19,115	17,410

#### 84. Income tax expenses

##### (1). Schedule of income tax expenses

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Current income tax expense	290,087	366,472
Deferred income tax expense	-20,871	-42,866
Total	269,216	323,606

##### (2). Adjustment process of accounting profit and income tax expense

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period
Gross profit	1,263,596
Income tax expense calculated at statutory/applicable tax rate	315,899
Effect from the application of different tax rates by subsidiaries	-65,734
Effect from adjustment to the income tax of previous periods	-5,442
Effect from non-taxable income	-17,719
Effect from non-deductible costs, expenses and losses	3,224
Effect from use of deductible losses of deferred income tax assets not recognized in the previous period	-30,949
Effect from deductible temporary differences or deductible losses of deferred income tax assets not recognized during the current period	73,880
Others	-3,943
Income tax expense	269,216

Other information:

☐ Applicable ☒ N/A

## 85. Other comprehensive income

☒ Applicable ☐ N/A

See the “Note VII-61 Other comprehensive income” for details.

## 86. Items in cash flow statement

### (1). Cash relating to operating activities

Other cash received relating to operating activities

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest income from bank deposits	39,177	22,854
Government subsidy income	95,942	69,055
Performance bond and deposit received	22,567	13,993
Total	157,686	105,902

Information on other cash paid relating to operating activities:

Other cash received relating to operating activities increased by 48.90% year-on-year mainly due to the increased bank deposit interests and government subsidies received by subsidiaries of the Company during the Reporting Period.

Other cash paid relating to operating activities

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Administration expenses paid in cash	106,412	112,133
Selling expenses paid in cash	26,782	34,499
Research and development expenses paid in cash	35,077	42,296
Charges from financial institutions	6,509	8,057
Performance bond and deposit paid in cash	7,364	926
Total	182,144	197,911

**(2). Cash relating to investing activities**

Significant cash received relating to investing activities

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Recovery of fiance products	3,097,776	971,619
<b>Total</b>	<b>3,097,776</b>	<b>971,619</b>

Significant cash paid relating to investing activities

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Investment in fiance products	3,077,764	989,059
<b>Total</b>	<b>3,077,764</b>	<b>989,059</b>

Other cash received relating to investing activities

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Cash received as borrowings from related parties	13,330	2,659
Option premium	3,329	
Others		384,050
<b>Total</b>	<b>16,659</b>	<b>386,709</b>

Information on other cash received relating to investing activities:

The year-on-year decrease in other cash received relating to investing activities by 95.69% was mainly attributable to the disposal of Xinneng Mining Co., Ltd. and recovery of its payment for creditor's rights by the Company during the Reporting Period.

Other cash paid relating to investing activities

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Cash paid as borrowings to related parties	21,958	36,400
Increase in restricted bank deposits	13,351	5,746
Others	5,806	23,569
Total	41,115	65,715

Information on other cash received relating to investing activities:

The year-on-year decrease in other cash paid related to investing activities by 37.43% was mainly attributable to the reduced net cash outflow from the disposal of part of equities by the Company's subsidiaries during the Reporting Period.

### (3). Cash relating to financing activities

Other cash received relating to financing activities

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Cash received from affiliates relating to financing	11,855	32,204
Received bill discounts, bills maturity acceptance, bank acceptance bill deposit	396,810	193,961
Others	1,500	1,449
Total	410,165	227,614

Information on other cash received relating to financing activities:

The year-on-year increase in other cash received related to financing activities by 80.20% was mainly attributable to the increased payment from notes discounted received by the subsidiaries of the Company during the Reporting Period.

Other cash paid relating to financing activities

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Cash paid to affiliates relating to financing	29,401	22,311
Share repurchase	102,520	22,935
Payment for share acquisition under common control	16,401	82,685
Principal, rent rate and charges from financial lease	14,567	6,255
Payment of bank acceptance bill due	195,584	41,810
Others	8,122	5,862
<b>Total</b>	<b>366,595</b>	<b>181,858</b>

Information on other cash paid relating to financing activities:

The year-on-year increase in other cash paid relating to financing activities by 101.58% was mainly attributable to the increased payment for the maturity of notes made by the Company and its subsidiaries during the Reporting Period.

Changes in various liabilities generated from financing activities

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase		Current decrease		Closing balance
		Cash change	Non-cash change	Cash change	Non-cash change	
Short-term borrowings	955,432	1,930,281	1,582	1,939,870	23,400	924,025
Non-current liabilities due within one year	242,832		112,664	216,192	380	138,924
Long-term borrowings	874,591	502,740		513,455	104,368	759,508
Bonds payable	1,284,234	99,760	63,897	158,358	10,099	1,279,434
Lease liabilities	36,206	24,460		11,504	9,043	40,119
Long-term payables	275				275	
<b>Total</b>	<b>3,393,570</b>	<b>2,557,241</b>	<b>178,143</b>	<b>2,839,379</b>	<b>147,565</b>	<b>3,142,010</b>

**(4). Information on cash flow presented at net amount**

☐ Applicable ☒ N/A

**(5). Significant activities and financial influence that do not involve current cash receipts and payments but affect the financial conditions or may affect the future cash flow of the Company**

☐ Applicable ☒ N/A

## 87. Supplementary information on cash flow statement

### (1). Supplementary information on cash flow statement

√ Applicable    □ N/A

Unit: RMB '0000    Currency: RMB

Supplementary information	Amount incurred in the current period	Amount incurred in the previous period
1. Adjusting the net profit to cash flow from operating activities:		
Net profit	994,380	1,253,013
Plus: Assets impairment provision	29,961	206,885
Credit impairment loss	42,300	39,636
Depreciation of fixed assets, loss of oil and gas assets, depreciation of productive biological assets	323,290	343,368
Amortization of right-of-use assets	18,786	14,198
Amortization of intangible assets	63,473	62,132
Amortization of long-term unamortized expenses	15,740	14,451
Loss on disposal of fixed assets, intangible assets and other long-term assets (gain expressed with "-")	7,013	6,293
Loss on scrapping of fixed assets (gain expressed with "-")	5,601	2,634
Loss on changes in fair value (gain expressed with "-")	35,213	147,905
Financing expense (gain expressed with "-")	144,436	179,336
Investment loss (gain expressed with "-")	-184,377	-792,202
Decrease in deferred income tax assets (increase expressed with "-")	-14,214	-32,354
Increase in deferred income tax liabilities (decrease expressed with "-")	-6,825	-11,422
Decrease in inventories (increase expressed with "-")	-27,870	13,470
Decrease in operating receivables items (increase expressed with "-")	162,223	-11,295
Increase in operating payables items (decrease expressed with "-")	-192,914	-60,103
Others		
Net amount of cash flow from operating activities	1,416,216	1,375,945
2. Major investing and financing activities that do not involve cash receipt and payment:		
Conversion of debt to capital		
Convertible corporate bonds maturing within one year		
Fixed assets under financing lease		
3. Net change in cash and cash equivalents:		
Closing balance of cash	1,536,422	1,877,676
Less: Opening balance of cash	1,877,676	1,095,554
Plus: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-341,254	782,122

## (2). Net cash paid to acquire subsidiaries in current period

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

	Amount
Cash or cash equivalents paid in current period for business combination incurred in current period	
Less: Cash and cash equivalents held by subsidiaries on the date of purchase	
Plus: Cash or cash equivalents paid in current period for business combinations incurred in previous periods	325
Shandong Xinfeng Engineering Design Co., Ltd.	325
Net cash paid to acquire subsidiaries	325

## (3). Net cash received from disposal of subsidiaries in the current period

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

	Amount
Cash or cash equivalents received in current period from disposal of subsidiaries in current period	5,809
Beijing Tongda Fengneng Energy Technology Co., Ltd.	382
Guangxi Beihai Shunli Clean Energy Co., Ltd.	700
Zhejiang Fanbei Logistics Co., Ltd.	917
Xuancheng Bai'an Transportation Co., Ltd.	79
Nanzhang County Tongxinneng Energy Construction Co., Ltd.	2,000
Liangshan Prefecture Lvrn Gas Co., Ltd.	1,731
Less: Cash and cash equivalents held by subsidiaries on the date of losing control	2,788
Beijing Tongda Fengneng Energy Technology Co., Ltd.	37
Guangxi Beihai Shunli Clean Energy Co., Ltd.	3
Zhejiang Fanbei Logistics Co., Ltd.	465
Xuancheng Bai'an Transportation Co., Ltd.	10
Nanzhang County Tongxinneng Energy Construction Co., Ltd.	1,766
Liangshan Prefecture Lvrn Gas Co., Ltd.	507
Plus: Cash or cash equivalents received in current period from disposal of subsidiaries in previous periods	-1,622
Xinneng Mining Co., Ltd.	-1,622
Net cash received from disposal of subsidiaries	1,399

## (4). Composition of cash and cash equivalents

√ Applicable ☐ N/A



Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
I. Cash	1,536,422	1,877,676
Including: Cash on hand	59	142
Bank deposits readily available for payment	1,198,298	1,520,189
Other Monetary fund readily available for payment	12,696	27,896
Inter-bank deposits		
Inter-bank offers	325,369	329,449
II. Cash equivalents		
Including: Bond investment due within three months		
III. Closing balance of cash and cash equivalents		
I. Cash	1,536,422	1,877,676
Including: Restricted cash and cash equivalents used by the parent company or subsidiaries within the group		

*(5). Items with limited range of use but presented as cash and cash equivalents*☐ Applicable ☒ N/A*(6). Monetary fund other than cash and cash equivalents*☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A**88. Notes to the items in the statement of changes in owners' equity**

Name and amount of "others" item for which adjustment have been made to the balance at the end of previous year:

☐ Applicable ☒ N/A**89. Monetary items in foreign currency***(1). Monetary items in foreign currency*☒ Applicable ☐ N/A

Unit: RMB '0000

Item	Closing balance in foreign currency	Exchange rate for conversion	Closing balance converted to RMB
Monetary fund			
Including: USD	78,746	7.1884	566,058
HKD	20,562	0.9260	19,041
EUR	439	7.5257	3,304
AUD	19	4.5070	86
CAD	1	5.0498	5
GBP	9	9.0765	82
SGD	270	5.3214	1,437
Accounts receivable			
Including: USD	4,282	7.1884	30,781
HKD	129	0.9260	119
Other receivables			
Including: USD	496	7.1884	3,565
Accounts payable			
Including: USD	7,506	7.1884	53,956
Other payables			
Including: USD	405	7.1884	2,911
Bonds payable			
Including: USD	156,709	7.1884	1,126,487

(2). Information on overseas business entity, including disclosure of overseas principal place of business, recording currency and basis for choice for an important overseas business entity, and reasons for any change in recording currency

√ Applicable    ☐ N/A

Overseas business entity	Principal place of business	Recording currency
Xinneng (Hong Kong) Energy Investment Co., Ltd.	Hong Kong	RMB
Jiapi Holdings Co., Ltd.	Hong Kong	RMB
ENN Gas Investment Group Co., Ltd.	Hong Kong	RMB
ENN Energy China Investment Co., Ltd.	Hong Kong	RMB
ENN LNG Trading Company Limited	Hong Kong	USD
ENN Energy Holdings Limited	Hong Kong	RMB
ENN LNG (SINGAPORE) PTE LTD	Singapore	USD
ENN Global Trading Pte. Ltd.	Singapore	USD

## 90. Lease

### (1) As a lessee

☒ Applicable ☐ N/A

*Variable lease payments not included in the measurement of lease liabilities*

☒ Applicable ☐ N/A

The amount of the variable lease payments incurred in current period and not included in the measurement of lease liabilities was RMB 13.55 million.

*Rental expenses for short-term lease and lease of low-value assets in a simplified treatment*

☒ Applicable ☐ N/A

The amount of the rental expenses incurred in current period for short-term lease and lease of low-value assets in a simplified treatment was RMB 65.82 million.

*Leaseback transaction and judging criteria*

☐ Applicable ☒ N/A

The total amount of cash outflow related to lease was 21,962 (Unit: RMB '0000 Currency: RMB)

### (2) As a lessor

*Operating lease as a lessor*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Lease income	Including: Income related to variable lease payments not included in lease receipts
Buildings	8,999	
Machinery and equipment	1,944	177
Land	926	
Gas pipelines	1,252	1,214
Means of transportation	722	9
Total	13,843	1,400

*Financing lease as a lessor*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Sales profit and loss	Financing income	Income related to variable lease payments not included in net of lease investment
Machinery and equipment		295	
Total		295	

*Reconciliation statement of undiscounted lease receipts and net of lease investment*☐ Applicable ☒ N/A*Undiscounted lease receipts for the next five years*☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Undiscounted lease receipt for each year	
	Closing amount	Opening amount
First year	4,219	2,839
Second year	2,837	1,629
Third year	2,708	1,555
Forth year	2,440	1,417
Fifth year	2,007	1,319
Total amount of undiscounted lease receipts after five years	14,126	6,224

*(3) Recognition of sale profit and loss on financing lease as a manufacturer or distributor*☐ Applicable ☒ N/A**91. Data resources**☐ Applicable ☒ N/A**92. Others**☐ Applicable ☒ N/A**VIII. Research and development expenditure****1. Presentation by nature of expenses**☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	40,451	45,768
Depreciation expense	10,187	13,260
Materials	28,943	32,927
Experiment and test fee	245	516
Water and electricity expenses	2,858	2,433
Consultation expense	205	757
Outsourced processing charges	30,232	36,355
Others	2,767	3,346
Total	115,888	135,362
Including: Expensed research and development expenditure	82,600	96,130
Capitalized research and development expenditure	33,288	39,232

## 2. Expenditure on research and development projects eligible for capitalization conditions

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase		Current decrease			Closing balance
		Internal development expenditure	Other	Recognized as intangible assets	Included in current profit or loss	Other	
Digital-intelligent safety project	2,731	30	6,442	6,973		221	2,009
Digital-intelligent management project	28,007	431	7,629	20,008			16,059
GreatGas ecological platform project	12,184	2,051	8,748	12,952			10,031
Digital-intelligent Panergy business project	509		4,371	1,790			3,090
Intelligent customer service platform project	1,904	169	1,202	142			3,133
Other projects	4,524	505	1,716	4,374	6		2,365
Total	49,859	3,186	30,108	46,239	6	221	36,687

### Important capitalized research and development projects

☐ Applicable ☒ N/A

### Impairment provision for development expenditure

☐ Applicable ☒ N/A

### 3. Important outsourced research projects

☐ Applicable    ☒ N/A

## IX. Changes in Scope of Consolidation

### 1. Business combination not under common control

☐ Applicable    ☒ N/A

### 2. Business combination under common control

☐ Applicable    ☒ N/A

### 3. Reverse purchase

☐ Applicable    ☒ N/A

### 4. Disposal of subsidiaries

Whether there were transactions or events where the Company lost its control over subsidiaries during the current period

☒ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Name of subsidiary	Time of losing control	Disposal cost at the time of losing control	Disposal ratio at the time of losing control (%)	Way of disposal at the time of losing control	Judging criteria at the time of losing control	Difference in share of the subsidiary's net assets at the consolidated financial statement level corresponding to the disposal price and disposal of losing power of investment separately	Remaining equity ratio on the date of losing power of control at the consolidated financial statement level	Book value of remaining equity on the date of losing power of control at the consolidated financial statement level	Fair value of remaining equity on the date of losing power of control at the consolidated financial statement level	Gains or losses generated from remeasuring the remaining equity with fair value	Method for determining the fair value of the remaining equity on the date of losing power of control at the consolidated financial statement level and main assumptions	Amount of other comprehensive income related to the original subsidiary's equity investment that is transferred to income or retained earnings
Zhejiang Fanbei Logistics Co., Ltd.	19 January 2024	917	100	Transfer of equity	Complete registration of equity change	118						
Beijing Tongda Fengneng Energy Technology Co., Ltd.	12 March 2024	382	100	Transfer of equity	Complete registration of equity change	1,312						
Xuancheng Bai'an Transportation Co., Ltd.	22 March 2024	79	100	Transfer of equity	Complete registration of equity change	57						

Name of subsidiary	Time of losing control	Disposal cost at the time of losing control	Disposal ratio at the time of losing control (%)	Way of disposal at the time of losing control	Judging criteria at the time of losing control	Difference in share of the subsidiary's net assets at the consolidated financial statement level	disposal price and disposal investment separately	Remaining equity ratio on the date of losing power of control (%)	Book value of remaining equity on the date of losing power of control at the consolidated financial statement level	Fair value of remaining equity on the date of losing power of control at the consolidated financial statement level	Gains or losses generated from remeasuring the remaining equity with fair value	Method for determining the fair value of the remaining equity on the date of losing power of control at the consolidated financial statement level and main assumptions	Amount of other comprehensive income related to the original subsidiary's equity investment that is transferred to income or retained earnings
Guangxi Beihai Shunli Clean Energy Co., Ltd.	19 April 2024	4,700	100	Transfer of equity	Complete registration of equity change	3,001							
Nanzhang County Jiatong Xinneng Energy Construction Co., Ltd.	29 August 2024	2,000	100	Transfer of equity	Complete registration of equity change	0							
Liangshan Prefecture Lvran Gas Co., Ltd. and its subsidiaries	6 November 2024	1,731	41	Transfer of equity	Complete registration of equity change	-231	49	2,345	2,069	-276	Determined based on the appraisal report		

Other information:

√ Applicable    □ N/A

1. ENN Gas Development Co., Ltd., a subsidiary of the Company, entered into the *Agreement on Transfer of Equity Interests in Ningbo ENN Logistics Co., Ltd. between ENN Gas Development Co., Ltd. and Gu Qingbao*, selling 100% of equity interests in Ningbo ENN Logistics Co., Ltd. at a transaction price of RMB 9.17 million. Ningbo ENN Logistics Co., Ltd. completed the industrial and commercial change registration on 19 January 2024, changing its name to Zhejiang Fanbei Logistics Co., Ltd. The Company has received the equity transfer price of RMB 9.17 million paid by the counterparty. The Company no longer held the equity interests in Ningbo ENN Logistics Co., Ltd., and no longer included Ningbo ENN Logistics Co., Ltd. within the scope of consolidated statements of the Company.

2. ENN Gas Development Co., Ltd., a subsidiary of the Company, entered into the *Agreement on Transfer of Equity Interests in Beijing ENN Anjie Technology Co., Ltd. between ENN Gas Development Co., Ltd. and Zhao Liying*, selling 100% of equity interests in Beijing ENN Anjie Technology Co., Ltd. at a transaction price of RMB 3.82 million. Beijing ENN Anjie Technology Co., Ltd. completed the industrial and commercial change registration on 12 March 2024, changing its name to Beijing Tongda Fengneng Energy Technology Co., Ltd. The Company has received the equity transfer price of RMB 3.82 million paid by the counterparty. The Company no longer held the equity interests in Beijing ENN Anjie Technology Co., Ltd., and no longer included Beijing ENN Anjie Technology Co., Ltd. within the scope of consolidated statements of the Company.

3. Xuancheng ENN Gas Co., Ltd., a subsidiary of the Company, entered into the *Agreement on Transfer of Equity Interests in Xuancheng Anjie Natural Gas Transportation Co., Ltd. between Xuancheng ENN Gas Co., Ltd. and Anhui Jiedian Logistics Co., Ltd.*, selling 100% of equity interests in Xuancheng Anjie Natural Gas Transportation Co., Ltd. at a transaction price of RMB 0.79 million. Xuancheng Anjie Natural Gas Transportation Co., Ltd. completed the industrial and commercial change registration on 22 March 2024, changing its name to Xuancheng Bai'an



Transportation Co., Ltd. The Company has received the equity transfer price of RMB 0.79 million paid by the counterparty. The Company no longer held the equity interests in Xuancheng Anjie Natural Gas Transportation Co., Ltd., and no longer included Xuancheng Anjie Natural Gas Transportation Co., Ltd. within the scope of consolidated statements of the Company.

4. ENN Gas Development Co., Ltd., a subsidiary of the Company, entered into the *Equity Transfer Agreement of Guangxi Beihai Shunli Clean Energy Co., Ltd.* with Zhejiang Jiyao Trading Co., Ltd., selling 100% of the equity of Guangxi Beihai Shunli Clean Energy Co., Ltd. at a transaction price of RMB 47 million. Guangxi Beihai Shunli Clean Energy Co., Ltd. completed the industrial and commercial change registration on 19 April 2024. The Company has received the equity transfer price of RMB 47 million paid by the counterparty. The Company no longer held the equity interests in Guangxi Beihai Shunli Clean Energy Co., Ltd., and no longer included Guangxi Beihai Shunli Clean Energy Co., Ltd. within the scope of consolidated statements of the Company.

5. Beijing ENN Xinneng Energy Investment Co., Ltd., a subsidiary of the Company, entered into the *Agreement on Transfer of Equity Interests in Xiangyang ENN Xinneng Energy Development Co., Ltd.* with Nanzhang County State-owned Capital Investment Group Co., Ltd., selling 100% of equity interests in Xiangyang ENN Xinneng Energy Development Co., Ltd. at a transaction price of RMB 20 million. Xiangyang ENN Xinneng Energy Development Co., Ltd. completed the industrial and commercial change registration on 29 August 2024, changing its name to Nanzhang County Jiatong Xinneng Energy Construction Co., Ltd. The Company has received the equity transfer price of RMB 20 million paid by the counterparty. The Company no longer held the equity interests in Xiangyang ENN Xinneng Energy Development Co., Ltd., and no longer included Xiangyang ENN Xinneng Energy Development Co., Ltd. within the scope of consolidated statements of the Company.

6. Xin'ao (China) Gas Investment Co., Ltd., a subsidiary of the Company, entered into the *Agreement on Transfer of Equity Interests in Liangshan ENN Gas Co., Ltd.* with Liangshan Industrial Investment and Development Group Co., Ltd., selling 41% of equity interests in Liangshan ENN Gas Co., Ltd. at a transaction price of RMB 17.31 million. Liangshan ENN Gas Co., Ltd. completed the industrial and commercial change registration on 6 November 2024, changing its name to Liangshan Prefecture Lvran Gas Co., Ltd. The Company has received the equity transfer price of RMB 17.31 million paid by the counterparty. The Company no longer held the equity interests in Liangshan ENN Gas Co., Ltd., and no longer included Liangshan ENN Gas Co., Ltd. within the scope of consolidated statements of the Company.

Whether there is circumstance where disposal of investment in subsidiaries was made by steps through several transactions and the control was lost during the current period

☐ Applicable    ☒ N/A

Other information:

☐ Applicable    ☒ N/A

## 5. Changes in the scope of consolidation for other reasons

Description of changes in scope of consolidation for other reasons (e.g., newly established subsidiaries and liquidation of subsidiaries) and relevant information:

☒ Applicable    ☐ N/A

(1) *New subsidiaries established within the year*

ENN INTERNATIONAL (UK) LTD	Nanchang Xinheng New Energy Development Co., Ltd.
Guangxi Beihai ENN Clean Energy Co., Ltd.	Ganzhou Xinheng New Energy Development Co., Ltd.
Changsha Xinrui New Energy Co., Ltd.	Jiujiang Xinrui Photovoltaic Energy Co., Ltd.
Guangxi Wuzhou Xinrui Photovoltaic Technology Co., Ltd.	Xupu Xinrui Photovoltaic Technology Co., Ltd.
Huaihua Xinrui New Energy Co., Ltd.	Huaihua Hongjiang District Xinzhuo New Energy Co., Ltd.
Tongliao Xinrui Energy Co., Ltd.	Tangshan Fengrui District Xinhui New Energy Development Co., Ltd.
Langfang Xinrui Energy Development Co., Ltd.	Zhengzhou Xinyunrui Energy Development Co., Ltd.
Shanghai Xinrui Shineng Photovoltaic Technology Co., Ltd.	Lulong Xinrui Energy Development Co., Ltd.
Quanzhou ENN Smart City Technology Co., Ltd.	Mengzhou Xinyunrui Energy Development Co., Ltd.
Gongyi ENN Yicheng Energy Co., Ltd.	Zhuzhou Xinrui New Energy Development Co., Ltd.
Tangshan Hangu Administrative Zone Xinrun Energy Development Co., Ltd.	Pingxiang Xinyuan Energy Development Co., Ltd.
Huludao Xinrui Clean Energy Development Co., Ltd.	Anji ENN Smart City Technology Co., Ltd.
Huoja County Xinrui Energy Development Co., Ltd.	Yichun Xinrui New Energy Development Co., Ltd.
Shangrao Xinrui Photovoltaic Energy Co., Ltd.	Xiangtan County Xinrui New Energy Development Co., Ltd.
Heyuan Lighthouse Basin ENN Clean Energy Co., Ltd.	Tangshan Caoheidian District Xinheng Energy Development Co., Ltd.
Luoyang Xinyunrui Energy Development Co., Ltd.	Ruzhou ENN Rucheng Energy Development Co., Ltd.
Chongqing ENN Fan'ou Energy Co., Ltd.	Xinxiang ENN Xinrui Photovoltaic Energy Co., Ltd.
Wuji Xinrui Energy Development Co., Ltd.	Suifenhe ENN Energy Co., Ltd.
Hunan Xiangjiangwan ENN Energy Development Co., Ltd.	Xinle Xinheng Energy Development Co., Ltd.
Mianyang ENN Energy Co., Ltd.	Zhengzhou ENN Xinrui Photovoltaic Energy Co., Ltd.
Cangzhou ENN Gas Development Co., Ltd.	Louhe ENN Xinrui Energy Development Co., Ltd.
Nantong ENN Xinrui Photovoltaic Energy Co., Ltd.	Muyang ENN Energy Development Co., Ltd.
Luanzhou Xinheng Energy Development Co., Ltd.	Bazhou Xinrui Energy Development Co., Ltd.
Zhejiang ENN Ruifeng Panergy business Co., Ltd.	Luoyang ENN Jiaotou Energy Co., Ltd.
Fuyang ENN Yinglong Energy Development Co., Ltd.	Xuancheng ENN Kaicheng Smart Energy Co., Ltd.
Taojiang Xinrui Energy Co., Ltd.	Xuzhou Xinshi Photovoltaic Energy Co., Ltd.
Tangshan Haigang District Xinheng New Energy Development Co., Ltd.	Gongyi Xinheng Energy Development Co., Ltd.
Luannan Xinheng Energy Development Co., Ltd.	Changning Xinrui New Energy Co., Ltd.
Ji'an Xinrui Photovoltaic Energy Co., Ltd.	Langfang ENN Hengxin New Energy Development Co., Ltd.
Anyang ENN Xinrui Energy Development Co., Ltd.	Hangzhou Xinrui Jitong New Energy Co., Ltd.
Yingkou Xinrui Energy Development Co., Ltd.	Kaifeng ENN Chengfa Energy Development Co., Ltd.
Luanchuan County Xinxirui New Energy Development Co., Ltd.	Zhengyang County Xinshi Energy Development Co., Ltd.

## (2) Subsidiaries canceled during the year

Yantai ENN New Energy Technology Co., Ltd.	Tianchang ENN Energy Development Co., Ltd.
Youxian County ENN Gas Co., Ltd.	Anqing Xinheng New Energy Co., Ltd.
Jinta ENN Jinneng Energy Power Development Co., Ltd.	Zhongmu ENN Xinneng Energy Development Co., Ltd.
Quanjiao ENN Energy Development Co., Ltd.	Huanggang ENN New Energy Co., Ltd.
Fusui Panergy business Enterprise Management Service Partnership (Limited Partnership)	Dongguan ENN Jiulong Energy Co., Ltd.
Nanyang ENN Lantian Energy Development Co., Ltd.	Mudanjiang Xinneng Enterprise Management Service Partnership (Limited Partnership)
Chizhou Xinheng New Energy Co., Ltd.	Guilin ENN Clean Energy Co., Ltd.
Baofeng County Xinrui Energy Development Co., Ltd.	

## 6. Others

☐ Applicable    ☒ N/A

## X. Rights and Interests in Other Entities

## 1. Rights and interests in subsidiaries

## (1). Composition of enterprise group

☒ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Name of subsidiary	Principal place of business	Registered place	Place of registration	Nature of business	Shareholding ratio (%)		
					Direct	Indirect	Way of acquisition
ENN (Tianjin) Energy Investment Co., Ltd.	Tianjin	500,000	Tianjin	Energy investment; asset management (except for financial assets); clean energy management services; research and development of natural gas and clean energy technologies, technical consulting and technical services; coal business; gas business; hazardous chemical business	100		Investment for establishment
Xin'ao (China) Gas Investment Co., Ltd.	Hebei	USD43,178	Beijing	Investment holding		34.28	Business combination under common control
ENN Energy Holdings Limited	Hong Kong, China	HKD30,000	British Cayman Islands	Investment holding		34.28	Business combination under common control

## (2). Important non-wholly-owned subsidiaries

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Name of subsidiary	Share ratio held by minority shareholders (%)	Profit or loss attributable to minority shareholders in the current period	Dividends declared to minority shareholders in the current period	Balance of minority stockholders' equity at the end of the period
ENN Energy Holdings Limited	65.72%	420,394	197,878	336,452
Xin'ao (China) Gas Investment Co., Ltd.	65.72%	202,761	173,542	1,087,263

Description of situation where the minority shareholders of subsidiaries enjoy voting rights different from their shareholding ratio:

☐ Applicable    √ N/A

Other information:

☐ Applicable    √ N/A

## (3). Major financial information of important non-wholly-owned subsidiaries

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Name of subsidiary	Closing balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
ENN Energy Holdings Limited	462,178	1,376,745	1,838,923	580,064	746,911	1,326,975	183,702	1,339,336	1,523,038	512,442	777,944	1,290,386
Xin'ao (China) Gas Investment Co., Ltd.	1,740,692	2,031,098	3,771,790	1,546,181	571,222	2,117,403	1,548,787	2,056,232	3,605,019	1,405,741	586,057	1,991,798

Name of subsidiary	Amount incurred in current period				Amount incurred in previous period			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
ENN Energy Holdings Limited	552	639,674	647,318	5,416	3,530	465,205	465,007	-441
Xin'ao (China) Gas Investment Co., Ltd.	71,708	308,523	308,523	40,138	67,798	364,448	364,448	7,863

## (4). Major restrictions on the use of enterprise group assets and on the repayment of enterprise group:

☐ Applicable    √ N/A

(5). *Financial or other supports provided to structured entities included in the scope of consolidated financial statements*

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

2. **Transactions that led to significant change in the share of owner's equity in a subsidiary but still takes control of the subsidiary**

☒ Applicable ☐ N/A

(1). *Description of changes in the share of the owners' equity in the subsidiary*

☒ Applicable ☐ N/A

No.	Company Name	Original shareholding (%)		Current shareholding (%)		Reason for change
		Direct	Indirect	Direct	Indirect	
1	ENN Energy Holdings Limited		33.98		34.28	Increase in shareholding and exercise of option by incentive grantees
2	Xinneng Energy Co., Ltd.		80.10		90.14	Acquisition of shares held by minority shareholders
3	ENN Xinneng (Beijing) Technology Co., Ltd.		80.00		100.00	Acquisition of shares held by minority shareholders
4	Pujiang ENN Hengxin Energy Development Co., Ltd.		100.00		70.00	Disposal of part of equity interests
5	Haiyan ENN Smart City Technology Development Co., Ltd.		100.00		90.00	Disposal of part of equity interests

(2). *Effect of the transaction on minority interest and equity attributable to the parent company*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

	ENN Energy Holdings Limited	Xinneng Energy Co., Ltd.	ENN Xinneng (Beijing) Technology Co., Ltd.	Pujiang ENN Hengxin Energy Development Co., Ltd.	Haiyan ENN Smart City Technology Development Co., Ltd.
Purchase cost/disposal consideration					
– Cash	16,401			900	600
– Fair value of non-cash assets					
Total purchase cost/disposal consideration	16,401			900	600

	ENN Energy Holdings Limited	Xinneng Energy Co., Ltd.	ENN Xinneng (Beijing) Technology Co., Ltd.	Pujiang ENN Hengxin Energy Development Co., Ltd.	Haiyan ENN Smart City Technology Development Co., Ltd.
Less: Share of net assets of the subsidiary calculated according to acquired/disposed equity ratio	12,445	-5,956	-3,236	922	610
Difference	3,956	5,956	3,236	-22	-10
Including: Adjusted capital reserve	3,956	5,956	3,236	-22	-10
Adjusted surplus reserve					
Adjusted undistributed profit					

Other information:

☐ Applicable ☒ N/A

### 3. Rights and interests in joint ventures or associates

☒ Applicable ☐ N/A

#### (1). Significant joint venture or associate

☐ Applicable ☒ N/A

#### (2). Major financial information of significant joint ventures

☐ Applicable ☒ N/A

#### (3). Major financial information of significant associates

☐ Applicable ☒ N/A

#### (4). Summarized financial information of insignificant joint ventures and associates

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

	Closing balance/ amount incurred in current period	Opening balance/ amount incurred in previous period
Joint ventures:		
Total book value of investments	298,643	281,473
Sum of the following items according to share proportion		
– Net profit	24,897	5,356
– Other comprehensive income		
– Total comprehensive income	24,897	5,356

	Closing balance/ amount incurred in current period	Opening balance/ amount incurred in previous period
Associates:		
Total book value of investments	480,790	458,277
Sum of the following items according to share proportion		
– Net profit	32,839	17,992
– Other comprehensive income		
– Total comprehensive income	32,839	17,992

(5). *Description of restrictions for the joint ventures or associates to transfer financial resources to the Company*

☐ Applicable ☒ N/A

(6). *Excess losses incurred in joint ventures or associates*

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of joint venture or associate	Accumulated unrecognized losses accumulated in the early periods	Unrecognized losses for the current period (or net profit shared in the current period)	Accumulated unrecognized losses at the end of the current period
Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.	140	-140	
Luoyang Tongyu ENN CBM Transmission and Distribution Co., Ltd.	1,942	-1,942	
Zhejiang Xinyongzhou Logistics Co., Ltd.		569	569
Yancheng Guoneng ENN Energy Development Co., Ltd.	1,121	181	1,302
Total	3,203	-1,332	1,871

(7). *Unrecognized commitments related to investment of joint ventures*

☐ Applicable ☒ N/A

(8). *Contingent liabilities related to the investment of a joint venture or an associate*

☐ Applicable ☒ N/A

#### 4. Significant joint operations

☐ Applicable ☒ N/A

#### 5. Equity in structured entities that is not included in the consolidated financial statements

Description of structured entities that are not included in the scope of consolidated financial statements:

☐ Applicable ☒ N/A

#### 6. Others

☐ Applicable ☒ N/A



## XI. Government subsidies

### 1. Government subsidies recognized at the amount receivable at the end of the Reporting Period

☒ Applicable ☐ N/A

The closing balance of accounts receivable was 8,755 (Unit: RMB '0000 Currency: RMB)

Reason for failure to receive government subsidiaries in expected amount at the expected time

☐ Applicable ☒ N/A

### 2. Liability items involving government subsidies

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item of financial statements	Opening balance	Amount of new subsidies in current period	Amount included in non-operating income	Current transfer to other income	Other current changes	Closing balance	Related to assets/income
Refund on land	2,158	325		102		2,381	Related to assets
Government subsidies on induced draft fan and integral electric bag hybrid dust removing device	190			29		161	Related to assets
Special subsidies on power demand side	11			10		1	Related to assets
Water pollution prevention and treatment fund	56			35		21	Related to assets
Industrial internet innovation and development demonstration project	8			4		4	Related to assets
Subsidies on replacing coal with gas	26,996			7,276	-4,517	15,203	Related to assets
Subsidies on pipeline network demolition and construction	5,941			264		5,677	Related to assets
Subsidies on emergency gas storage facilities	9,507			778		8,729	Related to assets
Subsidies on pipeline modification	22,345	196		2,139	-10,873	9,529	Related to assets
Subsidies on land	115			3		112	Related to assets
Subsidies on distributed energy project of natural gas	665			72		593	Related to assets
Energy station project	548			140		408	Related to assets
Xinchao yang integrated microenergy network demonstration project	899			42		857	Related to assets
Subsidies on new passenger station project	481			120		361	Related to assets
Subsidies on phasing out coal-fired heating boilers	3,071			2,120		951	Related to assets
Renovation of old urban residential communities	19,944	42,258		4,907	-15,826	41,469	Related to assets
Subsidies on guaranteed supply		2,866			-1,519	1,347	Related to income
Subsidies for change from bottle to pipe	5,948	3,148		196	-205	8,695	Related to assets
SOFC co-generation project	479			479			Related to assets
Investment incentive on natural gas terminals	2,250			119		2,131	Related to assets
Other	20,717	364		1,501	-4,554	15,026	Related to assets
Total	122,329	49,157		20,336	-37,494	113,656	

### 3. Government subsidiaries included in current profit and loss

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Type	Type	Amount incurred in current period	Amount incurred in previous period	Item presented
Related to income	Value added tax refund	5,331	7,438	Other income
Related to income	Government subsidiaries directly included in current profit and loss	30,179	35,841	Other income
Related to income	Government interest subsidy	163	103	Financing expense
Related to income	Rebate of value-added tax on imports	36,993	43,341	Operating cost
Related to income	Subsidies on guaranteed supply, etc.	42,961	51,829	Operating cost
Related to assets	Amortization of deferred income	20,336	8,125	Other income
Total	Total	135,963	146,677	

## XII. Risk Associated with Financial Instruments

### 1. Risk of financial instruments

√ Applicable    ☐ N/A

In addition to derivative instruments, the Company's financial instruments mainly include bank loans, company bonds, other interest-bearing loans, monetary funds and so on. The main purpose of these financial instruments is to provide financial support for the operation of the Company. In addition, the Company has a variety of other financial assets and liabilities directly arising from its operations, such as notes receivable and accounts receivable, other receivables, accounts payable and other payables.

At the end of the Reporting Period, the book value of the Company's financial assets and financial liabilities is as follows:

Unit: RMB '0000    Currency: RMB

	Closing balance	Opening balance
Financial assets		
Financial assets measured at fair value through current profit or loss	487,434	607,286
Financial assets measured at fair value through other comprehensive income	92,976	125,401
Financial assets measured at amortized value	2,487,905	2,859,938
Financial liability		
Financial liabilities measured at fair value through current profit or loss	104,811	30,821
Other financial liabilities	4,378,415	4,708,606

The main risks that the Company's financial instruments cause are credit risk, liquidity risk and market risk.

### 1. *Credit risk*

Credit risk refers to the risk that one party of a financial instrument fails to perform its obligations and causes financial losses to the other. The Company's credit risk mainly comes from Monetary fund, accounts receivable, other receivables and notes receivable. The maximum credit risk exposure to the Company is the carrying amount of such financial assets. In addition, the credit risk exposure to the Company regarding the maximum financial losses is the financial guarantee contracts provided to the Company. The Company does not hold any collateral or other credit enhancement measures to guarantee the credit risk related to its financial assets, except that the credit risk related to loans receivable is secured by equipment, receivables and the equity of other entities, and the repayment of certain receivables is guaranteed by notes issued by reputable financial institutions with good credit. The management will constantly monitor the credit risk exposure.

The monetary funds of the Company include cash on hand, bank deposits and other monetary fund. The Company's credit risk management policy requires that monetary funds be deposited primarily in international and Chinese banks with high credit ratings. As of 31 December 2024, the Company's management believed that the credit risk to which the monetary funds were exposed was low and highly liquid, and that expected credit losses over the next 12 months considered minimal.

In order to minimize the credit risk of receivables and contract assets arising from contracts with customers, the management of the Company has assigned a team to determine credit limits and credit approvals. Additionally, the Company has established monitoring procedures to ensure follow-up actions on the recovery of overdue debts. In addition, after the implementation of new standards for financial instruments, the Company shall conduct impairment assessment to accounts receivable according to the impairment matrix based on the expected credit loss model. The Company uses maturities of the debtors to assess operational-related impairments for its customers, because such customers include a large number of small customers with common risk characteristics that reflect the customers' ability of the to pay the full amount due under the terms of the contracts.

In order to minimize the impairment risk of other receivables and receivables from related parties, the Company shall conduct impairment assessment to other receivables and receivables from related parties according to the expected credit loss model after the implementation of new standards for financial instruments.

Please refer to the "Note V-11 Financial instruments" for the specific methods to evaluate whether the credit risk has increased significantly since initial recognition, the basis to determine the credit impairment of financial assets, the combination method of financial instruments evaluated with expected credit risk and the policies on direct write-downs of financial instruments. Please refer to the "Note VII-5/6/7/11" for the disclosure of credit risk exposure of notes receivable, accounts receivable, other receivables and contract assets.

### 2. *Liquidity risk*

Liquidity risk refers to the risk of shortage of funds that occurs when an enterprise performs its obligations to pay cash or other financial assets.

In managing liquidity risk, the management considers that adequate cash and cash equivalents are maintained and monitored to meet the operational needs of the company and to reduce the impact of cash flow fluctuations. The Company's management monitors the use of bank loans and ensures compliance with the loan agreement.

### 3. *Market risk*

Market risk refers to the risk that the fair value or the future cash flow of a financial instrument fluctuates due to changes in market prices. Market risk mainly includes foreign exchange risk, interest rate risk and commodity price risk.

#### (1) *Foreign exchange risk*

Foreign exchange risk refers to the risk of loss due to exchange rate fluctuations. The Company's main business activities are settled in RMB. On 31 December 2024, senior notes, unsecured bonds, receivables, payables, and some bank deposits were valued in foreign currency.

For details of foreign currency financial assets and foreign currency financial liabilities held by the Company as at 31 December 2024, see the disclosure of the "Note VII-89 Foreign currency monetary items".

To reduce its foreign exchange exposure, the Company has signed several foreign currency derivative products contracts with a number of financial institutions. The Company pays attention to the risk of exchange rate fluctuation in time, and will decide whether to adopt hedging measures to reduce exchange rate risk according to the trend of exchange rate fluctuation, and try to match foreign currency income with foreign currency expenditure so as to reduce foreign exchange risk.

#### (2) *Interest rate risk*

Interest rate risk refers to the risk that the fair value or the future cash flow of a financial instrument fluctuates due to changes in market interest rates. The net profit of a company is affected by interest rate changes, that is, the interest income and expenses of short-term deposits, other interest-bearing financial assets and liabilities are all affected by interest rate changes.

The interest rate risk of the Company is mainly floating interest rate bank loans. The Management believes that there is no significant cash flow interest rate risk associated with short-term bank deposits at basically stable market interest rates. The sensitivity of the Company to cash flow interest rate risk is determined according to the interest rate risk of floating rate bank loans.

The Company has signed some interest-rate swap contracts to appropriately reduce the risk of interest rates and will regularly monitor market interest rates to seize potential opportunities to reduce borrowing costs.

#### (3) *Commodity price risk*

In the daily business process, the Company imports LNG to meet the demand of downstream customers according to the long-term "pay-as-you-go" purchase agreement. As a result, the Company is at risk of price fluctuations in the commonly used crude oil/natural gas market (used to determine the price of LNG). The Company uses derivative financial instruments to manage this exposure. The profits and losses of such derivative products depend on the return of commodity prices on any given range of contracts.

Derivative financial instruments are used only for financial risk management purposes, and the Company do not hold or issue derivative financial instruments for speculative purposes. The management of the Company regularly monitors commodity price risks and will consider hedging their commodity price risks if necessary.

## 2. Hedging

### (1) Risk management by the Company on hedging

√ Applicable    □ N/A

Item	Relevant risk management strategy and objectives	Qualitative and quantitative information on risk of being hedged	Economic relationship between the hedged item and related hedging instrument	Effective realization of expected risk management objectives	Influence of hedging activity on risk exposure
Commodity hedging business	To effectively prevent transaction price risk of natural gas, the Company locks the price of natural gas to manage the risk exposure of natural gas price by financial derivative transactions.	The Company uses the financial derivatives linked to the price of natural gas and crude oil to hedge the price of natural gas in the expected purchase and sales in future. The Company adopts the strategy of dynamic hedging of commodity price risk exposure and adjust the positions of derivative contracts at a certain proportion of expected sales and purchase price exposure. The exposure* hedging proportion is basically consistent with the quantity of commodity represented by the derivative positions.	The Company mainly hedges against the price of natural gas by swap, option and their combination of JKM natural gas, Henry Hub natural gas, TTF natural gas and other varieties. The purchase and sale directions are opposite for hedged item and hedging instrument, and the price index, nominal quantity and date match each other, so there exists an obvious economic relationship between the hedged item and hedging instrument.	The Company has established relevant internal control system for commodity hedging and the hedging transaction operation is performed in strict accordance with the <i>Commodity Hedging System</i> . The ETMO risk management system is used to comprehensively digitize the management of physical and derivative transactions in the hedging process and evaluate the hedging effectiveness continuously to ensure the hedging relationship is effective during the designated accounting period. It has a strong risk control capability to guarantee the effective achievement of expected risk management objectives.	By purchase or sale of relevant commodity derivative contracts, the Company hedges against the price risks at the physical side of the Company to allow for effective management on price risk exposure of natural gas and crude oil, and reduce the uncertain impact of natural gas price fluctuation on operating income.
Foreign exchange hedging business	To effectively prevent the risks arising from exchange rate fluctuation against the Company's repayment of principal and payment of interests for US dollar debts as well as the purchase of natural gas, the Company manages the relevant risk exposure of exchange rate and interest rate by financial derivative instruments.	The Company uses the financial derivatives linked to the exchange rate and interest rate to hedge the exchange rate and interest rate in the repayment of principal and payment of interests of US dollar debts. The Company conducts exchange rate and interest rate hedging on a certain proportion of nominal amount based on the scale of debts.	The Company mainly hedges against the risks of repayment of principal and payment of interest of US dollar debts and purchase of natural gas arising from the fluctuation of exchange rate and interest rate by such financial derivative instruments as forward, swap and option. The critical terms of the hedged item (including nominal amount and maturity date) are consistent with those of hedging instrument, so there exists an obvious economic relationship between the hedged item and hedging instrument.	The Company hedges against the exchange rate and interest fluctuation risks by financial derivative instruments in strict accordance with the provisions of the <i>Administrative System for Foreign Exchange Hedging</i> to ensure that the risks exposure is managed effectively.	By purchase of foreign exchange derivative contracts, the Company hedges against the risks from exchange rate and interest rate fluctuation in repayment of principal and payment of interest of US dollar debts of the Company to allow for effective management on the risk exposure of sharp fluctuation in cash flow brought about by such business as the US dollar debts and reduce the impact of exchange rate and interest rate fluctuation on the operation of the Company.

Other information:

☐ Applicable ☒ N/A**(2) Eligible hedging operations and application of hedging accounting by the Company**☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Book value related to hedged item and hedging instrument	Adjustment to hedging against accumulated fair value of hedged item included in the recognized book value of hedged item	Hedging effectiveness and sources of invalid portion of hedging	Influence of hedging accounting on the Company's financial statements
Type of hedging risk				
Commodity price risk	-64,314	Not applicable	Hedging effectiveness: An obvious economic relationship exists between the hedging instrument and hedged item, and there is correlation between them. Sources of invalid portion of hedging: (1) Time mismatch of cash flow: The cash flow of hedged item occurs at the time of sales settlement, and the cash flow of the hedging instrument occurs at the settlement date of financial products. Given the limited time difference between them, the capital value of such time difference is considered insignificant. (2) The influence of credit risk of the Company and counterparty's credit risk on hedging instrument.	61,676
Exchange rate risk	25,817	Not applicable	Hedging effectiveness: An obvious economic relationship exists between the hedging instrument and hedged item, and there is correlation between them. Sources of invalid portion of hedging: (1) Decrease or change in the hedged item; (2) Change in the credit risk of the Company or counterparty; (3) Difference in maturity and payment dates; and (4) deferral of hedging option premium.	7,525

Other information:

☐ Applicable ☒ N/A

(3) *Risk management on hedging business by the Company, risk management objectives expected to be achieved but without application of hedging accounting*

☒ Applicable ☐ N/A

Item	Reason for not applying hedging accounting	Influence on financial statements
Commodity price risk	The hedging accounting requirements are not satisfied due to the inconsistency of the risks of being hedged faced by the hedging instrument and value of hedged item, change in expected transaction, etc.	37,849

Other information:

☐ Applicable ☒ N/A

### 3. Transfer of financial assets

(1) *Classification of transfer methods*

☐ Applicable ☒ N/A

(2) *Financial assets derecognized due to transfer*

☐ Applicable ☒ N/A

(3) *Continued transfer of financial assets*

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

## XIII. Disclosure of Fair Value

### 1. Fair value of assets and liabilities measured at fair value at the end of the period

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Fair value at the end of the period			Total
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	
I. Continuous fair value measurement				
(I) Transaction financial assets	26,015	44,030	417,389	487,434
1. Financial assets measured at fair value through profit or loss of the current period		44,030		44,030



Item	Fair value at the end of the period			Total
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	
(1) Debt instrument investment				
(2) Equity tool investment				
(3) Derivative financial assets		44,030		44,030
2. Financial assets that are designated to be measured at fair value through profit and loss	26,015		417,389	443,404
(1) Debt instrument investment				
(2) Equity instrument investment	26,015		417,389	443,404
Including: Shanghai Dazhong Public Utilities (Group) Co., Ltd.	25,975			25,975
Sinopec Sales Co., Ltd.			417,000	417,000
Hunan Silver Co., Ltd.	40			40
Other non-listed equity investments – at fair value through profit and loss			389	389
(II) Other debt investments				
(III) Other equity instrument investments	8,102		17,236	25,338
Including: Jiaying Gas Group Co., Ltd.	8,102			8,102
Other non-listed equity investments – at fair value through other comprehensive income			17,236	17,236
(IV) Accounts receivable financing			67,638	67,638
(V) Investment real estate			24,640	24,640
1. Land use right for rent				
2. Buildings for rent			24,640	24,640
3. Land use right held for transfer after appreciation				
(VI) Biological assets				
1. Consumptive biological assets				
2. Productive biological assets				
Total assets continued to be measured at fair value	34,117	44,030	526,903	605,050
(VII) Transaction financial liabilities	1,045	103,767		104,812
1. Financial liabilities measured at fair value through current profit or loss	1,045	103,767		104,812
Including: Tradable bonds issued				
Derivative financial liabilities	1,045	92,923		93,968
Other				
Derivative financial liabilities that are included in other non-current liabilities		10,844		10,844
2. Financial liabilities designated to be measured at fair value through current profit or loss				
Total liabilities continued to be measured at fair value	1,045	103,767		104,812
II. Non-continuous fair value measurement				
(I) Held-for-sale assets				
Total amount of assets not continuously measured at fair value				
Total amount of liabilities not continuously measured at fair value				

## 2. Basis for determining the market value of continuous and non-continuous items measured at Level 1 fair value

√ Applicable   ☐ N/A

Item	Basis for determination
Shanghai Dazhong Public Utilities (Group) Co., Ltd.	Fair value is determined on the basis of stock market quotes
Jiaying Gas Group Co., Ltd.	Fair value is determined on the basis of stock market quotes
Hunan Silver Co., Ltd.	Fair value is determined on the basis of stock market quotes
Derivative financial assets – futures	Fair value is determined on the basis of stock market quotes
Derivative financial liabilities – futures	Fair value is determined on the basis of stock market quotes

## 3. Qualitative and quantitative information on the valuation techniques and important parameters for continuous and non-continuous items measured at Level 2 fair value

√ Applicable   ☐ N/A

Item	Valuation information
Other derivative financial assets	(1) The discounted cash flow method is adopted to value swaps: Future cash flows are estimated on the basis of forward commodity prices and forward exchange rates, contract exercise rates, cap rates and premiums on the delivery date and discounted by the expected yield curve of each trading party. (2) Options are valued with the Black-Scholes model: Fair value is estimated at exercise price, commodity price, maturity, volatility and risk-free interest rate.
Other derivative financial liabilities	(1) The discounted cash flow method is adopted to value swaps: Future cash flows are estimated on the basis of forward commodity prices and forward exchange rates, contract exercise rates, cap rates and premiums on the delivery date and discounted by the expected yield curve of each trading party. (2) Options are valued with the Black-Scholes model: Fair value is estimated at exercise price, commodity price, maturity, volatility and risk-free interest rate.

## 4. Qualitative and quantitative information on the valuation techniques and important parameters for continuous and non-continuous items measured at Level 3 fair value

√ Applicable   ☐ N/A

Item	Valuation information
Sinopec Sales Co., Ltd.	Estimates are based on the P/B ratio and liquidity discount of comparable listed companies
Other non-listed equity investments – at fair value through profit and loss	Fair value is based on the price multiples of similar assets traded in the market
Other non-listed equity investments – at fair value through other comprehensive income	Fair value is based on the fair value of the underlying assets and liabilities held by the investee
Receivables financing	Discounted cash flow method: It is estimated by discounting the future cash flow and discount rate. It can be simplified as the best estimate of the book value as fair value because of the shorter duration of the bill

Item	Valuation information
Investment real estate	Fair value is determined by independent appraisers. The fair value is determined according to the income approach. The market rentals of all rentable units in the properties are assessed and discounted according to the market return expected by investors in respect of that type of property.
Debt instrument investment	Discounted cash flow method: It is estimated by discounting the future cash flow and discount rate. It can be simplified as the best estimate of the book value as fair value because of the shorter duration of the investment

5. Adjustment information between beginning and ending book value of continuous items measured at Level 3 fair value and sensitivity analysis of unobservable parameters

☐ Applicable ☒ N/A

6. For continuous items measured at fair value which converted from one level to another, the reasons for the conversion and the policy for determining the time of conversion

☐ Applicable ☒ N/A

7. Changes in valuation techniques and the reasons for such changes during the current period

☐ Applicable ☒ N/A

8. Fair value of financial assets and financial liabilities not measured at fair value

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	31 December 2024		31 December 2023	
	Book value	Fair value	Book value	Fair value
Fixed rate bank loans and other loans	1,083,503	1,053,867	672,686	652,699
Senior notes	725,347	691,529	777,944	720,002
Unsecured bonds	401,142	391,790	455,260	427,109
Mid-term notes	152,945	152,219	51,030	50,359

In the above table, except for the fair value of bank loans disclosed as the Level 3 fair value, the remaining fair values disclosed are the Level 2 fair value. The fair value of senior notes and unsecured bonds is based on the quotes at kerb market and the fair value of corporate bonds is based on the inactive quotes on the Shanghai Stock Exchange. Fair value of the remaining financial liabilities calculated at amortized cost is calculated using the discounted cash flow technique by reference to the market interest rate for same or similar loans for the period expiring at the end of the Reporting Period and the credit risk of relevant group entities.

9. Others

☐ Applicable ☒ N/A

## XIV. Related Party and Related Party Transactions

### 1. Parent company of the enterprise

☒ Applicable ☐ N/A

Unit: USD '0000 Currency: USD

Name of the Parent Company	Place of registration	Nature of business	Registered capital	Proportion of the parent company's shareholding in the enterprise (%)	Proportion of voting rights of the parent company to the enterprise (%)
ENN GROUP INTERNATIONAL INVESTMENT LIMITED	British Virgin Islands	Controlling investment	5	44.26	44.26

The ultimate controller of the Company is Wang Yusuo

### 2. Subsidiary of the enterprise

Please refer to the Notes for details of subsidiaries of this enterprise

☐ Applicable ☒ N/A

### 3. Information on the Company's joint ventures and associates

Please refer to the Notes for details of the important joint ventures or associates of the Company

☐ Applicable ☒ N/A

The situation of other joint ventures or associates that have related party transactions with the Company during the current period and had balance of the related party transactions with the Company in the previous period is as follows

☒ Applicable ☐ N/A

Name of joint venture or associate	Relationship with the enterprise
Anhui Wanneng ENN Natural Gas Co., Ltd.	Joint venture
Bengbu ENN Zhongyou Petroleum Sales Co., Ltd.	Joint venture
Baoding ENN Gas Co., Ltd.	Joint venture
Chenzhou Sanxiang ENN Clean Energy Co., Ltd.	Joint venture
Dongguan Haofeng ENN Energy Co., Ltd.	Joint venture
Hebei PetroChina Kunlun Natural Gas Co., Ltd.	Joint venture
Henan Jingbao ENN New Energy Co., Ltd.	Joint venture
Henan Zhongyuan Natural Gas Development Co., Ltd.	Joint venture
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	Joint venture
Jiangxi Poyang Lake LNG Co., Ltd.	Joint venture
Jinhua City Gaoya Natural Gas Co., Ltd.	Joint venture

Name of joint venture or associate	Relationship with the enterprise
Langfang ENN Longyu Clean Energy Co., Ltd.	Joint venture
Lianyungang Chengxin Gas Co., Ltd.	Joint venture
Liaocheng Shihua Natural Gas Co., Ltd.	Joint venture
Luoyang Hongxin Gas Co., Ltd.	Joint venture
Quzhou ENN Sinopec Automobile Gas Co., Ltd.	Joint venture
Shanxi Hengjing Energy Co., Ltd.	Joint venture
Shanghai Sunshine Jiuhuan Energy Development Co., Ltd.	Joint venture
Shenzhen ENN Shipping Co., Ltd.	Joint venture
Weihui Zhongyuan Natural Gas Development Co., Ltd.	Joint venture
Wenshan Yuntou ENN Gas Co., Ltd.	Joint venture
Dehua Guangan Natural Gas Co., Ltd.	Joint venture
Yantai ENN Gas Development Co., Ltd.	Joint venture
Yancheng ENN Compressed Natural Gas Co., Ltd.	Joint venture
Yunnan Yuntou Xin'ao Gas Co., Ltd.	Joint venture
Sinopec Yuexi Pipeline Network Co., Ltd.	Joint venture
Jiaozuo Zhongneng Natural Gas Development Co., Ltd.	Joint venture
Haining Guangyao Thermal Power Co., Ltd.	Joint venture
Yantai ENN Industry Co., Ltd.	Joint venture
Shanghai Kunlun ENN Clean Energy Co., Ltd.	Joint venture
Yantai ENN Clean Energy Co., Ltd.	Joint venture
Chizhou Qianjiang Gas Co., Ltd.	Associate
Dingzhou Kunlun ENN Energy Development Co., Ltd.	Associate
Guanyun PetroChina Kunlun Gas Co., Ltd.	Associate
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Associate
Guangxi Yilongyuan Electricity Distribution Co., Ltd.	Associate
Guangzhou Ganghua Gas Co., Ltd.	Associate
Huzhou Nanxun Xin'ao Gas Co., Ltd.	Associate
Huzhou Gas Co., Ltd.	Associate
Huai'an PetroChina Kunlun Gas Co., Ltd.	Associate
Lianyungang Zhongxin Gas Co., Ltd.	Associate
Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	Associate
Ningxiang ENN Gas Co., Ltd.	Associate
Qinzhou PetroChina Kunlun Gas Co., Ltd.	Associate
Shandong Luxin Natural Gas Co., Ltd.	Associate
Shantou Huarun ENN Gas Co., Ltd.	Associate
Shanghai Zhuoxiao Energy Technology Co., Ltd.	Associate
Shijiazhuang Airport Natural Gas Co., Ltd.	Associate
Shijiazhuang Kunlun ENN Gas Co., Ltd.	Associate
Shijiazhuang Gaocheng District Zhongran Xiangke Gas Co., Ltd.	Associate
Shijiazhuang Blue Sky ENN Natural Gas Pipeline Network Co., Ltd.	Associate
Shijiazhuang Luquan District Kunlun ENN Gas Co., Ltd.	Associate

Name of joint venture or associate	Relationship with the enterprise
Shijiazhuang ENN Zhonghong Gas Co., Ltd.	Associate
Taizhou City Natural Gas Co., Ltd.	Associate
Xinsheng Natural Gas Sales Co., Ltd.	Associate
Xuyi Guolian ENN Natural Gas Pipeline Network Co., Ltd.	Associate
Yancheng Guoneng ENN Energy Development Co., Ltd.	Associate
Yancheng Guotou Natural Gas Pipeline Network Co., Ltd.	Associate
Changsha ENN Gas Development Co., Ltd.	Associate
Changsha ENN Gas Co., Ltd.	Associate
Changsha ENN Great Wall Energy Co., Ltd.	Associate
Changsha ENN Changran Energy Development Co., Ltd.	Associate
Changsha Xingsha ENN Gas Co., Ltd.	Associate
Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.	Associate
Zhejiang Xinyongzhou Logistics Co., Ltd.	Associate
Chongqing Changdian Fuxin Gas Co., Ltd.	Associate
Zhoushan North Lanyan Island Gas Co., Ltd.	Associate
Zhoushan Lanyan Gas Co., Ltd.	Associate
Zhoushan Zhiqi Smart Home Technology Services Co., Ltd.	Associate
Zhanjiang Zhongyou ENN Natural Gas Co., Ltd.	Associate
Changsha ENN Gas Storage and Distribution Co., Ltd.	Associate
Liaoning Liaoyou ENN Shengyu Natural Gas Co., Ltd.	Associate

Other information:

☐ Applicable    ☒ N/A

#### 4. Other related parties

☒ Applicable    ☐ N/A

Name of other related party	Relationship between other related parties and the enterprise
Beijing Yongxin Environmental Protection Co., Ltd.	Same actual controller
Bokang Intelligent Information Technology Co., Ltd.	Same actual controller
Guangdong ENN Shuneng Technology Co., Ltd.	Same actual controller
Kaixin Real Estate Development and Operation Co., Ltd.	Same actual controller
Langfang Aili Fengshe Property Service Co., Ltd.	Same actual controller
Langfang ENN Real Estate Development Co., Ltd.	Same actual controller
Langfang ENN Construction and Installation Engineering Co., Ltd.	Same actual controller
Langfang Yitongcheng Business Services Limited	Same actual controller
Shijiazhuang ENN Environmental Protection Technology Co., Ltd.	Same actual controller
Tianjin Xinzhi Sensing Technology Co., Ltd.	Same actual controller
ENN Bowei Technology Co., Ltd.	Same actual controller
ENN Gaoke Industry Co., Ltd.	Same actual controller

Name of other related party	Relationship between other related parties and the enterprise
ENN Juneng Technology (Langfang) Co., Ltd.	Same actual controller
ENN Science and Technology Development Co., Ltd.	Same actual controller
ENN Holdings Investment Co., Ltd.	Same actual controller
ENN Shuneng Technology Co., Ltd.	Same actual controller
Xin'ao Cultural Industry Development Co., Ltd.	Same actual controller
Xin'ao Xinzhi Technology Co., Ltd.	Same actual controller
Xindi (Langfang) Landscaping Engineering Co., Ltd.	Same actual controller
Ennova Seven-Cultivation Hotel Management Co., Ltd.	Same actual controller
Xinyi Zhiye (Beihai) Co., Ltd.	Same actual controller
Xinzhi Cognitive Data Services Co., Ltd.	Same actual controller
Xinzhi Cloud Data Service Co., Ltd.	Same actual controller
Beijing Laikang Sports Technology Co., Ltd.	Same actual controller
Beijing Zhixin Zhigou Digital Technology Co., Ltd.	Same actual controller
Tianjin Huangpu Salinization Engineering Technology Co., Ltd.	Same actual controller
Xin'ao Sunshine Yicai Technology Co., Ltd.	Same actual controller
Laikang Life Technology Co., Ltd.	Same actual controller
Langfang Huijia Property Service Co., Ltd.	Same actual controller
Langfang Development Zone Jingyu Real Estate Development Co., Ltd.	Same actual controller
Langfang Xinyi Shuiyunjian Commercial Management Co., Ltd.	Same actual controller
Tianjin Gongjianghui Technology Development Co., Ltd.	Same actual controller
Tibet Shengdi International Travel Agency Co., Ltd.	Same actual controller
ENN Insurance Brokerage Co., Ltd.	Same actual controller
ENN Power Technology (Langfang) Co., Ltd.	Same actual controller
ENN Photovoltaic Energy Co., Ltd.	Same actual controller
ENN Group Co., Ltd.	Same actual controller
ENN Group International Investment Limited	Same actual controller
ENN Energy Power Technology (Shanghai) Co., Ltd.	Same actual controller
Xinyijia Insurance Assessment (Beijing) Co., Ltd.	Same actual controller
Ennova Health Technology Co., Ltd.	Same actual controller
Ennova Tiancheng (Langfang) Cultural Exchange Co., Ltd.	Same actual controller
Tianjin Xinyijia Intelligent Technology Co., Ltd.	Same actual controller
Jade Elephant Investment Company Limited	Same actual controller
Hebei Financial Leasing Co., Ltd.	Other related party
Shanghai 3040 Technology Co., Ltd.	Other related party
ENN Public Charity Foundation	Other related party

## 5. Related-party transactions

### (1). Related-party transactions of purchasing and selling products, providing and receiving services

Statement of purchasing products/receiving services

☒ Applicable ☐ N/A



Unit: RMB '0000 Currency: RMB

Related party	Content of related-party transactions	Amount incurred in the current period	Amount limit of transaction approved (if applicable)	Excess of the transaction amount limit (if applicable)	Amount incurred in the previous period
Anhui Wanneng ENN Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	2,262	N/A	N/A	974
Guanyun PetroChina Kunlun Gas Co., Ltd.	Purchase of equipment, materials and natural gas	25,857	N/A	N/A	4,497
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Purchase of equipment, materials and natural gas	1,012	N/A	N/A	5,723
Guangzhou Ganghua Gas Co., Ltd.	Purchase of equipment, materials and natural gas	4,965	N/A	N/A	1,890
Haining Xinxin Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas		N/A	N/A	34,889
Hebei PetroChina Kunlun Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	118,139	N/A	N/A	114,288
Henan Jingbao ENN New Energy Co., Ltd.	Purchase of equipment, materials and natural gas	5,756	N/A	N/A	10,352
Huai'an PetroChina Kunlun Gas Co., Ltd.	Purchase of equipment, materials and natural gas	11,064	N/A	N/A	
Lianyungang Zhongxin Gas Co., Ltd.	Purchase of equipment, materials and natural gas	5,045	N/A	N/A	77,925
Liaocheng Shihua Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	32,849	N/A	N/A	33,403
Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	Purchase of equipment, materials and natural gas	1,162	N/A	N/A	3,887
Shandong Luxin Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	3,159	N/A	N/A	2,805
Shanxi Hengjiing Energy Co., Ltd.	Purchase of equipment, materials and natural gas	10,796	N/A	N/A	44,331
Shijiazhuang Kunlun Xin'ao Gas Co., Ltd.	Purchase of equipment, materials and natural gas	24,810	N/A	N/A	29,091
Shijiazhuang Luquan District Kunlun ENN Gas Co., Ltd.	Purchase of equipment, materials and natural gas	3,700	N/A	N/A	4,701
Taizhou City Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas		N/A	N/A	19,352
Xinsheng Natural Gas Sales Co., Ltd.	Purchase of equipment, materials and natural gas	571	N/A	N/A	5,548
Changsha ENN Great Wall Energy Co., Ltd.	Purchase of equipment, materials and natural gas	35,869	N/A	N/A	754
Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.	Purchase of equipment, materials and natural gas	5,546	N/A	N/A	3,865
Chongqing Changdian Fuxin Gas Co., Ltd.	Purchase of equipment, materials and natural gas	14,927	N/A	N/A	14,599
Zhoushan Lanyan Gas Co., Ltd.	Purchase of equipment, materials and natural gas	1,383	N/A	N/A	2,609

Related party	Content of related-party transactions	Amount incurred in the current period	Amount limit of transaction approved (if applicable)	Excess of the transaction amount limit (if applicable)	Amount incurred in the previous period
Shanghai 3040 Technology Co., Ltd.	Purchase of equipment, materials and natural gas	6,647	15,000	No	8,239
Subsidiary controlled by the Company's actual controller	Purchase of equipment, materials and natural gas	18,362	21,400	No	10,049
Subsidiary controlled by the Company's actual controller	Acceptance of engineering construction	2,993	5,700	No	1,681
Anhui Wanneng ENN Natural Gas Co., Ltd.	Acceptance of technology and comprehensive service	5,059	N/A	N/A	5,060
Haining Guangyao Thermal Power Co., Ltd.	Acceptance of technology and comprehensive service	2,200	N/A	N/A	238
Shenzhen ENN Shipping Co., Ltd.	Acceptance of technology and comprehensive service	5,072	N/A	N/A	4,719
Zhenjiang Xinyongzhou Logistics Co., Ltd.	Acceptance of technology and comprehensive service	67	N/A	N/A	2,624
Subsidiary controlled by the Company's actual controller	Acceptance of technology and comprehensive service	48,382	79,247	No	47,248
Shanghai 3040 Technology Co., Ltd.	Acceptance of technology and comprehensive service	1,090	4,000	No	588
Shanghai Petroleum and Gas Exchange Co., Ltd.	Acceptance of technology and comprehensive service			No	4
Others – Amount of transactions of which detail items are not listed		15,454	N/A	N/A	14,709

Fact sheet of sales of goods/provision of services

√ Applicable    □ N/A

Unit: RMB '0000    Currency: RMB

Related party	Content of related-party transactions	Amount incurred in the current period	Amount incurred in the previous period
Baoding ENN Gas Co., Ltd.	Design, construction and sale of materials and supplies	2,631	1,012
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Design, construction and sale of materials and supplies	942	4,360
Huzhou Nanxun Xin'ao Gas Co., Ltd.	Design, construction and sale of materials and supplies	645	4,688
Lianyungang Chengxin Gas Co., Ltd.	Design, construction and sale of materials and supplies	6,630	1,022
Lianyungang Zhongxin Gas Co., Ltd.	Design, construction and sale of materials and supplies	299	2,220
Changsha ENN Gas Co., Ltd.	Design, construction and sale of materials and supplies	6,316	853
Zhoushan Lanyan Gas Co., Ltd.	Design, construction and sale of materials and supplies	3,408	1,693

Related party	Content of related-party transactions	Amount incurred in the current period	Amount incurred in the previous period
Subsidiary controlled by the Company's actual controller	Design, construction and sale of materials and supplies	4,899	4,223
Subsidiary controlled by the Company's actual controller	Provision of technology and comprehensive services	21,594	14,163
Anhui Wanneng ENN Natural Gas Co., Ltd.	Sale of gas and other goods	2,143	1,748
Baoding ENN Gas Co., Ltd.	Sale of gas and other goods	8,804	11,093
Dingzhou Kunlun ENN Energy Development Co., Ltd.	Sale of gas and other goods	3,547	2,811
Dongguan Haofeng ENN Energy Co., Ltd.	Sale of gas and other goods	2,204	6,176
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Sale of gas and other goods	5,114	3,313
Henan Zhongyuan Natural Gas Development Co., Ltd.	Sale of gas and other goods	7,645	1,186
Huzhou Nanxun Xin'ao Gas Co., Ltd.	Sale of gas and other goods	97,161	73,603
Huzhou Gas Co., Ltd.	Sale of gas and other goods	9,416	2,965
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	Sale of gas and other goods	13,416	14,224
Jiangxi Poyang Lake LNG Co., Ltd.	Sale of gas and other goods	8,123	5,324
Jiaozuo Zhongneng Natural Gas Development Co., Ltd.	Sale of gas and other goods	1,798	2,524
Lianyungang Chengxin Gas Co., Ltd.	Sale of gas and other goods	8,166	5,760
Lianyungang Zhongxin Gas Co., Ltd.	Sale of gas and other goods	53,229	82,592
Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	Sale of gas and other goods	4,798	2,739
Shanxi Hengjing Energy Co., Ltd.	Sale of gas and other goods	0	33,861
Shantou Huarun ENN Gas Co., Ltd.	Sale of gas and other goods	2,403	8,531
Shijiazhuang Kunlun ENN Gas Co., Ltd.	Sale of gas and other goods	16,573	21,387
Shijiazhuang Gaocheng District Zhongran Xiangke Gas Co., Ltd.	Sale of gas and other goods	491	3,055
Shijiazhuang Luquan District Kunlun ENN Gas Co., Ltd.	Sale of gas and other goods	4,006	1,102
Shijiazhuang ENN Zhonghong Gas Co., Ltd.	Sale of gas and other goods	2,240	3,544
Taizhou City Natural Gas Co., Ltd.	Sale of gas and other goods	0	12,997
Weihui Zhongyuan Natural Gas Development Co., Ltd.	Sale of gas and other goods	4,121	643
Wenshan Yuntou ENN Gas Co., Ltd.	Sale of gas and other goods	2,263	3,142
Xinsheng Natural Gas Sales Co., Ltd.	Sale of gas and other goods	0	8,631
Yantai ENN Gas Development Co., Ltd.	Sale of gas and other goods	21,974	18,960
Yunnan Yuntou Xin'ao Gas Co., Ltd.	Sale of gas and other goods	5,444	4,789
Changsha ENN Gas Development Co., Ltd.	Sale of gas and other goods	2,831	1,146
Changsha ENN Gas Co., Ltd.	Sale of gas and other goods	8,614	1,713
Changsha ENN Great Wall Energy Co., Ltd.	Sale of gas and other goods	2,726	132
Zhoushan North Lanyan Island Gas Co., Ltd.	Sale of gas and other goods	24,000	24,712
Zhoushan Lanyan Gas Co., Ltd.	Sale of gas and other goods	2,110	2,065
Zhoushan Zhiqi Smart Home Technology Services Co., Ltd.	Sale of gas and other goods	1,797	7,306
Subsidiary controlled by the Company's actual controller	Sale of gas and other goods	3,158	3,011
Others – Amount of transactions of which detail items are not listed		25,273	25,452

Description of related-party transactions related to the purchase and sale of products, and the provision and acceptance of services

☐ Applicable ☒ N/A

**(2). Information on related trusteeship/contracting and entrusted management/outsourcing**

Statement of trusteeship/contracting of the Company:

☐ Applicable ☒ N/A

Description of related trusteeship/contracting

☐ Applicable ☒ N/A

Statement of entrusted management/outsourcing of the Company:

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of principal/ outsourcer	Name of trustee/ outsourcer	Type of entrusted/ outsourced assets	Starting date of trusteeship/ outsourcing	End date of trusteeship/ outsourcing	Basis for determining trustee fee/ outsourcing fee	Trustee fee/ outsourcing fee recognized in the current period
Xinneng Energy Co., Ltd.	Beijing Yongxin Environmental Protection Co., Ltd.	Other trusted assets	2024/1/1	2024/5/10	Trusteeship contract	1,394

Information on related management/outsourcing

☐ Applicable ☒ N/A

**(3). Information on related-party lease**

The Company as a lessor:

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of lessee	Type of leasing asset	Rental revenue recognized in current period	Rental revenue recognized in previous period
Bengbu ENN PetroChina Sales Co., Ltd.	Equipment	296	373
Chizhou Qianjiang Gas Co., Ltd.	Houses		2
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	Houses	18	18
Quzhou ENN Sinopec Automobile Gas Co., Ltd.	Equipment	33	47
Changsha ENN Great Wall Energy Co., Ltd.	Houses		2

Name of lessee	Type of leasing asset	Rental revenue recognized in current period	Rental revenue recognized in previous period
PetroChina Yuexi Pipeline Network Co., Ltd.	Site	25	
Shandong Luxin Natural Gas Co., Ltd.	Site	1	
Yantai ENN Industry Co., Ltd.	Site	10	
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Houses		1
Zhanjiang Zhongyou ENN Natural Gas Co., Ltd.	Houses		29
Zhejiang Xinyongzhou Logistics Co., Ltd.	Houses		58
Wenshan Yuntou ENN Gas Co., Ltd.	Houses		7
Subsidiary controlled by the Company's actual controller	Houses	520	2,565

The Company as a lessee:

☒ Applicable   ☐ N/A

Unit: RMB '0000   Currency: RMB

Name of lessor	Type of asset for lease	Rental expenses for short-term lease and lease of low-value assets in a simplified treatment (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Rent paid		Assumed interest expense for lease liabilities		Increased right-of-use assets	
		Amount incurred in current period	Amount incurred in previous period	Amount incurred in current period	Amount incurred in previous period	Amount incurred in current period	Amount incurred in previous period	Amount incurred in current period	Amount incurred in previous period	Amount incurred in current period	Amount incurred in previous period
Subsidiaries actually controlled by the Company	Houses/ vehicles	753	774			238	217	25	10	13	
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Houses		1								
Henan Zhongyuan Natural Gas Development Co., Ltd.	Houses					19		2		66	
Lianyungang Zhongxin Gas Co., Ltd.	Equipment	89	92								
Shanghai Kunlun ENN Clean Energy Co., Ltd.	Houses		6								
Shanghai Sunshine Jiuquan Energy Development Co., Ltd.	Houses		6								
Changsha ENN Gas Storage and Distribution Co., Ltd.	Houses	1									

Information on related-party lease

☐ Applicable   ☒ N/A

**(4). Information on related-party guarantee**

The Company as a guarantor

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Guaranteed party	Contract amount	Amount of guarantee	Starting date of guarantee	Expiration date of guarantee	Whether the guarantee has been fulfilled
Chongqing Fuling Energy Industry Group Co., Ltd.	4,200	734	2021/3/8	2025/12/31	No
Chongqing Fuling Energy Industry Group Co., Ltd.	1,120	1,120	2024/6/12	2025/12/31	No
Jinhua City Gaoya Natural Gas Co., Ltd.	700	0	2023/12/22	2024/12/21	Yes
Jinhua City Gaoya Natural Gas Co., Ltd.	700	700	2024/12/27	2025/12/27	No

Chongqing Longran Energy Technology Co., Ltd., a shareholding company of the Company, applied for financing and loan to the bank for which its controlling shareholder Chongqing Fuling Energy Industry Group Co., Ltd. provided a joint and several liability guarantee in full. The Company provided a counter guarantee of joint and several liability in proportion to the equity interest in Chongqing Fuling Energy Industry Group Co., Ltd.

The Company as a guaranteed party

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Guarantor	Contract amount	Amount of guarantee	Starting date of guarantee	Expiration date of guarantee	Whether the guarantee has been fulfilled
Mr. Wang Yusuo and his wife	40,000	0	2020/9/27	2024/9/18	Yes

Information on related-party guarantee

☐ Applicable ☒ N/A

**(5). Related-party borrowings**

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Related party	Amount borrowed	Starting date	Due date	Description
Borrowing				
Xin'ao Xinzhi Technology Co., Ltd.	2,901	2024/3/29	2026/12/31	
Xin'ao Xinzhi Technology Co., Ltd.	980	2024/7/30	2026/12/31	
Xin'ao Xinzhi Technology Co., Ltd.	980	2024/10/10	2026/12/31	
Xin'ao Xinzhi Technology Co., Ltd.	1,979	2024/12/10	2026/12/31	
Shijiazhuang Blue Sky ENN Natural Gas Pipeline Network Co., Ltd.	3,425	2024/7/8	2025/1/7	
Chenzhou Sanxiang ENN Clean Energy Co., Ltd.	700	2024/12/28	2025/9/27	

Related party	Amount lent	Starting date	Due date	Description
Lending				
Shanghai Zhuoxiao Energy Technology Co., Ltd.	1,000	2024/3/14	2024/7/16	
Yancheng Guoneng ENN Energy Development Co., Ltd.	800	2024/3/10	2027/3/10	
Lianyungang Chengxin Gas Co., Ltd.	400	2024/5/30	2030/12/31	
Lianyungang Chengxin Gas Co., Ltd.	1,100	2024/7/5	2030/12/31	
Lianyungang Chengxin Gas Co., Ltd.	500	2024/8/9	2030/12/31	
Lianyungang Chengxin Gas Co., Ltd.	500	2024/11/28	2030/12/31	
Lianyungang Chengxin Gas Co., Ltd.	3,000	2024/8/12	2030/12/31	

## (6). Assets transfer and debt restructuring with related parties

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Related party	Content of related-party transactions	Amount incurred in current period	Amount incurred in previous period
Xin'ao Xinzhi Technology Co., Ltd.	Acquisition of 43% equity interests in Langfang Xinzhi Digital-intelligent Future Smart City Co., Ltd.	782	
ENN Juneng Technology (Langfang) Co., Ltd.	Acquisition of 12% equity interests in Langfang Xinzhi Digital-intelligent Future Smart City Co., Ltd.	218	
Jade Elephant Investment Company Limited	Purchase of 669,800 shares in ENN Energy Holdings Limited	3,240	
Xin'ao Xinzhi Technology Co., Ltd.	Sale of 49% equity interest in GreatGas E-commerce Co., Ltd. held by Xin'ao (China) Gas Investment Co., Ltd.		49

## (7). Remuneration of key managers

√ Applicable ☐ N/A



Unit: RMB '0000 Currency: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Remuneration of key managers	3,373	2,871

**(8). Other related-party transactions**

√ Applicable    □ N/A

## ① Information on the provision of financing lease and commercial factoring

Unit: RMB '0000 Currency: RMB

Related party	Content of transaction	Amount incurred in current period	Amount incurred in previous period
Beijing Laikang Sports Technology Co., Ltd.	Provision of commercial factoring	20	
Beijing Yongxin Environmental Protection Co., Ltd.	Provision of commercial factoring		192
Beijing Zhixin Zhigou Digital Technology Co., Ltd.	Provision of commercial factoring	104	
Guangdong ENN Shuneng Technology Co., Ltd.	Provision of commercial factoring	38	
Kaixin Real Estate Development and Operation Co., Ltd.	Provision of commercial factoring		39
Langfang Aili Fengshe Logistics Services Co., Ltd.	Provision of commercial factoring	30	
Langfang ENN Real Estate Development Co., Ltd.	Provision of commercial factoring	77	1,003
Langfang ENN Construction and Installation Engineering Co., Ltd.	Provision of commercial factoring	502	470
Langfang Yitongcheng Business Services Limited	Provision of commercial factoring		35
Shanghai 3040 Technology Co., Ltd.	Provision of commercial factoring	74	1,854
Shijiazhuang ENN Environmental Protection Technology Co., Ltd.	Provision of commercial factoring		472
Tianjin Huangpu Salinization Engineering Technology Co., Ltd.	Provision of commercial factoring		92
Tianjin Xinzhi Sensing Technology Co., Ltd.	Provision of commercial factoring		111
ENN Bowei Technology Co., Ltd.	Provision of commercial factoring	102	
ENN Science and Technology Development Co., Ltd.	Provision of commercial factoring	233	302
ENN Shuneng Technology Co., Ltd.	Provision of commercial factoring	115	42
Xin'ao Cultural Industry Development Co., Ltd.	Provision of commercial factoring	228	

Related party	Content of transaction	Amount incurred in current period	Amount incurred in previous period
Xin'ao Sunshine Yicai Technology Co., Ltd.	Provision of commercial factoring	92	
Xindi (Langfang) Landscaping Engineering Co., Ltd.	Provision of commercial factoring	132	257
Ennova Seven-Cultivation Hotel Management Co., Ltd.	Provision of commercial factoring	106	
Xinyi Zhiye (Beihai) Co., Ltd.	Provision of commercial factoring		227
ENN Science and Technology Development Co., Ltd.	Provision of financing lease	307	8,697

## ② Information on donations

Unit: RMB '0000 Currency: RMB

Related party	Content of transaction	Amount incurred in current period	Amount incurred in previous period
ENN Public Charity Foundation	Donation	1,980	

## 6. Unsettled items including receivables and payables of related parties

## (1). Items receivable

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Receivables	Baoding ENN Gas Co., Ltd.	18,306	2,956	16,179	257
Receivables	Dongguan Haofeng ENN Energy Co., Ltd.	777	548	1,794	308
Receivables	Guanyun PetroChina Kunlun Gas Co., Ltd.	825	7	961	
Receivables	Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	908	29	1,188	13
Receivables	Hebei PetroChina Kunlun Natural Gas Co., Ltd.	12,059		22,118	
Receivables	Jinhua City Gaoya Natural Gas Co., Ltd.	604	10	863	
Receivables	Kaixin Real Estate Development and Operation Co., Ltd.	937	9	535	74
Receivables	Langfang ENN Real Estate Development Co., Ltd.	211	23	1,579	68
Receivables	Langfang ENN Construction and Installation Engineering Co., Ltd.	28	2	1,025	9
Receivables	Lianyungang Chengxin Gas Co., Ltd.	19,398	145	3,556	26
Receivables	Liaocheng Shihua Natural Gas Co., Ltd.	3		3,317	

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Receivables	Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	70	2	670	10
Receivables	Luoyang Hongxin Gas Co., Ltd.	808	802	808	800
Receivables	Ningxiang ENN Gas Co., Ltd.	1,397	26	1,346	15
Receivables	Qinzhou PetroChina Kunlun Gas Co., Ltd.	1,875	47	3,225	64
Receivables	Shanxi Hengjing Energy Co., Ltd.	3		1,677	
Receivables	Shanghai Zhuoxiao Energy Technology Co., Ltd.			1,000	20
Receivables	Shijiazhuang Airport Gas Co., Ltd.	833	206	875	137
Receivables	Shijiazhuang Kunlun ENN Gas Co., Ltd.	6,743	351	10,893	86
Receivables	Tianjin Xinzhi Sensing Technology Co., Ltd.	536	34	3,667	33
Receivables	Weihui Zhongyuan Natural Gas Development Co., Ltd.	724	6	169	1
Receivables	Wenshan Yuntou ENN Gas Co., Ltd.	1,800	82	2,126	118
Receivables	ENN Science and Technology Development Co., Ltd.	7,385	73	6,760	64
Receivables	Xin'ao Cultural Industry Development Co., Ltd.	3,244	572	3,244	286
Receivables	Xinsheng Natural Gas Sales Co., Ltd.	616	6	2,214	16
Receivables	Ennova Seven-Cultivation Hotel Management Co., Ltd.	995	54	859	17
Receivables	Yantai ENN Clean Energy Co., Ltd.	2,435	88	204	5
Receivables	Yantai ENN Gas Development Co., Ltd.	806	15	759	41
Receivables	Yancheng Guoneng ENN Energy Development Co., Ltd.	1,848	64	1,809	59
Receivables	Changsha ENN Gas Development Co., Ltd.	1,722	51	1,398	16
Receivables	Changsha ENN Gas Co., Ltd.	19,134	398	12,672	306
Receivables	Changsha ENN Great Wall Energy Co., Ltd.	1,791	13	46	
Receivables	Changsha ENN Changran Energy Development Co., Ltd.	630	22	630	22
Receivables	Changsha Xingsha ENN Gas Co., Ltd.	1,728	15	1,076	9
Total of other related parties that are not listed separately		22,967	1,278	13,305	849

## (2). Items payable

√ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Name of item	Related party	Closing book balance	Opening book balance
Payables	Bengbu ENN Zhongyou Petroleum Sales Co., Ltd.	1,306	923
Payables	Baoding ENN Gas Co., Ltd.	635	1,411

Name of item	Related party	Closing book balance	Opening book balance
Payables	Beijing Yongxin Environmental Protection Co., Ltd.	125	4,494
Payables	Bokang Intelligent Information Technology Co., Ltd.	6,350	4,766
Payables	Chenzhou Sanxiang ENN Clean Energy Co., Ltd.	700	700
Payables	Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	1,544	21,054
Payables	Guangxi Yilongyuan Electricity Distribution Co., Ltd.	610	1,118
Payables	Huzhou Nanxun Xin'ao Gas Co., Ltd.	1,689	2,744
Payables	Huzhou Gas Co., Ltd.	141	1,062
Payables	Huai'an Zhongyou Tianhuai Gas Co., Ltd.	931	112
Payables	Langfang ENN Construction and Installation Engineering Co., Ltd.	1,483	161
Payables	Langfang ENN Longyu Clean Energy Co., Ltd.	731	1,097
Payables	Lianyungang Chengxin Gas Co., Ltd.	65	1,983
Payables	Lianyungang Zhongxin Gas Co., Ltd.	829	2,129
Payables	Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	3,511	3,310
Payables	Shangxi Hengjing Energy Co., Ltd.	2,320	3,807
Payables	Shanghai 3040 Technology Co., Ltd.	3,605	3,199
Payables	Shanghai Sunshine Jiuahuan Energy Development Co., Ltd.	9	1,804
Payables	Shenzhen ENN Shipping Co., Ltd.		2,053
Payables	Shijiazhuang Kunlun ENN Gas Co., Ltd.	1,849	3,061
Payables	Shijiazhuang Blue Sky ENN Natural Gas Pipeline Network Co., Ltd.	3,425	3,486
Payables	Taizhou City Natural Gas Co., Ltd.	427	2,223
Payables	Tianjin Xinzhi Sensing Technology Co., Ltd.	6,736	5,156
Payables	ENN Gaoke Industry Co., Ltd.	100	4,686
Payables	ENN Holdings Investment Co., Ltd.	5,575	5,575
Payables	ENN Shuneng Technology Co., Ltd.	8,687	8,132
Payables	Xin'ao Xinzhi Technology Co., Ltd.	9,562	2,321
Payables	Xinzhi Cognitive Data Services Co., Ltd.	1,685	1,432
Payables	Xinzhi Cloud Data Services Co., Ltd.	6,960	5,088
Payables	Xuyi Guolian ENN Natural Gas Pipeline Network Co., Ltd.	4,819	5,271
Payables	Yantai ENN Gas Development Co., Ltd.	1	880
Payables	Yancheng Guotou Natural Gas Pipeline Network Co., Ltd.	21,870	17,594
Payables	Yancheng ENN Compressed Natural Gas Co., Ltd.	1,018	1,018
Payables	Changsha ENN Gas Development Co., Ltd.	7,173	5,084
Payables	Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.		1,167
Payables	Zhoushan Lanyan Gas Co., Ltd.	318	1,085
Payables	Chongqing Longran Energy Technology Co., Ltd.	586	
Total of other related parties that are not listed separately		30,782	10,801

## (3). Other items

☐ Applicable    ☒ N/A

## 7. Related-party commitment

☐ Applicable    ☒ N/A

## 8. Others

☐ Applicable    ☒ N/A

## XV. Share-based Payment

## 1. Various equity instruments

☒ Applicable    ☐ N/A

Unit of Number: Share    Unit of Amount: RMB '0000    Currency: RMB

Category of grantee	Grant for current period		Exercise for current period		Unlocking for current period		Invalidation for current period	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Managers			3,947,417	4,100	3,942,517	4,079	908,250	1,159
Total			3,947,417	4,100	3,942,517	4,079	908,250	1,159

## Outstanding stock option or other equity instruments at the end of the period

☒ Applicable    ☐ N/A

Category of grantee	Outstanding stock option at the end of the period		Outstanding other equity instruments at the end of the period	
	Range of exercise price	Remaining term of contract	Range of exercise price	Remaining term of contract
Managers	HKD 40.34	Until 8 December 2025	RMB 7.03	Until 25 March 2025
	HKD 76.36	Until 27 March 2029	RMB 6.84	Until 21 September 2025

## Other information

In accordance with an ordinary resolution passed at the annual general meeting of the Company's subsidiary ENN Energy Holdings Limited on 26 June 2012, a stock option plan ("Plan 2012") was adopted; in accordance with the resolution of the Board of Directors on 30 November 2018, ENN Energy Holdings Limited, a subsidiary of the Company, adopted the Share Award Plan ("Share Award Plan"); in accordance with the resolution of the Board of Directors dated 20 January 2021, the Company adopted a Restricted Stock Incentive Plan ("Plan 2021").

**(1) Plan 2012**

On 9 December 2015, ENN Energy granted 12,000,000 shares options, with a face value of HK\$0.1 per share, to directors and a number of employees (i. e., “2015 grantees”) under the Plan 2012; the grant of share options was subject to the fulfillment of certain conditions set forth in the relevant offer letter, which may involve the realization of performance evaluation. The exercise price of the granted shares was HK\$40.34 per share. As at the end of the period, a cumulative number of 6,725,050 share options had been exercised, 4,594,715 share options had been annulled and 678,235 share options had not been exercised for the stock option plan.

On 28 March 2019, ENN Energy granted 12,328,000 shares options, with a face value of HK\$0.10 per share, to directors, employees and business advisers who had contributed to the Company (i. e., “2019 grantees”) under the Plan 2012. The grant of share options was subject to the fulfillment of certain terms set forth in the relevant offer letter, which may involve the realization of performance evaluation. The exercise price of the granted shares was HK\$76.36 per share. As at the end of the period, a cumulative number of 2,444,367 share options had been exercised, 4,442,942 share options had been annulled and 5,440,691 share options had not been exercised.

**(2) Share Incentive Plan**

Under the Share Incentive Plan, ENN Energy entered into a trust contract with the trustee on 12 March 2019. The Board of Directors of ENN Energy may from time to time during the validity term of the plan (ten years from the date of adoption of the plan or during the period of early termination) contribute capital to trust and instruct the trustee to repurchase the shares of ENN Energy in the Stock Exchange or OTC. Such shares, which were nontransferable and had no voting right, would be granted free of charge to the employees selected by the Board of Directors. The selected employees were required to perform relevant services or meet the performance requirements set by the Board of Directors.

The trust purchased 2,415,100 shares of ENN Energy off-market on 3 May 2019 through total swap contract, and reacquired 270,000 shares of ENN Energy on 18 March 2020. The repurchase cost of the shares was recognized as treasury stock.

As at the end of the period, 928,600 shares were granted to the designated board members and employees at the grant price of HK\$76.36 depending on the corresponding performance and continued service prior to the vesting date. Accordingly, the waiting period for the grant of these shares was from the date of grant to the vesting date. The redemption of the shares may take place as early as 1 April, one year after the financial year in which the corresponding performance was achieved.

During the period of exercise beginning on the vesting date, if the grantee sells the redeemed award shares to exercise the right, the nominal proceeds of the fair value of the shares on the vesting date exceeding the grant price will be settled in cash. The expiration date of the option falls on 27 March 2029. As at the end of the period, a total of 188,500 share options had been exercised and 431,000 share options had not been exercised under the cash-settled share incentive plan.

### (3) Plan 2021

According to the Plan 2021, ENN-NG granted 17.21 million restricted shares to 49 eligible incentive objects on 26 March 2021 and 1.13 million restricted shares to 10 eligible incentive objects on 22 September 2021. The maximized term of validity of this incentive plan shall not exceed 72 months from the date of completion of the first grant of restricted share registration until the date on which the restricted share granted to the object of the incentive lifted from the restriction or repurchase cancellation. The restricted period granted by this incentive plan is 12 months, 24 months, 36 months and 48 months respectively from the date of completion of registration of restricted stock grant. Restricted shares granted under this incentive plan shall not be transferred for guarantee or repayment of debts until they have been discharged from sale. Incentives will be locked in accordance with this incentive plan at the same time that the incentive object obtains shares of capital reserve converted to share capital, stock dividends, stock splits, etc., as a result of the granted restricted stocks that have not been lifted. After the expiration of the sales restriction period, the Company handles the cancellation of the sales restriction for the incentive objects that meet the conditions for lifting the restriction. The restricted stocks held by the incentive objects that do not meet the conditions for the restriction are repurchased and canceled by the company, and the restricted stocks are released from the restriction. If it is not achieved, the relevant rights and interests shall not be deferred to the next period.

## 2. Equity-settled share-based payment

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Method for determining the fair value of the equity instruments on the grant date	For stock option: Binomial option pricing model For restricted shares: The fair value of share on the grant date
Important parameters for the fair value of the equity instruments on the grant date	Share price, exercise price, risk-free interest rate, remaining term, expected volatility, expected dividend rate, expected and historical exercise behaviors
Basis for determining the number of exercisable equity instruments	Only after the performance conditions agreed upon between the Company and each grantee can the power of exercise be obtained, which may involve the achievement of goals and changes in the number of employees who exercise their rights
Reason for the material difference between the current estimates and the previous estimates	No material difference
Accumulated amount of equity-settled share-based payments included in capital reserves	17,988

## 3. Cash-settled share-based payment

√ Applicable ☐ N/A



Unit: RMB '0000 Currency: RMB

Method for determining the fair value of liabilities determined on the basis of shares or other equity instruments assumed by the Company	Binomial option pricing model
Important parameters for the fair value of liabilities determined on the basis of shares or other equity instruments assumed by the Company	Share price, exercise price, risk-free interest rate, remaining term, expected volatility, expected dividend rate, expected and historical exercise behaviors
Accumulated amount of liabilities arising from the payment of liabilities in cash-settled shares	448

#### 4. Share-based payment cost for current period

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Category of grantee	Equity-settled share-based payment cost	Cash-settled share-based payment cost
Managers	1,188	-330
Total	1,188	-330

#### 5. Modification and termination of share-based payment

☐ Applicable √ N/A

#### 6. Others

☐ Applicable √ N/A

### XVI. Commitments and Contingencies

#### 1. Important commitments

√ Applicable ☐ N/A

Important external commitments, nature and amount on the balance sheet date

Unit: RMB '0000 Currency: RMB

Item	31 December 2024	31 December 2023
Contracted but unrecognized in the financial statements		
– Commitment on acquisition and construction of long-term assets	56,235	69,559
– Commitment on external investments	102,175	92,383
Including: Unrecognized commitments relating to investments in joint ventures and associates	102,015	92,223
Total	158,410	161,942

## 2. Contingencies

### (1). Important contingencies on balance sheet date

√ Applicable    ☐ N/A

The Company deliberated and approved the Proposal on the *Proposal on Provision of Guarantees for Companies with Proposed Equity Participation by Wholly-owned Subsidiaries* at the 18th Meeting of the Tenth Board of Directors on 16 August 2024, and the 2024 Second Extraordinary General Meeting on 9 September 2024.

ENN LNG (Singapore) PTE. LTD (Chinese name: “新奥液化天然气(新加坡)私人有限公司”, hereinafter abbreviated as “ENN Singapore”), a wholly-owned subsidiary of ENN Natural Gas Co., Ltd. (hereinafter referred to as the “Company”) has held a 3% stake in Gas Shanghai Pte. Ltd. (hereinafter referred to as “Gas Shanghai”), which is a company with equity participation by the Company. As a ship asset company incorporated in Singapore, Gas Shanghai has entered into a ship capacity utilization agreement with the Company and ENN Singapore. The LNG carriers owned by Gas Shanghai will support the long-term LNG resource procurement and transportation of ENN Singapore.

Guarantee overview:

(I) As the investor, Gas Shanghai entered into a shipbuilding contract for an LNG carrier with the joint seller consisting of Hudong-Zhonghua Shipbuilding (Group) Co., Ltd. and China Shipbuilding Trading Co., Ltd. (hereafter referred to as the “Joint Seller”), whereby Gas Shanghai shall be obligated to the Joint Seller for payment of relevant sums including the shipbuilding price. In relation to such obligation, ENN Singapore provided Gas Shanghai with a non-joint and several liability guarantee in respect of its 3% equity interests. The guarantee amount comprised 3% of the partial installment payment for the carrier (i.e., US\$2.12 million) and 3% of the interest expenses for any deferred payment. On 12 December 2024, ENN Singapore executed the *Performance Guarantee* for the aforementioned guarantee.

(II) Gas Shanghai entered into a financial leasing contract for the LNG carrier with Xiang T9 SG International Ship Lease Pte. Limited (hereinafter referred to as “Xiang T9 SG”), a subsidiary of Bank of Communications Financial Leasing Co., Ltd., and carried out ship financing by financial leasing for ships, with the proposed financing amount capped at US\$212 million. Gas Shanghai shall be obligated to Xiang T9 SG for payment of sums such as charter fee, and ENN Singapore provided Xiang T9 SG with a non-joint and several liability guarantee for Gas Shanghai in respect of its 3% equity interests. The guarantee amount comprised 3% of the principal of charter fee (i.e., US\$6.35 million) and 3% of the payment obligation for related sums such as early contract termination cost, accrued interests, and interests on late payment. In addition, ENN Singapore pledged its 3% equity interest in Gas Shanghai to Xiang T9 SG as an additional credit enhancement guarantee for the ship lease financing. In the event of any default committed by Gas Shanghai under the financing agreement, one or more of the above guarantee measures may be elected, and the ultimate guarantee liability shall not exceed the obligation assumed by ENN Singapore in respect of its shareholding ratio. On 20 December 2024, ENN Singapore entered to the *Guarantee and Indemnity* and the *Deed of Charge Over Shares in Gas Shanghai Pte. Ltd.* with Xiang T9 SG for the above guarantee.

The guarantee provided by ENN Singapore for Gas Shanghai amounted to US\$8.47 million, along with any potential interests on late payment and associated fees. As of the date when this Report was disclosed, balance of the guarantee actually provided for Gas Shanghai was US\$2.83 million. The guarantee was provided in response to the operation and development needs of the company with equity participation. The decision-making procedures met the requirements of relevant laws, regulations and the *Articles of Association*, and there were no circumstances that would prejudice the interests of the Company and its shareholders.

**(2). Specify the important contingencies which are not required to be disclosed by the Company:**

☐ Applicable ☒ N/A

**3. Others**

☐ Applicable ☒ N/A

## XVII. Post Balance Sheet Events

**1. Important non-adjustment matters**

☐ Applicable ☒ N/A

**2. Profit distribution**

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Proposed profits or dividends to be distributed	316,367
Profits or dividends declared to be paid after deliberation and approval	316,367

As resolved at the 26th Meeting of the Tenth Board of Directors, the Company proposed to distribute cash dividends of RMB 10.3 (tax inclusive) per 10 shares to all shareholders with 3,071,527,627 shares as the base obtained by deducting 25,559,980 repurchased shares not participating in profit distribution from its total share capital of 3,097,087,607 shares on 31 December 2024, including cash dividends of RMB 8.1 (tax inclusive) per 10 shares as the annual dividends in 2024 and cash dividends of RMB 2.2 (tax inclusive) per 10 shares as the special dividends distributed in accordance with the *Special Dividend Plan of ENN-NG for Shareholders in the Next Three Years (2023-2025)*. To sum up, the Company distributed cash dividends amounting to RMB 3,163,673,455.81 (tax inclusive) in total, and the remaining undistributed profits would be rolled over to the next year.

Where there is any change in the total share capital or number of shares subject to dividend distribution prior to the date of share registration in respect of dividend distribution, the final dividend distribution plan will be adjusted based on the number of shares available for profit distribution on the date of share registration when the profit distribution plan is implemented in line with the principle that the amount of dividend per share remains unchanged.

### 3. Sales return

☐ Applicable    ☒ N/A

### 4. Other post balance sheet events

☐ Applicable    ☒ N/A

## XVIII. Other Important Events

### 1. Correction of previous accounting errors

#### (1). Retrospective restatement

☐ Applicable    ☒ N/A

#### (2). Prospective application

☐ Applicable    ☒ N/A

### 2. Major debt restructuring

☐ Applicable    ☒ N/A

### 3. Asset swap

#### (1). Non-monetary asset exchange

☐ Applicable    ☒ N/A

#### (2). Other assets swap

☐ Applicable    ☒ N/A

### 4. Annuity plan

☐ Applicable    ☒ N/A

### 5. Discontinued operations

☐ Applicable    ☒ N/A

### 6. Information on divisions

#### (1). Basis of determination and accounting policy for reporting division

☒ Applicable    ☐ N/A

Based on the internal organizational structure, management requirements and internal reporting system, the Company has identified eight reporting divisions including natural gas retail, natural gas wholesale, direct gas sale by platform, project construction and installation, integrated energy business, smart home business, energy production and infrastructure operation. Each reporting division is a separate business segment that provides different products and services. Each division needs to be managed separately because it requires different technologies and marketing strategies. At the same time, the price of products sold and transferred between divisions of the Company shall be determined according to the sales or transfer price to an independent third party, i.e., the prevailing market price. The management of the Company will regularly review the financial information of different divisions to determine the allocation of resources and evaluate performance.

**(2). Financial information of reporting divisions**

☒ Applicable   ☐ N/A

Unit: RMB '0000   Currency: RMB

Item	Retail of natural gas	Wholesale of natural gas	Direct gas sale by platform	Construction and installation	Panergy business	Smart home business	Energy production	Infrastructure operation	Inter-division offset	Total
Subtotal of primary operation income from external transactions	6,724,220	2,364,877	1,288,363	593,573	1,556,425	477,824	432,930	56,344		13,494,556
Primary operation income from inter-division transactions	4,616,610	3,502,979	2,315,448	404,727	68,074	715,430	111,152	305,033	12,039,453	
Primary operation income of reporting division	11,340,830	5,867,856	3,603,811	998,300	1,624,499	1,193,254	544,082	361,377	12,039,453	13,494,556
Subtotal of primary operation cost from external transactions	5,919,100	2,356,159	1,079,150	362,812	1,321,024	169,436	396,130	14,941		11,618,752
Primary operation cost from inter-division transactions	4,718,759	3,461,247	2,377,384	395,747	52,604	682,640	111,451	221,904	12,021,736	
Primary operation cost of reporting division	10,637,859	5,817,406	3,456,534	758,559	1,373,628	852,076	507,581	236,845	12,021,736	11,618,752
Gross profit of reporting division	702,971	50,450	147,277	239,741	250,871	341,178	36,501	124,532	17,717	1,875,804
Gross profit from external transactions	805,120	8,718	209,213	230,761	235,401	308,388	36,800	41,403		1,875,804
Classified assets	4,914,239	364,905	889,175	2,179,996	1,164,724	534,555	502,832	874,248	810,992	10,613,682
Classified liabilities	1,841,623	21,589	226,659	1,785,323	284,530	301,384	457,535	374,975	103,345	5,190,273

**(3). Specify the reason if the Company has no reporting divisions, or it is unable to disclose the total assets and total liabilities of each reporting division**

☐ Applicable   ☒ N/A

**(4). Other information**

☐ Applicable   ☒ N/A

## 7. Other important transactions and events that have impact on decision-making by investors

☒ Applicable ☐ N/A

The Company has derived an evaluated profit of RMB 5,088.79 million for 2024 based on the calculation of the valuation profit under the *2021 Restricted Stock Incentive Plan* announced on 21 January 2021. The evaluated profit of RMB 5,088.79 million for 2024 is obtained by deducting a total of RMB 595.61 million of effects from gain or loss on foreign currency assets and liabilities, changes in fair value of hedge products, provision for assets impairment and amortization of stock incentive cost on the net profit attributable to the parent company from the net profit attributable to parent company of RMB 4,493.18 million generated from operating activities (all taken from the financial statements audited by the Company's auditors).

## 8. Others

☐ Applicable ☒ N/A

# XIX. Notes to Major Items in the Financial Statements of the Parent Company

## 1. Accounts receivable

### (1). Disclosure by aging

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Aging	Closing book balance	Opening book value
Within one year		
Including: Sub-item due within one year		
Within one year	212	2,299
Subtotal of items due within one year	212	2,299
One to two years	2,256	
More than five years		39
Total	2,468	2,338

### (2). Disclosure by methods of bad debt provision

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Proportion of accrual (%)		Amount	Proportion (%)	Amount	Proportion of accrual (%)	
Bad debt provision made individually										
Bad debt provision made by portfolio	2,468	100.00			2,468	2,338	100.00	39	1.67	2,299
Including										
Related party payment	2,468	100.00			2,468	2,299	98.33			2,299
Other payments						39	1.67	39	100.00	
Total	2,468	/		/	2,468	2,338	/	39	/	2,299

Bad debt provision made individually:

☐ Applicable ☒ N/A

Bad debt provision made by portfolio:

☒ Applicable ☐ N/A

Item subject to provision made by portfolio: Related party payment

Unit: RMB '0000 Currency: RMB

Name	Closing balance		
	Accounts receivable	Provision for bad debt	Proportion of accrual (%)
Within one year	212		
One to two years	2,256		
Total	2,468		

Description of bad debt provision made by portfolio:

☐ Applicable ☒ N/A

Bad debt provision made according to the general model of expected credit loss

☐ Applicable ☒ N/A

Description of significant change in the book balance of accounts receivable with a change in loss provision during the current period:

☐ Applicable ☒ N/A



## (3). Information on provision for bad debt

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Category	Opening balance	Amount of change in the current period			Closing balance
		Accrual	Recovered or reversed	Charge-off or write-off	
Provision for receivable bad debts	39		39		
<b>Total</b>	<b>39</b>		<b>39</b>		

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable ☒ N/A

## (4). Accounts receivable actually written-off for the current period

☐ Applicable ☒ N/A

Write-off of significant accounts receivable

☐ Applicable ☒ N/A

Write-off of accounts receivable:

☐ Applicable ☒ N/A

## (5). Accounts receivable in the top five ending balances collected by the debtor

√ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion in the total closing balance of accounts receivable and contract assets (%)	Closing balance of provision for bad debts
Top 1	1,421		1,421	57.58	
Top 2	887		887	35.94	
Top 3	108		108	4.38	
Top 4	52		52	2.10	
<b>Total</b>	<b>2,468</b>		<b>2,468</b>	<b>100.00</b>	

Other information:

☐ Applicable ☒ N/A

## 2. Other receivables

### *Presentation of items*

☒ Applicable   ☐ N/A

Unit: RMB '0000   Currency: RMB

Item	Closing balance	Opening balance
Interests receivable		
Dividends receivable	347,323	88,911
Other receivables	1,041,276	1,014,864
<b>Total</b>	<b>1,388,599</b>	<b>1,103,775</b>

Other information:

☐ Applicable   ☒ N/A

### *Interests receivable*

#### *(1). Classification of interests receivable*

☐ Applicable   ☒ N/A

#### *(2). Significant overdue interest*

☐ Applicable   ☒ N/A

#### *(3). Disclosure by methods of bad debt provision*

☐ Applicable   ☒ N/A

Bad debt provision made individually:

☐ Applicable   ☒ N/A

Description of bad debt provision made individually:

☐ Applicable   ☒ N/A

Bad debt provision made by portfolio:

☐ Applicable   ☒ N/A

#### *(4). Bad debt provision made according to the general model of expected credit loss*

☐ Applicable   ☒ N/A

Description of significant change in the book balance of interests receivable with a change in loss provision during the current period:

☐ Applicable    ☒ N/A

(5). *Information on provision for bad debt*

☐ Applicable    ☒ N/A

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable    ☒ N/A

(6). *Interests receivable actually written-off during the current period*

☐ Applicable    ☒ N/A

Write-off of significant interests receivable

☐ Applicable    ☒ N/A

Description of write-off:

☐ Applicable    ☒ N/A

Other information:

☐ Applicable    ☒ N/A

***Dividends receivable***

(1). *Dividends receivable*

☒ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Project (or investee)	Closing balance	Opening balance
ENN (Hong Kong) Energy Investment Co., Ltd.	268,237	9,825
ENN (Tianjin) Energy Investment Co., Ltd.	79,086	79,086
<b>Total</b>	<b>347,323</b>	<b>88,911</b>

(2). *Significant dividends receivable due beyond one year*

☒ Applicable    ☐ N/A

Unit: RMB '0000 Currency: RMB

Project (or investee)	Closing balance	Aging	Reason for failure in recovery	Impairment and its criterion
ENN (Tianjin) Energy Investment Co., Ltd.	79,086	2-3 years	Unrecovered	No
Total	79,086	/	/	/

(3). *Disclosure by methods of bad debt provision*☐ Applicable ☒ N/A

Bad debt provision made individually:

☐ Applicable ☒ N/A

Description of bad debt provision made individually:

☐ Applicable ☒ N/A

Bad debt provision made by portfolio:

☐ Applicable ☒ N/A(4). *Bad debt provision made according to the general model of expected credit loss*☐ Applicable ☒ N/A

Description of significant change in the book balance of dividends receivable with a change in loss provision during the current period:

☐ Applicable ☒ N/A(5). *Information on provision for bad debt*☐ Applicable ☒ N/A

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable ☒ N/A(6). *Dividends receivable actually written-off during the current period*☐ Applicable ☒ N/A

Write-off of significant dividends receivable

☐ Applicable ☒ N/A

Description of write-off:

☐ Applicable    ☒ N/A

Other information:

☐ Applicable    ☒ N/A

### ***Other receivables***

#### *(1). Disclosure by aging*

☒ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Aging	Closing book balance	Opening book balance
Within one year		
Including: Sub-item due within one year		
Within one year	853,841	664,731
Subtotal of items due within one year	853,841	664,731
One to two years	183,578	253,130
Two to three years	934	97,003
Three to four years	2,931	
Total	1,041,284	1,014,864

#### *(2). Classification by the nature of payments*

☒ Applicable    ☐ N/A

Unit: RMB '0000    Currency: RMB

Nature of payment	Closing book balance	Opening book balance
Current account	1,041,070	1,014,711
Others	214	153
Total	1,041,284	1,014,864

#### *(3). Accrual of provision for bad debts*

☒ Applicable    ☐ N/A

Unit: RMB '0000 Currency: RMB

Provision for bad debt	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	
Balance on 1 January 2024				
Balance on 1 January 2024 in the current period				
– Transfer to the second stage				
– Transfer to the third stage				
– Reversal to the second stage				
– Reversal to the first stage				
Provision in current period	8			8
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 31 December 2024	8			8

Description of significant change in the book balance of other receivables with a change in loss provision during the current period:

☐ Applicable ☒ N/A

Amount of bad debt provision and the basis adopted to evaluate whether the credit risk of financial instruments have increased significantly in current period:

☐ Applicable ☒ N/A

(4). Information on provision for bad debt

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Category	Opening balance	Amount of change in the current period			Closing balance
		Accrual	Recovered or reversed	Charge-off or write-off	
Bad debt provision for other receivables		8			8
Total		8			8

Bad debt provisions with significant reserved or recovered amount:

☐ Applicable ☒ N/A

## (5). Other receivables actually written-off during the current period

☐ Applicable ☒ N/A

Write-off of significant other receivables:

☐ Applicable ☒ N/A

Information on write-off of other receivables:

☐ Applicable ☒ N/A

## (6). Other receivables with the top five closing balances collected by the debtor

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Name of entity	Closing balance	Proportion in total closing balance of other receivables (%)	Nature of payment	Aging	Closing balance of bad debt provision
Top 1	639,977	61.46	Current funds	Within one year	
Top 2	146,502	14.07	Current funds	Within one year, one to two years	
Top 3	118,000	11.33	Current funds	Within one year	
Top 4	52,800	5.07	Current funds	One to two years	
Top 5	38,851	3.73	Current funds	Within one year, one to two years	
Total	996,130	95.66	/	/	

## (7). Other receivables presented due to centralized fund management

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

## 3. Long-term equity investment

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Investment in subsidiaries	1,112,686		1,112,686	1,112,686		1,112,686
Investment in associates and joint ventures	2,593		2,593	3,001		3,001
Total	1,115,279		1,115,279	1,115,687		1,115,687



## (1). Investment in subsidiaries

√ Applicable    □ N/A

Unit: RMB '0000    Currency: RMB

Investee	Opening balance (book value)	Opening balance of impairment provision	Decrease or increase during current period				Closing balance (book value)	Closing balance of impairment provision
			Additional investment	Reduced investment	Accrued provision for impairment	Other		
Chongqing Xin'ao Longxin Clean Energy Co., Ltd.	510						510	
Xinneng (Hong Kong) Energy Investment Co., Ltd.	498,182						498,182	
Shanghai International Engineering Consulting Company	871						871	
ENN (Tianjin) Energy Investment Co., Ltd.	603,123						603,123	
ENN (Langfang Airport FTZ) Natural Gas Sales Co., Ltd.	10,000						10,000	
Total	1,112,686						1,112,686	

## (2). Investment in associates and joint ventures

√ Applicable    □ N/A

Unit: RMB '0000    Currency: RMB

Investee	Opening balance	Additional investment	Reduced investment	Decrease or increase during current period						Closing balance	Closing balance of impairment provision
				Investment gains and losses recognized under the equity method	Adjustment to other comprehensive income	Changes in other equity	Declare to issue cash dividends or profit	Accrual of impairment provision	Others		
I. Joint Venture											
Subtotal											
II. Associate											
Chongqing Longran Energy Technology Co., Ltd.	2,951			-374						2,577	
Beijing Zhongnong Big Biotechnology Incorporated Company	50			-34						16	
Subtotal	3,001			-408						2,593	
Total	3,001			-408						2,593	

## (3). Impairment test on long-term equity investment

□ Applicable    √ N/A

#### 4. Operating income and operating cost

##### (1). Information on operating income and operating cost

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Primary business				
Other business	301	4	2,359	5
Total	301	4	2,359	5

##### (2). Breakdown of operating income and operating cost

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

##### (3). Information on performance obligations

☐ Applicable ☒ N/A

##### (4). Information on apportionment to the remaining performance obligations

☐ Applicable ☒ N/A

##### (5). Change in material contracts or adjustment to material transaction price

☐ Applicable ☒ N/A

#### 5. Investment income

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Income from long-term equity investment calculated by cost method	313,718	217,625
Income from long-term equity investment calculated by equity method	-408	-960
Investment income from disposal of long-term equity investment	17,562	317,815
Investment income from transaction financial assets during the holding period	553	
Income from debt restructuring	-52,038	
Total	279,387	534,480

## 6. Others

☐ Applicable ☒ N/A

## XX. Supplementary Information

### 1. Schedule of current non-recurring gains or losses

☒ Applicable ☐ N/A

Unit: RMB '0000 Currency: RMB

Item	Amount	Description
Gains or losses on disposal of non-current assets, including write-off portion of the drawn asset impairment provision	3,054	
Government subsidies included in profit and loss for the current period, other than those government subsidies which are closely related to the Company's normal operation, in line with national policies, subject to certain standards and have continuous impact on the Company's profit and loss	33,072	
Gains or losses on changes in fair value arising from financial assets and financial liabilities held by non-financial enterprises and disposal of financial assets and financial liabilities except for effective hedging transactions related to the normal operations of the Company	58,155	
Gains or losses from external entrusted loans	464	
Reversal of the provision for impairment on receivables and contract assets which were tested individually for impairment	2,385	
Gains or losses on debt restructuring	10,292	
Gains or losses arising from changes in fair value of employee benefits payable after the vesting date for cash settled share-based payment	330	
Gains or losses arising from changes in fair value of investment real estate under fair value model on subsequent measurement	-1,603	
Other non-operating income and expenses other than above items	13,104	
Less: Effect of income tax	11,444	
Effect of minority equity (after tax)	29,562	
<b>Total</b>	<b>78,247</b>	

Reasons shall be specified for defining non-recurring profit and loss items in accordance with the *Interpretative Announcement on Information Disclosure by Companies that Offer Securities to the Public No. 1 — Non-recurring Gain and Loss* and defining non-recurring gain and loss items listed in the *Interpretative Announcement on Information Disclosure by Companies that Offer Securities to the Public No. 1 — Non-recurring Gain and Loss* as recurring gain and loss items.

☐ Applicable ☒ N/A

Other information:

☐ Applicable ☒ N/A

## 2. Return on equity and earnings per share

☒ Applicable   ☐ N/A

Profit in the Reporting Period	Weighted average return on equity (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to common shareholders of the Company	19.06	1.46	1.46
Net profit attributable to common shareholders of the Company after deducting non-recurring gains and losses	15.74	1.21	1.21

## 3. Difference between accounting data under domestic and overseas accounting standards

☐ Applicable   ☒ N/A

## 4. Others

☐ Applicable   ☒ N/A

Chairman: Jiang Chenghong

Date of submission to the Board for approval: 26 March 2025

Revision Information

☐ Applicable   ☒ N/A



新奥股份

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