



ENN
新奥

新奥天然气股份有限公司
ENN Natural Gas Co., Ltd.

2023 ANNUAL REPORT

Customer-Oriented with Integration of Industry
and Intelligence to Create Ecosystems





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.

Strived to Make Innovations in Clean Energy to Realize the Dream of Industrial Digital Intelligence

Origin:

The origination from the steadfast commitment to innovative clean energy

Transformation:

Comprehensively laying out in coal-based clean energy production, making a transition into the upstream energy sector

In 1994

The company was listed on the A-share main board and was the earliest listed company in Hebei Province



In 2004

ENN group acquired 44.09% stake of "VEYONG BIO-CHEMICAL"



In 2006

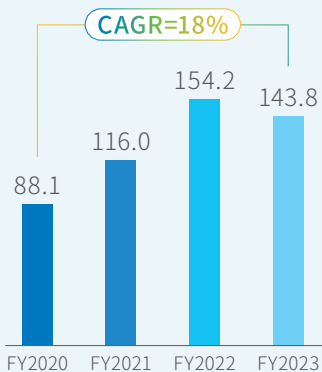
Invested in dimethyl ether projects in Bengbu and Zhangjiagang to achieve breakthrough in independent production of clean energy



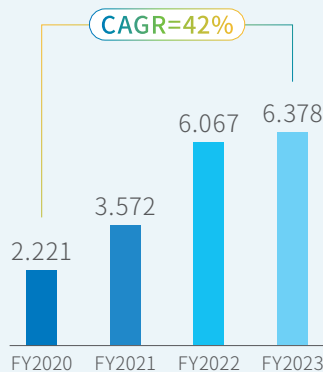
1994

Improved operation performance supported by implementing the strategy of intelligent ecological operators in the natural gas industry

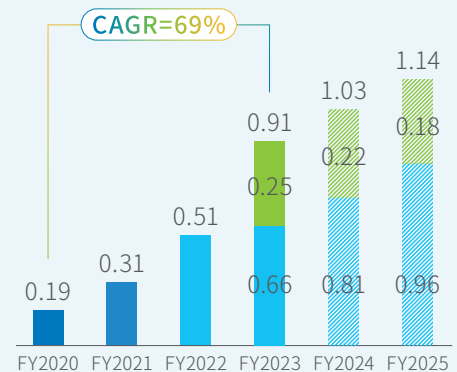
Revenue (RMB bil)



Core profit (RMB bil)

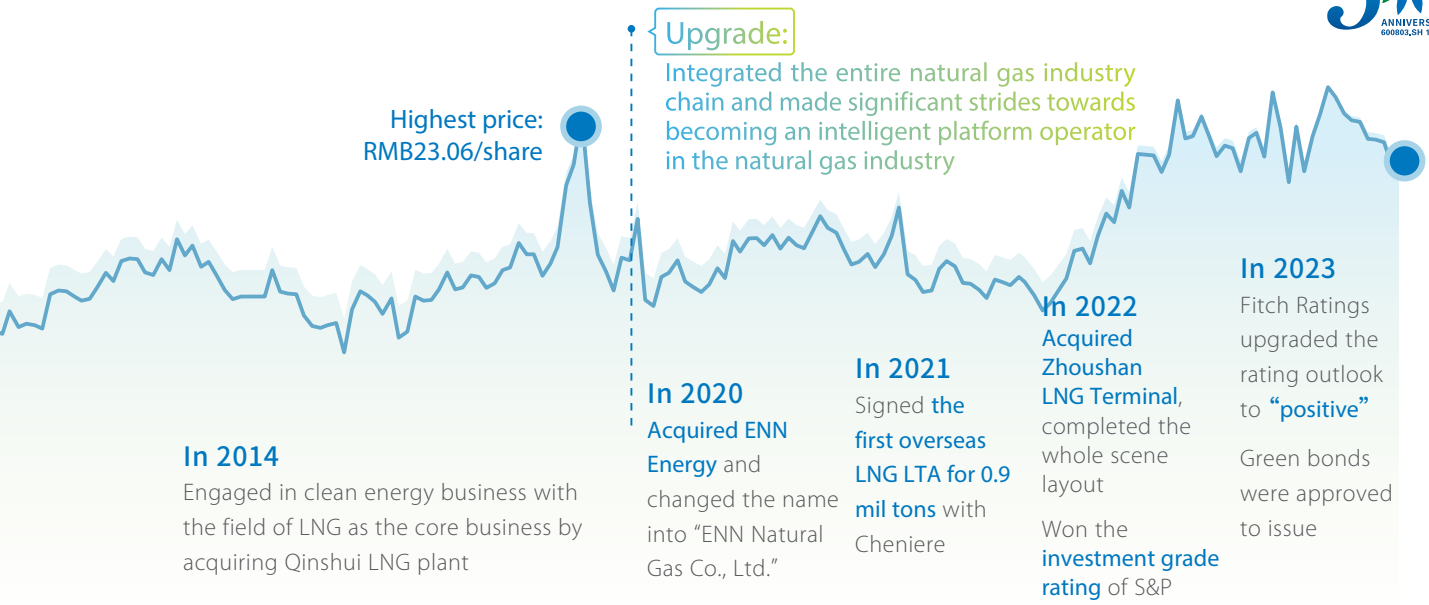


Dividend per share (RMB)



*The data for FY2021 & FY2020 on this page were not retroactively adjusted for the acquisition of Zhoushan LNG terminal

■ Special Dividend ■ Regular Dividend



2024

Well recognized ESG performance supported by integrating the concept of sustainable development into the company strategy



Top 500 Chinese Private Enterprises in 2023



MSCI ESG Rating: A



Selected into HSCASUS



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

Total Natural Gas Sales

38,671 mil m³

City-gas Projects

259

Signed new long-term LNG contracts for

2.8 mil tons/year

Completed the disposal of coal mine assets and received about

RMB **10.5** bil



Financial Highlights

Total Profit

RMB **15,766** mil

YoY increase of **7.4%**

Net Profit Attributable to Parent

RMB **7,091** mil

YoY increase of **21.3%**

Core Profit*

RMB **6,378** mil

YoY increase of **5.1%**



Sustainable Development Highlights

Environment

Carbon emission reduction (yoy)

28 kilotons

Helped society & clients reduce emission

56.14 mil tons
2022 52.88 mil tons

Society

Occupational injury case/mil hrs

0.33
2022 0.34

Charity donations

RMB **77.24** mil
2022 24.42 mil

Governance

Corruption cases, Complaints, Environmental illegal case

0

Compliance Management Systems Certification

ISO37301

Anti-bribery Management Systems Certification

ISO37001

☆☆☆ ESG Performance ☆☆☆

Among leading levels in the A-share gas industry

A
MSCI Rating
2022: BBB

58
DJSI Sustainability Score
2022: 50

B
CDP Rating
2022: C-

A
SynTao Green Finance Rating
2022: /

Major achievements

NetEase Finance
Green Energy Company of the Year

HuXiu
Sustainable Brands Evergreen Award

The first domestic natural gas company to disclose a TCFD report

Joining the United Nations Global Compact (UNGC) and endorsing the Women's Empowerment Principles (WEPIs)

*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
2023	BBB- (Positive Outlook)	BBB- (Positive Outlook)	Ba1 (Positive Outlook)	AAA	AAA
2022	BBB-	BBB-	Ba1 (Positive Outlook)	AAA	AAA

☆☆☆ Core Competitiveness ☆☆☆

Strategic Pivots Connecting All-Scenario in Natural Gas Industry

<p>Massive customer demands</p> <ul style="list-style-type: none"> Demand of gas volume: c. 40 bil m³/yr Residential users: c. 30 mil C&I users: 240 K+ 	<p>Diversified resources</p> <ul style="list-style-type: none"> Overseas LTAs: 10 mil tons/yr Domestic LTA: 39.2 bil m³(10 yrs) Self-owned LNG plants: 1.45 mil m³/day Unconventional resources: 3 mil m³/day 	<p>Efficient delivery networks</p> <ul style="list-style-type: none"> Processing capacity of Zhoushan LNG terminal: 10 mil tons/yr (including phase III) LNG vessels: 10 Execution volume of the window period of PipeChina's terminals: 300 kilotons/year Uploading points: 16 Storage capacity: 560 mil m³ LNG tankers: 1,200+ 	<p>Advanced risk management systems</p> <p>Diversified natural gas trading products:</p> <ul style="list-style-type: none"> Pre-sale of production capacity Combination and centralized mining LNG order facilitation Replacing spot trading with futures trading
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Leveraging pivots, expanding the supply & demand chain and serving the ecosystem

Core Capabilities in All-Scenario Natural Gas Services



<p>Customer service capability</p> <p>Customer cognition Intelligent forecasts Intelligent combos Customer operation</p>	<p>Intelligent matching capability</p> <p>Demand aggregation Combination of resources Resources swap Value optimal matching</p>	<p>Delivery capability</p> <p>Facilities aggregation PNG delivery LNG delivery Path optimization</p>	<p>International trading capability</p> <p>International credit Bank credit granting International commerce Transportation capacity</p>	<p>Intelligent risk management capability</p> <p>Trading risk management Commodity hedging Compliance Digital security</p>
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Creating core capabilities supported by strategic pivots and the best practices in all-scenario of natural gas industry

To Shareholders

Putting customers at the centre to Make Achievements and Create a Promising Future

Dear shareholders:

Time stops for no one, and the seasons keep changing. This extraordinary year of 2023 has quietly faded away. There were both opportunities and challenges in the past year which witnessed a steady recovery of the global economy as a whole, and the international situation remained complicated and volatile due to intensified geopolitical conflicts and other factors. China faced a macroeconomic upturn generally, and high-quality development drove green and low-carbon transformation of energy consumption. The market-oriented reform of natural gas was accelerated with further improved linkage mechanism of upstream and downstream prices, and natural gas consumption restored continuous growth. Meanwhile, rapid breakthroughs have been made in the global artificial intelligence technologies. China insisted on innovation-led and technology-driven development, and innovative applications of cloud computing, Internet of Things, big data, artificial intelligence and other next-generation digital intelligence technologies were constantly implemented in the gas industry, accelerating the intelligent upgrading of the industry.

Faced with the precious opportunities brought by the sustainable development of natural gas industry, all business partners of the Company made concerted efforts, forged ahead with determination, persisted to be customer-focused, acted in line with the trend to achieve innovative development, and seized the opportunities to make greater achievements. The outstanding management level of the Company has been continuously recognized by the capital market. The Investment Grade was maintained for the international credit rating of the Company, and the ESG rating was upgraded to A. As of 31 December 2023, the Company achieved operating income of RMB143.754 billion, net profits attributable to the Parent Company of RMB7.091 billion and basic earnings per share of RMB2.30. To express gratitude for the weal and woe shared with us all the way, the Board of Directors proposed to distribute cash dividends of RMB9.1 (tax inclusive) to all shareholders for every 10 shares, including special dividends of RMB10.505 billion of cash received by the Company from the divestiture of the Coalmine Assets in the year. The total cash dividends of RMB2.814 billion (tax inclusive) were expected to be distributed. At the same time, the Company insisted on simultaneous promotion of development and fulfillment of responsibilities, actively fulfilled the social responsibilities, stepped into education, disaster relief and other fields, consolidated and expanded the poverty alleviation achievements, and supported the rural revitalization to repay the society with gratitude.



Looking forward to 2024, the pattern of great development of the natural gas industry will remain unchanged. As market-oriented reforms deepen, customers have greater say and more options, so it is particularly crucial to perceive their needs in real time and meet their diversified needs intelligently. The year 2024 is the first year for the application of generative artificial intelligence. We will seize this opportunity to summarize the best industry practices, rapidly build and implement the application of intelligent technologies for the natural gas industry, perform continuous iteration of the intelligent ecological platform — GreatGas, intelligently gather industrial demands, resources and facility ecology for intelligent matching of demand and supply, and constantly innovate business models to provide customers with diversified product portfolios and promote high-quality industrial development. At present, based on a domestic customer pool of nearly 40 billion cubic meters, ENN-NG has built a diversified, independent and flexible pool for foreign and domestic resources. By relying on the gas-liquid delivery network supported by Zhoushan Terminal and introduction of advanced international risk control system backed by Tianjin International Petroleum & Gas Exchange Center, the Company has established its presence in domestic and overseas markets, and developed intelligent products as well as such core capabilities as intelligent recognition of customers, intelligent market judgment, intelligent performance and delivery, and intelligent risk control. In the future, the Company will reconstruct the development model of the natural gas industry by virtue of intelligence, keep optimizing the great model of the industry, unswervingly enlarge the scale of natural gas transaction on the platform and raise the efficiency of the industry.

The year 2024 marks the 30th anniversary of the listing of ENN-NG. Over the past 30 years, the Company has always upheld and constantly fulfilled our original aspiration to maintain innovative clean energy development. Your trust and support help the Company move forward steadily. I would like to express sincere gratitude to you on behalf of the Board of Directors of the Company once again! We look forward to working with you to address the market fluctuation with wisdom, courage and ability to create definite value and return for all stakeholders and make greater contribution to the ecological prosperity of the natural gas industry and the construction of a modern energy system.

Chairman: Wang Yusuo

22 March 2024

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, Yu Jianchao, 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 14th Meeting of the Tenth Board of Directors of the Company deliberated and approved the *2023 Profit Distribution Plan of ENN-NG*: the Company plans to distribute cash dividends to all shareholders at RMB9.1 (tax included) per 10 shares based on 3,091,806,493 shares representing the Company's total share capital of 3,098,397,607 shares after deduction of 5,808,614 shares repurchased and 782,500 restricted shares to be repurchased and canceled not participating in profit distribution on December 31, 2023. The cash dividend of RMB6.6 (tax included) per 10 shares is the Company's annual dividend for 2023, and the cash dividend of RMB2.5 (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 RMB2,813,543,908.63 (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.

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

No

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

No

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

No

- Value: X. Material Risk Warning

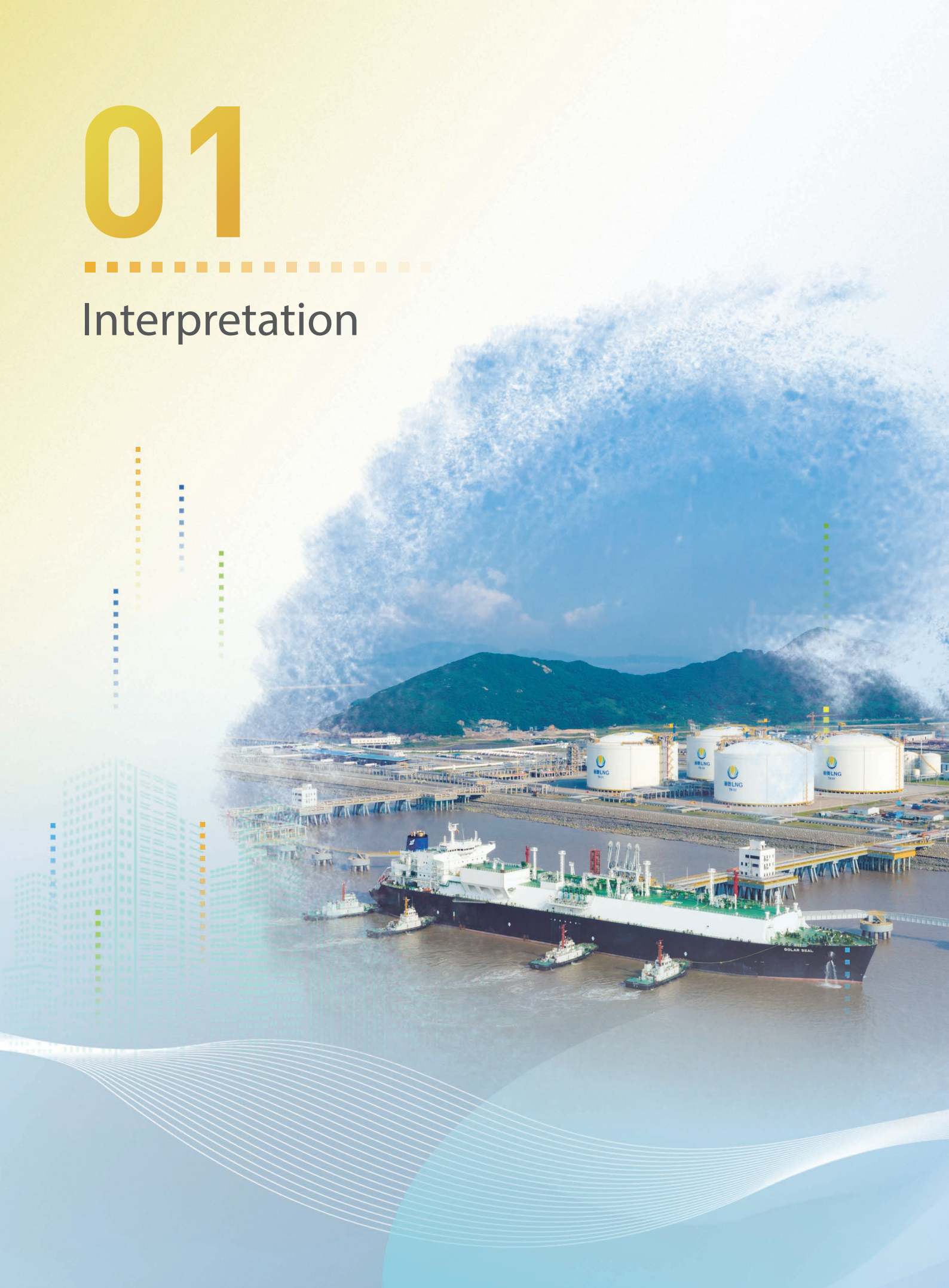
In this Report, The Company has elaborated various risks and countermeasures it may face in the course of its production and operation. Please refer to the "Possible risks" of "Section III Management Discussion and Analysis".

- Value: XI. Others

Applicable N/A

01

Interpretation

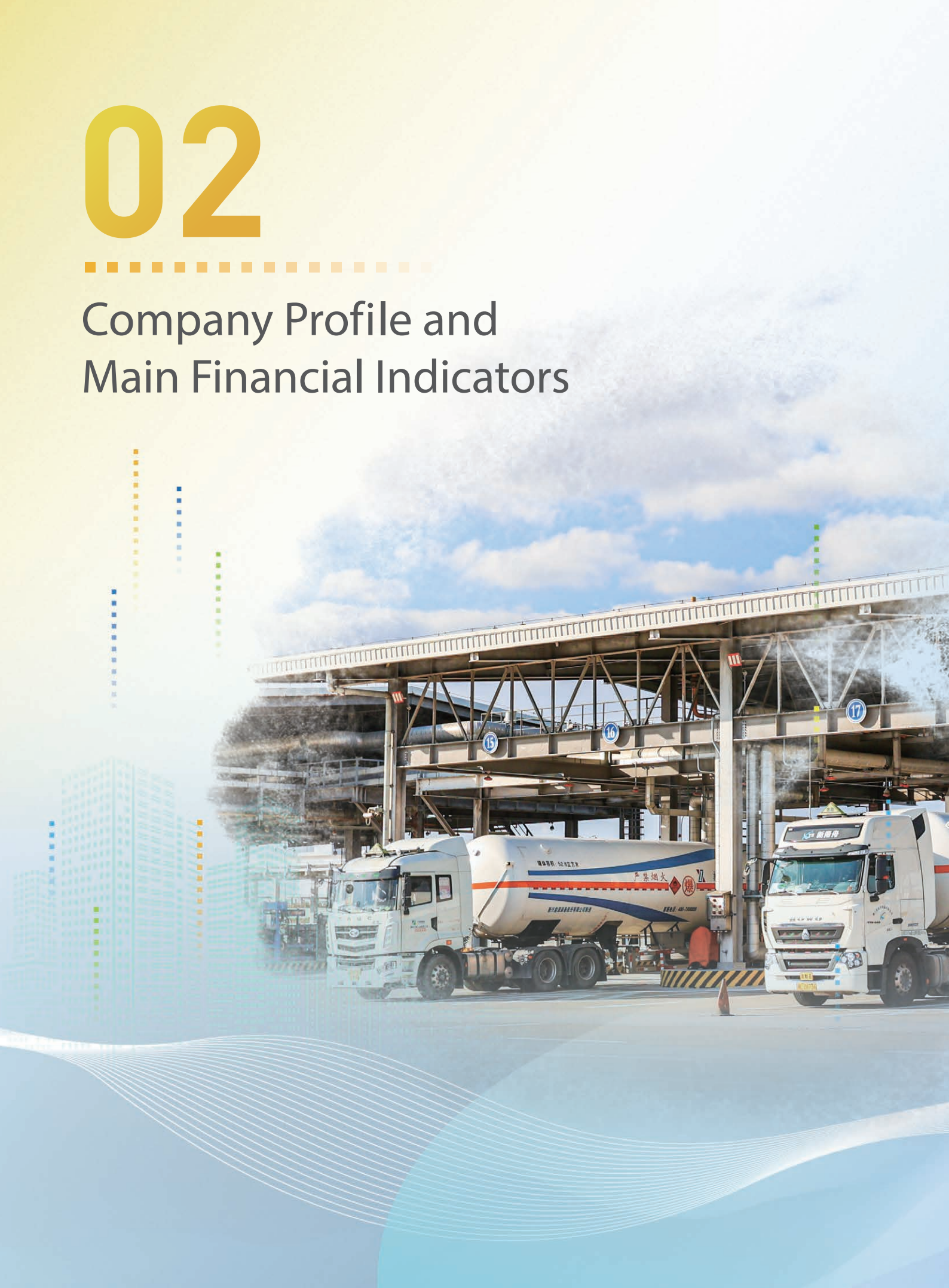


In this Report, unless the context otherwise requires, the following terms have the following meanings:

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, RMB 0.01 Million Yuan, RMB 100 Million Yuan, China's legal currency unit
Reporting Period	Refers to	A period from 1 January 2023 to 31 December 2023

02

Company Profile and Main Financial Indicators





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	Wang Yusuo

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	http://www.enn-ng.com
Email	enn-ng@enn.cn

IV. Information Disclosure and Preparedness Location

Name and website of the media disclosing the Annual Report by the Company	<ol style="list-style-type: none"> 1. <i>Shanghai Securities News</i>, https://www.cnstock.com/ 2. <i>Securities Times</i>, https://www.stcn.com/ 3. <i>Securities Daily</i>, http://www.zqrb.cn/
Website of the stock exchange disclosing the Annual Report by the Company	http://www.sse.com.cn/
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	Zhang Zenggang, Wang Yanru
Financial adviser performing continuing supervising duties during the Reporting Period	Name	CSC Financial Co., Ltd.
	Office address	Building No. 4, 66 Anli Road, Chaoyang District, Beijing
	Name of signing financial adviser sponsor	Zeng Kunjie, Zhong Ben
	Duration of continuous supervision	16 August 2022 – 31 December 2023
Financial adviser performing continuing supervising duties during the Reporting Period	Name	CITIC Securities Co., Ltd.
	Office address	CITIC Securities Tower, No.8 Zhongxin 3rd Road, Futian District, Shenzhen, Guangdong Province
	Name of financial adviser sponsor for signing	Li Ning, Kang Haoyu
	Duration of continuous supervision	16 August 2022 – 31 December 2023

VII. Key Accounting Data and Financial Indicators of the Company in the Past Three Years

(I) Key accounting data

Unit: RMB '0000 Currency: RMB

Key accounting data	2023	2022	Year-on-year increase or decrease (%)	2021
Operating income	14,375,398	15,404,417	-6.68	11,578,863
Net profit attributable to shareholders of listed companies	709,111	584,391	21.34	463,178
Net profit attributable to shareholders of listed companies after deducting non-recurring gains and losses	245,925	467,089	-47.35	349,005
Net cash flow from operating activities	1,375,945	1,500,578	-8.31	1,416,504
Core profit attributable to shareholders of listed companies	637,756	606,671	5.12	409,456

	End of 2023	End of 2022	Increase or decrease at the end of the current period over the same period in the previous year (%)	End of 2021
Net assets attributable to shareholders of listed companies	2,365,482	1,757,812	34.57	1,671,659
Total assets	13,457,350	13,619,744	-1.19	13,431,974

(II) Key financial indicators

Key financial indicators	2023	2022	Year-on-year increase or decrease (%)	2021
Basic earnings per share (RMB/share)	2.30	1.90	21.05	1.51
Diluted earnings per share (RMB/share)	2.30	1.89	21.69	1.51
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	0.80	1.60	-50.00	1.24
Weighted average return on equity (%)	34.39	33.43	Increase by 96 bp	31.09
Weighted average return on equity after deducting non-recurring gains or losses (%)	11.93	27.84	Decrease by 1,591 bp	26.85
Basic core profit per share (RMB/share)	2.07	1.97	5.08	1.34





Description of the Company's key accounting data and financial indicators in the past three years at the end of the Reporting Period

Applicable N/A

1. The net profit attributable to shareholders of listed companies after deducting non-recurring gains and losses decreased by 47.35% in the current period over the same period in the previous year, and basic earnings per share after deducting non-recurring gains and losses decreased by 50% in the current period over the same period in the previous year mainly due to the settlement gains and losses arising from the derivative financial instrument contracts of the subsidiaries of the Company and the increase in the provision of asset impairment losses of the subsidiaries as compared with the same period of the previous year.

2. The net assets attributable to shareholders of listed companies increased by 34.57% at the end of current period over the end of last period mainly due to the increase in profit contribution from natural gas business of the Company and income from disposal of subsidiaries in the Reporting Period as compared with the same period of previous 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) Description of the differences between domestic and overseas accounting standards:

Applicable N/A

IX. Key Accounting Data by Quarters in 2023

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	3,435,091	3,281,872	2,874,168	4,784,267
Net profit attributable to shareholders of listed companies	145,632	74,721	89,952	398,806
Net profit attributable to shareholders of listed companies after deducting non-recurring gains or losses	83,767	54,337	69,274	38,547
Net cash flow from operating activities	257,137	373,971	81,181	663,656

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 2023	Note (if applicable)	Amount in 2022	Amount in 2021
Gains or losses on disposal of non-current assets, including write-off portion of the drawn asset impairment provision	440,602		-7,347	9,905
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	41,420		38,621	36,251
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	129,333		174,770	74,899
Gains or losses from external entrusted loans	829		1,002	1,977
Reversal of the provision for impairment on receivables which were tested individually for impairment	4,724		3,170	4,367



Item	Amount in 2023	Note (if applicable)	Amount in 2022	Amount in 2021
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	63,578
Gains or losses on debt restructuring	28,723		2,051	-266
Gains or losses arising from changes in fair value of employee benefits payable after the vesting date for cash settled share-based payment	1,417			
Gains or losses arising from changes in fair value of investment property under fair value model on subsequent measurement	-883		-3,466	879
Other non-operating income and expenses other than above items	-2,621		-3,010	-6,314
Other gain and loss items within the definition of non-recurring gains and losses	-52,038			
Less: Effect of income tax	63,019		38,434	20,871
Effect of minority equity (after tax)	65,301		67,392	50,232
Total	463,186		117,302	114,173

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
Transaction financial assets	2,560	20,011	17,451	
Derivative financial assets				
Including: Non-hedging derivatives	254,589	42,430	-212,159	
Hedging derivatives	35,074	92,643	57,569	
Receivables financing	91,663	102,821	11,158	
Investment in other equity instruments				
Including: Langfang Youqi Business Planning Co., Ltd.		183	183	
Shenzhen Dapeng Liquefied Natural Gas Sales Co., Ltd.	1610	582	-1,028	
Jiaxing Gas Group Co., Ltd.	8,740	8,022	-718	
Shanghai Zhongyou Baihe Petroleum Gas Co., Ltd.	1,071	1,138	67	
Shanghai Petroleum and Gas Exchange Co., Ltd.	4,411	4,398	-13	
Chongqing Petroleum and Gas Exchange Co., Ltd.	5,480	5,554	74	

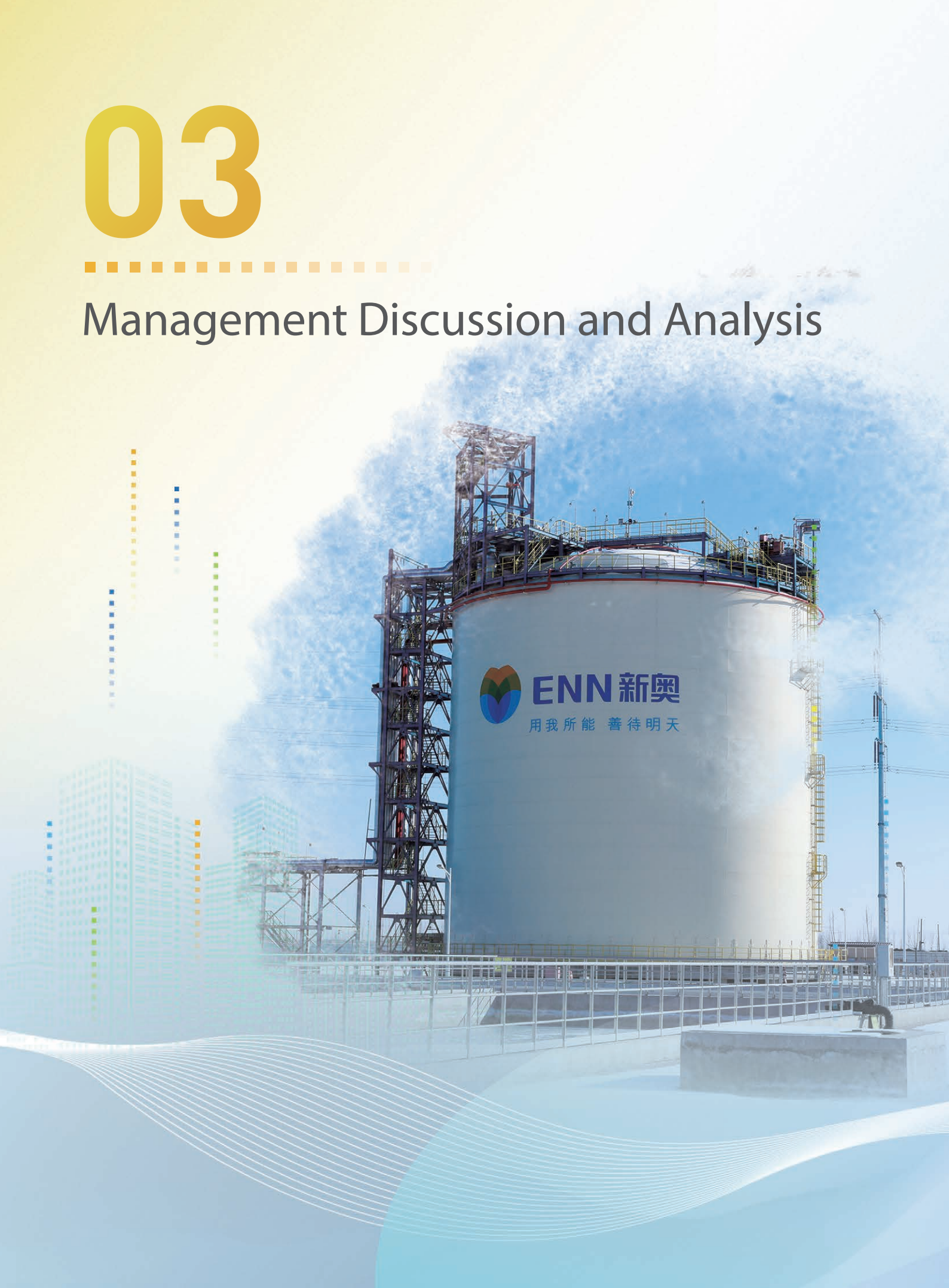
Item	Opening balance	Closing balance	Current change	Amount of effect on current profit
Xiangtan Desheng Energy Distribution Co., Ltd.	152	152		
Sanmenxia Swan Power Co., Ltd.	977	980	3	
Nanjing Jiangbei New District Power Distribution Co., Ltd.	468	471	3	
Heilongjiang Electric Power Trading Center Co., Ltd.	356	356		
Longchang Ruigao Energy Development Co., Ltd.	1,490		-1,490	
Jibei Power Exchange Center Co., Ltd.	290	290		
Zhejiang Hesen Energy Co., Ltd.	139	137	-2	
Guangxi Power Exchange Center Co., Ltd.	264	267	3	
Dongguan Fengneng LNG Co., Ltd.	25	25		
Dongguan Fengneng LNG Terminal Co., Ltd.	25	25		
Other non-current financial assets				
Including: Non-hedging derivatives		2,861	2,861	
Hedging derivatives		15,927	15,927	
CDB Siyuan (Beijing) Investment Fund Limited	2,293	1,621	-672	
Sinopec Marketing Co., Ltd.	417,000	417,000		
Shanghai Dazhong Public Utilities (Group) Co., Ltd.	13,394	14,760	1,366	
Chenzhou City Jingui Silver Industry Co., Ltd.	35	33	-2	
Investment properties	27,632	26,814	-818	
Derivative financial liabilities				
Including: Non-hedging derivatives	84,883	20,019	-64,864	
Hedging derivatives	17,033	9,421	-7,612	
Other non-current liabilities				
Including: Non-hedging derivatives				
Hedging derivatives	4,841	1,380	-3,461	
Investment income				279,933
Income from changes in fair value				-149,322
Financing expense				5,999
Principal business revenue				59,568
Principal business cost				1,467
Total	976,495	790,321	-186,174	197,645

XII. Others

√ Applicable □ N/A

03

Management Discussion and Analysis



I. Operations Discussion and Analysis

In 2023, the global economy entered a recovery process, and energy commodity prices fluctuated sharply under the long-term impact of global industry chain adjustments, geopolitical events, and other factors, compounded by interest rate hikes in major economies, tightening of monetary policy, rising debt risks, and other elements. Despite facing multiple uncertainties both domestically and internationally, the Chinese economy has made progress and maintained stability, moving forward and contributing to global economic growth. In 2023, the domestic Gross Domestic Product (GDP) reached RMB126 trillion, representing a year-on-year increase of 5.2%.

China's natural gas industry has also encountered new development opportunities, with the apparent consumption of natural gas rebounding from its previous decline and the total supply continuing to expand. China has accelerated the natural gas market-based reform and the green and low-carbon energy transformation by making efforts to streamline the natural gas pricing mechanism, supporting the healthy and high-quality development of the natural gas industry.

Against this backdrop, the Company steadily implemented its "all-scenario" strategy for clean energy, accelerating the aggregation of demand, resources, and facilities. Supported by the greatgas.cn industrial intelligence platform, the Company learned from the best practices and created more intelligent products to meet customer demands, thereby driving the efficient operation of the industry. Furthermore, the Company completed the divestment of coal mine assets, further focusing on its main business of natural gas and advancing its strategy of becoming an "intelligent ecological operator within the natural gas industry." During the reporting period, the Company recorded total revenue of RMB143,842 million, a 6.7% decrease year-on-year; net profit attributable to shareholders of the Company was RMB7,091 million, up 21.3% year-on-year; and core profit, after deducting the impact of non-cash items and one-off items, was RMB6,378 million, an increase of 5.1% year-on-year.

II. Examining Industries with Company Operations During the Reporting Period

1. Natural gas sales

In 2023, China's economic development entered the recovery phase, and the "dual carbon policy" to promote energy transformation. The demand for natural gas has shown a significant recovery trend. The country's apparent consumption of natural gas reached 394.53 billion cubic meters, representing a year-on-year increase of 7.6%. Among them, the consumption scale of the four major industries, namely urban gas, industrial fuel, power generation and chemical industry, increased by 9.5%, 3.8%, 4.5% and 3.1% respectively year-on-year.



Total Revenue

RMB **143,842** mil

Net profit attributable to shareholders of the company

RMB **7,091** mil

Core Profit

RMB **6,378** mil



In terms of policies, the National Development and Reform Commission (NDRC) issued the “Guidance on the Establishment and Improvement of Upstream and Downstream Price Linkage Mechanisms (Draft for Comment)” in April, further streamlining the price transmission mechanism of natural gas and accelerating the price linkage between upstream and downstream. In November, the National Development and Reform Commission released the “Notice on Determining the Cross-Provincial Natural Gas Pipeline Transportation Prices”, which for the first time determined the prices for cross-provincial natural gas pipeline transportation operated by PipeChina in different regions, establishing a relatively unified pricing structure. The Central Commission for Deepening Reform passed the “Implementation Opinions on Further Deepening the Reform of the Oil and Gas Market System and Enhancing Oil and Gas Security Capability” and the National Energy Administration issued the “Action Plan for Accelerating Oil and Gas Exploration and the Integration of New Energy Development (2023-2025)”, gradually deepening the reform of the oil and gas system. The National Energy Administration issued the “Policy on Natural Gas Utilization (Draft for Comment)” and the State Council issued the “Action Plan for Continuous Improvement of Air Quality”, both of which emphasized a continuous increase in natural gas supply, strict and reasonable control of coal consumption, active promotion of the closure and integration of coal-fired boilers, and the steady and prudent promotion of coal-to-gas conversion. The implementation of these policies has effectively improved the free flow of natural gas resources and market competition, contributing to the high-quality development of the industry.

2. Construction and operations of the intelligent platform within the natural gas industry

In April 2023, the National Energy Administration issued the “Opinions on Accelerating the Development of Digitalization and Intelligence in the Energy Sector” and proposed that in response to the development needs of digitization and intelligent transformation of the electric power, coal, oil and gas industries, it is necessary to promote the application of digitalization and intelligent technology throughout the entire supply chain and various sectors. This includes in the areas of coal and oil and gas production, supply, storage, and sales systems to improve overall industry efficiency, safety, and green and low-carbon levels. In October, the National Data Administration was officially established to promote the deep integration of digital technology and the real economy. In response to various policy initiatives, the natural gas industry actively embraced the requirements of digitalization and intelligence. For example, the Chongqing Petroleum and Gas Exchange conducted product transactions in domestic pipeline natural gas, domestic and overseas liquefied natural gas, gas storage services, refined oil, and liquefied petroleum gas through various trading methods. The Tianjin International Oil and Gas Trading Center officially started trial operation at the end of 2023 and designed and completed the integrated and innovative trading mode of “capacity pre-sale + LNG order pass + warehouse receipt trading + spot listing/one-way bidding”, which filled the gap of the trading market in the northern region. Gas companies in various cities are also actively implementing digital transformation in the natural gas industry. For example, they are building an operational and management information system that integrates a gas GIS platform, a digital operation management platform, an intelligent station platform, and a safety digital management platform. They also establish energy research institutes, focusing on energy storage, hydrogen, photovoltaic and energy saving, energy digital intelligence and other fields, to promote the key technology research and development and industrial incubation.

The digital transformation of the natural gas industry mainly focuses on information technology, digital processing, and e-commerce trading platforms. However, it has not yet successfully penetrated the upstream, midstream, and downstream sectors of the entire industry chain. This limitation makes it difficult for the industry to meet the ever-changing customer needs through comprehensive digitalization. It also poses a significant challenge in improving the collaborative efficiency between companies and the entire industry ecosystem.

3. Infrastructure operation

In terms of pipeline network construction, China's natural gas pipeline has maintained rapid development, and the construction of trunk pipelines and feeder pipeline networks has made great progress. PipeChina has been steadily promoting the construction of major projects, building a unified "national network" of natural gas led by strategic planning, accelerating the construction and commissioning of major national strategic projects, such as the southern section of the China-Russia Eastern Route, the middle section of the third line of the West-to-East Natural Gas Pipeline, the fourth line of the West-to-East Natural Gas Pipeline, the second line of the Sichuan-to-East Natural Gas Pipeline and so on. It has actively guided and promoted the integration of provincial pipeline networks into the national pipeline network in a market-oriented manner, and has efficiently pushed forward the integration of provincial networks such as those in Hunan, Shandong and Sichuan, so that the "last kilometer" of the national network has been opened up in an orderly manner.

As the only channel for China's LNG imports, LNG receiving terminals serve as important infrastructure in the whole natural gas industry chain with the functions of receiving and unloading, storage, gasification and peak adjustment. The construction of coastal LNG receiving station projects has accelerated, with Tangshan Xintian, Zhejiang Provincial Energy Group Wenzhou, Guangzhou Gas, and Beijing Gas Tianjin LNG terminals being put into operation within 2023. The total number of LNG terminals in mainland China has reached 28, with a combined annual designed receiving capacity of over 130 million tons. In 2023, the international natural gas market is affected by warm temperatures during the heating season, high underground storage inventories in Europe and the U.S., and a slowdown in global economic growth, and other factors, and the tension between supply and demand has eased significantly. The marginal impact of geopolitical factors such as the Russia-Ukraine conflict on the international energy market has weakened, resulting in an overall decline in international oil and gas prices compared to the previous year. The domestic supply of LNG imports has increased significantly, with the annual LNG import volume reaching 71.32 million tons, a year-on-year increase of 12.6%.

Regarding gas storage facilities, in order to enhance energy security, China is accelerating the development of natural gas storage facilities to improve its capacity for energy safeguarding. The construction of multiple gas storage facilities is being promoted, including facility upgrades, technological renovations, capacity expansions, and the construction of supporting pipelines. Currently, China has completed the construction of 28 various types of gas storage facilities, with a total effective working gas volume of nearly 25 billion cubic meters.



28

LNG receiving terminals have been commissioned in mainland China

Combined annual designed receiving capacity over

130

 mil tons


Annual LNG imports reach

71.32

 mil tons

YoY increase of

12.6%



4. Engineering construction and installation

a) Engineering construction

In terms of natural gas infrastructure, the Office of the Work Safety Commission of the State Council issued the “Special Rectification Work Plan for Urban Gas Safety” in August. The plan aims to address weaknesses, eliminate risks, and enhance the safety level of gas and other municipal infrastructure. It also mentioned plans for the transformation and renovation of aging urban gas pipelines in 2023 and 2024.

Hydrogen energy and biomass gas, which are vital areas of development for the Company, also grew rapidly. As of December 20, 2023, 55 new hydrogen refueling stations were built during the year, and a total of 397 hydrogen refueling stations were built in China. The number of hydrogen refueling stations under construction and in the bidding stage has reached 80, covering 29 provinces, ranking the first in the world in terms of quantity. Additionally, some demonstration stations that combine hydrogen production and refueling, as well as integrated stations that offer oil/electricity alongside hydrogen refueling are developing. Biomass natural gas, as a clean energy source, is also of strategic importance, which can emit negative carbon, prevent agriculture non-point source pollution, recycle organic waste, produce organic fertilizer and develop rural industry. In the national strategic plans such as the “14th Five-Year Plan for Renewable Energy Development” and the “14th Five-Year Plan for Bio Economic Development,” China has proposed key action areas to accelerate the development of biomass natural gas. In September, the National Energy Administration’s “Notice on Organizing Pilot Demonstration of Renewable Energy Development” pointed out that the construction of biomass natural gas demonstration projects with an annual output of 10 million cubic meters should be carried out according to local conditions, so as to drive the establishment of a recycling industry system for the treatment of organic waste in rural areas, the production and consumption of organic fertilizers, and the use of clean gas.

b) Engineering installation

In 2023, China’s urbanization rate reached 66.16%, with room for progress compared to the level of about 80% in developed economies. People’s demand for improved housing is relatively urgent, while the three major projects including the construction of guaranteed housing, public infrastructure construction for “dual-use” (referring to an infrastructure system that is capable of both day-to-day operation and emergency response) and the transformation of urban villages are being pushed forward, forming an important driving force for the real estate market. In July, “The Notice on Solidly Promoting the Reconstruction of Old Urban Communities in 2023” and the “Guiding Opinions on Steadily Promoting Urban Village Revocation in Super-Large and Mega Cities” were released, requiring that all localities shall solidly promote the reconstruction of old urban communities and urban villages. By the end of 2023, the vast majority of the special loans amounting to RMB350 billion for the pre-sold housing’s construction and delivery had been allocated, with an overall resumption rate of 99.9%. Commercial banks have also provided corresponding commercial financing to ensure the completion of the housing project. In December, the National Housing and Urban-Rural Construction Work Conference further clarified the implementation of housing guarantee policies, which will provide strong support for the Company’s engineering and installation business.



55

new hydrogen refuelling stations completed during the year

A total of **397** hydrogen refuelling stations have been built in China



RMB **350** billion for the pre-sold housing’s construction and delivery had been allocated

Overall resumption rate of **99.9%**

5. Integrated energy business

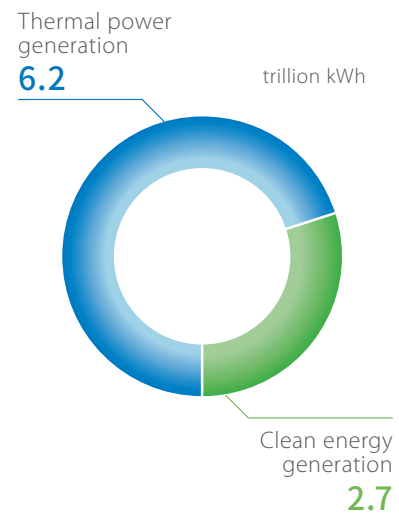
In 2023, China's industrial power generation reached 8.9 trillion kilowatt-hours, representing a year-on-year increase of 5.2%. Among this, thermal power generation accounted for 6.2 trillion kilowatt-hours, showing a growth rate of 6.1% year-on-year. Clean energy sources such as hydropower, nuclear power, wind power, and solar power contributed 2.7 trillion kilowatt-hours, with a growth rate of 3.1%. The installed capacity of renewable energy power generation, including hydropower, wind power, and solar power, reached a new high, totaling 1.45 billion kilowatts within the year. This accounts for over 50% of the country's total installed power generation capacity, marking a historic milestone by surpassing thermal power installations.

In recent years, the national and local governments have introduced a series of policies to support and encourage the development of diversified, low-carbon, and smart energy systems. These policies have provided a more comprehensive policy framework and market environment for the development of the integrated energy service market. The policies can be broadly divided into three categories: the first category is about restriction on traditional high energy consumption, with increasingly stringent policies on energy consumption, carbon emissions, energy conservation and environmental protection, and energy regulation. The second meeting of the Central Committee for Comprehensively Deepening Reform held in July 2023 considered and approved the Opinions on Promoting the Transformation of Energy Consumption Control to Carbon Emission Control, which shows that China's ecological civilization has entered a critical period focusing on carbon reduction. During this period, China would strengthen the regulation of the total amount and intensity of energy consumption and gradually shift to a dual-control system for the total amount and intensity of carbon emissions. The second category policies are those to encourage the development of new ways to accelerate the construction of digital China and develop the circular economy, user-side energy conservation, renewable energy utilisation, and green and low-carbon energy transformation. In April, the National Energy Administration issued the 2023 Guiding Opinions on Energy, which stated that it would vigorously promote the construction of distributed photovoltaic power generation projects. In July, the Central Commission for Comprehensively Deepening Reform reviewed and approved the "Guiding Opinions on Deepening Power System Reform and Accelerating the Construction of a New Power System." This emphasized the need to deepen power system reform and accelerated the construction of a new power system that is clean, low-carbon, safe and abundant, economically efficient, flexible, intelligent, and synergistic between supply and demand. In September, the Notice by the National Development and Reform Commission and Other Departments of Issuing the Measures for Electricity Demand-Side Management (2023) aimed to enhance demand response capabilities. By 2025, each province will be expected to achieve a demand response capacity of 3% to 5% of its maximum electricity load. By 2030, the establishment of a scalable real-time demand response capability, coupled with the auxiliary service market and electricity trading, will enable the sharing and mutual support of demand-side resources within the region covered



China's industrial power generation reached

8.9 trillion kWh





by the grid. The third category policies are focused on improving supporting mechanisms, including subsidy policies, financial mechanisms, carbon quotas, and carbon trading mechanisms. On August 17th, China Beijing Green Exchange issued the Notice on the Opening of Accounts in the National Greenhouse Gas Voluntary Emission Reduction Trading System and the Notice on the Arrangement of Transaction-related Services in the National Greenhouse Gas Voluntary Emission Reduction Trading System. The National Greenhouse Gas Voluntary Emission Reduction Trading System opened the account opening function and accepted applications from market participants to open registration accounts and trading accounts. In October, the Ministry of Ecology and Environment officially announced the “Measures for the Administration of Voluntary Greenhouse Gas Emission Reduction Trading (For Trial Implementation),” marking the official restart of the national certification of voluntary emission reductions (CCER).



Total retail sales of consumer goods reached

47 trillion yuan

YoY increase of

7.2%



National disposable income per capita

39,218 RMB

A nominal yoy increase of

6.3%

6. Value added business

2023 was the “Year of Consumption Boost”, supported by a series of policies to promote consumption, the total retail sales of consumer goods amounted to RMB47,149.5 billion, an increase of 7.2% year-on-year, with the overall recovery on the upswing. The per capita disposable income of residents nationwide for the same period was RMB39,218, a nominal increase of 6.3% over the previous year. After adjusting for price factors, the real increase was 6.1%.

The central economic work conference held at the end of December emphasized the promotion of high-quality development and the expansion of domestic demand. It highlighted the active cultivation of new consumption growth points, including the development of smart homes. As people’s living standards continue to improve, there is a growing trend towards intelligent, greening, and healthy home consumption. There is a huge demand for smart homes, which brings new opportunities for the development of the value added business.

(Industry development insights have been derived from various reputable sources, including the National Bureau of Statistics, the GGII China Hydrogen Station Database, China Energy News, the State Grid Corporation of China Research Institute, Hydrogen Smart, the Beijing Institute of Technology’s Center for Energy & Environmental Policy Research, IDC, Wisdom Research Consulting, among others. These insights are for reference purposes only.)

III. Company Businesses Operations During the Reporting Period

ENN-NG (stock code: 600803.SH) was listed in 1994. In 2024, it coincides with the Company’s 30th anniversary since its listing. During the first decade from 1994 to 2004, the Company originated from its steadfast commitment to innovative clean energy. In the second decade from 2005 to 2014, the Company underwent comprehensive layout in coal-based clean energy production, making a transition into the upstream energy sector. Since 2015, the Company has integrated the entire natural gas industry chain and is making significant strides towards becoming an intelligent ecological operator in the natural gas industry.

Our principal businesses include direct gas sales by platform, retail and wholesale of natural gas sales, construction and operations of the intelligent platform for natural gas industry, infrastructure operations, engineering construction and installation, integrated energy and value-added business.

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, international traders, oil & gas companies and utilities.

We source most of the natural gas overseas, supplemented by domestic self-owned or entrusted LNG liquid plants. Regarding international procurement, the Company purchase natural gas from global producers or traders through long-term agreements and spot contracts. In terms of domestic resources, the Company acquire coal-to-gas, coalbed methane, shale gas, scattered well gas and LNG liquid plant resources through equity investment, substitution processing 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, we build pipeline networks in designated areas based on franchises and

process and deliver natural gas to end users such as industrial businesses, residents, and transportation sectors.

The natural gas supply to the retail business is mainly purchased from CNPC, Sinopec, CNOOC and other resource providers. The purchase prices of non-pipeline gas (mainly LNG) is primarily determined by the market and is primarily affected by domestic and global supply and demand patterns. The National Development and Reform Commission is formulating and adjusting gate station prices so that pipeline gas prices in each province transition to a flexible price formation mechanism. Since 2016, China has gradually relaxed gate station price control. Moreover, the gate station base price, as determined by the National Development and Reform Commission, has been adopted in response to the various market-oriented reforms in the domestic natural gas industry. Upstream gas suppliers can charge a percentage above or below the base price without any downside limit according to the supply and demand situation.

In principle, the sales price is determined by the procurement cost + gas distribution prices, and the urban



gas distribution prices are subject to the Guiding Opinions on Strengthening the Regulation of Gas Distribution Prices. The gas distribution price is set based on the "permitted cost plus reasonable gain" principle, and its calibration cycle should not exceed three years. The sales price adopts the government-guided price. At present, various cities in China have established sales price linkage mechanisms for commercial and industrial users, and some cities have established sales price linkage mechanisms for residents, whereby the Company may apply for a gas sales price adjustment based on the range of the change when upstream gate station prices change.

The wholesale business works as a way to smooth out peaks for retail sales business. The Company purchase natural gas from domestic upstream gas production and sales entities and then sell 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 intelligent platform for natural gas industry

The GreatGas.cn is our proprietary intelligent natural gas operation platform, and independently developed by the company. It aims to improve the overall capacity and efficiency of the natural gas industry by matching the demand and supply sides of the sector with digital intelligence technologies, providing scenario data, and supporting the creation of intelligent products based on

the best innovation practices under every natural gas scenario of the Company and the industry, empowering all parties of the ecosystem and bringing them together in one place. It is committed to becoming the GPT of the industry and meeting customer demands intelligently, and driving the industry's efficient operation based on industry big data and knowledge base as well as general intelligence cap.

The greatgas.cn Industrial Intelligence Platform is an online platform that provides intelligent procurement and recommendations for city gas operators, large energy groups, distributors, and other users. It offers a wide range of gas source options and connects users with more suppliers, thereby increasing transparency in online negotiations and enabling intelligent price comparison, ultimately reduces procurement costs and empowers customers with stronger bargaining power. In addition, greatgas.cn Industrial Intelligence Platform also caters to resource merchants, traders, and other users by providing exclusive trading stores. This creates an online intelligent distribution system that facilitates spot listing trading, personalized pricing, and fast intelligent interaction, all of which contribute to improving overall business efficiency. Moreover, greatgas.cn Industrial Intelligence Platform acquires in bulk and locks in demand in advance through group buying, crowdfunding, pre-sale, bidding, and other transactions, boosting the size of the transaction and facilitating faster closings. Currently, the platform has aggregated over 2,000 ecological partners, working together to build a fair, convenient, reliable, and innovative e-commerce ecosystem for natural gas trading.



Homepage Illustration of greatgas.cn Industrial Intelligence Platform

3. Infrastructure operations

ENN'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 LNG receiving terminal is a facility for unloading, storing, re-gasifying and delivering LNG transported by ships. Its main function is to transport LNG in liquid or gaseous form to downstream users through tankers or pipelines and charge fees for providing natural gas unloading, transportation, and storage services to users.

The Company currently has a total of 81,604 kilometers of transmission and trunk and main pipelines, with a gas supply capacity of 182.04 million cubic meters per day. It also owns four long-distance pipelines with a gas transmission capacity of 12 billion cubic meters per year.

The Company's gas storage facilities have a capacity of 560 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 established an electric power planning and design institute, an engineering design and research institute, a cost center, an equipment integration company, a gas design institute, a chemical design institute as well as engineering companies with high qualifications. 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

We provide 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, welfare units and other customers. For the engineering installation business, engineering contractors and material suppliers were selected mainly through



81,604 km
of transmission and trunk and
main pipelines

Gas supply capacity of
182.04 mil m³/day



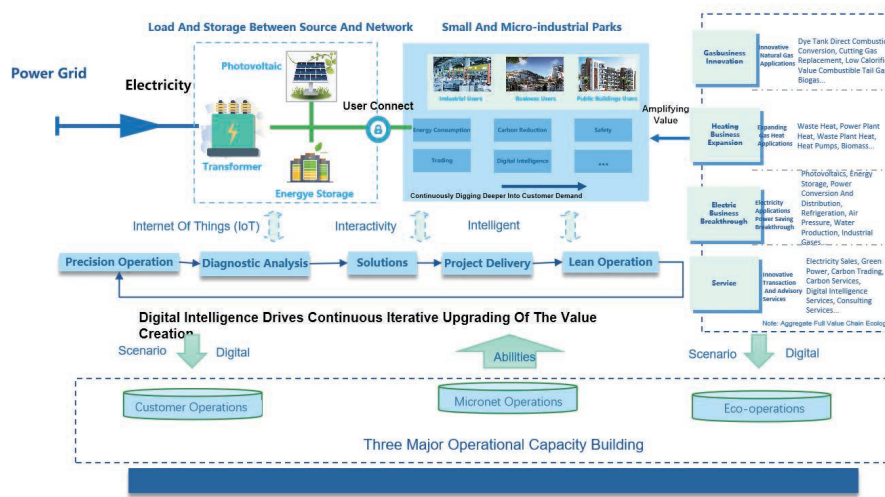
560 mil m³
of gas storage facility
capacity

bidding. 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. In contrast, other regions have adopted a market-based pricing mechanism.

5. Integrated energy

The Integrated energy business is a core focus of the Company that meets customers' diverse and centers around the development of the entire energy value chain.

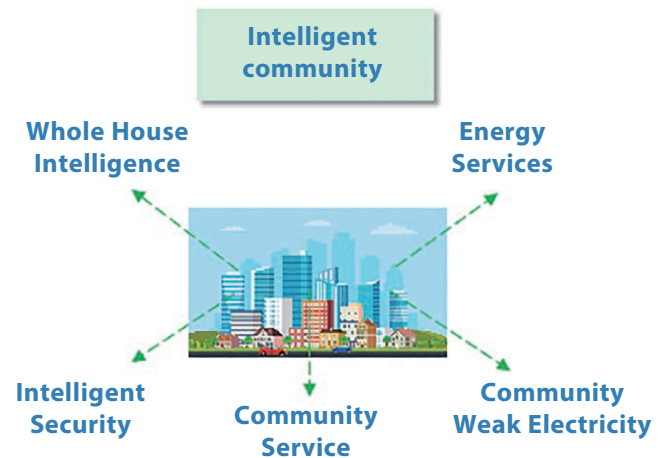
It relies on the intelligent ecological platform for energy and carbon industries to intelligently match products and services that meet customer needs. It provides tailored and comprehensive solutions for energy and carbon integration, emphasizing clean energy prioritization, multi-energy complementarity, and the integration of supply and demand. These solutions are implemented and operated on the ground, aiming to help customers reduce energy costs and achieve a safe and smooth low-carbon transformation. The Company focuses on developing various customers, including industrial parks, factories, and buildings.



Schematic of Integrated Energy Business

6. Value-added business

With an aim to enhance quality of life and adhering to the principle of customer-centricity, we developed a value-added product system that meets customers' diverse and different needs according to the scenarios of "home security, smart kitchen and home environment." Products include Home Guard, 360° kitchen products, concealed installation of pipelines, and environment products and services in relation to heat, cooling, wind, water and light. The Company has also developed professional digital intelligence solutions for the energy, security and health of communities in response to the national call. By collaborating with ecological partners, we jointly explore and develop products such as community intelligent charging piles, integrated smart solutions based on real estate support and community public safety, as well as water purification services. Under the product and service resources of commercial and industrial enterprise users, the Company has endeavored to provide quality products and services for family customers with a priority to quality.



Value-added Business Schematic

IV. Analysis of Core Competitiveness During the Reporting Period

√ Applicable □ N/A

1. Strengthen the advantages of upstream, midstream and downstream integration of natural gas by linking up international and domestic resources

Firstly, the Company will optimize the overall resource structure and gradually enhance the resource elasticity for both markets. In terms of international resources, in 2023, the Company newly signed long-term contracts of 1.8 million tons per year with Cheniere Energy. The final investment decision contract with NextDecade for 2 million tons per year became effective. The Company also signed long-term contracts with Chevron and Total to determine the prices for the next five years and signed a long-term framework agreement for resources with Abu Dhabi National Oil Company (ADNOC), with a cumulative overseas long-term contract exceeding 10 million tons per year. Regarding domestic resources, while ensuring the stability of annual gas volumes in pipeline gas contracts, the Company signed medium- and long-term purchase and sales contracts with PetroChina and also a cooperation agreement for the utilization of facilities in Zhoushan, expanding the resource base of the three major oil companies and supporting long-term stable market development downstream. Furthermore, the Company has further strengthened the construction of its own resource pool, optimized the cost of the base volume of Xinjiang Qinghua, Datang Energy, Shanxi coalbed methane and Chongqing shale gas. The Company has also selectively supplemented the advantageous resources according to the market demand by opportunistically adding eight uploading points, including Shaanxi, Jiangsu, Chongqing, etc., which have covered a total of 16 non-conventional upload points in the country, so as to enhance the flexibility of supply and adjustment.

Secondly, the Company positions the Zhoushan Terminal on as a strategic pivot, leveraged the PipeChina’s capabilities in a balanced manner, sought collaboration with other receiving stations including State Grid Longkou and Beiran LNG, aiming for a reasonable allocation of the receiving stations’ facility capacities and securing essential passageways.

In addition, the Company possesses a robust downstream distribution capability. Leveraging the gas projects in 259 cities nationwide as our core, the Company actively expands and develops its customer base in the surrounding areas. These projects cover 20 provinces in China, with a significant presence in economically developed regions along the southeast coast. In 2023, the natural gas sales volume reached 38,671 million cubic meters, accounting for approximately 9.8% of China’s total natural gas consumption. With the further advancement of the dual carbon policy, the Company’s market share is expected to expand even further. At the same time, the Company relies on a large customer base to vigorously develop integrated energy business and value added business, to meet the needs of customers for diversified, low-carbon green energy products and services.



Total contracted long-term LNG agreement exceeding

10 mil tons/year

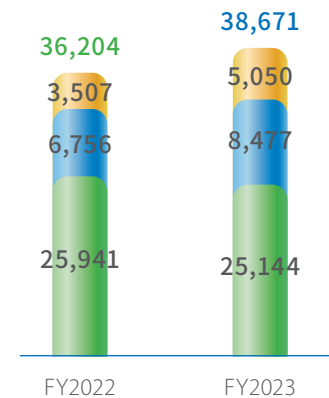


City-gas Projects

259

Total Gas Sales Volume

Unit: mil m³



● Retail Gas Sales ● Wholesale of gas ● Direct Gas Sales by Platform



2. Continuously deploying new energy technologies and enhancing the transformation and application of clean energy



Natural Gas Skid-mounted Hydrogen Production Project

In the realm of hydrogen energy, the Company has proactively embarked on developing the entire hydrogen energy value chain, investing in research and development for several years. This concerted effort has led to notable advancements in the processes for producing hydrogen, hydrogen energy technologies and equipment, and the engineering and construction of hydrogen energy projects. Firstly, regarding the research and development in hydrogen energy technology along the industry chain, the Company focuses on technology research and development, process design, and equipment manufacturing to drive progress. It actively pursues research into efficient hydrogen production solutions tailored to various processes. Secondly, in terms of hydrogen energy technology and equipment, the Company has completed the operation and project acceptance of a single series of devices of 500 kg/d natural gas skid-mounted hydrogen production project, with the overall device running smoothly and the hydrogen production efficiency ≥ 2.2 , which is better than the industry average. At the same time, through independent research and development completed the production of 100 kg reforming catalyst, catalyst conversion rate has achieved $\geq 80\%$ to meet expectations. Lastly, in terms of hydrogen project construction, the Company has participated in more than 60 hydrogen energy projects, including hydrogen refueling stations and integrated stations for hydrogen production through photovoltaic power electrolysis. Through these projects, the Company has accumulated experience in planning, design and construction related to hydrogen energy, and is promoting the strategy of an intelligent low-carbon engineering and construction service provider.

Regarding bio-natural gas, the Company has invested in the R&D of high-efficiency dry bio-natural gas technology and completed the design scheme for the pilot project. We jointly drafted the Greenhouse Gas Emission Reduction Methodology for Anaerobic Fermentation of Agricultural Organic Waste to Produce Bio-natural Gas with China Biogas Society and China Agricultural University in April 2023 and reported it to the Ministry of Ecology and Environment of the PRC, which contributed to the compilation of Chinese dual-carbon standards and carbon emission reduction methodology and pushed the industry to develop in a low-carbon manner.



Natural Gas Hydrogen Production Project in Liaoning Province

In terms of SOFC projects, the Company has taken the lead in the National Key R&D Programme of the Ministry of Science and Technology—the “Key Technology Research on Solid Oxide Fuel Cell (SOFC) Battery for Cogeneration.” This project aims to efficiently convert the chemical energy of various complex fuels such as natural gas, coke oven gas, and biogas into electrical and thermal energy. During the reporting period, the Company has successfully completed the technological development and construction of a 30kW SOFC prototype, as well as demonstrated its industrial application in cogeneration using coke oven gas as fuel. The overall net power generation of the system averaged 35.6kW (with a maximum of 47kW), achieving a power generation efficiency of 60.72% and a cogeneration efficiency of over 95%. The system can operate continuously and steadily for 3,000 hours. In November, the system completed the on-site witnessing by the expert group from the Ministry of Science and Technology, marking the Company has made a major breakthrough in the field of efficient power generation and utilization of low calorific value industrial tail gas, reaching the current domestic frontier level.

3. Building an industrial internet ecology and innovating new business models for platform services

Backed by extensive industrial experience and data covering all energy scenarios and based on the low-carbon, green and high-quality development requirements and general artificial intelligence's development concept and innovative practices, the Company focused on the pivotal roles of the core scenarios of the natural gas industry and built an intelligence platform for natural gas industry – GreatGas.cn, which meets the needs of customers and drives the efficient operation of the industry. By utilizing data-driven “intelligent trading + delivery” as the core of our digital and smart products, the Company offers a diverse portfolio of “energy + carbon + service” combinations. Additionally, the Company also connects with ecosystem partners through the best practices of “intelligent trading + industrial accumulation,” providing a variety of platform trading services, SaaS products, solutions, information consulting, operational services, and other derivative services. This enhances the overall capabilities and operational efficiency of the industry.

4. ESG performance of the Company achieves a qualitative leap, powering sustainable development

The Company actively responds to the country's low-carbon energy transformation, adhering to the concept of sustainable development, and continuously improving the governance structure and execution system while enhancing ESG performance. In terms of governance, ENN-NG adheres to the concept of sustainable development, continuously optimizes the corporate governance system, and integrates ESG concepts into decision making and business operations. The board of directors actively implements the concept of sustainable development, deliberating and making decisions on major environmental, social, and governance matters. At the same time, the Company continuously optimizes its management structure and fulfills its commitments in the environmental, social, and governance fields. In terms of the environment, the Company has thoroughly scrutinized and assessed climate-related risks and opportunities in all business scenarios, incorporating climate risk management into the overall risk management framework, leading the industry in conducting climate scenario financial quantification analysis and completed disclosure. The Company continues to carry out carbon emission calculations and management, by identifying and addressing carbon hotspots in the supply chain, exploring opportunities to reduce carbon emissions and improving operational efficiency, and deepening collaboration with supply chain partners to jointly drive emissions reduction actions. In the social aspect, the Company utilizes technologies such as the Internet of Things (IoT); big data; industry safety models; and video AI to intelligently control major hazards and operational processes, promote business intelligence; and achieve fast perception, real-time monitoring, early warning, and evaluation of safety production. The Company also continues to promote the digitalization of ESG, completing the online launch of the ESG digital system, achieving a closed-loop process of reporting, management, verification, and display of ESG data.

ESG Ratings

MSCI ESG Rating	A
Sustainalytics ESG Risk Rating	32
HKQAA Sustainability Rating	A-
S&P Global ESG Score	58
CDP Climate Change Score	B

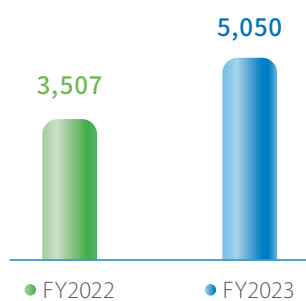


The sales volume of direct gas sales by platform increased by

44.0% yoy

Direct Gas Sales by Platform

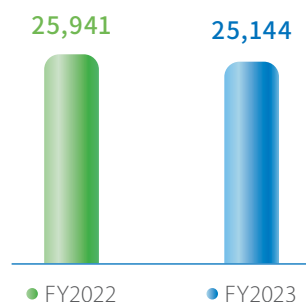
Unit: mil m³



Sales volume of direct gas sales by platform for 2022-2023

Retail Gas Sales

Unit: mil m³



Total Gas Sales Volume for 2022-2023

In the capital market, the Company's ESG performance has achieved a significant breakthrough, with its management of ESG practice and long-term investment value being fully recognized by ESG rating agencies and professional institutions. The Company's ESG rating by MSCI has been upgraded from BBB to A, achieving a rating leap for two consecutive years, making it the highest-rated company in the A-share gas industry. Additionally, the Company has been included in the Hang Seng (China A) Corporate Sustainability Index for two consecutive years, ranking among the top 30 companies with the best ESG performance in the A-share market.

V. Major Operation Achievements During the Reporting Period

(I) Operation analysis

1. Natural gas sales business

a) Direct Gas Sales by Platform

As the dual carbon policies take hold, the government has prioritized green and low-carbon development, deepened prevention and control of air pollution, and accelerated green transformation in all sectors. Amid this backdrop, direct gas sales customers such as large domestic industrial enterprises, power plants and chemical enterprises strongly demand cleaner natural gas, flexible gas supply and resource matches. The Company implemented a comprehensive upstream and downstream strategic approach while leveraging all-scenario natural gas services to create value through forward-looking planning and efficient coordination. During the Reporting Period, gas transactions conducted through the platform amounted to 5,050 million cubic meters, an increase of 44.0% year-on-year, of which overseas gas transactions amounted to 1,937 million cubic meters and domestic gas transactions amounted to 3,113 million cubic meters, mainly covering the provinces of Zhejiang, Guangdong, Fujian, Chongqing, Shanxi and so on.

b) Retail and wholesale of natural gas

The Company consolidated the development of the natural gas retail business and achieved steady growth by capitalizing on the industry consolidation opportunities with our keen market insights, excellent safety operation management and leading integrated energy concepts. At the end of 2023, the Company has 259 city-gas projects in China, covering 20 provinces and autonomous regions, including Anhui, Fujian, 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 25,144 million cubic metres, with a year-on-year decrease of 3.1%. Among them, the retail gas sales volume to commercial and industrial users reached 19,486 million cubic metres, accounting for 77.5% of the total retail sales volume of natural gas. The retail gas sales volume to residential users reached 5,348 million cubic metres, accounting for 21.3% of the total retail sales volume of natural gas.

During the Reporting Period, the Company wholesaled 8,477 million cubic metres of gas.

2. Construction and operations of the intelligent platform for natural gas industry

ENN-NG operates an all-scenario intelligent platform – the greatgas.cn Industrial Intelligence Platform, for the natural gas industry, providing intelligent capabilities to meet customers’ flexible and diversified demand for gas, as well as helps innovate business models and solve demand-supply mismatch, to improve the overall capacity and operational efficiency of the industry.



The Second “Gas Festival”

Based on various industrial ecological business scenarios, such as end customers, city gas, traders, resource suppliers, and reception stations, etc., the Company continues to rapidly develop smart products including demand prediction, intelligent matching, intelligent trading and delivery, the greatgas.cn energy services client, reception station operation, and engineering services. The Company also defines the service and charging methods for the intelligent features across six specific scenarios: urban fuel distribution and pipeline network operations, piped gas commerce, LNG trade, receiving station management, trading platforms, and market intelligence analysis. This approach aims to enhance synergies within the natural gas industry’s ecosystem. In November, the Company successfully organized the second “Gas Festival” through multiple on-site interactions and live streaming. Through the sample – regional focus – national online operation mode, it drives a substantial exponential growth the platform customers and transaction scale. This year’s festival was the first to be synchronized across the country, with the participation of over 40 city gases in 11 provinces, involving more than 100 natural gas ecosystem participants. It hosted seven offline events, 363 online activities for traders, and ultimately engaged over 58,000 people in online sales interactions on the greatgas.cn platform. Industrial Intelligence Platform.

3. Infrastructure operations



Successful gas pressure lifting for Zhoushan Terminal Phase III project

Phase I of Zhoushan Terminal was fully operational in October 2018, and Phase II was put into service in June 2021, with a designed capacity of 5 million tons/year, an actual capacity of up to 7.5 million tons per year and a pipeline transmission and distribution capacity of 8 billion cubic metres per year. Phase III, with an additional designed capacity of 3.5 million tons per year, commenced construction in October 2022. In September 2023, the completion of the concrete pouring for the bearing platform of the Phase III LNG storage tank and supporting facilities project, marking the formal entry of the project from the foundation construction to the main construction stage. Furthermore, in March 2024, all four additional 220,000 cubic meter tanks of the Phase III project have completed the gas pressure lifting operation, which indicates the comprehensive transition of the tank’s main operations from the outer tank civil construction phase to the inner tank installation. The overall Phase III construction is expected to be put into operation in September 2025, with an accumulated actual processing capacity exceeding 10 million tons per year.



The Company upholds the principles of "safety, digital intelligence, low carbon, and openness" and continues to build a digital and intelligent transformation benchmark for receiving stations and the best demonstration station of green low carbon in the industry. During the Reporting Period, the Zhoushan Terminal completed the construction of various green energy facilities, including a photovoltaic carport, fire station photovoltaic, photovoltaic streetlamp, with a power generation capacity exceeding 266,000 kWh. Additionally, a low-carbon management energy efficiency platform was established, achieving a digital and intelligent upgrade in green energy. Furthermore, the Company's independent research and development of the world's first cold energy double ring power generation commissioning has been successful.

Zhoushan Terminal had a cumulative annual handling capacity of 1.5568 million tons, providing strong support for the stable supply of natural gas in the Yangtze River Delta region. At the same time, Zhoushan Receiving Terminal seized market trends and actively engaged in diverse innovative businesses such as tank capacity leasing, light storage and strong sales, and ship refueling. It promoted the receiving terminal's service products through the greatgas.cn platform Industrial Intelligence Platform, WeChat official account, the second Gas Festival, and the 6th World Oil Traders Conference, laying the foundation for the standardization and platformization of the receiving terminal's infrastructure service products.



Zhoushan Terminal Phase III project

4. 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 17 projects for the renovation and upgrading of aging gas pipeline systems in cities such as Harbin, Kaifeng, and Xiangtan. At the same time, the Company actively explored new business opportunities and made continuous efforts in hydrogen energy, integrated energy, new technologies, and infrastructure intelligence. Through leading technology and industry digital intelligence dual-wheel drive, the Company has accelerated the transformation of the construction business, enhanced customer value, and built a low-carbon and intelligent construction innovative benchmark enterprise.

During the Reporting Period, the Company accumulated a total of 9.146 billion in year-round signed orders through technological traction and ecological cooperation, with hydrogen energy projects accounting for 2.402 billion. It completed Huafeng integrated energy station benchmark hydrogen refueling project and signed the Guanghui green power and hydrogen integration project, which is the first wind and solar power generation and hydrogen production integration project. The comprehensive utilization of green hydrogen has a demonstration effect which lays



Huafeng Hydrogenation Integrated Energy Service Project

the foundation for continuous market acquisition. The Company has signed the EPC project for the Angang Steel's 18,000 Nm³/h natural gas reforming and synthesis gas project. The project is the comprehensive utilization of solid waste resources in the tailings of Angang Steel Mining, which is the key project in Liaoning Province. It is also the first "large-scale natural gas hydrogen production + digital twin" project, pioneering the innovative business model of "green + digital intelligence" in traditional industries.

Furthermore, the Company focused on the integrated energy business market, signed the first pure low-temperature waste heat power generation EPC project in Tibet, which has accumulated experiences in the power industry projects. The Company also ventured into the energy storage business, achieving a breakthrough in the first leading domestically energy storage power generation project in Ningxia, which has achieved significant expansion in the new energy market. In addition, the Company's first CCUS pilot project in Shengli oil field was also successfully applied, and it expanded its overseas business by signing a contract for the comprehensive flare gas treatment project in the Sasan oil field in Iraq, which has stepped up the breakthroughs in overseas market and laid the foundation for continuous expansion of overseas business.

During the Reporting Period, the Company has completed several demonstration projects, including the production of LNG from Jingtai coking gas in Gansu, the completion of the dual-line connection of the Xiu Su section of Changsha Metro Line 1, and the gas pipeline backhaul



The Guanghui Green Power and Hydrogen Production and Integration Demonstration Project



More than **60**
hydrogen-related
engineering projects



Developed
29.77 million
household users

Average piped gas
penetration rate of
65.2%

Covering a population of
137 mil

of the Chongqing Fulling Yangtze River directional drilling project. As at the end of 2023, the engineering projects that the Company participated in include three LNG terminals, over 10 LNG liquefaction plants, more than 30 coke projects of oven gas utilization, some 2,500 kilometres of long-distance pipelines, and medium- and high-pressure pipelines exceeding 10,000 kilometres. At the same time, the Company has undertaken engineering projects relating to hydrogen energy since 2011. With more than ten years of development, the Company has matured experience in the construction of hydrogen production and hydrogen refueling station projects, and has participated in more than 60 hydrogen-related engineering projects.

b) *Engineering Installation Business*

During the Reporting Period, the Company newly developed 18,706 commercial and industrial users, with an opening volume of 17.56 million cubic meters per day. By the end of 2023, the total number of commercial and industrial users served by the Company has reached 242,983. The construction progress of the gas installation in our Company's region has slowed due to real estate policy regulations and the economic downturn. During the Reporting Period, the Company completed engineering installations for 1.8538 million newly developed residential users, and has developed a cumulative total of 29.77 million household users, with an average piped gas penetration rate of 65.2%, covering a population of 137 million.

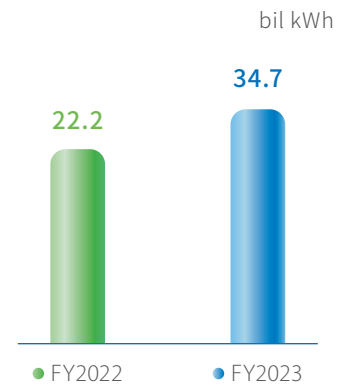
5. *Integrated energy business*

In terms of integrated energy business, the Company aims to fully utilize the advantages of ENN Energy in all-scenario, focusing on dual-high enterprises and low-carbon parks, to provide customers with low-carbon intelligent overall solutions through integrated energy micro-grids and planning and design traction. Regarding infrastructure intelligence, the Company starts with products such as intelligent pipeline network, digital twin, and IOT integration, and actively expands to urban energy infrastructures such as water, heat, gas, and electricity while gaining application validation in natural gas infrastructure.

As of the end of the Reporting Period, the Company successfully completed and operated 296 integrated energy projects, cumulatively delivering a total of 34.7 billion kWh of energy across cooling, heating, and electricity. This accomplishment facilitated a reduction of nearly 2.67 million tons in standard coal consumption for clients, translating into a CO₂ emissions reduction of about 10.99 million tons. Furthermore, 60 projects are under construction, when all 356 projects completed, will lay a solid foundation for the continuous growth of revenue from the integrated energy business in 2023.

An intelligent manufacturing industrial estate in Zhejiang is a typical case of integrated energy projects. From the government side, it needed to respond to the dual-carbon policy, achieve industrial upgrading and create a green and low-carbon park. The estate needed professional energy operation and service quality to ensure the quality of energy supply and help the park promote investment progress. Users needed a variety of energy supply to reduce the energy consumption of individual products and operating costs, and access to intelligent systems to improve the level of operation. The Company provided the integration of "Load, Source, Network and Storage" to expand the multi-product business, providing integrated solutions of photovoltaic, energy storage, power sales, green power trading, refrigeration, drinking water, energy-saving transformation, intelligent operation, etc., and supplied 8 million kWh of electricity, 3.5 million kWh of cooling and 1.22 million m³ of compressed air in the estate, which helped customers save RMB520,000 of energy costs and achieve an annual reduction in carbon emissions of 745 tons. The company's internal rate of return was 12.6%.

Customer energy consumption of IE business



An intelligent manufacturing industrial estate project in Zhejiang

6. Value added business

The Company actively targets its natural gas business as an entry point to reach out to customers, exploring the integration of family recreation services and one-stop tourism service model by creating solutions for home service scenarios, continuously enhancing the convenient and beneficial services, and making significant progress in its business development supported by the digital intelligence technology. Leveraging the eCity eHome smart shopping platform model, the Company creates a seamless end-to-end business cycle that encompasses product selection, quality assurance, warehousing, distribution logistics, sales operations, and service delivery. This model spans over ten family life scenarios, such as safety, energy usage, water purification, smart home integration, health, environmental concerns, shopping, sports, and travel. By gradually implementing quality controls, trust mechanisms, and digital intelligence through IoT technology, the Company offers its platform customers



a convenient, one-click smart shopping experience. Simultaneously, the Company has leveraged policy opportunities to venture into the community charging pile sector, swiftly penetrating the market with a “hardware + independent charging platform + operation service” model. This strategic move has enabled the rapid deployment and construction of 155 DC charging piles. In addition, the Company actively promotes the construction of LoRa-based IoT micro-network project. During the Reporting Period, the Company added 45 new base stations in Langfang ENN, expanded 18 categories of IoT terminal devices, and connected 12,000 devices to the IoT platform, including smart IoT gas meters, household regulating valves, smart water meters, smart smoke detectors, and IoT flooding, which provides customers with more convenient and personalized life services.

The Company strengthened brand publicity by developing new marketing channels, with an aim to increase penetration rate of value-added business among existing customers, enhance customer stickiness and further realise the value of gas users. At present, the penetration rate of the value-added business in the Company’s existing customer base is only 22.6%, while the penetration rate in newly developed customers during the Reporting Period was 79.9%, indicating a vast potential for business growth.

7. Energy production

The Company achieved commercial coal sales of 2.469 million tons and completed the sale of coal mining assets in the fourth quarter during the Reporting Period. On September 12, 2023, the Company obtained approval from the board of directors and signed an equity transfer agreement. On September 28, the Company obtained approval from the shareholders’ meeting and completed the delivery of 100% equity of Xinneng Mining Industry Co., Ltd. on October 19, for a total consideration of RMB10,505 million.

The methanol business involves the production and sales 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 1.549 million tons of methanol.



Completed the disposal of coal mine assets and received

RMB **10,505** mil in cash

(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 capital 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 2023	31 December 2022	Change
Monetary fund (excluding restricted fund)	1,548,226	810,438	737,788
Lending funds ^{Note 1}	329,449	285,117	44,332
Financial assets sold for repurchase		36,519	-36,519
Short-term borrowings	955,432	756,023	199,409
Non-current liabilities due within one year	242,832	194,933	47,899
Long-term borrowings	874,591	1,211,218	-336,627
Long-term payables	275	157,114	-156,839
Bonds payable	1,284,234	1,437,773	-153,539
Total debts ^{Note 2}	3,343,586	3,612,277	-268,691
Net debts ^{Note 3}	1,465,912	2,516,722	-1,050,810
Total equity	5,853,665	5,156,222	697,443
Net debts/total equity	25.04%	48.81%	-23.77%
Unutilized bank facilities	4,276,653	4,683,227	-406,574

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 2023, the Company's unrestricted monetary fund (including lending funds) totaled RMB18.777 billion, an increase of RMB7.821 billion from the beginning of the year, which was mainly from operating income and unutilized proceeds from share delivery of Xinneng Mining Industry. Meanwhile, the reserved unutilized bank facilities of RMB42.767 billion met the Company's financing credit needs in all aspects.

The Company seeks to maintain continuous control over the debt level and strike a balance between duration of loan and cost of financing. The Company dynamically monitors and forecasts the monetary fund reserve, and appropriately increases the short-term debts to replace other high-interest debts based on the current situation of monetary fund increase and sustainable planning and expectation in order to reduce financing costs and save finance expenses. Therefore, the Company's short-term debts at the end of the period increased by RMB2,215 million from the beginning of the year. In 2024, 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

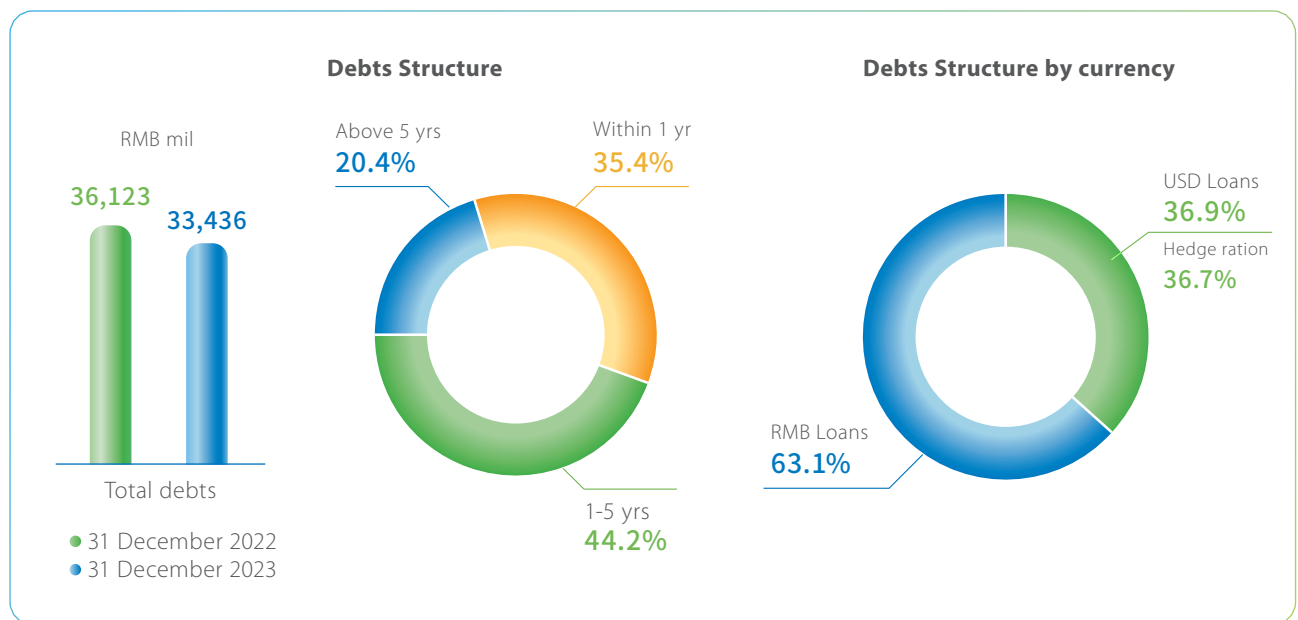
As of 31 December 2023, the Company's total debts amounted to RMB33,436 million, with a decrease of RMB2.687 billion over that at the beginning of the year, and the net debts amounted to RMB14,659 million, with a decrease of RMB10,508 million over that at the beginning of the year, which was significant, 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 finance costs; the Company paid sustained attention to its offshore US dollar debts, and repaid the dollar debts of USD644 million on net through loan replacement and dollar-denominated earnings, 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 2023, the Company's financing amount denominated in foreign currency was USD1.743 billion (USD2,387 million at the end of 2022), equivalent to RMB12.332 billion (equivalent to RMB16,589 million at the end of 2022), of which long-term debts accounted for 100% (86.72% at the end of 2022).

The Company reasonably used foreign exchange derivatives to manage the foreign exchange risk arising from its bonds payable denominated in USD, so as to hedge the Company's exposure to fluctuation of the exchange rate of RMB against USD. In view of the existence of risk with respect to exchange rate fluctuation, 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 US dollar offshore funds were applied to repay the US dollar debts.



(4) Credit rating

During the Reporting Period, a stable international rating was maintained for the Company. Standard & Poor's maintained the international rating of BBB- for the Company with a positive rating outlook; Fitch maintained the Company's international rating of BBB- with a positive rating outlook; Moody's maintained the Company's international rating of Ba1 with a positive rating outlook. The rating for ENN Energy, a subsidiary of the Company, was also unchanged: Fitch maintained the international rating BBB+ for ENN Energy with a positive rating outlook; Standard & Poor's maintained the international rating BBB+ for ENN Energy with a stable outlook; Moody's maintained the international rating of Baa1 for ENN Energy with a stable rating outlook.

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

The ratings above reflected the Company's sound financial position, highly predictable and stable operating cash flow and sufficient financial resources from its strong financing capabilities.

*(1) 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	14,375,398	15,404,417	-6.68
Operating cost	12,370,740	13,070,263	-5.35
Taxes and surcharges	54,371	78,411	-30.66
Selling expense	142,868	148,501	-3.79
Administrative expense	420,250	412,141	1.97
Financing expense	165,060	293,320	-43.73
Financing expense – interest income	23,071	13,618	69.42
Research and development expenditure	96,130	122,014	-21.21
Investment income	792,202	84,651	835.84
Investment income from associated ventures and joint ventures	23,348	13,268	75.97
Income from changes in fair value	-147,905	116,912	-226.51
Assets impairment loss	-206,885	-24,287	-
Non-operating income	16,494	9,850	67.45
Non-operating expense	19,115	12,637	51.26
Net of tax from other comprehensive income	87,061	-13,664	-
Net cash flow from operating activities	1,375,945	1,500,578	-8.31
Net cash flow from investing activities	233,122	-688,109	-
Net cash flow from financing activities	-827,846	-965,216	-



1. The year-on-year decrease of taxes and surcharges by 30.66% was mainly attributable to the reduced sales of coals of Xinneng Mining Industry, a former subsidiary of the Company, and the decrease in the resource tax during the Reporting Period over the same period of the previous year.
2. The year-on-year decrease in financing expense by 43.73% was mainly attributable to the year-on-year decrease in exchange gain or loss as a result of the reduced scale of US dollar debts in the subsidiaries of the Company during the Reporting Period over the same period of the previous year, and year-on-year decrease of change in exchange rate.
3. The year-on-year increase in financing expense – interest income by 69.42% was mainly attributable to the increased interest income as a result of the rise in USD deposit interest rate for the subsidiaries of the Company during the Reporting Period.
4. The year-on-year increase in investment income by 835.84% was mainly attributable to higher income realized from disposal of subsidiaries of the Company and derivatives of subsidiaries during the Reporting Period.
5. The investment income from associated ventures and joint ventures increased by 75.97% 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.
6. The income from changes in fair value decreased by 226.51% year-on-year mainly due to the settlement upon maturity in the current period of floating income from derivative financial instruments not mature in the previous year, which offset the income from changes in fair value.
7. The year-on-year increase in assets impairment loss by RMB1,826 million was mainly caused by the provision for impairment of assets made by the subsidiaries of the Company during the Reporting Period.
8. Non-operating income increased by 67.45% year-on-year, mainly due to the increased compensation received by subsidiaries of the Company during the Reporting Period.
9. Non-operating expense increased by 51.26% year-on-year, mainly due to more donations made by the subsidiaries of the Company during the Reporting Period.
10. Net of tax from other comprehensive income increased by RMB1,007 million year-on-year, mainly due to the decreased cash flow hedging reserve of the subsidiaries of the Company in the same period of the previous year.
11. Net cash flow from investing activities increased by RMB9,212 million year-on-year, mainly due to the increase in the equity transfer payment 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-to-year (%)	Increase/decrease in operating cost year-to-year (%)	Increase/decrease in gross margin year-to-year (%)
Retail of natural gas	6,945,229	6,176,215	11.07	-0.85	-1.31	Increase by 41 bp
Wholesale of natural gas	2,917,313	2,792,765	4.27	-13.78	-10.33	Decrease by 367 bp
Direct Gas Sales by Platform	1,064,878	872,474	18.07	-34.73	-33.94	Decrease by 98 bp
Construction and instillation	851,725	505,105	40.70	0.91	2.34	Decrease by 83 bp
Sales and services of integrated energy	1,519,206	1,319,613	13.14	26.06	26.96	Decrease by 62 bp
Smart home business	395,988	134,609	66.01	12.06	0.73	Increase by 383 bp
Energy production	509,543	473,447	7.08	-40.41	-26.28	Decrease by 1781 bp
Infrastructure operation	20,648	6,324	69.37	-8.86	-34.87	Increase by 1223 bp
Total	14,224,530	12,280,552	13.67			

Principal business by product						
Product	Operating income	Operating cost	Gross margin (%)	Increase/decrease in operating income year-to-year (%)	Increase/decrease in operating cost year-to-year (%)	Increase/decrease in gross margin year-to-year (%)
Natural gas	10,927,420	9,841,454	9.94	-9.09	-7.97	Decrease by 110 bp
Construction and instillation	851,725	505,105	40.70	0.91	2.34	Decrease by 83 bp
Sales and services of integrated energy	1,519,206	1,319,613	13.14	26.06	26.96	Decrease by 62 bp
Coal and chemical products	509,543	473,447	7.08	-40.41	-26.28	Decrease by 1781 bp
Infrastructure operation	20,648	6,324	69.37	-8.86	-34.87	Increase by 1223 bp
Others	395,988	134,609	66.01	12.06	0.73	Increase by 383 bp
Total	14,224,530	12,280,552	13.67			



Principal business by region						
Region	Operating income	Operating cost	Gross margin (%)	Increase/decrease in operating income year-to-year (%)	Increase/decrease in operating cost year-to-year (%)	Increase/decrease in gross margin year-to-year (%)
Domestic	13,059,324	11,387,410	12.80	0.04	1.37	Decrease by 114 bp
International	1,165,206	893,142	23.35	-48.13	-49.77	Increase by 250 bp
Total	14,224,530	12,280,552	13.67			

Principal business by sales model						
Sales model	Operating income	Operating cost	Gross margin (%)	Increase/decrease in operating income year-to-year (%)	Increase/decrease in operating cost year-to-year (%)	Increase/decrease in gross margin year-to-year (%)
Direct sales	9,529,313	8,368,302	12.18	-3.17	-2.90	Decrease by 25 bp
Distribution	3,843,492	3,407,145	11.35	-16.71	-12.64	Decrease by 413 bp
Others	851,725	505,105	40.70	0.91	2.34	Decrease by 83 bp
Total	14,224,530	12,280,552	13.67			

(2). Analysis of production and sales

√ Applicable N/A

Main product	Unit	Production	Sales		Inventory	Increase/decrease in production year to year (%)	Increase/decrease in sales volume year to year (%)	Increase/decrease in self consumption year to year (%)	Increase/decrease in inventory year to year (%)
			volume	Self consumption					
Self-produced coal	10,000 tons	245	247			-53.15	-52.86		-100.00
Self-produced methanol	10,000 tons	158	155	3	3	3.27	9.93	-72.73	
Self-produced LNG	10,000 cubic meters	15,872	15,993		82	2.59	3.89		-59.61
Stable light hydrocarbon	10,000 tons	1	1			-66.67	-66.67		

Description of production and sales

1. The production of self-produced coal decreased by 53.15% and the sales decreased by 52.86% over the previous year mainly because the Company sold 100% shares of Xinneng Mining Industry Co., Ltd. during the Reporting Period, and the data from the Closing Date to the end of the Reporting Period were no longer included in the consolidated statements, leading to the decrease in production and sales volume of self-produced coal year-on-year.

2. The inventory of self-produced LNG decreased by 59.61% over the previous year mainly because domestic economic recovery in 2023, year-on-year increase in natural gas demand, increased sales volume of the Company's subsidiaries and reduced inventory.

3. The production of stable light hydrocarbon decreased by 66.67% and the sales decreased by 66.67% over the previous year mainly because the Ministry of Finance and the State Taxation Administration issued the *Announcement on the Execution Standards of Consumption Tax Policy for Certain Refined Oil Products* (Announcement [2023] No. 11 of the Ministry of Finance and the State Taxation Administration) on 30 June 2023, which clarified that stable light hydrocarbon would be subject to consumption tax as naphtha for the first time, and it was therefore not economically feasible for the subsidiaries of the Company to produce stable light hydrocarbon products, leading to year-on-year decrease in its production and sales volume.

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

Applicable N/A

(4). Cost analysis

Unit: RMB '0000

Industry	Cost components	By industry					Description
		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-to-year (%)	
Retail of natural gas	Natural gas	6,072,378	98.32	6,146,888	98.22	-1.21	
	Operation cost of natural gas	103,837	1.68	111,344	1.78	-6.74	
	Total	6,176,215	100.00	6,258,232	100.00	-1.31	
Wholesale of natural gas	Natural gas	2,792,765	100.00	3,114,630	100.00	-10.33	
Direct Gas Sales by Platform	Natural gas	872,474	100.00	1,320,699	100.00	-33.94	
Construction and installation	Materials	135,189	26.76	147,819	29.95	-8.54	
	Construction cost	369,916	73.24	345,719	70.05	7.00	
	Total	505,105	100.00	493,538	100.00	2.34	



By industry							
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 total cost (%)	Change in amount year-to-year (%)	Description
Sales and services of integrated energy	Integrated energy business cost	1,319,613	100.00	1,039,373	100.00	26.96	
Smart home business	Smart home business cost	134,609	100.00	133,636	100.00	0.73	
Energy production	Materials	214,957	45.40	235,263	36.63	-8.63	
	Labor	8,254	1.74	16,035	2.50	-48.53	
	Depreciation	28,218	5.96	43,327	6.75	-34.87	
	Energy	49,062	10.36	51,843	8.07	-5.36	
	Manufacturing cost	57,419	12.13	59,733	9.30	-3.87	
	Trading products	115,537	24.41	236,030	36.75	-51.05	
	Total	473,447	100.00	642,231	100.00	-26.28	
Infrastructure operation	Infrastructure operation cost	6,324	100.00	9,710	100.00	-34.87	

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 total cost (%)	Change in amount year-to-year (%)	Description
Natural gas	Natural gas operation and transportation costs	9,841,454	100.00	10,693,561	100.00	-7.97	
Construction and installation	Materials	135,189	26.76	147,819	29.95	-8.54	
	Construction cost	369,916	73.24	345,719	70.05	7.00	
	Total	505,105	100.00	493,538	100.00	2.34	
Sales and services of integrated energy	Integrated energy business cost	1,319,613	100.00	1,039,373	100.00	26.96	

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 of total cost (%)	Change in amount year-to-year (%)	Description
Coal and chemical products	Materials	214,957	45.40	235,263	36.63	-8.63	
	Labor	8,254	1.74	16,035	2.50	-48.53	
	Depreciation	28,218	5.96	43,327	6.75	-34.87	
	Energy	49,062	10.36	51,843	8.07	-5.36	
	Manufacturing cost	57,419	12.13	59,733	9.30	-3.87	
	Trading products	115,537	24.41	236,030	36.75	-51.05	
	Total	473,447	100.00	642,231	100.00	-26.28	
Infrastructure operation	Infrastructure operation cost	6,324	100.00	9,710	100.00	-34.87	
Others	Others	134,609	100.00	133,636	100.00	0.73	

Other notes on cost analysis

1. The year-on-year decrease in Direct Gas Sales by Platform business by 33.94% was mainly attributable to the decline in unit purchase price of Direct Gas Sales by Platform for the Company's subsidiaries and more businesses to which net method applied.

2. The infrastructure operation business decreased by 34.87% year-on-year, mainly due to the increase in percentage of income of internal customers for the current period and the year-on-year decrease 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

1. Changes in the shareholdings of major subsidiaries during the Reporting Period: To focus more closely and effectively on the main natural gas businesses and optimize asset structure, the Company sold 100% shares in Xinneng Mining Industry Co., Ltd. during the Reporting Period and completed delivery of shares on 19 October 2023. Xinneng Mining Industry Co., Ltd. was no longer included in the consolidated financial statements of the Company.

2. Profit contribution by Xinneng Mining Industry Co., Ltd. in 2023 and 2022:

Unit: RMB '0000 Currency: RMB

Item	Operating			Net profit
	income	Operating cost	Operating profit	
2023	113,002	53,170	34,209	30,308
2022	298,248	90,298	158,655	133,522

(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 RMB8,553.24 million, accounting for 5.95% of total annual sales, in which sales to related parties amounted to RMB0, accounting for 0% of total annual sales.

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 RMB38,377.65 million, accounting for 31.02% of total annual purchases, in which purchases from related parties amounted to RMB0, accounting for 0% of total purchases.

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

Other information

N/A

3. Expenses

 Applicable N/A

1. The year-on-year decrease in selling expense by 3.79% was mainly attributable to the decrease in maintenance costs because the Company no longer included Changsha Xin'ao Gas Co., Ltd. and its subsidiaries in the consolidated statements during the Reporting Period, and the decrease in meter replacement cost for customers as a result of decreased number of gas meters replaced by the subsidiaries of the Company during the Reporting Period.

2. The year-on-year increase in administrative expense by 1.97% was mainly attributable to the the increase in management employee wage and amortization of intangible assets of subsidiaries of the Company during the Reporting Period.

3. The year-on-year decrease in financing expense by 43.73% was mainly attributable to the year-on-year decrease in exchange gain or loss as a result of the reduced scale of US dollar debts in the subsidiaries of the Company during the Reporting Period over the same period of previous year, and year-on-year decrease of change in exchange rate.

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	96,130
Capitalized research and development input for the current period	39,232
Total research and development input	135,362
Total research and development input as a percentage of operating income (%)	0.94
Proportion of capitalized research and development input (%)	28.98

(2). Research and development staff

Applicable N/A

Number of research and development staff	4,091
Number of research and development staff as a percentage of total headcount (%)	10.68

Academic structure of research and development staff

Category	Number of staff
PhD	1
Master	149
Bachelor	1,970
Junior college	1,460
High school or below	511



Age structure of research and development staff	
Category	Number of staff
Below 30 (excluding 30)	855
30-40 (including 30 and excluding 40)	1,994
40-50 (including 40 and excluding 50)	881
50-60 (including 50 and excluding 60)	352
60 and above	9

(3). Notes

Applicable N/A

During the Reporting Period, the subsidiaries of the Company carried out technology R&D and digitalization in the natural gas industry, integrated energy industry and engineering industry, covering research and application of such projects as intelligent operation center, smart gas operation and dispatching system, GreatGas platform, unified operation and maintenance monitoring platform for industrial control security, 30kW SOFC engineering prototype 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 30kW SOFC engineering prototype and remote voltage regulating technology for voltage regulators in high voltage terminals; in the areas of remote settlement, remote safety monitoring, digitalization of distribution scenarios and construction of digital intelligence 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 R&D 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&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		4,376	-4,376	-
Net decrease in customers' loans and advances		33,383	-33,383	-
Refund of taxes received	75,585	226,539	-150,954	-66.63

Item	Current period	Last period	Amount of change	Ratio of change (%)
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	18,971	17,548	92.50
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	30,196	56,231	-26,035	-46.30
Net cash received from disposal of subsidiaries and other business units	655,979	7,962	648,017	8138.87
Other cash received relating to investing activities	386,709	42,941	343,768	800.56
Including: Cash received from subsidiaries for investment absorption by minority shareholders	14,749	9,070	5,679	62.61
Other cash received relating to financing activities	227,614	79,286	148,328	187.08
Other cash paid relating to financing activities	181,858	516,463	-334,605	-64.79

Other information:

1. The year-on-year decrease of net increase in deposits from customers and deposits from other banks by RMB104 million was mainly attributable to the year-on-year decrease 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 decrease in customers' loans and advances by RMB406 million was mainly attributable to the increase in net outflow of funds as a result of the increase in the unmatured portion of factoring business carried out by the subsidiaries of the Company during the Reporting Period.
3. The year-on-year decrease of refund of taxes received by 66.63% was mainly attributable to the decrease in value-added tax (VAT) credit refund and import VAT refund received by the subsidiaries of the Company during the Reporting Period.
4. The year-on-year increase in net decrease of the repurchase business funds by 92.50% was mainly attributable to the increased balance of bills rediscounted of the subsidiaries of the Company during the Reporting Period.
5. The net cash received from disposal of fixed assets, intangible assets and other long-term assets decreased by 46.3% year-on-year mainly due to the increased cash received from disposal of plant, equipment and land use right by the Company's subsidiaries during the same period of previous year.
6. The net cash received from disposal of disposal of subsidiaries and other business units increased by 8138.87% year-on-year mainly due to the increased share transfer payment made to the Company and its subsidiaries during the Reporting Period.



7. The other cash received relating to investing activities increased by 800.56% year-on-year mainly due to the disposal of subsidiaries of the Company and recovery of their creditor's rights during the Reporting Period.

8. The cash received from subsidiaries for investment absorption by minority shareholders increased by 62.61% year-on-year mainly due to the increased investment of minority shareholders received by the subsidiaries of the Company during the Reporting Period.

9. The other cash received relating to financing activities increased by 187.08% year-on-year mainly due to the increased payment from notes discounted received by the subsidiaries of the Company during the Reporting Period.

10. The other cash paid relating to financing activities decreased by 64.79% year-on-year mainly due to the payment for share acquisition under common control by the Company during the same period of previous year.

(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 the previous period	Closing balance for the previous period as a percentage of total assets (%)	Change in amount year-on-year (%)	Description
Monetary fund	1,667,344	12.39	923,809	6.78	80.49	
Transaction financial assets	20,011	0.15	2,560	0.02	681.68	
Derivative financial assets	135,073	1.00	289,663	2.13	-53.37	
Notes receivable	46,564	0.35	32,507	0.24	43.24	
Other receivables	127,752	0.95	326,770	2.40	-60.90	
Dividends receivable	14,701	0.11	25,912	0.19	-43.27	
Non-current assets due within one year	1,785	0.01	8,417	0.06	-78.79	
Long-term receivables	5,940	0.04	439	0.00	1,253.08	
Intangible assets	762,453	5.67	1,106,248	8.12	-31.08	
Development expenditure	49,859	0.37	18,507	0.14	169.41	
Long-term prepaid expenses	30,790	0.23	77,407	0.57	-60.22	
Derivative financial liabilities	29,440	0.22	101,916	0.75	-71.11	

Item	Closing balance for the current period	Closing balance for the current period as a percentage of total assets (%)	Closing balance for the previous period	Closing balance for the previous period as a percentage of total assets (%)	Change in amount year-on-year (%)	Description
Financial assets sold for repurchase			36,519	0.27	-100.00	
Other payables	198,530	1.48	304,457	2.24	-34.79	
Dividends payable	16,354	0.12	26,304	0.19	-37.83	
Long-term payables	275	0.00	157,114	1.15	-99.82	
Other comprehensive income	133,723	0.99	45,835	0.34	191.75	
Surplus reserve	51,590	0.38	33,111	0.24	55.81	
Undistributed profits	1,847,301	13.73	1,344,725	9.87	37.37	

Other information

1. The year-on-year increase in monetary fund by 80.49% was mainly attributable to the disposal of subsidiaries by the Company and increased cash generated from payment collection in day-to-day operation during the Reporting Period
2. The year-on-year increase in transaction financial asset by 681.68% was mainly attributable to the increased structured deposits of the subsidiaries of the Company during the Reporting Period.
3. The year-on-year decrease in derivative financial assets by 53.37% and derivative financial liabilities by 71.11% was mainly attributable to the decline in fair value of the commodities derivative financial instrument contracts of subsidiaries of the Company during the Reporting Period.
4. The year-on-year increase in notes receivable by 43.24% was mainly attributable to the increased bank notes received by some subsidiaries of the Company during the Reporting Period.
5. The year-on-year decrease in other receivables by 60.9% was mainly attributable to the decrease in the settled but unpaid balance of commodities derivative financial instrument contracts as a result of the shortened payment period for such contracts during the Reporting Period.
6. The year-on-year decrease in dividends receivable by 43.27% was mainly attributable to the recovery of the dividends which should have been received at the end of previous period by the subsidiaries of the Company during the Reporting Period.
7. The year-on-year decrease in non-current assets due within one year by 78.79% was mainly attributable to the recovery of matured finance lease by the Company's subsidiaries during the Reporting Period.
8. The year-on-year increase in long-term receivables by 1253.08% was mainly attributable to the payment of financing lease by the Company's subsidiaries during the Reporting Period.
9. The year-on-year decrease in intangible assets by 31.08% was mainly attributable to the decrease of corresponding intangible assets arising from disposal of subsidiaries by the Company during the Reporting Period.
10. The year-on-year increase in development expenditure by 169.41% was mainly attributable to the increased investment in technology R&D and digital intelligence construction by the Company's subsidiaries during the Reporting Period.

11. The year-on-year decrease in long-term prepaid expenses by 60.22% was mainly attributable to the decrease of long-term prepaid expenses arising from disposal of subsidiaries by the Company during the Reporting Period.

12. The year-on-year decrease in financial assets sold for repurchase by 100.00% was mainly attributable to the repurchase from the central bank by the Company's finance company when the rediscounted notes became mature during the Reporting Period.

13. The year-on-year decrease in other payables by 34.79% was mainly attributable to the decrease in the settled but unpaid balance of commodities derivative financial instrument contracts as a result of the shortened payment period for such contracts during the Reporting Period.

14. The year-on-year decrease in dividends payable by 37.83% was mainly attributable to the payment of the dividends which should have been paid at the end of previous period by the subsidiaries of the Company during the Reporting Period.

15. The year-on-year decrease in long-term payables by 99.82% was mainly attributable to the decrease of long-term payables arising from disposal of subsidiaries by the Company during the Reporting Period.

16. The year-on-year increase in other comprehensive income by 191.75% was mainly attributable to the increased cash flow hedging reserve of the Company's subsidiaries during the Reporting Period.

17. The year-on-year increase in surplus reserve by 55.81% was mainly attributable to the provision of statutory surplus reserve by the Company during the Reporting Period.

18. The year-on-year increase in undistributed profit by 37.37% was mainly attributable to the year-on-year increase in the net profit attributable to owners of parent company during the Reporting Period.

2. Overseas assets

Applicable N/A

(1) Asset size

Including: Offshore assets 1,308,777 (unit: RMB '0000 currency: RMB), accounting for 9.73% of total assets

(2) Explanation of the high percentage of offshore 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	119,118	119,118	Other	Margin and statutory reserve	113,371	113,371	Other	Margin and statutory reserve
Transaction financial assets					2,560	2,560	Pledge	Structured deposit pledge
Notes receivable	12	12	Pledge	Bill pledge				

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
Receivables financing	5,272	5,272	Pledge	Bill pledge				
Fixed assets	9,948	9,948	Mortgage	Loan mortgage	14,902	14,902	Mortgage	Loan mortgage
Intangible assets	469	469	Mortgage	Loan mortgage	26,052	26,052	Mortgage	Loan mortgage
Total	134,819	134,819			156,885	156,885		

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 deposited in central bank amounting to RMB436 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 (%)
604,397	1,128,278	-46.43

Other information:

The total external equity investment decreased by 46.43% year-on-year mainly due to the acquisition of 90% equity interest in ENN Zhoushan by the Company from ENN Science and Technology, ENN Group and ENN Holdings by way of share issuance and cash payment during the Reporting 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
Longping High-Tech Project	17,695	99.82		15,787	Partly under construction	Self-owned fund
High-pressure Natural Gas Pipeline Project from Taishang Pressure Control Station to Huianmen Station	21,267	100.00	2,944	20,390	Fixed assets recognized from construction in progress	Self-owned fund
Integrated Energy Micro-network No. 1 Integrated Energy Main Station Project in Daqing Linyuan Chemical Park	108,928	99.00	1,502	94,086	Partly under construction	Self-owned fund and bank loans
Phase III LNG Storage Tank and Supporting Facilities for Zhejiang Zhousha LNG Receiving Terminal and Filling Station	292,096	40.18	58,275	61,180	Under construction	Self-owned fund and bank loans
ENN Science Park R&D Workshop	42,000	60.00	5,837	11,104	Under construction	Self-owned fund
Natural Gas Supply Pipeline Works for Ningzhou Gas and Electricity Project	118,014	96.23	54,852	114,286	Partly under construction	Self-owned fund and bank loans
Dongguang High-pressure Natural Gas Pipeline Network Project along North Ring Road and Zhonghong Branch	33,600	81.90	15,095	24,673	Partly under construction	Self-owned fund
Dongguang High-pressure Natural Gas Pipeline Network Project along Sangcha Express Way and Eastern Extension Line	17,160	0.00	98	98	Under construction	Self-owned fund
ENN Research Institute Project (1#)	80,984	1.00	1,532	1,532	Under construction	Self-owned fund

Project name	Amount	Progress (%)	Investment amount in current year	Cumulative actual investment amount	Project income	Details of major change in fund
ENN Research Institute Project (2#)	65,614	5.00	3,768	3,768	Under construction	Self-owned fund
High-pressure Natural Gas Pipeline Project from China-Russia Eastern Route Xinghuamen Station to Zhuhongmen Station	16,220	30.00	4,622	4,622	Under construction	Self-owned fund
Total	813,578	/	148,525	351,526	/	/

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	22,169	1,364	3,909						22,815
Derivative instruments	182,678	-149,637	84,848				330,300		123,006
Futures	228	-193					1,144		35
Others									
Including: Money Fund		11			10,000				10,011
Structured deposits	2,560				7,440				10,000
Receivables financing	91,663				11,158				102,821
Other equity instrument investment	16,758		1,005		222	1,400			14,558
Other non-current financial assets	419,293	-78				594			418,621
Total	735,349	-148,533	89,762		28,820	1,994	331,444		701,867

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		Current purchase amount	Current sale amount	Current profit or loss on investment	Closing book value	Accounting item
							included in equity	equity					
Capital securities	01635.HK	DZUG	41,054	Self-owned fund	13,394	1,366					392	14,760	Other non-current financial assets
Capital securities	002716	Jingui Silver Industry	29	Self-owned fund	35	-2						33	Other non-current financial assets
Capital securities	09908.HK	JiaXing Gas	4,113	Self-owned fund	8,740		3,909				462	8,022	Other equity instrument investment
Total	/	/	45,196	/	22,169	1,364	3,909				854	22,815	/

Description of investment securities

 Applicable N/A

Private equity investment

 Applicable N/A

Derivatives investment

 Applicable N/A

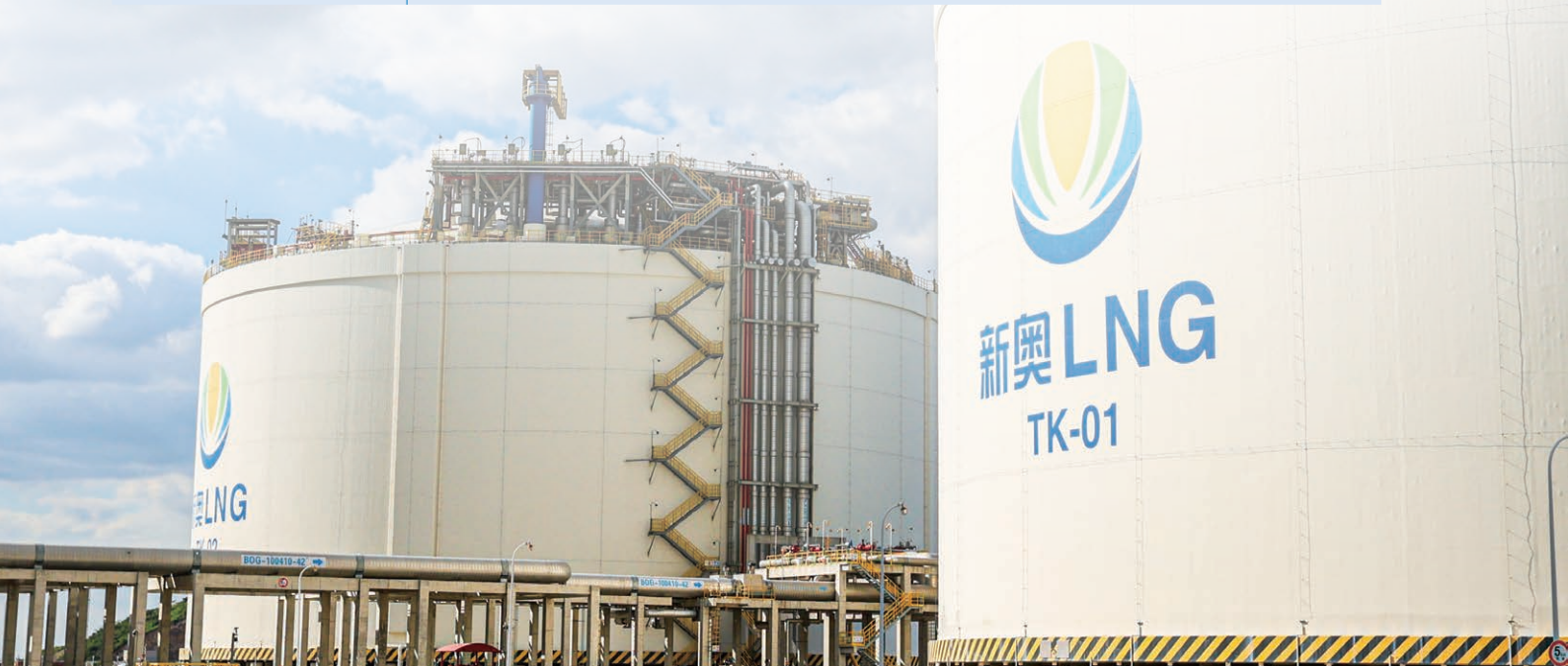
(1). Derivatives investment for heading purpose during the Reporting Period

 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		187,747	-150,493	103,945			330,543	122,391	2.09

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 (%)
Foreign exchange derivatives contract		-4,841	663	-19,097			901	650	0.01
Total		182,906	-149,830	84,848			331,444	123,041	2.10
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 Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, the Accounting Standards for Business Enterprises No. 24 – Hedging and the Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments, 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 RMB3,204.7 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								





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 (%)
Description of risk analysis and control measures for derivative positions during the Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk and legal risk)	I. Commodity derivatives transaction								
	<p>1. Risk analysis</p> <p>(1) Operational risk: Since hedging transactions are complex and highly specialized, operational risk of losses caused by inadequate internal processes, employees, systems and external events may easily arise.</p> <p>(2) Credit risk: There may be risk of losses arising from the breach of contract by the counterparty in the process of a transaction.</p> <p>(3) Market risk: Market conditions fluctuate substantially, and sudden extreme events may result in significant fluctuation in market price and thus bring about the risk of trading losses.</p> <p>(4) Technical risk: There exist technical risks that may lead to losses due to system breakdown, program error, information risk and communication failure from the conclusion of a transaction to the final settlement.</p> <p>2. Risk control measures</p> <p>(1) The Company formulated the <i>Commodity Hedging System</i> specifying the detailed rules for hedging business, organizational structure and responsibilities, authorization management, implementation process, risk identification and risk management, and would conduct hedging business in strict accordance with the System.</p> <p>(2) The transaction position size of hedging was strictly controlled and the Company would engage in hedging transactions within the scope of risk exposure in production and operation.</p> <p>(3) All the physical and paper transactions involving hedging would be included in the ETRM risk control system for whole-process risk management and process traceability, and the self-developed mobile ETMO APP was applied for real-time risk monitoring.</p> <p>(4) The Company performed scenario simulation and calculation on various hedging instruments in advance, and implemented strategy planning for various scenarios. Furthermore, stop-loss mechanism was set in hedging operation to monitor market value, position and cash flow in real time and control the maximum possible loss limit.</p> <p>(5) Sound decision-making process for hedging business, hedging transaction process, receipt and payment process and supporting computer information service facilities and systems were developed to avoid operational risks in the business process.</p> <p>(6) The Company conducted internal audit regularly to implement risk control and management in a timely manner.</p> <p>II. Foreign exchange derivatives transaction</p> <p>1. Risk analysis</p> <p>(1) Market risk: With the progress of Renminbi exchange rate regime reform, the Renminbi is adjusted on the basis of market supply and by reference to basket of currencies, and two-way fluctuation of Renminbi exchange rate is not rare. When the market fluctuation direction is inconsistent with the direction of a foreign exchange hedging contract, it means that although the Company locks into the foreign exchange risk, it waives the positive effect and benefits from the fluctuation of exchange rate in favor of the Company.</p> <p>(2) Operational risk: Foreign exchange and interest rate hedging businesses are highly specialized and complicated and may result in certain risks due to the level of operators.</p> <p>(3) Performance risk: Breach of contract by the foreign exchange or interest rate hedging counterparty results in failure to fulfill its payment obligations to the Company as agreed during hedging.</p> <p>2. Risk control measures</p> <p>(1) To avoid market risk, the Company will make more efforts in the study and analysis on exchange rate, focus on the change of international market environment in real time, and adjust the operation strategies as appropriate. Meanwhile, the Company will also choose a portion for hedging. By application of hedging, the changes in fair value of hedging instrument will offset the changes in fair value of hedged item in case the hedging is highly effective, so that changes in fair value of the entire transaction will no longer have significant impact on the Company's profits and losses.</p> <p>(2) To avoid operational risk, the Company formulated the <i>Administrative System for Foreign Exchange Hedge</i>, specifying the operating rules, organizational structure, business process, confidentiality system and risk management for foreign exchange hedge.</p> <p>(3) To avoid performance risk, the Company selected large commercial banks with high credit rating for hedging business.</p>								

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 (%)
Changes in the market price or fair value of derivatives invested during the Reporting Period, and disclosure of specific methods and setting of relevant assumptions and parameters in connection with the analysis on fair value of derivatives	The derivative transactions invested by the Company were subject to open and transparent market, high liquidity, and the transaction price and prevailing settlement price which can fully reflect the fair value of the derivative. The Company act in line with the relevant accounting policies, accounting principles and disclosure requirements as set out in the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, the Accounting Standards for Business Enterprises No. 24 – Hedging and the Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments.								
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 2022								
Date of disclosure for announcement of the shareholders' meeting on the deliberation and approval of derivative investment (if any)	28 December 2022								

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

Applicable N/A

Other information

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

According to the development strategies of the Company, the Company and Guangdong Kaihong Technology Co., Ltd. (hereinafter referred to as "Kaihong Technology") entered into the Agreement on the Transfer of 100% Shares in Xinneng Mining Industry Co., Ltd. between ENN Natural Gas Co., Ltd. and Guangdong Kaihong Technology Co., Ltd. on 12 September 2023 under which 100% shares held by the Company in Xinneng Mining Industry was transferred to Kaihong Technology. The transaction was considered and approved at the 9th Meeting of the Tenth Board of Directors of the Company and the 2023

Second Extraordinary Shareholders' Meeting. The Company has received the full payment made by Kaihong Technology for the share transfer and helped Kaihong Technology complete the change in industrial and commercial registration for 100% shares in Xinneng Mining Industry and obtain a new business license on 19 October 19 2023. The Company no longer held any equity interest in Xinneng Mining.

(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, ship transportation and chartering business with a registered capital of USD30 million. As of the end of the Reporting Period, ENN LNG (SINGAPORE) PTE LTD had total assets of RMB8,501.45 million and net assets of RMB7,066.91 million; during the Reporting Period, it achieved operating income of RMB12,954.96 million, operating profit of RMB2,573.36 million and net profit of RMB2,287.83 million.

(2) ENN Global Trading Pte. Ltd.

Founded in December 2020, it is a holding company of the Company with a registered capital of USD1 million and mainly engaged in procurement and sale of liquefied natural gas. As of the end of the Reporting Period, ENN Global Trading Pte. Ltd. had total assets of RMB1,392.46 million and net assets of RMB1,189.67 million; during the Reporting Period, it achieved operating income of RMB6,763.23 million, operating profit of RMB1,264.17 million and net profit of RMB1,066.32 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 RMB300 million. As of the end of the Reporting Period, Xindi Energy Engineering Technology Co., Ltd. had total assets of RMB7,111.40 million and net assets of RMB1,910.00 million; during the Reporting Period, it achieved operating income of RMB4,927.06 million, operating profit of RMB477.30 million and net profit of RMB431.84 million.

Subsidiaries and Associates Contributing More Than 10% of Profits

Unit: RMB '0000 Currency: RMB

Item	ENN LNG (SINGAPORE) PTE LTD	ENN Global Trading Pte. Ltd.
Operating income	1,295,496	676,323
Operating cost	1,116,119	555,566
Operating profit	257,336	126,417
Net profit	228,783	106,632
Total assets	850,145	139,246
Net assets	706,691	118,967



(VIII) Structured entities controlled by the Company

Applicable N/A

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

(I) Industry pattern and trend

Applicable N/A

1. Natural gas

From the demand side, with the successive introduction of a series of policies such as the “Guidelines for the Establishment of a Standard System for Carbon Peak and Carbon Neutrality” and the “National Carbon Peak Pilot Construction Plan,” China’s “dual carbon” policy is being deepened, and the emphasis on energy conservation and carbon reductions is increasing. As a low-carbon and clean energy source in the new energy system, natural gas plays a crucial role in balancing energy transformation and energy security in China through “replacement for coal” and “integration with new energy” (improving the flexibility of electricity system). In the future, China’s natural gas consumption will steadily increase, which is estimated that by 2024, the demand for natural gas in China will reach 420 billion cubic meters, and by 2025, it is expected to reach 450 billion cubic meters. At the peak, it is projected to reach 600 billion cubic meters, accounting for 13% of primary energy consumption.

From the supply side, China is currently the world’s fourth-largest natural gas producer, and with the increase in policy and technological advances in recent years, China has vigorously implemented the strategy of increasing natural gas storage and production to preserve energy supply, and the production of various unconventional resources such as shale gas in the Tarim Basin and the Sichuan Basin, has been rapidly increasing. In terms of pipeline gas imports, it is projected that by 2024, China’s pipeline gas imports will increase by 7 to 8 billion cubic meters compared to the previous year. This increase mainly comes from the additional supply from the China-Russia Eastern Route pipeline and the planned construction of the China-Russia Far East and China-Russia Central Route pipelines. However, there is still a risk of supply shortage in the Central Asian pipeline. As for LNG imports, the decrease in LNG prices has created opportunities for spot imports, and the addition of long-term contract supplies is expected to further drive its growth.

In terms of industrial Internet, China’s energy Internet investment during the “14th Five-Year Plan” period can reach RMB7-8 trillion, and by 2060, the cumulative investment will be approximately RMB120 trillion, stimulating social investment of more than RMB400 trillion, contributing more than 2% of GDP growth, and injecting a strong kinetic energy for sustained economic growth.

2. Construction and installation

The Chinese government is actively promoting the development of natural gas infrastructure and the rapid growth of new energy industry, which will continue to provide ongoing business opportunities for the Company. In terms of natural gas pipeline network, PipeChina plans to achieve the goal of fully interconnecting gas transmission trunk lines, forming a “four large (import) passages” and “five vertical and five horizontal” trunk pipe network structure by 2025. PipeChina also plans to achieve two-way transmission of trunk pipelines between regional gas load centers. It will offer dual gas sources and dual channels for municipalities and provincial capitals and dual-channel gas supply for prefecture-level cities with population of a million or an annual gas supply of more than 300 million cubic meters. On the front of gas storage construction, gas storage facilities constitute an indispensable part of natural gas peak load regulation and supply guarantee. As the winter peak shaving

capacity of underground gas storage gradually increases in the annual consumption volume, China will accelerate the construction and layout of gas storage resources, which will bring opportunities for the Company's engineering construction business. In terms of hydrogen energy infrastructure, the Medium-and Long-term Hydrogen Industry Development Plan (2021-2035) jointly issued by the National Development and Reform Commission and National Energy Administration specified that, during the 14th Five-Year Plan period, China will initially establish a hydrogen energy supply system for industrial by-product hydrogen and hydrogen generated from renewable energy and local utilization of hydrogen. Additionally, the national plan aims for nearly 116,000 hydrogen fuel cell vehicles by 2025, alongside a total of 1,339 hydrogen refueling stations. The hydrogen energy industry's scale is projected to reach RMB1.34 trillion.

In terms of engineering installation, according to the national plans, China's urbanization level is expected to continue to rise, driving steady growth in the population of natural gas consumers. As stated in the "China Natural Gas Development Report (2023)," natural gas should play a role in flexible energy regulation and gradually become one of the solutions for current and long-term energy peak-shifting issues. In the future, the natural gas industry must deepen reforms, accelerate the construction of market-oriented systems, and adhere to the basic principle of mutual benefit and win-win cooperation in the industrial chain, maintaining the favorable development of the natural gas market. Meanwhile, the central government, local governments and relevant enterprises should share the burden to address the challenges of sustainable operation of rural coal-to-gas conversion in individual areas in a targeted and differentiated manner. The promotion of clean heating and urbanization will further drive the growth of the Company's engineering installation business.

3. Integrated energy and value added business

Within the overarching framework of "the dual carbon policy", the primary strategy for facilitating a green and low-carbon transition involves the development and utilization of non-fossil energy sources. China has prioritized clean energy in its development, vigorously promoting

the replacement of high-carbon energy with low-carbon energy and the substitution of fossil energy with renewable energy. China has been continuously improving green electricity, green certificate, carbon trading and other market-oriented energy and carbon mechanisms. As green electricity trading is fully integrated with green certificates, consumption guarantee mechanisms and carbon trading mechanisms, the industry has gained orderly development. Within the gradual implementation of these policies, the comprehensive energy service market is entering a stage of vigorous development. It is estimated that by 2025, the potential scale of China's integrated energy service market could reach RMB0.8 trillion, and by 2035, it could reach RMB1.8 trillion.

As household demands for quality of life evolve, the Company will leverage its long-term accumulated advantage in customer loyalty to develop home service solutions, thus enhancing the quality of family life. The Central Economic Work Conference held at the end of 2023 also emphasized the active cultivation of new consumption growth points such as smart homes, cultural and entertainment tourism, sports events, and "China-chic" products. China is accelerating its entry into an aging society, and there is a huge demand for the transformation of living environments to be suitable for the elderly, which provides a broad market space for the smart home industry. In the future, the development of the smart home industry will evolve around developing ecosystems. It is estimated that the shipment volume of smart home devices in the Chinese market will increase by 6.5% year-on-year in 2024. By 2025, its market scale will reach approximately RMB1.2 trillion. As China is vigorously promoting the creation of smart homes and smart communities, it will bring new opportunities for the development of value added business.

4. Infrastructure operation

The construction of long-distance natural gas pipelines in China is progressing steadily. Projects such as the fourth line of the West-East Gas Pipeline and the second line of the Sichuan-East Gas Pipeline are being accelerated, while the construction of the China-Russia Far East Pipeline (Hulin-Changchun section) is about to commence. According to the "14th Five-Year Plan for Modern Energy



System,” it is projected that by 2025, the national oil and gas pipeline network in China will reach a scale of 210,000 kilometers. The construction of gas storage tanks has been significantly accelerated, and a number of projects such as the Zhangxing gas storage tank and the Yingcheng gas storage tank have been pushed forward intensively. Expected by 2025, the nationwide centralized gas storage capacity, which is part of an intensive layout, will reach 55 to 60 billion cubic meters, accounting for approximately 13% of the natural gas consumption.

By the end of the 14th Five-Year Plan period, China’s mainland LNG terminals are expected to witness a wave of new production. It is projected that by 2024-2025, 16 new terminals will be operational in the country, with a potential increase in annual receiving capacity of 70 million tons, reaching a total of 210 million tons per year by 2025. At that point, terminals with advantageous geographical locations, superior port conditions, prominent regional advantages, and comprehensive functionalities will have a competitive edge. As China’s natural gas industry rapidly develops and marketization progresses, LNG terminals will undergo new changes and trends. In the context of the “X+1+X” system in the natural gas market, LNG terminals will place greater emphasis on the construction of large storage tanks, gradually expanding the services from basic processing functions to gas storage functions, while also providing delivery facilities for upcoming LNG futures contracts. Through bonded operations, terminals will gradually transition from mere terminals to distribution hubs, laying the foundation for the establishment of an international LNG reserve and transportation center. While improving the facilities and functionalities of terminals, LNG terminals will inject new energy and vitality into the development of China’s natural gas industry by continuously innovating and enhancing their operational models and service product systems.

(II) Development strategy of the Company

Applicable N/A

As we stand at this bright divide, let’s embrace what future innovations provide. In the face of the ever-changing era of digital intelligence, ENN-NG will seize the

opportunity to improve and start from a new position. Based on the strategic positioning of “Becoming the intelligent platform operator in the natural gas industry by leveraging the all-scenario strategic pivots, IoT data and building intelligent industrial large models” the Company adheres to the guidance of customer demand and accelerates the transformation and upgrading of industrial digital intelligence. With the mission and vision of creating a modern energy system, improving people’s quality of life, and becoming a respected and innovative smart enterprise, the Company will work together with the ecological partners, embarking on a new journey of digital transformation in the industry to achieve the new and brilliant blossoming.

(III) Business plan

Applicable N/A

1. *Intelligence-driven platform model spurs ecological prosperity, catering to diverse customer needs*

In demand aggregation, the Company enhances customer understanding and introduces innovative cooperation models. It aims to minimize customer energy expenses through a variety of resource products and innovative services. For industrial clients, it offers comprehensive solutions featuring flexible pricing and a fusion of resources and technology, including services like intelligent peak shaving, reserve capacity, and peak-valley management to improve service capabilities. For power plant clients, the Company offers a comprehensive range of services such as gas acquisition, joint procurement, indirect procurement, gas transportation, integrated energy solutions, and risk management. These efforts are aimed at securing access to a broader range of resources and ensuring stable supply throughout the year. This strategy, alongside market intelligence and integrated gas-liquid solutions, enhances peak load management. For urban gas customers, they are set to benefit from diverse supply options and intelligent systems, supported by the Zhoushan hub and risk control for optimal resource combination, including international agreements and spot procurement.

Regarding resource aggregation, the Company harmonizes domestic and international resources, enhancing value through structural optimization. Domestically, it bolsters strategic alliances with major oil firms for unconventional resource supplementation, streamlining allocation and leveraging high-quality resources to cut costs. Internationally, the Company secures a mix of LNG resources for continuous supply stability, strategically navigating market changes and leveraging risk management techniques to minimize costs and risks.

For facilities and storage, the Company uses the Zhoushan Terminal as a strategic hub and greatgas.cn Industrial Intelligence Platform for expanding ecological partnerships. It collaborates deeply with the national pipeline network, opening crucial cross-domain routes and blending physical and digital solutions to boost delivery capacity. Emphasizing market intelligence for strategic decision-making, the Company balances long and short-term approaches, using storage reservoirs' peaking capabilities for efficient supply-demand alignment and cost reduction.

2. Continually enhancing intelligent capabilities to drive the smart evolution of industry

The Company, beginning with the success of its customers, will deeply understand their needs, drawing from the big model of the natural gas industry. By consolidating the industry experts' best practices and customers' insights, it aims to co-create products, ecology, and intelligence. This effort will aggregate demand and supply to establish an intelligent platform for the natural gas industry. Through innovative mechanisms, the Company will continuously refine its products to introduce flexible trading models and diversify trading categories, thereby enhancing its intelligent capabilities and ecological services, and continuously expanding the platform's ecology.

3. Achieve scalable growth in integrated energy business through energy microgrids, creating synergies between industry applications and intelligent capabilities

Embracing an integrated energy concept, the Company is committed to achieving customer success by enhancing

its intelligent capabilities and delivering added value through its digital intelligence platform. With a focus on energy consumption scenarios such as parks, factories, and buildings, the Company tailors its approach to customer needs, utilizing the integrated energy microgrid model as a catalyst for innovation. It develops integrated solutions for load, source, network, and storage, quickly replicating and promoting these innovations to achieve a harmonious blend of multiple energy sources including gas, electricity, water, cooling, and heating, thereby broadening the scope of multidimensional value creation. Concurrently, the Company maximizes the potential of existing projects by reinforcing the application of intelligent products and integrated energy technologies, leading to cost reduction and efficiency enhancements.

4. Foster high-quality development in the value added business through the intelligent innovation model

The Company has a profound understanding of customer needs and supports family consumers in making informed choices through platforms and the intelligent enhancement of a diverse range of products and services, including security, health, and smart home technologies. Focusing on areas such as health and travel, the Company collaborates with eco-partners to precisely tailor products and achieve sales that both grow in scale and extend capabilities. Concurrently, the Company is steadily constructing a family IoT network, offering multi-scenario smart home operations in private domains. This establishes a cycle of IoT aggregation, demand recognition, and product matching, enabling continuous identification and fulfillment of customer needs. This approach significantly enhances customer experience and trust.

5. Establish new segment, paving a growth avenue for the low-carbon development of the construction business

The Company capitalizes on the foundation and all-scenario advantages of the natural gas industry, focusing on innovative extensions of the natural gas business. It also integrates both internal and external ecological capabilities, thus expanding the business scope and continuously



growing the business scale. Simultaneously, the Company promotes the expansion of new tracks, expanding the scale of integrated energy utilization business through planning and design traction, and accelerating the layout of new hydrogen energy business with technology traction. With a focus on meeting customers' green and low-carbon demands, the Company develops core technologies for low-carbon energy and intelligent capabilities for the construction business, providing customers with intelligent low-carbon construction services, promoting the transformation and upgrading of the construction business.

(IV) Possible risks

Applicable N/A

1. Risk of gas source acquisition and price fluctuation

Natural gas of the Company mainly relies on international procurement and cooperation with PetroChina, Sinopec and CNOOC. If domestic natural gas exploitation fluctuates due to various influences, imported pipeline gas transportation and overseas LNG force majeure risk occur, it will have adverse effects on the company's operation. As affected by complex economic situations both abroad and at home, natural gas retail price has been subject to significant fluctuation over the past years, and the range of adjustments to the Company's natural gas sale prices is lower than or lags behind that of purchase price and cannot cover the changes in raw materials, labor and other costs contributed by the Company for its piped gas and non-piped gas business. The raw material price fluctuation may affect the Company's operating results.

For gas source acquisition, the Company deepens its partnership with the three major oil companies, actively expands overseas and acquires medium- and long-term stable resources to consolidate the scale of controllable resources. It also gathers on a large scale various domestic unconventional resources and sets up pricing mechanisms with suppliers of relevant resources including coalbed methane, coal gas and shale gas to achieve stable gas

supply and flexible exchange and regulation relying on resilient delivery network. At the same time, we continue to optimize our international resource pool and expand the scale of our long-term contracts in order to achieve a multi-pricing mix of resources, thereby reducing our dependence on a single supplier. For price fluctuation risk, the Company realizes the procurement-end cost reduction through diversification of resource portfolios and scale operation, and the sales-end companies establish a sound price linkage mechanism, effectively promoting the market-oriented demand ecology.

2. Risks of safe operations

Nature gas is flammable and explosive, so the storage and distribution of natural gas proposes high requirements for safe operation. Although there were no safety incidents such as fires or explosions due to the accidental failure of storage, distribution and transportation equipment or improper operation of employees or suspension or overhaul required by the relevant authorities for the above reasons during the Reporting Period, if safety accidents such as fires or explosions occur due to the accidental failure of storage, distribution and transportation equipment, improper operation of employees or natural disasters and threaten the health and safety of production personnel in the future, the Company may be required by the government departments for suspension or overhaul which would cause losses to production and operations, thus affecting the daily operations of the Company. For potential risk of safe operation, adhering to the concept of "noticeable, attended and priority-specific", the Company always gives priority to operation safety and compliance and continuously enhances the safe operation level by establishing a digital-intelligent safety system.

The construction business involves hazardous operations such as working at heights, temporary power supply, lifting and hoisting, confined spaces, scaffolding, and excavation. During the reporting period, there were no safety accidents or work stoppages due to improper operations or other reasons.

To mitigate potential operational risks, the Company strictly follows the “noticeable, attended, and priority-specific” approach, always prioritizing operational safety and compliance. By establishing a digital-intelligent safety system, it continually elevates the level of safe operation. Within the year, the Company completed 46 intelligent operation centers, connected over 50,000 pipe networks, plants and stations, completing the transformation of 185 intelligent stations, and achieving significant results in safety digitalization with three safety digitalization technological achievements being included in provincial and ministerial-level projects or recognized by industry associations. The Company also undertook the construction of government supervision platforms in multiple cities such as Shijiazhuang, Cangzhou, and Huludao, demonstrating remarkable achievements in safety digitalization. In the construction of engineering projects, the Company launched smart safety site products, including 6 modules such as tower crane IoT, AI monitoring of operations, process simulation demonstrations and so on, with seamless quality data from 8 modules and 9 AI risk demonstration functions.

3. Risk of exchange rate fluctuations

At the end of 2023, the Company had a balance of USD1.743 billion in financing facilities denominated in US dollars. With the increasing marketization of the RMB exchange rate regime, the value of RMB is subject to domestic and international economy and politics as well as the supply and demand of currency. The exchange rate of RMB against USD may be significantly different from the current rate in the future, therefore the Company may be exposed to certain risks of exchange rate fluctuations. 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 risk

The Company’s derivative products include a number of foreign currency derivative contracts and commodity derivative contracts concluded with certain financial institutions for the purpose of reducing foreign exchange exposure and commodity price risk. 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 hedge LNG contracts linked to Henry Hub, TTF, JKM and other indexes to stabilize its future LNG purchase costs and control the price exposure risk arising from mismatch of purchase and sales and some of these contracts are designated as hedging instruments. The Company’s derivative products are mainly exposed to market, liquidity, credit, counterparty and operation risks posed by commodity price fluctuations. The Company has established the Risk Control and Compliance Department to control various risks. In order to address market risks and enhance risk management accuracy, the Company has been working to upgrade the analysis system for market risks, including commodities, foreign exchange, and macroeconomic risks. Regarding the credit and counterparty risks, the Company strictly implements the counterparty risk restrictions and sets up a credit limit



tracing & monitoring model to monitor the changes in counterparty risk by analyzing credit defaults and various financial indicators; in response to operation risk, the Company develops the Hedging System and Working Rules and transaction authorization system to regulate hedging transactions and define the trading direction and stop-loss quota, monitor the credit change of counterparty and introduce the world's leading energy trading risk management system of bulk commodities. By leveraging advanced quantitative analysis models, the Company extracts market data and establishes a 24-hour global market risk emergency response mechanism. The Company has independently developed the digital risk control platform—ETMO, available on both web and mobile applications, to market and monitor various risk indicators on a daily basis. Leveraging comprehensive digital risk management for derivatives business and risk, the Company minimizes exposure by limiting manual intervention and enhancing 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





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 the 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 cooperation among the decision-making body, supervisory body and the management. The Board of Directors is accountable to the General Meeting, deliberating the 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 the finance. The Co-CEO, president and other senior managers of the Company are appointed by the Board of Directors, responsible for the Company's daily operation and management activities under the leadership of the Board of Directors.

In accordance with the relevant laws, regulations and regulatory documents, the Company has established and gradually improved the corporate government 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 implementing rules of the special committee, providing the institutional guarantee for the Company's compliant operations.

(I) Operation of the General Meetings

In 2023, the Company convened a total of 4 general meetings, approving the purchase of liability insurance for directors, supervisors and senior managers, Plan of Distribution of Dividends, Special Dividend Plan, estimated

amount of guarantees and other issues. 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 industry, finance, law, accounting and corporate governance, giving valuable advice with regard to the growth of the Company. They perform their duties and obligations diligently in accordance with the laws, regulations and the *Articles of Association*.

The Board of Directors consists of the Strategy Committee, Nomination Committee, Remuneration and Appraisal Committee, Audit Committee (Related-party Transaction Control Committee was revoked in March 2023, the duties were consolidated to the Audit Committee.) and ESG Committee ("Environment, 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 2023, the Company held 7 Board Meetings passing 55 proposals on such matters as purchase of liability insurance for directors, supervisors and senior managers, Plan of Distribution of Dividends, Transfer of Shares of subsidiary, Special Dividend Plan, share buy-back, system revision, repurchase, cancellation and satisfaction of conditions for removal of restrictions on sale of restricted shares under the equity incentive plan, related party transaction, internal control reports and periodic reports and other matters. 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 interests of shareholders.

(III) Operation of Board of Supervisors

In 2023, the Company convened a total of 6 meetings of the Board of Supervisors passing 21 proposals. The supervisors deliberated the Company's Plan of Distribution of Dividends, Special Dividend Plan, 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) Information disclosure and transparency

The Company has disclosed the Company's important information and maintained the interests of small and medium investors in a truthful, accurate, complete and timely manner in accordance with the relevant provisions of applicable laws, regulations and the *Articles of Association*.

(V) Insider management

The Company has formulated the *Insider Management System*, and pursuant to the relevant requirements, registered the insiders in the process of reporting, transmission, preparation, approval and disclosure prior to the publicity of inside information, and made the list of relevant insiders for filing in accordance with the regulatory requirements.

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

Meeting	Convening date	Inquiry index of the website designated to publish resolutions	Disclosure date of resolutions	Resolution
2023 First Extraordinary General Meeting	11 April 2023	Website of Shanghai Stock Exchange, www.sse.com.cn Announcement No.: 2023-017	12 April 2023	<ol style="list-style-type: none"> 1. Deliberated and approved the <i>Proposal on the Purchase of Liability Insurance for Directors, Supervisors and Senior Managers</i>; 2. Deliberated and approved the <i>Proposal on the Change of Registered Capital and Amendment of the Articles of Association of ENN Natural Gas Co., Ltd.</i>
2022 Annual General Meeting	9 June 2023	Website of Shanghai Stock Exchange, www.sse.com.cn Announcement No.: 2023-025	10 June 2023	<ol style="list-style-type: none"> 1. Deliberated and approved the <i>2022 Annual Report of ENN-NG and its Summary</i>; 2. Deliberated and approved the <i>2022 Work Report of the Board of Directors of ENN-NG</i>; 3. Deliberated and approved the <i>2022 Work Report of the Board of Supervisors of ENN-NG</i>; 4. Deliberated and approved the <i>2022 Final Accounting Report of ENN-NG</i>; 5. Deliberated and approved the <i>2022 Profit Distribution Plan of ENN-NG</i>; 6. Deliberated and approved the <i>Proposal on Renewing the Appointment of the Accounting Firm</i>; 7. Deliberated and approved the <i>2022 Proposal on Directors' Remuneration of the Company</i>; 8. Deliberated and approved the <i>2022 Proposal on Supervisors' Remuneration of the Company</i>.
2023 Second Extraordinary General Meeting	28 September 2023	Website of Shanghai Stock Exchange, www.sse.com.cn Announcement No.: 2023-049	29 September 2023	<ol style="list-style-type: none"> 1. Deliberated and approved the <i>Plan of Distribution of Dividends to Shareholders in the Next Three Years (2023-2025) of ENN-NG</i>; 2. Deliberated and approved the <i>Proposal on the Amendment of the Articles of Association of ENN Natural Gas Co., Ltd.</i>; 3. Deliberated and approved the <i>Proposal on the Transfer of 100% Shares of Xinneng Mining Industry Co., Ltd.</i>;

Meeting	Convening date	Inquiry index of the website designated to publish resolutions	Disclosure date of resolutions	Resolution
2023 Third Extraordinary General Meeting	26 December 2023	Website of Shanghai Stock Exchange, www.sse.com.cn Announcement No.: 2023-079	27 December 2023	<ol style="list-style-type: none"> 1. Deliberated and approved the <i>Proposal on the Estimated Amount of Guarantee for 2024</i>; 2. Deliberated and approved the <i>Proposal on Adjusting the Estimated Amount of Daily Related-party Transactions for 2024-2026</i>; 3. Deliberated and approved the <i>Proposal on the Estimated Hedging Amount of Foreign Exchange for 2024</i>; 4. Deliberated and approved the <i>Proposal on the Estimated Hedging Amount of Commodities for 2024</i>; 5. Deliberated and approved the <i>Proposal on Estimated Hedging Amount of Chemical Products for 2024</i>; 6. Deliberated and approved the <i>Proposal on the Additional Counter-guarantees</i>; 7. Deliberated and approved the <i>Proposal on the Amendment to the Independent Director System of ENN Natural Gas Co., Ltd.</i>; 8. Deliberated and approved the <i>Special Dividend Plan for Shareholders in the Next Three Years (2023-2025)</i>; 9. Deliberated and approved the <i>Proposal on the Amendment of the Articles of Association of ENN Natural Gas Co., Ltd.</i>; 10. Deliberated and approved the <i>Proposal on the Election of Non-independent Directors</i>;

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 2022 Annual General Meeting of the Company was held for the first time by live broadcast, and can be watched online by visiting the websites for replay: <https://l.qsh1.cn/activity/4kqNXG> or <https://s.comein.cn/A1vKJ>.

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
Wang Yusuo	Board Chairman	Male	59	2008-11-26	2025-07-24	1,911,750	1,911,750	0	-	290.00	Yes
Yu Jianchao	Vice Chairman of the Board (Executive Chairman) Vice Chairman of the Board Co-CEO (Resigned)	Male	55	2023-12-26 2017-11-30 2020-09-29	2025-07-24 2023-12-26 2023-12-08	1,400,000	1,550,000	150,000	Bought from secondary market	300.00	No
Han Jishen	Director Co-CEO	Male	59	2020-09-29 2020-09-29	2025-07-24 2025-07-24	1,400,000	1,050,000	-350,000	Need of Personal funds	300.00	No
Jiang Chenghong	Director Co-CEO	Male	48	2020-11-30 2023-12-08	2025-07-24 2025-07-24	910,068	910,068	0	-	29.05 ⁽¹⁾	No
Zhang Yuying	Director President	Male	50	2023-12-26 2023-12-08	2025-07-24 2025-07-24	437,500	375,000	-62,500	Need of Personal funds	25.53	No
Zhang Jin	Director	Female	50	2020-11-30	2025-07-24	600,000	510,000	-90,000	Need of Personal funds	60.10	Yes
Wang Zizheng	Director	Male	35	2018-06-26	2025-07-24	0	0	0	-	50.00	Yes
Tang Jiasong	Independent director	Male	49	2019-07-26	2025-07-24	0	0	0	-	24.00	No
Zhang Yu	Independent director	Male	65	2020-11-30	2025-07-24	0	0	0	-	24.00	No
Chu Yuansheng	Independent director	Male	60	2022-07-25	2025-07-24	0	0	0	-	24.00	No
Wang Chunmei	Independent director	Female	59	2022-07-25	2025-07-24	0	0	0	-	24.00	No
Li Lan	Chairman of the Board of Supervisors	Female	54	2022-07-25	2025-07-24	0	0	0	-	43.63	No
Wang Xi	Supervisor	Female	51	2013-06-29	2025-07-24	0	0	0	-	0	Yes
Liu Jie	Employee Supervisor	Male	46	2022-07-25	2025-07-24	0	0	0	-	43.63	No
Su Li	Executive Vice President	Female	51	2021-12-20	2025-07-24	500,000	500,000	0	-	200.00	No
Huang Baoguang	Vice President	Male	53	2018-12-25	2025-07-24	250,000	250,000	0	-	153.00	No
Zhang Xiaoyang	Vice President	Male	48	2019-12-27	2025-07-24	600,010	600,010	0	-	150.00	No
Zheng Wenping	Vice President	Male	54	2021-12-20	2025-07-24	600,000	600,000	0	-	160.00	No
Liang Hongyu	Board Secretary	Female	44	2021-06-18	2025-07-24	100,000	100,000	0	-	130.00	No
Zong Bo	Assistant President Finance Director	Male	40	2023-03-24 2023-12-08	2025-07-24 2025-07-24	0	0	0	-	140.00	No
Zheng Hongtao	Director (Resigned) President (Resigned)	Male	48	2020-09-29 2020-09-13	2023-12-08 2023-12-08	1,000,000	1,000,000	0	-	349.60	No
Wang Dongzhi	Chief Financial Officer (Resigned)	Male	55	2020-09-13	2025-07-24	800,000	800,000	0	-	289.80	No
Wang Shihong	Vice President (Resigned)	Male	59	2021-02-03	2023-02-01	200,000	150,000	-50,000	Need of Personal funds	10.00	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
Wang Guiqi	Vice President (Resigned)	Male	61	2017-12-22	2023-03-24	400,000	400,000	0	-	31.50	No
Men Jijun	Assistant President (Resigned)	Male	44	2019-12-27	2023-03-24	500,000	500,000	0	-	18.75	No
Total	/	/	/	/	/	11,609,328	11,206,828	-402,500	/	2,870.60	/

Note①: Mr. Jiang Chenghong only served as the Director of the Company until December 2023, receiving remuneration only from related parties. Since becoming an executive of the Company in December 2023, he has received a total pre-tax remuneration of RMB290,500 from the Company and has not received compensation from related parties.

Name	Work Experience
 <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 & 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 & 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 since November 2008.</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 the Chairman of the Board of 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 data-bbox="272 670 408 692">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 & 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 and CFO of ENN Group. Currently, he works as the Director of Tibet Tourism Co Ltd., Executive Director of ENN energy; and he has worked as the Director of the Company since November 2020, Co-CEO of the Company since December 2023.</p>
 <p data-bbox="285 1101 392 1123">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 data-bbox="301 1526 376 1548">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 the Vice Chairman of the Board of Directors and 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 data-bbox="285 1949 392 1970">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 & Technology Development Co., Ltd., Director of Green Transportation Energy Strategic Planning of Transfuels. LLC in U.S. , Director of ENN Science & Technology Development Co., Ltd. and Director of ENN International. He has extensive experience in investment, M&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 & 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.
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 Senior Vice President of ENN Energy Holdings Limited, General Manager of ENN-NG Zhejiang Branch, responsible for development of businesses including terminals, urban gas and comprehensive energy. She has worked as the Executive Vice President of the Company since December 2021.
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.



Name	Work Experience
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.
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 since December 2021.
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 15 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.
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 since March 2023 and the Chief Financial Officer of the Company since December 2023.
Zheng Hongtao	Mr. Zheng Hongtao, born in 1975, graduated from Tsinghua University with a Doctorate Degree. He served as the Deputy General Manager and Executive Deputy General Manager at CNOOC Gas & Power Group Co., Ltd. International Trade Branch. He joined ENN Group in January 2019, responsible for international and domestic natural gas trade, and worked as the Chief Gas Business Director of ENN Group, the Executive Chairman and Executive Director of ENN Energy, and the Director of ENN (Zhoushan) LNG Co., Ltd. Mr. Zheng Hongtao has extensive experience in international LNG resource procurement and trading, LNG shipping, domestic natural gas sales and related asset M&As. He has worked as the Director, President of the Company from September 2020 to December 2023.
Wang Dongzhi	Mr. Wang Dongzhi, born in 1968, holds an EMBA Degree from China Europe International Business School and is qualified as a Chinese Certified Public Accountant. He joined ENN Group in August 2000, and served as the Deputy Director of the Finance Department of ENN Group, General Manager of Financial Management Department and CFO of ENN Group, and CFO of ENN Energy. He has extensive experience in finance and financial management. Currently, he works as the Director of ENN International, Director and CFO of ENN Holdings and Executive Director of ENN Energy. He has worked as the CFO of the Company from September 2020 to December 2023.
Wang Shihong	Mr. Wang Shihong, born in 1964, holds a Bachelor Degree in Industrial and Economic Management from Renmin University of China. He worked in the State Economic Commission Enterprise Administration, General Office of the State Planning Commission and the Advisory Office of the National Development and Reform Commission, and served as the General Manager Assistant of China Gaoxin Investment Group and Deputy General Manager of Shandong Chenming Paper Group. Mr. Wang Shihong has extensive experience in corporate strategic planning and corporate operations. He joined ENN Group in September 2012 and served as the Senior Vice President of ENN Group. He has worked as the Vice President of the Company from February 2021 to February 2023.
Wang Guiqi	Mr. Wang Guiqi, born in 1962, holds an EMBA Degree conferred by Tsinghua University. He served as the Chief Economist of China Light Industry Construction Co., Ltd., and the General Manager of Xindi Energy Engineering Technology Co., Ltd. He has extensive experience in energy engineering market development, engineering project management and business operations. He has worked as the Vice President of the Company from December 2017 to March 2023.
Men Jijun	Mr. Men Jijun, born in 1979, holds a Bachelor's Degree and has more than 17 years of engineering and project management experience. He served as the Project Manager and Head of Material Management Department of Xin'ao Gas Engineering Co., Ltd., Deputy General Manager of Material Procurement Branch, Deputy General Manager of Chuanyue Branch and Deputy General Manager of Project Management Branch of Xindi Energy Engineering Technology Co., Ltd., General Manager of Hunan Branch of Xin'ao Gas Engineering Co., Ltd., and General Manager of Project Market Development Department of ENN-NG. He has served as the Assistant to the President of the Company from December 2019 to March 2023.

Other information

Applicable N/A

The Company held its 13th Meeting of the 10th Board of Directors on 6 February 2024 to deliberate and approve *the Proposal on the Appointment of Senior Managers for the Company*, agreeing to appoint Mr. Jiang Yang, Mr. Sun Dianfei, Ms. Lin Yan, and Ms. Liang Hongyu as Assistants to the President. The resumes of Mr. Jiang Yang, Mr. Sun Dianfei, and Ms. Lin Yan are as follows:

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., General Manager of National Resources and Facility Utilization Planning Group of Natural Gas Trade, and Deputy General Manager of Smart Business Group of Natural Gas Trade. Currently, he is the Executive Deputy General Manager of the Smart Business Group of Natural Gas Trade and has been appointed as Assistant to the President since February 2024.

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 UNIPEC UK Co., Ltd., Deputy General Manager of UNIPEC Singapore Pte. Ltd., and General Manager of CITIC Commodities' LNG Department. Currently, he is the Deputy General Manager of the Smart Business Group of Natural Gas Trade and concurrently the General Manager of the Smart Business Group of International Trade. He has been appointed as Assistant to the President since February 2024.

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.

(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 Dongzhi	ENN Group International Investment Limited	Director	2020-02-28	—
Wang Yusuo	ENN Investment Holdings Co., Ltd.	Board Chairman, General Manager	2000-01-13	—
Wang Zizheng	ENN Investment Holdings Co., Ltd.	Director	2015-07-30	—
Wang Dongzhi	ENN Investment Holdings Co., Ltd.	Director	2020-08-04	—
Wang Xi	ENN Investment Holdings Co., Ltd.	Supervisor	2018-06-25	—
Wang Yusuo	ENN Science and Technology Development Co., Ltd.	Board Chairman	2006-08-02	—



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
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 other company	Position held at other 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	ENN Group Co., Ltd.	Chief Financial Officer	2017-09	2013-12
Jiang Chenghong	Tibet Tourism Co., Ltd.	Director	2018-07-30	2024-6-21
Jiang Chenghong	ENN Yingchuang Technology Co., Ltd.	Manager	2021-07	—
Zhang Yuying	ENC Digital Technology Co., Ltd.	Board Chairman	2022-05	2023-12
Zhang Yuying	ENN Xinzhi Technology Co., Ltd.	Executive Vice President	2021-12	2023-12
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	2021-04	—
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
Wang Xi	ENC Digital Technology Co., Ltd.	Director	2020-03	—
Wang Xi	ENC Digital Technology Co., Ltd.	Executive Vice President	2019-07	2023-12-11
Chu Yuansheng	Beijing JYC Law Firm	Practicing Lawyer	2020-09	—
Wang Dongzhi	ENN Group Co., Ltd.	Director	2020-08	—
Wang Dongzhi	ENN Yingchuang Technology Co., Ltd.	Director	2021-07	—
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 <i>Articles of Association</i> , 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	<ol style="list-style-type: none"> (1) The salary level of similar enterprises in the main business premises where the Company and its controlled subsidiaries operate; (2) The salary level of similar job responsibilities in the same industry to which their respective job responsibilities belong; and (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).
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	RMB287,060 million





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

Applicable N/A

Name	Position held	Change	Reason for change
Wang Shihong	Vice President	Resigned	Work change
Wang Guiqi	Vice President	Resigned	Work change
Men Jijun	Assistant to the President	Resigned	Work change
Yu Jianchao	Co-CEO	Resigned	Work change
Zheng Hongtao	Director, President	Resigned	expiration of contract
Wang Dongzhi	Chief Financial Officer	Resigned	Work change
Yu Jianchao	Vice Chairman of the Board (Executive Chairman)	Elected	Newly appoint
Zhang Yuying	Director, President	Elected	Newly appoint
Jiang Chenghong	Co-CEO	Elected	Newly appoint
Zong Bo	Assistant President Finance Director	Elected	Newly appoint
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	Elected	Newly appoint

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

Applicable N/A

(VI) Others

Applicable N/A



V. Information on Board Meetings Held During the Reporting Period

Meeting	Date	Resolution
The Sixth Meeting of the Tenth Board of Directors	24 March 2023	<ol style="list-style-type: none"> 1. Deliberated and approved the <i>2022 Annual Report of ENN-NG</i> and its Summary 2. Deliberated and approved the <i>2022 Work Report of the Board of Directors of ENN-NG</i> 3. Deliberated and approved the <i>2022 Report on Internal Control and Evaluation of ENN-NG</i> 4. Deliberated and approved the <i>2022 Final Accounting Report of ENN-NG</i> 5. Deliberated and approved the <i>2022 Profit Distribution Plan of ENN-NG</i> 6. Deliberated and approved the <i>Proposal on Renewing the Appointment of the Accounting Firm</i> 7. Deliberated and approved the <i>Proposal on Change in Accounting Policies</i> 8. Deliberated and approved the <i>Proposal on the Realization of Performance Commitment of ENN Zhoushan for 2022</i> 9. Deliberated and approved the <i>2022 Report on Related-party Transactions of ENN-NG</i> 10. Deliberated and approved the <i>2022 Proposal on Directors' Remuneration of the Company</i> 11. Deliberated and approved the <i>2022 Proposal on Remuneration of Senior Managers of the Company</i> 12. Deliberated and approved the <i>Proposal on the Adjustment of Special Committees of the Board of Directors and Their Members and Amendment to the Rules of Procedure for the Audit Committee under the Board of Directors of ENN Natural Gas Co., Ltd.</i> 13. Deliberated and approved the <i>Proposal on Deliberating the 2022 Environmental, Social and Governance Report of ENN-NG and Authorizing Management for Issuance</i> 14. Deliberated and approved the <i>Proposal on the Purchase of Liability Insurance for Directors, Supervisors and Senior Managers</i> 15. Deliberated and approved the <i>Proposal on the Change of Registered Capital and Amendment of the Articles of Association of ENN Natural Gas Co., Ltd.</i> 16. Deliberated and approved the <i>Proposal on the Appointment of Senior Managers for the Company</i> 17. Deliberated and approved the <i>Proposal on Requesting to Convene the First Extraordinary General Meeting in 2023</i>
The Seventh Meeting of the Tenth Board of Directors	27 April 2023	<ol style="list-style-type: none"> 1. Deliberated and approved the <i>2023 First Quarterly Report of ENN-NG</i> 2. Deliberated and approved the <i>Proposal on Requesting to Convene the 2022 Annual General Meeting</i>
The Eighth Meeting of the Tenth Board of Directors	24 August 2023	<ol style="list-style-type: none"> 1. Deliberated and approved the <i>2023 Semi-annual Report of ENN-NG</i> and its Summary 2. Deliberated and approved the <i>Plan of Distribution of Dividends to Shareholders in the Next Three Years (2023-2025) of ENN-NG</i> 3. Deliberated and approved the <i>Proposal on the Amendment of the Articles of Association of ENN Natural Gas Co., Ltd.</i> 4. Deliberated and approved the <i>Proposal on Requesting to Convene the Second Extraordinary General Meeting in 2023</i>
The Ninth Meeting of the Tenth Board of Directors	12 September 2023	<ol style="list-style-type: none"> 1. Deliberated and approved the <i>Proposal on the Transfer of 100% Shares of Xinneng Mining Industry Co., Ltd.</i>
The Tenth Meeting of the Tenth Board of Directors	27 October 2023	<ol style="list-style-type: none"> 1. Deliberated and approved the <i>2023 Third Quarterly Report of ENN-NG</i> 2. Deliberated and approved the <i>Proposal on the Provision of Financial Assistance to Holding Subsidiaries</i>



Meeting	Date	Resolution
The Eleventh Meeting of the Tenth Board of Directors	8 December 2023	<ol style="list-style-type: none"> 1. Deliberated and approved the <i>Proposal on the Estimated Amount of Guarantee for 2024</i> 2. Deliberated and approved the <i>Proposal on Estimated Amount of Entrusted Financial Management for 2024</i> 3. Deliberated and approved the <i>Proposal on the Use of Self-Owned Funds for Bond Investment</i> 4. Deliberated and approved the <i>Proposal on Adjusting the Estimated Amount of Daily Related-party Transactions for 2024-2026</i> 5. Deliberated and approved the <i>Proposal on the Estimated Hedging Amount of Foreign Exchange for 2024</i> 6. Deliberated and approved the <i>Proposal on the Estimated Hedging Amount of Commodities for 2024</i> 7. Deliberated and approved the <i>Proposal on Estimated Hedging Amount of Chemical Products for 2024</i> 8. Deliberated and approved the <i>Report on the Feasibility Analysis of Conducting Hedging Transactions in 2024</i> 9. Deliberated and approved the <i>Proposal on the Additional Counter-guarantees</i> 10. Deliberated and approved the <i>Proposal on the Provision for Asset Impairment of Holding Subsidiaries</i> 11. Deliberated and approved the <i>Proposal on Share Repurchase by Way of Centralized Competitive-price Transaction</i> 12. Deliberated and approved the <i>Proposal on the Nomination of Directors of the Company and Adjustment of Members of Special Committees</i> 13. Deliberated and approved the <i>Proposal on the Appointment of Senior Managers for the Company</i> 14. Deliberated and approved the <i>Proposal on the Formulation of Administrative Measures for the Selection and Appointment of Accounting Firms of ENN Natural Gas Co., Ltd.</i> 15. Deliberated and approved the <i>Proposal on the Formulation of the Securities Investment Management System of ENN Natural Gas Co., Ltd.</i> 16. Deliberated and approved the <i>Proposal on the Amendment to the Independent Director System of ENN Natural Gas Co., Ltd.</i> 17. Deliberated and approved the <i>Proposal on the Formulation of the Rules of Procedure for Independent Directors of ENN Natural Gas Co., Ltd.</i> 18. Deliberated and approved the <i>Proposal on the Amendment to the Rules of Procedure for the Audit Committee of ENN Natural Gas Co., Ltd.</i> 19. Deliberated and approved the <i>Proposal on the Amendment to the Rules of Procedure for the Nomination Committee of ENN Natural Gas Co., Ltd.</i> 20. Deliberated and approved the <i>Proposal on the Amendment to the Rules of Procedure for the Remuneration and Appraisal Committee of ENN Natural Gas Co., Ltd.</i> 21. Deliberated and approved the <i>Proposal on the Amendment to Related-party Transaction Management System of ENN Natural Gas Co., Ltd.</i> 22. Deliberated and approved the <i>Special Dividend Plan for Shareholders in the Next Three Years (2023-2025)</i> 23. Deliberated and approved the <i>Proposal on the Amendment of the Articles of Association of ENN Natural Gas Co., Ltd.</i> 24. Deliberated and approved the <i>Proposal on the Election of the Vice Chairman (Executive Chairman) for the Tenth Board of Directors of the Company</i> 25. Deliberated and approved the <i>Proposal on Requesting to Convene the Third Extraordinary General Meeting in 2023</i>
The Twelfth Meeting of the Tenth Board of Directors	22 December 2023	<ol style="list-style-type: none"> 1. Deliberated and approved the <i>Proposal on the Adjustment of Share Repurchase Price for the First and Reserved Grants under the 2021 Restricted Stock Incentive Plan</i> 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> 3. Deliberated and approved the <i>Proposal on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Second Unrestricted Period for the First and Reserved Grants under the 2021 Restricted Stock Incentive Plan</i> 4. Deliberated and approved the <i>Proposal on Requesting to Convene the First Extraordinary General Meeting in 2024</i>

VI. Performance of Duties by Directors

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

Name of Director	Independent Director	Attendance on Board Meetings						Attendance on General Meetings
		Meetings the director should have attended in the year	Meetings attended in person	Meetings attended by means of communication	Meetings attended by proxy	Meetings from which the director was absent	Whether the director has been absent from two consecutive meetings	
Wang Yusuo	No	7	7	7	0	0	No	1
Yu Jianchao	No	7	7	4	0	0	No	4
Han Jishen	No	7	7	7	0	0	No	3
Zhang Yuying	No	0	0	0	0	0	No	0
Jiang Chenghong	No	7	7	7	0	0	No	1
Zhang Jin	No	7	7	6	0	0	No	2
Wang Zizheng	No	7	7	7	0	0	No	2
Tang Jiasong	Yes	7	7	6	0	0	No	4
Zhang Yu	Yes	7	7	6	0	0	No	4
Chu Yuansheng	Yes	7	7	6	0	0	No	3
Wang Chunmei	Yes	7	7	6	0	0	No	4
Zheng Hongtao	No	6	6	4	0	0	No	2

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	7
Among which: number of on-site meetings	0
Number of meetings held by teleconference	4
Number of meetings held both on site and via teleconference	3

(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

(1). 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, Zhang Yuying, Wang Zizheng, Tang Jiasong, Zhang Yu, Wang Chunmei, Chu Yuansheng

(2). 5 meetings held by the Audit Committee during the Reporting Period

Date	Content	Important comments and suggestions	Performance of other duties
22 March 2023	<ol style="list-style-type: none"> 1. Deliberated the <i>2022 Annual Report</i> and its Summary 2. Deliberated the <i>2022 Annual Report on Duty-performance of the Audit Committee of the Board of Directors</i> 3. Deliberated the <i>2022 Annual Internal Control Evaluation Report</i> 4. Deliberated the <i>2022 Final Accounting Report</i> 5. Deliberated the <i>2022 Profit Distribution Plan of the Company</i> 6. Deliberated the <i>Proposal on Renewing the Appointment of the Accounting Firm</i> 7. Deliberated the <i>Proposal on Change in Accounting Policies</i> 8. Deliberated and approved the <i>Proposal on the Realization of Performance Commitment of ENN Zhoushan for 2022</i> 	Review and supervise the audit of the Company's annual report, the engagement of external auditors, and the realization of performance commitment, and endorse and support the Company's development strategy and key work for the next year.	None
26 April 2023	<ol style="list-style-type: none"> 1. Deliberated the <i>2023 First Quarterly Report of the Company</i> 	Obtain details about the financial situation and operation of the Company, and deliberate and approve the First Quarterly Report of the Company.	None
23 August 2023	<ol style="list-style-type: none"> 1. Deliberated the <i>2023 Semi-year Report of the Company</i> and its Summary 	Obtain details about the financial situation and operation of the Company, and deliberate and approve the Semi-annual Report of the Company.	None

Date	Content	Important comments and suggestions	Performance of other duties
27 October 2023	1. Deliberated the <i>2023 Third Quarterly Report of the Company</i>	Obtain details about the financial situation and operation of the Company, and deliberate and approve the Third Quarterly Report of the Company.	None
7 December 2023	<ol style="list-style-type: none"> 1. Deliberated the <i>Proposal on the Estimated Amount of Guarantee for 2024</i> 2. Deliberated the <i>Proposal on Estimated Amount of Entrusted Financial Management for 2024</i> 3. Deliberated the <i>Proposal on the Use of Self-Owned Funds for Bond Investment</i> 4. Deliberated the <i>Proposal on Adjusting the Estimated Amount of Daily Related-party Transactions for 2024-2026</i> 5. Deliberated the <i>Proposal on the Estimated Hedging Amount of Foreign Exchange for 2024</i> 6. Deliberated the <i>Proposal on the Estimated Hedging Amount of Commodities for 2024</i> 7. Deliberated the <i>Proposal on Estimated Hedging Amount of Chemical Products for 2024</i> 8. Deliberated the <i>Report on the Feasibility Analysis of Conducting Hedging Transactions in 2024</i> 9. Deliberated the <i>Proposal on the Additional Counter-guarantees</i> 10. Deliberated the <i>Proposal on the Provision for Asset Impairment of Holding Subsidiaries</i> 11. Deliberated the <i>Proposal on the Formulation of Administrative Measures for the Selection and Appointment of Accounting Firms of ENN Natural Gas Co., Ltd.</i> 12. Deliberated the Proposal on the Appointment of Senior Managers for the Company 	Review the guarantee amount estimate, the 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 accounting selection and appointment process for 2024.	None

(3). 2 meetings held by the Nomination Committee during the Reporting Period

Date	Content	Important comments and suggestions	Performance of other duties
22 March 2023	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
7 December 2023	<ol style="list-style-type: none"> 1. Deliberated the <i>Proposal on the Nomination of Directors of the Company and Adjustment of Members of Special Committees</i> 2. Deliberated the <i>Proposal on the Appointment of Senior Managers for the Company</i> 3. Deliberated the <i>Proposal on the Election of the Vice Chairman (Executive Chairman) for the Tenth Board of Directors of the Company</i> 	Review the nomination procedure, qualification and appointment procedure of non-independent directors to effectively fulfill their responsibilities and obligations, and agree to nominate non-independent directors and adjust committee members.	None



(4). 2 meetings held by the Remuneration and Appraisal Committee during the Reporting Period

Date	Content	Important comments and suggestions	Performance of other duties
22 March 2023	<ol style="list-style-type: none"> 1. Deliberated the <i>2022 Proposal on Directors' Remuneration of the Company</i> 2. Deliberated the <i>2022 Proposal on Remuneration of Senior Managers of the Company</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 the non-independent directors and senior managers of the Company based on the appraisal indicators including the Company's operating conditions, the scope of management positions and importance of their duties.	None
22 December 2023	<ol style="list-style-type: none"> 1. Deliberated the <i>Proposal on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Second Unrestricted Period for the First and Reserved Grants under the 2021 Restricted Stock Incentive Plan</i> 	Verify the satisfaction of conditions for removal of restrictions on sale during the second Unrestricted Period for the first and reserved grants under equity incentive, and agree to remove restrictions on sale for the corresponding incentive grantees.	None

(5). 2 meetings held by the Strategy Committee during the Reporting Period

Date	Content	Important comments and suggestions	Performance of other duties
24 March 2023	<ol style="list-style-type: none"> 1. Deliberated the <i>2022 Annual Report</i> and its Summary 	Deliberate and approve the 2022 Annual Report and its Summary, and endorse and support the Company's development strategies.	None
24 August 2023	<ol style="list-style-type: none"> 1. Deliberated the <i>2023 Semi-year Report of the Company</i> and its Summary 	Agree to disclose the 2023 Semi-annual Report of the Company and its Summary after reviewing the operation for the first half of 2023.	None

(6). 1 meetings held by the Related-party Transaction Control Committee during the Reporting Period

Date	Content	Important comments and suggestions	Performance of other duties
24 March 2023	<ol style="list-style-type: none"> 1. Deliberated the <i>2022 Report on Related-party Transactions of ENN-NG</i> 	Deliberate the occurrence of related-party transactions in 2022. The procedures of related-party transactions are legal and compliant, and none of them jeopardize the interests of the Company and non-related shareholders.	None

Note: The Company held the Sixth Meeting of the Tenth Board of Directors on March 24, 2023, deliberated and approved the *Proposal on the Adjustment of Special Committees and Members and Amendment to the Rules of Procedure for the Audit Committee under the Board of Directors of ENN Natural Gas Co., Ltd.* the Related-party Transaction Control Committee and the duties were consolidated to the Audit Committee.

(7). 2 meetings held by the ESG Committee during the Reporting Period

Date	Content	Important comments and suggestions	Performance of other duties
22 March 2023	1. Deliberated the <i>2022 Environmental, Social and Governance Report of the Company</i>	Review the <i>2022 Environmental, Social and Governance Report of the Company</i> , and discuss the future direction of the Company's ESG work and specific initiatives to be carried out.	None
28 November 2023	1. Deliberated the <i>ESG Work in 2023 and Work Plan for 2024</i>	Review the ESG development for the current year and the work plan for the following year, and promote and supervise the implementation of the Company's ESG work.	None

(8). 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 Parent Company and Major Subsidiaries at the end of the Reporting Period

(I) Information on employees

Number of current employees in the Parent Company	207
Number of current employees in the major subsidiaries	38,114
Total number of current employees	38,321
Number of retired employees for which the Parent Company and major subsidiaries have to bear expenses	0

Specialty Composition	
Category	Number
Production personnel	23,295
Sales personnel	2,354
Technician	7,614
Financial personnel	2,261
Administrative personnel	2,797
Total	38,321



Educational Background	
Category	Number (persons)
Master and above	1,085
Undergraduate	13,221
Junior college graduate	12,957
Below junior college	11,058
Total	38,321

(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*, except for 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 Second Extraordinary General Meeting of 2023 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 is 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. Except for 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 (2023-2025) 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 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 Third Extraordinary General Meeting of 2023 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, the special dividend plan involves using the investment income from the sale of the equity of Xinneng Mining to issue special dividends. 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 2022 Annual General Meeting on 9 June 2023, at which its *2022 Profit Distribution Plan of ENN-NG* was deliberated and approved to distribute profits on the basis of the shares available for distribution registered on the date of record, and the shares repurchased by way of centralized competitive-price trading and restricted shares to be repurchased and canceled will not participate in the profit distribution. Under the 2022 Profit Distribution Plan, cash dividends will be distributed to all shareholders at RMB5.1 (tax included) per 10 shares based on 3,092,588,993 shares representing the Company's total share capital of 3,098,662,607 shares after deduction of 5,808,614 shares repurchased by way of centralized competitive-price trading and 265,000 restricted shares to be repurchased and canceled, both of which will not participate in profit distribution, 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.

The Company disclosed the *2022 Annual Announcement on the Implementation of Equity Distribution of ENN Natural Gas Co., Ltd.* on 5 July 2023, and because of the shares repurchased by way of centralized competitive-price trading, under the 2022 Profit Distribution Plan of the Company, a total of RMB1,577,220,386.43 will be distributed as cash dividends to all shareholders at RMB5.1 (tax included) per 10 shares based on 3,092,588,993 shares representing the Company's total share capital of 3,098,397,607 shares after deduction of 5,808,614 repurchased shares not participating in profit distribution, 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.

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 <i>Articles of Association</i> 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: RMB'0000 Currency: RMB

Number of shares giving bonus per 10 shares (share)	
Dividend paid per 10 shares (RMB) (tax included)	9.1
Number of shares converted into share capital per 10 shares (share)	
Amount of cash dividend (tax included)	281,354
Net profits attributable to common shareholders of listed company in the annual consolidated statements of dividend distribution	709,111
Ratio of net profits attributable to common shareholders of listed company in the consolidated statements (%)	39.68
Amount of cash dividends credited to share repurchase in cash	0
Total amount of dividends distributed (tax included)	281,354
Ratio of total amount of dividends distributed to the net profits attributable to the common shareholders of listed company in the consolidated statements (%)	39.68

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>Upon application made by the Company to China Securities Depository and Clearing Corporation Limited Shanghai Branch, all or part of 265,000 restricted shares in total, which have been granted to the 7 incentive grantees who did not satisfy the conditions for removal of restrictions on sale for first or reserved grants under the 2021 Restricted Stock Incentive Plan but have not been released from restrictions on sale, shall be repurchased and canceled by the Company.</p>	<p>For details, please refer to the interim announcement titled the <i>Announcement of ENN-NG on the Repurchase and Cancellation of Part of Shares of the First and Reserved Grants under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: Lin 2023-003) disclosed by the Company at the website of Shanghai Stock Exchange on 2 March 2023.</p>
<p>The Company held the Twelfth Meeting of the Tenth Board of Directors and the Tenth Meeting of the Tenth Board of Supervisors on 22 December 2023, deliberating and approving the <i>Proposal on the Adjustment of Share Repurchase Price for the First and Reserved Grants under the 2021 Restricted Stock Incentive Plan, the Proposal on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan, and the Proposal on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Second Unrestricted Period for the First and Reserved Grants under the 2021 Restricted Stock Incentive Plan.</i></p>	<p>For details, please refer to the interim announcements including the <i>Announcement on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Second Unrestricted Period for the First and Reserved Grants under the 2021 Restricted Stock Incentive Plan of ENN-NG</i> (Announcement No.: Lin 2023-076), <i>Announcement on Adjustment of Share Repurchase Price for the First and Reserved Grants under the 2021 Restricted Stock Incentive Plan of ENN-NG</i> (Announcement No.: Lin 2023-077), and the <i>Announcement of ENN-NG on Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: Lin 2023-078) disclosed by the Company at the website of Shanghai Stock Exchange on 23 December 2023.</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 41 incentive grantees who have satisfied the conditions for removal of restrictions on sale during the second Unrestricted Period for the first grant under the 2021 Restricted Stock Incentive Plan was 4,152,500, and the number of restricted shares for which restrictions on sale may be removed for 8 incentive grantees during the second Unrestricted Period for the reserved grant was 242,517. Such shares were listed and circulated from 5 January 2024.</p>	<p>For details, please refer to the interim announcement titled the <i>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</i> (Announcement No.: Lin 2023-080) disclosed by the Company at the website of Shanghai Stock Exchange on 30 December 2023.</p>

(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

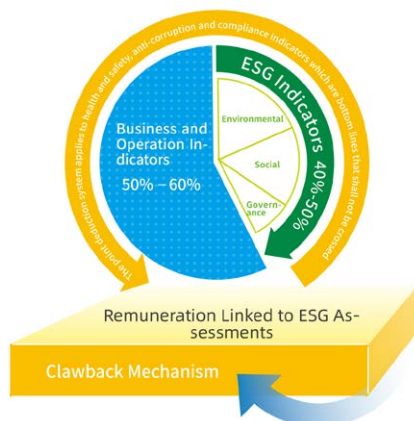
(III) Equity incentives granted to directors and senior managers during the Reporting Period

Applicable N/A

(IV) Establishment and implementation 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 *Working Rules 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 are directors, senior managers and core management/business personnel serving in the Company (including branches and subsidiaries). The Company also formulated the *Administrative Measures on Evaluation for the Implementation of the 2021 Restricted Stock Incentive Plan of ENN Natural Gas Co., Ltd.*, 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 on Evaluation for the Implementation of the 2021 Restricted Stock Incentive Plan of ENN Natural Gas Co., Ltd.*

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

Applicable N/A

For details, investors can consult the *Appraisal Report on Internal Controls in 2023 of ENN-NG* disclosed on the website of Shanghai Stock Exchange on 23 March 2024.

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 strengthened the selection, appointment, dismissal and assessment of personnel at important positions in subsidiaries and established the *Internal Reporting System for Material Information* and other systems to strengthen the management and synergy of subsidiaries by digital and intelligent means and improve its overall compliance and operational management capability.

XIV. Details on Audit Report on Internal Control

Applicable N/A

For details, please refer to the *2023 Audit Report on Internal Control Appraisal of ENN-NG* disclosed by the Company on the website of Shanghai Stock Exchange on 23 March 2024.

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)	2,742

(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		
Xinneng Energy	Exhaust gas	Centralized discharge	2	West side of Phase I Plant, east side of Phase II Plant	Sulfur dioxide	<i>Emission Standards of Air Pollutants for Thermal Power Plants</i> (GB13223-2011)		
			2		Smoke and dust			
			2		Nitrogen oxide			
	General solid waste	Comprehensive utilization	6	Gasifier slagging outlet	Gasified coarse slag	<i>Standards on Control of General Industrial Solid Waste Storage and Disposal Site Pollution</i> (GB18599-2020)		
					Gasified fine slag			
		Disposal by agreement	5	Boiler slagging outlet	Boiler ash			
					Comprehensive utilization		5	Boiler dust removal
		Disposal by agreement	2	Phase I desulfurization tower				
					Disposal by agreement		2	Filter press outlet
		Disposal by agreement	3	Gasifier body				
					Disposal by itself		2	Sewage treatment
		Hazardous waste	Disposal by itself	—				
					Disposal by agreement		—	Laboratory
	Dryer outlet		—	Carnallite				
				Unit fuel tank	—	Waste mineral oil		
	Hydrogasification unit		—			Crude benzene wastewater		
				Synthesizer	—	Waste synthesis catalyst		
	Synthesizer		—			Waste sulfur recovery catalyst		
				Substation UPS	—	Waste storage battery		
	Water supply	—	Waste nanofiltration and reverse osmosis membranes					
Phase I and II			—	Waste mineral tank				
	Noise	—		—	Boundary of the Plant	—	<i>Standards on Noise Emissions at the Boundaries of Industrial Plants</i> (GB12348-2008)	

Company name	Pollutant name	Discharge concentration limited by national or local standards	Discharge concentration	Total discharge (t)	Total verified discharge/discharge concentration	Excessive discharge
Xinneng Energy	Exhaust	50mg/m ³	28.05mg/m ³	101.52358	455.06t/a 50mg/m ³	None
		20mg/m ³	4.61mg/m ³	19.7559	130.01t/a 20mg/m ³	None
		100mg/m ³	77.79mg/m ³	296.73176	650.07t/a 100mg/m ³	None
	General solid waste	—	—	263,094.23	—	None
		—	—	181,144.11	—	None
		—	—	42,950.68	—	None
		—	—	5,679.46	—	None
		—	—	145,332.25	—	None
		—	—	10,941.8	—	None
		—	—	8,937.3	—	None
		—	—	12,745.74	—	None
		—	—	80.36	—	None
		—	—	486.46	—	None
	Hazardous waste	—	—	4,116.66	—	None
		—	—	0.04035	—	None
		—	—	184	—	None
		—	—	41.9793	—	None
		—	—	78	—	None
		—	—	205.46	—	None
		—	—	10	—	None
		—	—	0.9	—	None
—		—	43.94	—	None	
Noise	Daytime 65dB (A) Night 55dB (A)	Daytime 58.22dB (A) Night 49.16dB (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. 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 are equipped with a high-efficiency electric bag dust remover with low-nitrogen combustion technology control and SNCR denitrification system, and the boiler flue gas emissions can meet the requirements of the *Emission Standards on Air Pollutant for Thermal Power Plants* (GB13223-2011). The emission concentration of substances including particulates and methanol from the production system can meet the requirements of the *Level 2 Standards on Comprehensive Air Pollutant Emissions* (GB16297-1996) through pollution control measures during the production process.

(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”. A/O biochemical process was used to treat the wastewater from production, which contains substance including methanol, ammonia nitrogen, sulfide, cyanide and suspended solid for production and reuse. The recycle technology solely developed by Eerduosi Yongsheng Wastewater Treatment Co., Ltd. was adopted to treat the strong brine produced during the process, to achieve “zero discharge” of wastewater, and the industrial salt obtained was recycled for use as the raw material of chloralkali 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*

As for the substances generated during the production process of Xinneng Energy such as spent catalysts, carnallite, they were entrusted to a qualified unit for disposal according to the disposal agreement signed; the gasified coarse slags and fine slags were comprehensively utilized through methods such as residual carbon purification, environmentally friendly coal, and cement manufacturing; some desulfurization gypsum and fly ash were utilized comprehensively through activities like cement manufacturing and brickmaking, while the remaining desulfurization gypsum, fly ash, and other general solid waste 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 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 commenced simultaneously.

Xinneng Energy obtained the pollutant discharge permit on 10 August 2021 and completed the permit modification on 7 December 2023. At present, Xinneng Energy monitors pollutants on a real-time basis through online monitoring equipment in pollutant discharge outlets, uploads monitoring data to the management platform of the Ecology and Environment Bureau and pays environment pollution taxes to the taxation authorities based on the discharge amount calculated on the basis of the pollution discharge concentration.



4. *Environmental emergency response plan*

Applicable N/A

Xinneng Energy completed the registration with the Dalad Banner Branch of Ordos City Ecological Environment Bureau on 26 December 2023 for the *Environmental Emergency Response Plan of Xinneng Energy Co., Ltd.* formulated by it. The Plan was approved and issued and came into force on the same day. On 11 April 2023, the Company carried out the on-site disposal drill for leakage after the outlet shut-off valve of the waste methanol tank (V0201A) was closed in the raw material tank farm of major hazard sources of fusel oil. On 13 June 2023, an emergency drill was conducted for the initial fire radiation source in the hydrogasification high-pressure coal hopper. Another emergency drill for the leakage of waste mineral oil was conducted on 13 October 2023. Employees were made familiar with emergency response procedures and methods through drills, thereby enhancing their capability to handle 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 2023, self-monitoring was completed quarterly for underground water and air, once for soil and once a month for waste water with satisfactory testing results which were in compliance with relevant standards and released to the public through the "Huaduoduo Live Stream".

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

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

Applicable N/A

During the Reporting Period, there were discharges from ENN Qinshui and ENN Zhoushan, its subsidiaries other than major polluters, and the specific discharge information and prevention and control measures are specified as follows:

(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	DB141928-2019 Comprehensive Wastewater Discharge Standard (Shanxi Province)	40mg/L	Q1:36mg/L Q2:34mg/L Q3:10mg/L Q4:22mg/L	0.0652	0.077t	None	
					Ammonia nitrogen		2.0mg/L	Q1:0.274mg/L Q2:1.28mg/L Q3:0.903mg/L Q4:1.36mg/L	0.0024	0.021t	None	
	Exhaust gas	Centralized discharge	2	Thermal oil heater	Sulfur dioxide	<i>Emission Standard of Air Pollutants for Boilers</i> (DB14/1929-2019)	35mg/m ³	1H: 1# : 11mg/m ³ 2# : 14mg/m ³ 2H: 1# : 12mg/m ³ 2# : 16mg/m ³	0.3775	—	None	
					Nitrogen oxide		50mg/m ³	1H: 1# : 31mg/m ³ 2# : 36mg/m ³ 2H: 1# : 26mg/m ³ 2# : 31mg/m ³	0.8831	1.22t	None	
					Particulates		5mg/m ³	1H: 1# : 2.5mg/m ³ 2# : 2.8mg/m ³ 2H: 1# : 1.7mg/m ³ 2# : 1.9mg/m ³	0.0634	0.56t	None	
	Hazardous waste	Disposal by agreement	—	—	Waste mineral oil	<i>Standards on Control of Hazardous Waste Storage Pollution</i> (GB18597-2001)	—	—	20.44	—	None	
					Waste MDEA solution		—	—	16.96	—	None	
	Noise	—	—	—	Boundary of the Plant	—	<i>Standards on Noise at the Boundaries of Industrial Plants</i> (GB12348—2008)	Daytime 60dB(A) Night 50dB(A)	Daytime 53.9dB(A) Night 44.6dB(A)	—	Daytime 60dB(A) Night 50dB(A)	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	Hazardous waste	Disposal by agreement	—	Warehouse for hazardous waste	Waste paint buckets	<i>Standard for Pollution Control in Storage of Hazardous Wastes</i> (GB18597-2001)	—	—	1.79826	—	None
					Waste dilute hydrochloric acid (5%)			—	7.119	—	None
					Waste packing materials			—	0.158	—	None
					Waste lubricating oil			—	3.3679	—	None
					Oily waste			—	0.4026	—	None
					Waste adhesives and sealants			—	0.0076	—	None
					Waste paint and diluent			—	0.626	—	None
					Oil water mixture			—	0.0726	—	None
					Used lead and acid battery			—	2.28	—	None
					Waste hydraulic oil			—	0.1655	—	None
				Zhenhai Terminal	Waste filter elements	—	0.27	—	None		
				Mamu Offtake Station	Used lead and acid battery	—	1.6	—	None		
	Noise	—	—	BOG compressor, nitrogen generation by membrane and water intake	—	<i>Standards on Noise at the Boundaries of Industrial Plants</i> (GB12348—2008)	Daytime 65dB(A) Night 55dB(A)	Daytime 52.4dB (A) Night 41.6dB (A)	/	Daytime 65dB(A) Night 55dB(A)	None

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

Exhaust gas treatment measures

ENN Qinshui: There are now two-phased thermal oil heater 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.

Wastewater treatment measures

ENN Qinshui: The sewage of ENN Qinshui mainly comes from domestic water and the sewage treatment facilities are in good condition 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 was 24 t/day (the actual treatment capacity was 5-10 t/day), and wastewater was discharged after reaching the domestic sewage discharge standard as stated in Comprehensive Wastewater Discharge Standard (DB141928-2019) of Shanxi Province. In order to cooperate with the local government to carry out ecological protection of the Qinhe River and achieve “zero discharge” of sewage from the river protection zone, 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. Current the sewage treatment facilities in the plant are normally operating with all indicators in compliance with the operating requirements.

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 air compressor and placed louder equipment indoors for sound insulation and used sound-insulating 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: After the commencement of the 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 110dB(A) to 120dB(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 100dB(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 (55dB(A)) of Class 3 standards in the *Standards on Noise Emissions at the Boundaries of Industrial Plants* (GB 12348-2008).

Hazardous waste treatment measures

ENN Qinshui: Disposal agreements were signed with qualified companies for the disposal of hazardous wastes, including waste mineral oil, waste oil drums, waste MDEA solution and mercury-containing active carbon. The total quantity of waste mineral oil disposed in 2023 amounted to 20.44 tons, and the total quantity of waste MDEA solution disposed reached 16.96 tons.

ENN Zhoushan: Disposal agreements were signed with qualified companies for regular transfer and disposal of waste paint pails, waste diluted hydrochloric acid, waste packaging materials, waste lubricating oil, oily waste, waste hydraulic oil, waste adhesives, sealants, waste paint, diluents, and used lead and acid batteries.

(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 12 April 2025.

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.

(4) *Emergency plan for environmental contingencies*

ENN Qinshui: The *Emergency Plan for Environmental Contingencies of Shanxi ENN Qinshui Clean Energy Co., Ltd.* is implemented by ENN Qinshui currently. The Plan was filed with the Ecological Environment Bureau of Jincheng City (Filing No.: 140500-2022-008M). And a comprehensive emergency drill for the leakage of liquid inlet pipelines under storage tank was organized on 14 June 2023, and a comprehensive emergency drill for the leakage of outer pipelines on 20 December.

ENN Zhoushan: The *Emergency Plan for Environmental Contingencies of ENN (Zhoushan) LNG Co., Ltd.* has been filed with Zhoushan Ecological Environment Bureau (filing No.: 330900-2021-004-M) for record, and a fire emergency drill for tank leakage was organized on 21 June 2023. The *Emergency Plan for Environmental Contingencies of ENN (Zhoushan) Natural Gas Pipelines Co., Ltd.* currently implemented by ENN (Zhoushan) Natural Gas Pipelines Co., Ltd., a subsidiary of ENN Zhoushan, has been respectively filed with Zhoushan Ecological Environment Bureau (filing No.: 330902-2021-033-L), Zhenhai Branch of Ningbo Ecological Environment Bureau (filing No.: 330211-2021-050-L) and Daishan Branch of Zhoushan Ecological Environment Bureau (filing No.: 330921-2021-008-L) for record.

(5) *Environmental self-monitoring program*

ENN Qinshui: Pursuant to the requirements of the *General Rules for the Self-monitoring Technical Guidelines for Polluters (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 2023, Shanxi

Mengsheng Environmental Technology Co., Ltd. was appointed to complete testing of wastewater and noise at plant boundary for Q1 on March, and complete testing of wastewater, exhaust gas and noise at plant boundary for Q2 on June, and complete testing of wastewater and noise at plant boundary for Q3 on September, and complete testing of wastewater, exhaust gas and noise at plant boundary for Q4 on December with all satisfactory testing results.

ENN Zhoushan: Pursuant to the requirements of the *General Rules for the Self-monitoring Technical Guidelines for Polluters (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 has always persisted in the concept of green development, upheld a good sense of social responsibility, and actively undertaken environmental responsibilities. Following the *Environmental Protection Law of the People's Republic of China* and other laws and regulations related to environmental management, it has formulated internal management systems such as the *Administrative Measures for Civilized Construction* and gradually improved the construction of the environmental management system for the entire process. It has conducted comprehensive environmental risk control in design, construction, and

operation and integrated energy-saving and environmental protection concepts and measures throughout the whole business chain. The main measures include:

- (1) It upheld the principle of maximizing resource conservation and minimizing negative environmental impacts while ensuring quality and safety. It used digital and intelligent technology 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;
- (2) It 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;
- (3) It 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. It carried out photovoltaic power generation projects in self-owned buildings in multiple places like Henan, Shandong, Jiangsu, Fujian, Shanghai, Zhejiang, and Hebei and continuously increased the proportion of new energy vehicles;
- (4) It strengthened waste management, conducting garbage classification and centralized collection of hazardous waste and eventually handing it over to institutions with environmental protection qualifications for unified recovery and disposal.

2. Xinneng Energy

Xinneng Energy improves 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”. A/O biochemical process is used to treat the wastewater from production, which contains substances including methanol, ammonia nitrogen, sulfide, cyanide and suspended solid for production and reuse. technology of sewage treatment and reuse developed solely by Beijing Yongxin Environmental Protection Co., Ltd; The recycle technology developed solely by Yongsheng Environmental Protection Co., Ltd. was adopted to treat the brine produced during the process to achieve “zero discharge” of wastewater. The industrial salt produced could be recycled and used as raw materials in chloralkali industry.

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 significantly reducing the pollutants discharged to the Qinhe River.

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 equipments and facilities such as oil skimmer and oil containment boom at Zhoushan Terminal; meanwhile, a plan for releasing marine stock enhancement and releasing was also developed to protect the marine fishery resources.

(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.)	R&D and production of new products which help reduce carbon Use of carbon reduction technology during production

Specific information

Applicable N/A

ENN-NG paid close attention to and promoted sustainable development and green ecological construction, responding to the national carbon peak and carbon neutrality goals and energy transition strategy comprehensively and exploring the path to carbon reduction in great depth. The Company emphasized independent research and development of equipment, as well as demonstration and verification, utilizing the independently developed dual-cycle cold energy power generation technology to recover and utilize LNG cold energy at the Zhoushan Terminal. This independently-developed dual-cycle cold power generation device is the world’s first. The device underwent power generation commissioning and started grid-connected power generation in November 2023. It is currently eliminating and rectifying commissioning issues. This technology can better achieve the cascading utilization of cold energy through two independent cycles to recover cold energy and convert it into electric energy, thereby avoiding energy loss.

During the Reporting Period, Xinneng Energy delved deep into energy conservation and consumption reduction. In April 2023, it approved and initiated the technology transformation project of coal slurry concentration, and in August, it completed the transformation and commissioning work. The coal slurry concentration increased by about 1.5% after the transformation. Simultaneously, the project addressed the problems of high maintenance costs and high power consumption of outdated equipment, thereby increasing effective gas volume, lowering specific coal consumption and oxygen consumption, further reducing comprehensive energy consumption, and increasing project revenue while furthering energy-saving and carbon reduction for the unit. In May 2023, Xinneng Energy completed the “Vented Fuel Gas Micro-Turbine Power Generation” technology transformation project. The project is currently undergoing commissioning and trial operation. It has realized the recovery and utilization of vented fuel gas. After the recovery of vented gas, power is generated through micro-turbines, and the generated electricity is connected to the grid for self-use. It can replace part of the externally purchased electricity, thus conserving energy and reducing carbon emissions.

Note: The Company will subsequently disclose the 2023 Environmental, Social and Governance Report (ESG Report), which will include the Company’s own carbon reduction and its assistance to customers in carbon reduction during the Reporting Period.

III. 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 *2022 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 2023.

The Company will continue to actively fulfill social responsibilities and disclosure the *2023 Environmental, Social and Governance Report* (ESG Report) based on the actual conditions during the Reporting Period.

(II) Performance of social responsibilities

Applicable N/A

External donation and public welfare programs	Qty/content	Information
Total input (RMB 10,000)	7,397	
Including: Fund (RMB 10,000)	7,393	
Amount of materials (RMB 10,000)	4	Edible oil and other materials
Number of beneficiaries (person)		

Specific information

Applicable N/A



During the Reporting Period, the Company upheld the green development concept, firmly implemented the sustainable development strategy, and comprehensively explored low-carbon and clean energy solutions according to its business scope. It actively advocated green office practices, employed digital and intelligent methods to monitor the environment and manage energy consumption, and formulated energy-saving targets based on the actual situation of each subsidiary, thus laying a solid foundation for the Company's stable and sustainable development.

The Company resolutely safeguarded the bottom line of ensuring safe production, formulated a series of management regulations related to safety operation and occupational health, strengthened risk prediction and control awareness, continuously explored digital and intelligent safety management models, and enhanced intrinsic safety levels. It built a digital and intelligent safety management platform and fostered an intelligent product system for safety management, covering all aspects of the ecosystem and multiple business scenarios such as pipeline networks, stations, projects, indoor spaces, and comprehensive energy. With the help of IoT technology, it collected real-time operational and user usage data, transmitted it to the intelligent operation center, and utilized advanced intelligence data analysis to accurately identify and warn of safety risks, thus constantly improving the Company's safety and risk management capabilities.

As for safeguarding employee rights, the Company viewed employees as the cornerstone of sustainable development, continuously constructed and improved the system of talent capability development, perfected various remuneration and welfare protection plans, emphasized employee training and development, and strived to realize the value of each employee. The Company resolutely upheld the principle of equal employment, ensuring that no form of discrimination occurs in the process of employee recruitment, promotion, and dismissal for factors such as gender, region, ethnicity, religion, age, pregnancy or marital status, disability, and political stance. At the same time, the Company attached great importance to employees' appeals and their physical and mental health. Through various holiday activities, employee care initiatives, and the establishment of health stations, it enhanced employees' sense of identity, sense of belonging, and happiness. The Company comprehensively guaranteed employee rights in accordance with laws and regulations and strived to provide them with a fair, respectful, and inclusive workplace environment. It was committed to allowing each of them to fully exert their value, feel care and support, continuously grow, and share success in a diverse, equal, and harmonious work environment.

The Company actively engaged in charity and public welfare undertakings, delving into education, environmental protection, disaster relief, culture, and other fields, continuously giving back to society, and propelling sustainable social development. During the Reporting Period, the Company and its subsidiaries spent approximately RMB 42.43 million on educational public welfare activities, about RMB 13.96 million on environmental protection, about RMB 10.1 million on flood disaster relief and post-disaster reconstruction in the Langfang area, and around RMB 7.48 million on other public welfare activities such as caring for older people in the community, assisting the people with disabilities and older people, and public infrastructure construction.

IV. 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)	327	
Including: Fund (RMB 10,000)	327	
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 relief to the vulnerable groups	

Specific information

Applicable N/A

The Company actively responded to the national call, made utmost efforts to safeguard China’s green mountains and clear waters, consolidated and expanded the poverty alleviation achievements, and contributed to rural revitalization. During the Reporting Period, it supported rural students and teachers in difficulties, provided assistance for vulnerable groups, funded rural infrastructure construction, and participated in the “6-30” rural revitalization activity in Guangdong Province in 2023, with a total expenditure of RMB 3.27 million to support poverty alleviation and rural revitalization work.



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	Restrictions on sale of shares	ENN International	The shares of the Listed Company acquired by this restructuring in which the shares of ENN Energy are purchased by means of asset swap, issue of shares and cash payment are subject to a lock-up period of 36 months.	9 December 2019	Yes	36 months upon issue of shares (18 September 2020)	Yes		
	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.	9 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.	9 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.	9 December 2019	No	indefinite	Yes		
	Solving the defects on ownership of land, etc.	ENN Holdings	We ensure that the status quo of Xinneng Mining's housing ownership will not affect its normal production and operation, and will bear legal responsibility for the losses caused by the failure to obtain the aforesaid certificate.	21 January 2013	Yes	until the housing ownership certificate of Xinneng Mining has been obtained	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		

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 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	We are the controlling shareholder and 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 will be regulated 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	I am the actual controller and the related-party transactions concluded by me and companies under my control with ENN-NG and its subsidiaries will be regulated 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	The related-party transactions concluded by us and our affiliates with ENN-NG and its subsidiaries will be regulated 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		
	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		

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	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 and 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 and 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 obtaining the housing ownership certificate of ENN Zhoushan and/or its subsidiaries	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		
	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 90% shares of ENN Zhoushan are purchased by asset swap, issue of shares and cash payment.	9 December 2019	No	indefinite	Yes		
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			



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 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: The Company has consolidated and teased out the commitments made by the actual controller, shareholders, related parties, acquirers, and other committed parties concerned for the major asset restructuring matters in which the shares of ENN Energy and ENN Zhoushan are purchased by the Company. Such commitments are presented above by the Company based on the latest commitment time of parties making the commitments. 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 Proceeds and Related-party Transaction and the Report of ENN-NG on Asset Purchase by Issue of Shares and Cash Payment and Related-party Transaction 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 profit attributable to the owner of the parent company (net of non-recurring gains and losses) achieved by ENN Zhoushan in 2023 amounted to RMB 671.4274 million, representing 105% of the performance commitment amount and the party making the performance commitment is not required to compensate.

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 Correction 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. 16</i> , the provision that “the deferred income tax relating to the assets and liabilities arising from a single transaction does not apply to the accounting treatment for the exemption of initial recognition” came into force on 1 January 2023	Deliberated at the Sixth Meeting of the Tenth Board of Directors	See V. Significant Accounting Policies and Accounting Estimates/40 (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 2023 under Section X Financial Report for details

(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 domestic accounting firm	ZhongXi CPAs (Special General Partnership)



Current accounting firm	
Remuneration for the domestic accounting firm	588
Service years of the domestic accounting firm	26 years
Name of certified public accountant from the domestic accounting firm	Zhang Zenggang, Wang Yanru
Consecutive service years of certified public accountant from the domestic accounting firm	Zhang Zenggang (3 years) , Wang Yanru (1 years)

	Name	Remuneration
Accounting firm for internal control audit	ZhongXi CPAs (Special General Partnership)	150
Financial adviser	CITIC Securities Co., Ltd.	0
Financial adviser	CSC Financial Co., Ltd.	0

Explanation on appointment and dismissal of accounting firm

Applicable N/A

The Company held the 6th Meeting of the Tenth Board of Directors on 24 March 2023, deliberating and approving the *Proposal on Renewing the Appointment of the Accounting Firm* which was submitted for deliberation and approved by the 2022 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 2023 annual financial statements and internal control. The audit service fee estimated to be RMB 7.38 million only (excluding the travel and accommodation expenses advanced by accountants in the course of audit) including RMB 5.88 million of financial statements audit fee and RMB 1.50 million of internal control audit fee which remained unchanged as compared with the expenses actually incurred in 2022. 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 2023. The actual audit expenses incurred in 2022 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 suspension of listing

Applicable N/A

(II) Countermeasures to be taken by the Company

Applicable N/A

(III) Risk exposure for delisting and associated reasons

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 Shareholders 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) Related-party transaction estimate and deliberation of new related-party transactions

(1) The Company held the 37th Meeting of the Ninth Board of Directors on 17 November 2021, deliberating and approving the *Proposal on the Annual Estimate of Daily Related-party Transactions of the Company for 2022-2023*. For details, please refer to the interim announcement titled the *Announcement of ENN-NG on the Annual Estimate of Daily Related-party Transactions for 2022-2023* (Announcement No.: 2021-083) disclosed by the Company on 18 November 2021 at the website of Shanghai Stock Exchange;

(2) The Company held the 2021 Third Extraordinary General Meeting on 28 December 2021, deliberating and approving the *Proposal on the Annual Estimate of Daily Related-party Transactions of the Company for 2022-2023*. For details, please refer to the interim announcement titled the *Announcement of ENN-NG on the Resolution of the 2021 Third Extraordinary General Meeting* (Announcement No.: 2021-102) disclosed by the Company on 29 December 2021 at the website of Shanghai Stock Exchange;

(3) The Company held the Fifth Meeting of the Tenth Board of Directors on 9 December 2022, deliberating and approving the *Proposal on Adjusting the Estimated Amount of Daily Related-party Transactions of the Company for 2023*. For details, please refer to the interim announcement titled the *Announcement of ENN-NG on Adjusting*

the *Estimated Amount of Daily Related-party Transactions of the Company for 2023* (Announcement No.: 2022-107) disclosed by the Company on 10 December 2022 at the website of Shanghai Stock Exchange;

- (4) The Company held the 11th 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;

(II) *Implementation of related-party transactions in 2023*

In 2023, the actual daily related-party transactions between the Company (and its subsidiaries) and its related parties amounted to RMB 1,118.98 million, which was RMB 1,124.02 million less than the estimated amount thereof in 2023.

Comparison of Predicted and Actually Implemented Daily Related-party Transactions in 2023

Unit: RMB '0000 Currency: RMB

Category of related-party transaction	Related party	Estimated amount in 2023	Actual amount incurred in 2023
Design, construction and sales of materials and supplies	Subsidiaries controlled by the actual controller of the Company	10,100	4,223
Subtotal		10,100	4,223
Provision of technology and comprehensive services	Ennova Holdings Co., Ltd. and its subsidiaries	28,500	13,313
	Subsidiaries controlled by the actual controller of the Company	12,900	3,416
Subtotal		41,400	16,729
Provision of financing lease and commercial factoring	Subsidiaries controlled by the actual controller of the Company	17,000	11,939
	Shanghai 3040 Technology Co., Ltd.	1,000	1,854
Subtotal		18,000	13,793
Sale of gas and other goods	Subsidiaries controlled by the actual controller of the Company	3,400	3,008
Subtotal		3,400	3,008
Subtotal of income		72,900	37,753
Acceptance of project construction	Subsidiaries controlled by the actual controller of the Company	3,600	1,681
Subtotal		3,600	1,681
Acceptance of technology and comprehensive services	Ennova Holdings Co., Ltd. and its subsidiaries	16,900	5,921
	ENC Digital Technology Co., Ltd. and its subsidiaries	31,100	23,119
	Subsidiaries controlled by the actual controller of the Company	57,800	24,542
	Shanghai 3040 Technology Co., Ltd.	900	589
	Shanghai Petroleum and Gas Exchange Co., Ltd.	400	4
Subtotal		107,100	54,175

Category of related-party transaction	Related party	Estimated amount in 2023	Actual amount incurred in 2023
Purchase of equipment, materials and natural gas	ENN Sunshine Yicai Technology Co., Ltd. and its subsidiaries	10,300	127
	Subsidiaries controlled by the actual controller of the Company	13,400	9,922
	Shanghai 3040 Technology Co., Ltd.	17,000	8,240
Subtotal		40,700	18,289
Subtotal of expenditure		151,400	74,145
Total		224,300	111,898

3. *Matters not disclosed in the interim announcements*

Applicable N/A

(II) **Related-party transactions incurred in connection with acquisition of assets or acquisition or sale of equity interests**

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: RMB '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	Settlement method of related-party transaction	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 Technology Co., Ltd.	Subsidiary of shareholder	Transfer of shares	Transfer of 49% equity interests in Greatgas E-commerce Co., Ltd.	Appraisal value	67	100	49	Bank transfer	/	N/A	N/A



Description of related-party transactions incurred in connection with asset acquisition and sale

On 31 May 2023, Langfang Huayuan Energy Technology Co., Ltd. and ENN Xinzhi Technology Co., Ltd. (hereinafter referred to as "ENN Xinzhi") entered into the Agreement on *Transfer of Equity Interests in Greatgas E-commerce Co., Ltd.* to acquire 49% equity interests in Greatgas E-commerce Co., Ltd. (hereinafter referred to as "Greatgas") held by Langfang Huayuan Energy Technology Co., Ltd. Based on the audited consolidated net assets value as of 31 December 2022 and through friendly consultation, the Parties reasonably determined the transfer price for the 49% equity interests in the Target Company to be RMB 490,000. As the Parties further acknowledged and agreed that, considering that the interests in Greatgas were actually held by the Company's holding subsidiary subsidiary, ENN (China) Gas Investment Limited (hereinafter referred to as "ENN China Investment") in the form of VIE structure and the holding subsidiary ENN Energy made continuous investment in Greatgas since the establishment of the VIE structure, ENN Xinzhi fully paid the transfer price for the equity interests in Greatgas to ENN China Investment based on the trading substance of transfer of equity transfers. Meanwhile, ENN Xinzhi is a company 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 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 profits attributable to owners of parent company after deducting nonrecurring gains and losses of ENN Zhoushan in 2023 shall be no less than RMB 639.43 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 2023 issued by ZhongXi CPAs (Special General Partnership), in 2023, the net profit attributable to owners of parent company after deducting nonrecurring gains and losses of ENN Zhoushan amounted to RMB 671.4274 million, and 105% of the performance commitment of RMB 639.43 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

Unit: RMB '0000 Currency: RMB

Common investor	Related relationship	Name of invested company	Principal business of invested company	Registered capital of invested company	Total assets of invested company	Net assets of invested company	Net profit of invested company	Progress of major ongoing projects of invested company
ENN Xinzi Technology Co., Ltd.	Subsidiary of shareholders	Greatgas E-Commerce Co., Ltd.	General projects: Technical services, technology development, technology consulting, technology exchange, technology transfer, technology promotion; Internet sales (excluding goods requiring sales permits); software development; software sales; data processing and storage support services; retail of computer software, hardware and auxiliary equipment; information technology consulting services; information system integration services; information system operation and maintenance services; security system monitoring services; project management services; education consulting services (excluding training activities requiring licenses and authorizations); advertising publishing; financial consulting; domestic trade agency; domestic goods transportation agency; sales of electronic products; sales of machinery equipment; sales of security equipment; wholesale of hardware products; sales of metal materials; sales of coal and products; sales of lubricants; sales of petroleum products (excluding hazardous chemicals); sales of chemical products (excluding chemical products requiring licenses). (Except for projects requiring approval by law, business activities are carried out independently based on the business license) Licensed projects: Internet information services; operation of hazardous chemicals; second-class value-added telecommunications business.	12,800	9,647	2,676	-1,111	/



Explanation of Significant Related-party Transactions in Joint External Investments

On 26 August 2023, the Company's wholly-owned subsidiary ENN Tianjin, the related party ENN Xinzhi, and Greatgas jointly signed the *Agreement on Debt-to-Equity Conversion and Capital Increase of Greatgas E-Commerce Co., Ltd.*, which provided for incremental investments in Greatgas, distributed proportionately in multiple batches. In this capital increase, ENN Tianjin invested in the shares in cash and ENN Xinzhi invested in the shares by way of debt capital increase. ENN Tianjin and ENN Xinzhi agreed to increase Greatgas's registered capital to RMB 230.04 million. ENN Xinzhi would convert its RMB 50 million debt into an investment in Greatgas, and ENN (Tianjin) would proportionally increase its capital by RMB 52.04 million in cash. The Agreement specified that the above-mentioned registered capital payment would be completed by 30 September 2023, and ENN Tianjin completed the transfer to Greatgas on 28 September 2023.

On 8 December 2023, EN Tianjin, ENN Xinzhi, and Greatgas jointly signed the *Agreement on Capital Increase of Greatgas E-Commerce Co., Ltd.* ENN Tianjin and ENN Xinzhi agreed to increase Greatgas's registered capital to RMB 280.04 million, and both parties paid the capital to Greatgas according to their equity ratios. In this capital increase, ENN Tianjin and ENN Xinzhi increased their equity in proportion. The total increased capital amounted to RMB 50 million, with ENN Tianjin contributing RMB 25.5 million and ENN Xinzhi contributing RMB 24.5 million. Both parties completed the payment of the above-mentioned registered capital as agreed.

The common investor ENN Xinzhi is an enterprise controlled by Mr. Wang Yusuo, the actual controller of the Company. As per the relevant rules of the *Rules Governing the Listing of Stocks on the Shanghai Stock Exchange*, ENN Xinzhi shall be the affiliated legal person of the Company, and this transaction shall be considered a related-party transaction.

(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

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

(II) Guarantees

√Applicable N/A

Unit: RMB '0000 Currency: RMB

Guarantees for External Parties (excluding those for subsidiaries)												
Guarantor	Relation between the Guarantor and the Listed Company	Guaranteed party	Guarantee amount	Date of occurrence (signing date of agreement)	Guarantee start date	Guarantee maturity date	Types of guarantee (if any)	Whether the guarantee has been			Guarantee for a related party	
								fully executed	Whether the guarantee is overdue	Overdue amount		Counter guarantee
ENN Natural Gas Co., Ltd.	The Company	Chongqing Fuling Energy Industry Group Co., Ltd.	1,345	2020/10/8	2021/3/8	2025/12/31	Surety guarantee	No	No	0	Yes	No
Jinhua Xin'ao Gas Company Limited	Holding subsidiary	Jinhua City Gaoya Natural Gas Co., Ltd.	700	2023/12/22	2023/12/22	2024/12/21	Surety guarantee	No	No	0	No	No
Total guarantee amount incurred during the Reporting Period (excluding guarantees for subsidiaries)												
Total guarantee balance at the end of the Reporting Period (A) (excluding guarantees for subsidiaries)												
Guarantees from the Company and its subsidiaries for subsidiaries												
Total guarantee amount incurred during the Reporting Period for subsidiaries												
Total guarantee balance at the end of the Reporting Period for subsidiaries (B)												
Total amount of guarantees provided by the Company (including those for subsidiaries)												
Total guarantee amount (A+B)												
Proportion of total guarantee amount to net assets of the Company (%)												
Among which:												
Amount of guarantees for shareholders, actual controller and their related parties (C)												
Amount of direct or indirect debt guarantees for guaranteed party whose asset-liability ratio exceeds 70% (D)												
Amount of total guarantee in excess of 50% of net assets (E)												
Total amount of the above three guarantees (C+D+E)												
Information on the outstanding guarantees for which the Company may assume joint and several liability												
Information on guarantees												
1. The amount of guarantee 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.												



Guarantees from the Company and its subsidiaries for subsidiaries

2. Guarantees provided by subsidiaries for subsidiaries as at the end of the Reporting Period had a guarantee balance of RMB 7,384.462 million. Specifically:

- (1) ENN Energy Holdings Limited provided guarantees of up to RMB 2,007.77 million for ENN Global Trading Pte. Ltd.
- (2) Wen'an ENN Mingshun 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 20 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 403.06 million for Changzhou Xin'ao Gas Development Co., Ltd.
- (6) Dongguan ENN Gas Co., Ltd. provided guarantees of up to RMB 131 million for Dongguan New Energy Management Co., Ltd.
- (7) ENN (Tianjin) Energy Investment Co., Ltd. provided guarantees of up to RMB 512 million for ENN (Zhoushan) LNG Co., Ltd.
- (8) Xin'ao (China) Gas Investment Co., Ltd. granted guarantees of up to RMB 1,717.24 million in total for 14 subsidiaries including ENN Gas Development Co., Ltd.
- (9) ENN Gas Development Co., Ltd. granted guarantees of up to RMB 48.04 million for ENN Zhejiang Petrochemical (Zhoushan) Natural Gas Co., Ltd.
- (10) Xindi Energy Engineering Technology Co., Ltd. provided guarantees of up to RMB 314.3 million for ENN (Tianjin) Energy Investment Co., Ltd.
- (11) Xinmeng (Hong Kong) Energy Investment Co., Ltd. provided guarantees of up to RMB 2,071.21 million for ENN LNG (Singapore) Pte Ltd
- (12) Xinxiang Xin'ao Clean Energy Co., Ltd. provided guarantees of up to RMB 100 million for Xinxiang Xin'ao Gas Co., Ltd.
- (13) Zhuzhou Xin'ao Gas Co., Ltd. granted guarantees of up to RMB 20 million for Zhuzhou Xin'ao Gas Development Co., Ltd.

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 6,557.9 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 (equivalent to RMB 4,553.79 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 2020 Second Extraordinary General Meeting held on 7 August 2020.
- (2) The Company provided its wholly-owned subsidiary Xinmeng (Tianjin) Energy Co., Ltd. with a guarantee of up to RMB 167.89 million.
- (3) Zhuzhou Xin'ao Gas Co., Ltd. granted guarantees of up to RMB 20 million for Zhuzhou Xin'ao Gas Development 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. provided guarantees of up to RMB 403.06 million for Changzhou Xin'ao Gas Development Co., Ltd.
- (6) Wen'an ENN Mingshun Gas Co., Ltd. provided guarantees of up to RMB 10 million for Wen'an County Yutong Gas Co., Ltd.
- (7) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB 676.54 million for Daqing Gaoxin Boyuan Thermal Power Co., Ltd.
- (8) Xinxiang Xin'ao Clean Energy Co., Ltd. provided guarantees of up to RMB 100 million for Xinxiang Xin'ao Gas Co., Ltd.
- (9) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB 470 million for Xin'ao Gas Development Co., Ltd.
- (10) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB 45.62 million for Yangpu ENN Energy Development Co., Ltd.
- (11) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB 60 million for Yutian ENN Gas Co., Ltd.
- (12) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB 20 million for Tangshan Fengnan ENN Gas Co., Ltd.
- (13) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB 1 million for Rongcheng ENN 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 13.45 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 Longlian Energy Technology Co., Ltd. The counter-guarantee has been deliberated and approved at the Seventeenth Meeting of the Ninth Board of Directors held on 28 August 2020 and the 2020 Third Extraordinary General Meeting held on 29 September 2020.

(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	10,000	
Public offering fund products	Self-owned fund	265,904	10,011	

Other information

Applicable N/A

The Company held the Fifth Meeting of the Tenth Board of Directors on 9 December 2022, approving through deliberation the *Proposal on the Estimated Amount of Entrusted Wealth Management in 2023*, whereby the Company and its subsidiaries were allowed to use the temporarily idle self-owned fund with a balance of up to RMB 5.3 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-NG on Estimated Amount of Entrusted Wealth Management in 2023 (Announcement No.: 2022-103) published on the website of the Shanghai Stock Exchange on 10 December. 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	7,635	2,635	



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	2,635	1,138
Total	2,635	1,138

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

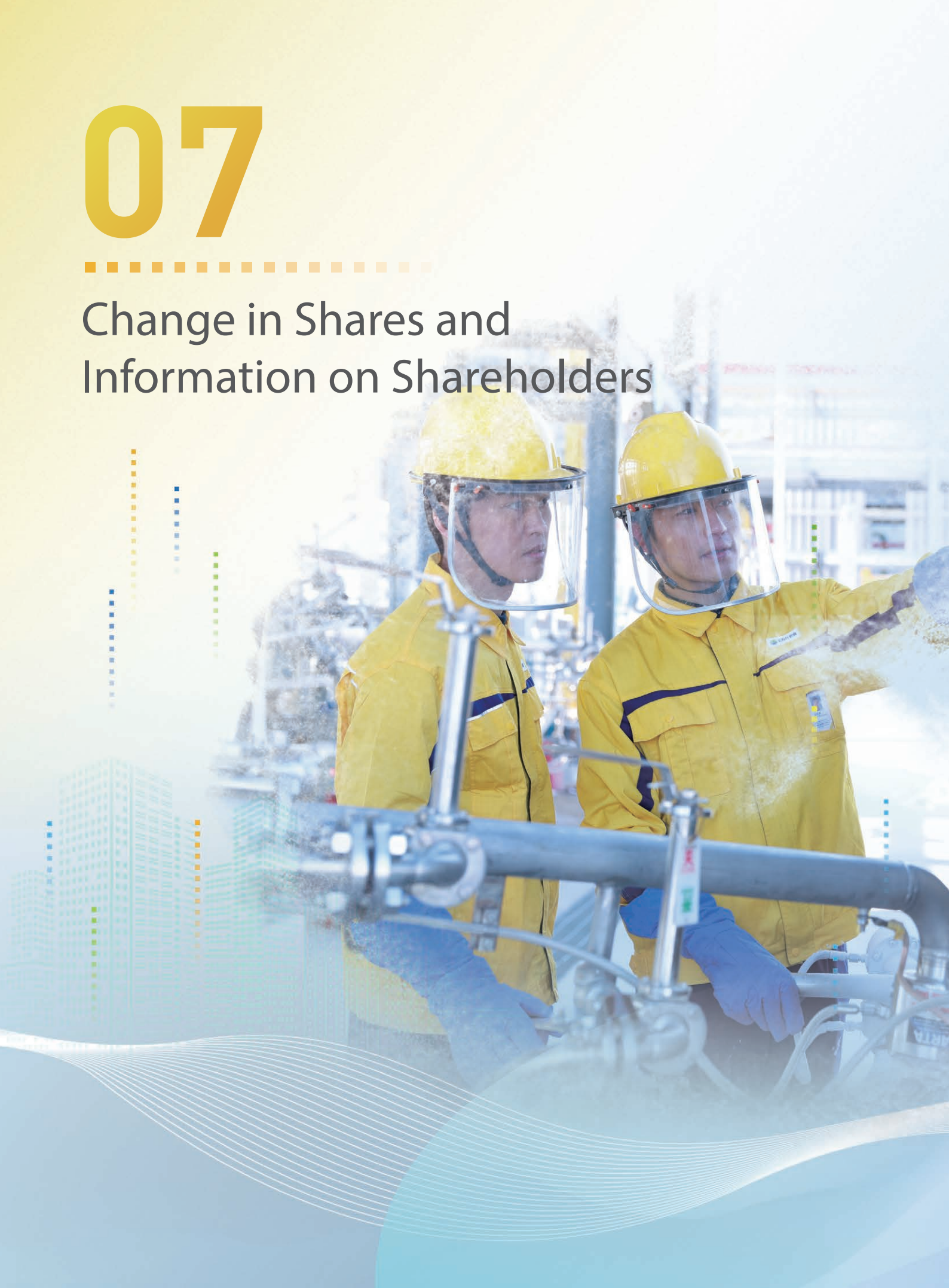
XV. Other information on major matters significantly affecting the value judgment and investment decisions of investors

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 (+ or -)		
	Number of shares	Proportion (%)	New shares issued	Bonus shares	Capitalization of capital reserves
I. Restricted shares	1,637,380,719	52.84	0	0	0
1. Shares held by the State					
2. Shares held by the state-owned legal persons					
3. Other shares held by domestic investors	266,754,039	8.61	0	0	0
Including: Shares held by domestic non-state-owned legal persons	252,808,988	8.16	0	0	0
Shares held by domestic natural persons	13,945,051	0.45	0	0	0
4. Shares held by foreign investors	1,370,626,680	44.23	0	0	0
Including: Shares held by overseas legal persons	1,370,626,680	44.23	0	0	0
Shares held by overseas natural persons					
II. Tradable share without conditions on restricted sale	1,461,281,888	47.16	0	0	0
1. RMB ordinary shares	1,461,281,888	47.16	0	0	0
2. Foreign shares listed domestically					
3. Foreign shares listed overseas					
4. Others					
III. Total number of shares	3,098,662,607	100	0	0	0

	Other	Subtotal	After change	
			Number of shares	Proportion (%)
I. Restricted shares	-1,370,891,680	-1,370,891,680	266,489,039	8.60
1. Shares held by the State				
2. Shares held by the state-owned legal persons				
3. Other shares held by domestic investors	-265,000	-265,000	266,489,039	8.60
Including: Shares held by domestic non-state-owned legal persons	0	0	252,808,988	8.16
Shares held by domestic natural persons	-265,000	-265,000	13,680,051	0.44
4. Shares held by foreign investors	-1,370,626,680	-1,370,626,680	0	0.00
Including: Shares held by overseas legal persons	-1,370,626,680	-1,370,626,680	0	0.00
Shares held by overseas natural persons				
II. Tradable share without conditions on restricted sale	+1,370,626,680	+1,370,626,680	2,831,908,568	91.40
1. RMB ordinary shares	+1,370,626,680	+1,370,626,680	2,831,908,568	91.40
2. Foreign shares listed domestically				
3. Foreign shares listed overseas				
4. Others				
III. Total number of shares	-265,000	-265,000	3,098,397,607	100.00

2. Information on changes in shares

√ Applicable □ N/A

- (1) Under the 2021 Restricted Stock Incentive Plan of the Company, five incentive grantees had an “unsatisfactory” individual performance evaluation result during the first Unrestricted Period for first grant, and one incentive grantee was no longer eligible due to retirement one incentive grantee had an “unsatisfactory” individual performance evaluation result during the first Unrestricted Period for reserved grant. In accordance with the 2021 Restricted Stock Incentive Plan (Draft) of the Company, a total of 265,000 restricted shares 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 6 March 2023. The restricted shares changed from 1,637,380,719 to 1,637,115,719 and the total number of shares changed from 3,098,662,607 to 3,098,397,607.



- (2) The Company acquired an aggregate of 369,175,534 shares in ENN Energy held by ENN International and Essential Investment controlled by Chairman and actual controller of the Company, Mr. Wang Yusuo, by asset swap, issue of shares, and cash payment and raised supporting funds by issuing shares to no more than 35 specific investors, including ENN Holdings. The registration formalities of the additional 1,370,626,680 restricted shares for the issue of shares to ENN International for the purchase of assets were completed with the China Securities Depository and Clearing Corporation Limited Shanghai Branch on 18 September 2020. On 18 September 2023, these restricted shares were listed and circulated. The number of restricted shares of the Company decreased from 1,637,115,719 to 266,489,039, and the number of unrestricted shares increased from 1,461,281,888 to 2,831,908,568, with the total number of shares unchanged at 3,098,397,607.

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

Under the 2021 Restricted Stock Incentive Plan of the Company, five incentive grantees had an “unsatisfactory” individual performance evaluation result during the first Unrestricted Period for first grant, and one incentive grantee was no longer eligible due to retirement one incentive grantee had an “unsatisfactory” individual performance evaluation result during the first Unrestricted Period for reserved grant. In accordance with the 2021 Restricted Stock Incentive Plan (Draft) of the Company, a total of 265,000 restricted shares 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 6 March 2023. The restricted shares changed from 1,637,380,719 to 1,637,115,719 and the total number of shares changed from 3,098,662,607 to 3,098,397,607.

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 effect of changes in the above shares, 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”.

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

Applicable N/A

On 22 December 2023, the Company held the Twelfth Meeting of the Tenth Board of Directors and the Tenth Meeting of the Tenth Board of Supervisors, deliberating and approving the *Proposal on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Second Unrestricted Period for the First and Reserved Grants under the 2021 Restricted Stock Incentive Plan*. The conditions for the removal of restrictions on sale during the second Unrestricted Period for the first and second grants under the 2021 Restricted Stock Incentive Plan were satisfied. The number of restricted shares for which restrictions on sale may be removed for 41 incentive grantees during the second Unrestricted Period for the first grant was 3,990,000, and the number of restricted shares for which restrictions on sale may be removed for 8 incentive grantees during the second Unrestricted Period for the reserved grant was 242,517, totaling 4,232,517 restricted shares, which were listed and

circulated from 5 January 2024. The number of restricted shares of the Company decreased from 266,489,039 to 262,256,522, and the number of unrestricted shares increased from 2,831,908,568 to 2,836,141,085, with the total number of shares unchanged at 3,098,397,607.

Since such share cancellation occurred during the period from the end of the Reporting Period to the disclosure date of the Annual Report, the change in shares made during the Reporting Period and relevant explanations as set forth in this Section shall not include the information on the share cancellation.

(II) Changes in restricted shares

Applicable N/A

Unit: share

Name of shareholder	Number of				Reason for restrictions on sale	Date of removal of restrictions on sale
	Number of restricted shares at the beginning of the year	shares for which restrictions on sale are removed during the year	Number of restricted shares increased during the year	Number of restricted shares at the end of the year		
Grantee of restricted shares in 2021	13,945,051	0	-265,000	13,680,051	Restrictions on sale of stock option incentive	Note 1
ENN GROUP INTERNATIONAL INVESTMENT LIMITED	1,370,626,680	1,370,626,680	0	0	Issue of shares to purchase assets, with lock-up period of 36 months	18 September 2023
Total	1,384,571,731	1,370,626,680	-265,000	13,680,051	/	/

Note 1: The restricted shares granted under the Stock Incentive Plan executed in 2021 shall be unlocked in batches according to the relevant provisions of the 2021 Incentive Plan for Restricted Shares of ENN Natural Gas Co., Ltd. (Draft).

II. Issue and Listing of Securities

(I) Issue of securities during the Reporting Period

Applicable N/A

Please refer to Section IX about Information on Bonds during the reporting period.

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

Please refer to Section IX about Information on Bonds.

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

Applicable N/A

Under the 2021 Restricted Stock Incentive Plan of the Company, five incentive grantees had an “unsatisfactory” individual performance evaluation result during the first Unrestricted Period for first grant, and one incentive grantee was no longer eligible due to retirement one incentive grantee had an “unsatisfactory” individual performance evaluation result during the first Unrestricted Period for reserved grant. In accordance with the 2021 Restricted Stock Incentive Plan (Draft) of the Company, a total of 265,000 restricted shares 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 6 March 2023. The restricted shares changed from 1,637,380,719 to 1,637,115,719 and the total number of shares changed from 3,098,662,607 to 3,098,397,607.

(III) Existing shares held by internal employees of the Company

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)	21,539
Total number of ordinary shareholders at the end of the month immediately preceding the disclosure date of the Annual Report (household)	17,666
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 top 10 shareholders and top 10 holders of tradable shares (or holders of unrestricted shares) as of the end of the Reporting Period

Unit: share

Shareholding of top 10 shareholders							
Name of shareholder (full name)	Increase or decrease of shares during the Reporting Period	Number of shares held at the end of the Reporting Period	Proportion (%)	Number of restricted shares	Pledged, marked or frozen shares		
					Share status	Number	Natural of shareholder
ENN GROUP INTERNATIONAL INVESTMENT LIMITED	0	1,370,626,680	44.24	0	Pledged	13,000,000	Foreign legal person

Shareholding of top 10 shareholders

Name of shareholder (full name)	Increase or decrease of shares during the Reporting Period	Number of shares held at the end of the Reporting Period	Proportion (%)	Number of restricted shares	Pledged, marked or frozen shares		
					Share status	Number	Natural of shareholder
ENN Investment Holdings Co., Ltd.	0	430,737,451	13.90	0	Pledged	213,100,000	Domestic non-state-owned legal person
ENN Science and Technology Development Co., Ltd.	0	252,808,988	8.16	252,808,988	N/A	0	Domestic non-state-owned legal person
Hong Kong Securities Clearing Company Limited	-16,078,065	131,618,714	4.25	0	N/A	0	Other
Langfang Heyuan Investment Center (LLP)	0	98,360,656	3.17	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.)	-478,798	78,463,417	2.53	0	N/A	0	Other
National Social Security Fund 106 Portfolio	+14,447,482	69,235,738	2.23	0	N/A	0	Other
Basic Endowment Insurance Fund 15022 Portfolio	-2,162,100	26,755,519	0.86	0	N/A	0	Other
CITIC Securities — China Citic Bank — Hybrid Collective Asset Management Plan for Excellent Growth with Two-year Holding Period of CITIC Securities	+22,016,100	22,785,400	0.74	0	N/A	0	Other

Shareholding of top 10 shareholders of unrestricted shares

Name of shareholder	Category and number of shares		
	Number of tradable shares without conditions on restricted sale	Category	Number
ENN GROUP INTERNATIONAL INVESTMENT LIMITED	1,370,626,680	RMB ordinary shares	1,370,626,680
ENN Investment Holdings Co., Ltd.	350,007,451	RMB ordinary shares	350,007,451
Hong Kong Securities Clearing Company Limited	131,618,714	RMB ordinary shares	131,618,714
Langfang Heyuan Investment Center (LLP)	98,360,656	RMB ordinary shares	98,360,656
Hebei Weiyuan Group Co., Ltd.	89,004,283	RMB ordinary shares	89,004,283
Hongchuang (Shenzhen) Investment Center (L.P.)	78,463,417	RMB ordinary shares	78,463,417
National Social Security Fund 106 Portfolio	69,235,738	RMB ordinary shares	78,463,417



Shareholding of top 10 shareholders of unrestricted shares			
Name of shareholder	Category and number of shares		
	Number of tradable shares without conditions on restricted sale	Category	Number
Basic Endowment Insurance Fund 15022 Portfolio	26,755,519	RMB ordinary shares	69,235,738
CITIC Securities — China Citic Bank — Hybrid Collective Asset Management Plan for Excellent Growth with Two-year Holding Period of CITIC Securities	22,785,400	RMB ordinary shares	26,755,519
Huaneng Guicheng Trust Co., Ltd.	19,161,414	RMB ordinary shares	19,161,414
Information on special repurchased shareholders among top 10 shareholders	N/A		
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"> 1. ENN GROUP INTERNATIONAL INVESTMENT LIMITED, ENN Investment 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. 2. The couple, Mr. Wang Yusuo and Ms. Zhao Baoju, signed the Share Escrow Agreement in respect of ENN GROUP INTERNATIONAL INVESTMENT LIMITED 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 on 31 December 2040. 3. The Company is not aware of whether there is an associated relationship between others shareholders or whether they are acting in concert. 		
Information on preferred shareholders with voting rights restored and the number of shares held by them	N/A		

Note: On 19 December 2023, ENN Holdings and ENN Science and Technology signed a *Share Transfer Agreement*. Due to internal shareholding structure adjustments, ENN Holdings intended to transfer 25,000,000 unrestricted circulating shares it held to ENN Science and Technology. On 12 January 2024, this equity transfer was completed. As a result, ENN Holdings held 405,737,451 shares, and ENN Science and Technology held 277,808,988 shares.

Top Ten Shareholders' Shares Loaned in Securities Lending and Borrowing

Applicable N/A

Changes in the Top Ten Shareholders from the Previous Period

Applicable N/A

Unit: Share

Changes in the Top Ten Shareholders from the End of the Previous Period

Shareholder name (full name)	New/exit in this Reporting Period	Unreturned shares loaned in securities lending and borrowing at the end of the period		Holdings in ordinary and credit accounts of shareholders and unreturned shares loaned in securities lending and borrowing at the end of the period	
		Total	Proportion (%)	Total	Proportion (%)
Huaneng Guicheng Trust Co., Ltd.	Exit	0	0.00	19,161,414	0.62

Number of shares held by 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	1,050,000	Note 1	0	Stock incentive
3	Han Jishen	1,050,000	Note 1	0	Stock incentive
4	Zheng Hongtao	750,000	Note 1	0	Stock incentive
5	Jiang Chenghong	682,551	Note 1	0	Stock incentive
6	Wang Dongzhi	600,000	Note 1	0	Stock incentive
7	Zhang Jin	450,000	Note 1	0	Stock incentive
8	Zheng Wenping	450,000	Note 1	0	Stock incentive
9	Zhang Xiaoyang	450,000	Note 1	0	Stock incentive
10	Yin Ming	412,500	Note 1	0	Stock incentive
Information on associated relationship or concerted action between the aforesaid shareholders		N/A			

Note 1: The restricted stocks granted under the 2021 stock incentive plan implemented shall be unlocked in batches in accordance with the relevant provisions of the 2021 Restricted Stock Incentive Plan (Draft) of ENN Natural Gas Co., Ltd.

In December 2023, the conditions for the removal of restrictions on sale during the second Unrestricted Period for the first and second grants under the 2021 Restricted Stock Incentive Plan were satisfied. The number of restricted shares for which restrictions on sale may be removed for 41 incentive grantees during the second Unrestricted Period for the first grant was 3,990,000, and the number of restricted shares for which restrictions on sale may be removed for 8 incentive grantees during the second Unrestricted Period for the reserved grant was 242,517, totaling 4,232,517 shares. Upon application

made by the Company to the Shanghai Stock Exchange, such restricted shares were listed and circulated on 5 January 2024. For the number of new tradable shares and details, please refer to the interim announcement titled 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.: Lin 2023-080) disclosed by the Company at the website of Shanghai Stock Exchange (<http://www.sse.com.cn/>).

(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 109,995,778 shares in Santos Limited (listed on the Australian Securities Exchange, stock code: STO.AX), representing 3.38% of shares
Other information	N/A

2 Natural person

Applicable N/A

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

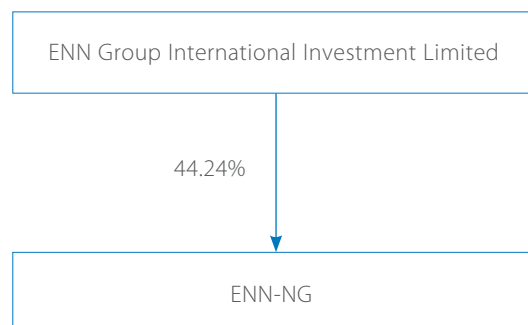
Applicable N/A

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	Chairman of the 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

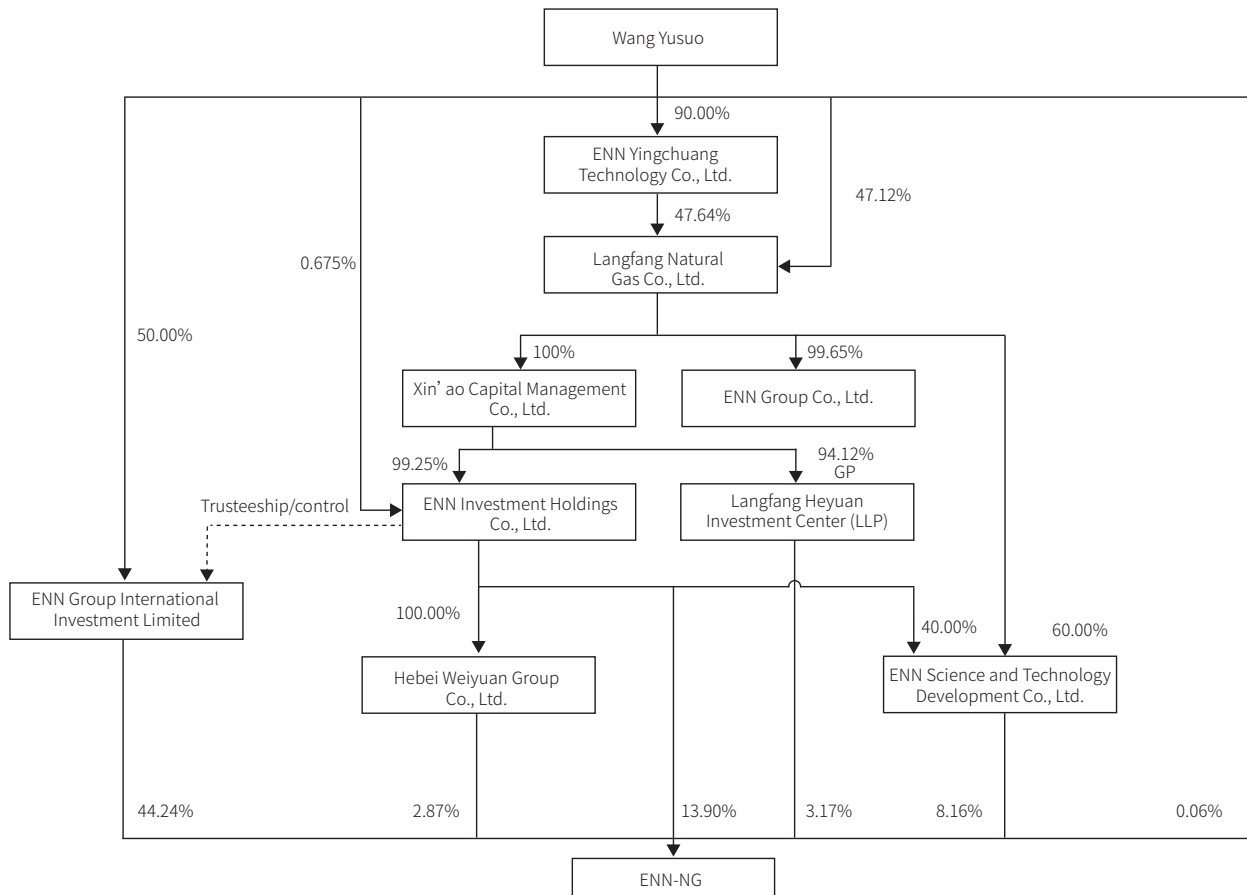
Applicable N/A

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 Investment Holdings Co., Ltd.	Wang Yusuo	13 January 2000	91131001721660105E	80 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	<p>As of 31 December 2022, ENN Holdings directly held 430,737,451 shares in ENN-NG, representing 13.90% of shares.</p> <p>On 19 December 2023, ENN Holdings and ENN Science and Technology signed a <i>Share Transfer Agreement</i>. Due to internal shareholding structure adjustments, ENN Holdings intended to transfer 25,000,000 unrestricted circulating shares it held to ENN Science and Technology. On 12 January 2024, this equity transfer was completed. As a result, ENN Holdings held 405,737,451 shares, and ENN Science and Technology held 277,808,988 shares, representing 13.10% of shares.</p>				

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-price 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	RMB360 million (inclusive) - RMB600 million (inclusive)
Duration of proposed repurchase	8 December 2023 to 7 December 2024
Use of repurchased shares	Used for implementing the equity incentive plan or employee stock ownership plan
Number of shares repurchased (share)	541,800
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: For details, please refer to the *Repurchase Report of ENN-NG on Share Repurchase through Centralized Competitive-price Transaction* disclosed by the Company on the website of the Shanghai Stock Exchange on 9 December 2023 (Announcement No.: 2023-066).

As of 29 February 2024, the Company has repurchased a cumulative total of 541,800 shares, accounting for 0.0175% of the total share capital of the Company. The highest purchase price was RMB18.70 per share, and the lowest was RMB17.96 per share. The total amount paid was RMB9,991,529.00 (excluding transaction costs).



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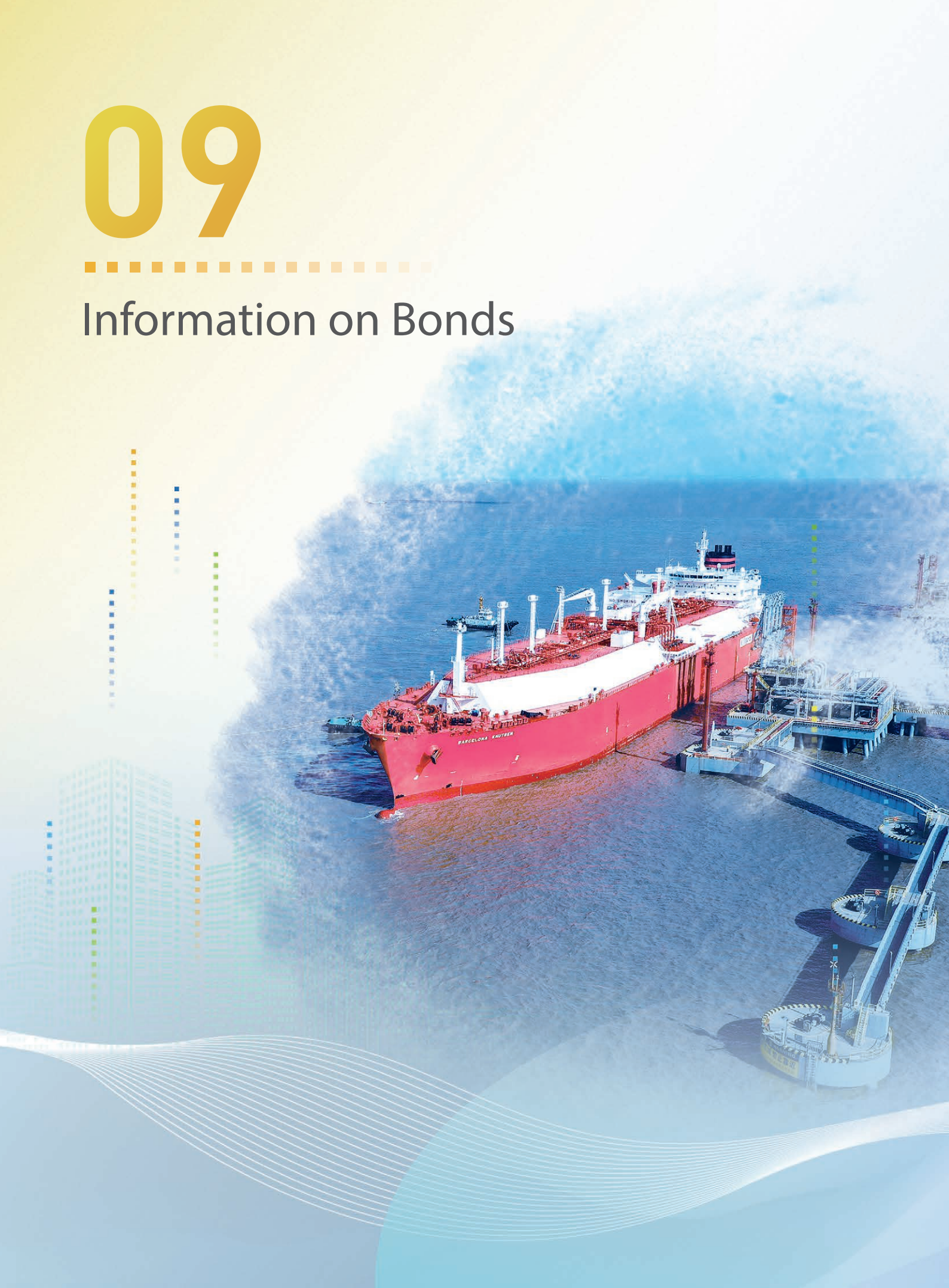
Information on Preferred Shares



Applicable N/A

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Information on Bonds



I. Enterprise Bonds, Corporate Bonds and Non-Financial Corporate Debt-Financing Instruments

Applicable N/A

(I) Enterprise bond

Applicable N/A

(II) Corporate bond

Applicable N/A

(III) 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	21 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

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, Huxiao	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, No. 11 Chongwenmenwai Street, Beijing	Zhang Zenggang, Deng Haifu	Deng Haifu	010-67085873
Beijing Grandway Law Office	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

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

(IV) 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

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

Applicable N/A

(VI) 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

(VII) 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	2023	2022	Year-on-year increase or decrease (%)	Reason for change
Net profit attributable to shareholders of listed companies after deducting nonrecurring gains or losses	245,925	467,089	-47.35	
Liquidity ratio	0.95	0.80	18.75	
Quick ratio	0.90	0.75	20.00	
Asset-liability ratio (%)	56.50	62.14	-9.08	
Ratio of EBITDA to total debt	0.64	0.56	14.29	
Interest coverage ratio	11.26	11.16	0.90	
Cash interest coverage ratio	13.01	13.49	-3.56	
EBITDA interest coverage ratio	14.10	14.00	0.71	
Loan repayment rate (%)	100.00	100.00	0.00	
Interest coverage (%)	100.00	100.00	0.00	

Other information:

The reasons for change in the net profit attributable to shareholders of listed companies after deducting nonrecurring gains or losses are detailed in VII. Key accounting data and financial indicators of the Company in the past three years under Section.

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. 2024S00291

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 2023, the 2023 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 2023 and the consolidated and parent company operating results and cash flow in 2023.

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 2023 amounted to RMB143.842 billion, as shown in Note III of 31. Income and Note V, 57, 58 and 59 of the financial statements for details. The revenue of ENN-NG mainly comes from natural gas retail, wholesale, platform-trade gas, construction and installation, sales and services of integrated energy, 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 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.

(II) Recognition of investment income from disposal of equity

1. Description of matters

As stated in Note III-19 and Note V-66 to the financial statements, In the financial statement of the report period, ENN-NG recognized the investment income from long-term equity investment of RMB4.277 billion in the financial statements during the Reporting Period mainly due to the disposal of the Xinneng Mining Industry Co., Ltd. (hereinafter referred to as "Xinneng Mining Industry") during the Reporting Period. The investment income generated from disposal of equity in Xinneng Mining Industry has a significant impact on the profits during the Reporting Period, therefore we identify the recognition of investment income from disposal of equity in Xinneng Mining Industry as a key audit matter.

2. *Audit response*

Our audit procedures for recognition of investment income from disposal of equity mainly include:

- (1) We understand and evaluate the internal control relating to disposal of material assets and accounting treatment thereof;
- (2) We obtain the resolutions of the Board of Directors, the resolutions of shareholders' meetings, equity transfer agreement and appraisal report in relation to the equity transfer transaction, and review the pricing principle and basis for such transaction;
- (3) We review the accuracy of the management's determination of the equity disposal date by reference to, among others, equity transfer agreement, payment of equity transfer consideration and formalities for completion of equity transfer;
- (4) We make inquiries into the information on the counterparty with administration for industry and commerce and evaluate ENN-NG's judgment on whether the equity transaction constitutes a related-party transaction;
- (5) Based on the equity transfer consideration, the share of net assets of the subsidiary being disposed of that ENN-NG is entitled to on the disposal date and other key factors, we perform recalculation to determine whether the amount of profit and loss on disposal is accurate, and review the accounting treatment by ENN-NG and examine the presentation and disclosure of relevant information in the financial statements.

(III) Impairment of long-term assets

1. *Description of matters*

The long-term assets of the Xinneng Energy Co., Ltd. (hereinafter referred to as "Xinneng Energy"), a subsidiary of ENN-NG, mainly consist of fixed assets and construction in progress relating to the production of methanol and stable light hydrocarbon. The accrual of provision for impairment amounted to RMB1.848 billion for such assets. Affected by the fluctuation in energy and chemical industry and the change in the national tax policy, the management believes that there is sign of impairment of these long-term assets relating to the production of methanol and stable light hydrocarbon, and the book value of these long-term assets may not be fully recovered by future cash flow generated by use of assets or disposal of assets. With respect to long-term assets showing any sign of impairment, the management determines the recoverable amount of such assets at the higher of the net amount of fair value minus disposal expenses and the present value of projected future cash flow of such long-term assets, and recognizes the provision for impairment on this basis. The fair value of long-term assets and the present value of projected future cash flow require the judgments and estimates exercised by the management, such as determination of newness rate, projected future cash flow and selection of appropriate discount rate, and the above estimates greatly depend on the management's judgments and assumptions, therefore we identify the provision for asset impairment as a key audit matter. For relevant disclosures, please refer to the Note III-26 and Note V-21 and 22.



2. *Audit response*

Our audit procedures for impairment of long-term assets mainly include:

- (1) We understand, evaluate and test the design and operation of internal control system of ENN-NG relating to the impairment of long-term assets;
- (2) We acquire knowledge of long-term assets, carry out random inventory check of material assets, inspect the status and use of assets in the current year;
- (3) We communicate with the management to understand the future development prospect and capacity utilization of methanol and stable light hydrocarbon industries;
- (4) We obtain the appraisal report on the underlying asset from third-party organization, analyze and review the appraisal methods, basis and key indicators and evaluate their reasonableness; we evaluate the competency, professionalism and objectivity of the third-party valuation experts engaged by the management, discuss with the external valuation experts and communicate on the reasonableness of the appraisal methods adopted and key parameters selected for impairment test of the underlying long-term assets;
- (5) We examine whether the information regarding long-term assets and long-term asset impairment has been appropriately presented in the financial statements.

IV. **Other Information**

The management of ENN-NG is responsible for the other information. The other information comprises the information included in the 2023 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)

Zhang Zenggang

Beijing, China

Certified Public Accountant of China:

Wang Yanru

March 22, 2024

II. Financial Statements

Consolidated Balance Sheet

31 December 2023

Prepared by: ENN Natural Gas Co., Ltd.

Unit: RMB '0000 Currency: RMB

Item	Notes	31 December 2023	31 December 2022
Current assets:			
Monetary fund	VII-1	1,667,344	923,809
Settlement reserve			
Lending funds	VII-2	329,449	285,117
Transaction financial assets	VII-3	20,011	2,560
Derivative financial assets	VII-4	135,073	289,663
Notes receivable	VII-5	46,564	32,507
Accounts receivable	VII-6	660,894	637,603
Receivables financing	VII-8	102,821	91,663
Prepayments	VII-9	528,640	498,758
Premiums receivable			
Loans and advances	VII-10	3,623	4,410
Reinsured accounts receivable			
Reserves for reinsurance contract receivable			
Other receivables	VII-11	127,752	326,770
Including: Interests receivable			
Dividends receivable		14,701	25,912
Buying back the sale of financial assets			
Inventories	VII-12	216,657	241,660
Contract assets	VII-7	245,318	302,998
Assets held for sale			
Non-current assets due within one year	VII-14	1,785	8,417
Other current assets	VII-15	268,451	232,383
Total current assets		4,354,382	3,878,318
Non-current assets:			
Loans and advances			
Debt investment	VII-16	254	
Other debt investment			
Long-term receivables	VII-18	5,940	439
Long-term equity investment	VII-19	739,750	602,109
Investment in other equity instruments	VII-20	22,580	25,498
Other non-current financial assets	VII-21	452,202	432,722
Investment real estate	VII-22	26,814	27,632



Item	Notes	31 December 2023	31 December 2022
Fixed assets	VII-23	6,132,633	6,612,822
Construction in progress	VII-24	498,372	478,612
Productive biological assets			
Oil-gas assets			
Right-of-use assets	VII-27	52,221	42,442
Intangible assets	VII-28	762,453	1,106,248
Development expenditure	VII-29	49,859	18,507
Goodwill	VII-30	55,802	57,385
Long-term prepaid expenses	VII-31	30,790	77,407
Deferred tax assets	VII-32	248,063	225,454
Other non-current assets	VII-33	25,235	34,149
Total non-current assets		9,102,968	9,741,426
Total assets		13,457,350	13,619,744
Current liabilities:			
Short-term borrowings	VII-35	955,432	756,023
Borrowings from central bank			
Borrowing funds			
Transaction financial liabilities			
Derivative financial liabilities	VII-37	29,440	101,916
Notes payable	VII-38	78,148	85,737
Accounts payable	VII-39	1,070,281	1,048,430
Advance receipts			
Contract liabilities	VII-41	1,495,238	1,742,053
Financial assets sold for repurchase	VII-42		36,519
Deposits from customers and interbank	VII-43	17,664	23,684
Acting trading securities			
Acting underwriting securities			
Payroll payable	VII-44	119,892	124,770
Taxes payable	VII-45	260,509	288,649
Other payables	VII-46	198,530	304,457
Including: Interests payable			
Dividends payable		16,354	26,304
Handling charges and commissions payable			
Cession insurance premiums payable			
Liabilities held for sales			
Non-current liabilities due within one year	VII-48	242,832	194,933
Other current liabilities	VII-49	135,259	159,635
Total current liabilities		4,603,225	4,866,806
Non-current liabilities:			
Reserve for insurance contract			
Long-term borrowings	VII-50	874,591	1,211,218

Item	Notes	31 December 2023	31 December 2022
Bonds payable	VII-51	1,284,234	1,437,773
Including: Preferred shares			
Perpetual bonds			
Lease liabilities	VII-52	36,206	30,977
Long-term payables	VII-53	275	157,114
Long-term payroll payable			
Anticipation liabilities			
Deferred income	VII-56	122,329	111,884
Deferred tax liabilities	VII-32	313,943	358,215
Other non-current liabilities	VII-57	368,882	289,535
Total non-current liabilities		3,000,460	3,596,716
Total liabilities		7,603,685	8,463,522
Owners' equity (or shareholders' equity):			
Paid-in capital (share capital)	VII-58	309,840	309,866
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve	VII-60	15,160	19,396
Less: Treasury shares	VII-61	15,755	19,182
Other comprehensive income	VII-62	133,723	45,835
Special reserve	VII-63	4,771	5,222
Surplus reserve	VII-64	51,590	33,111
General risk provisions	VII-65	18,852	18,839
Undistributed profits	VII-66	1,847,301	1,344,725
Total owners' equity (or shareholders' equity) attributable to the parent company		2,365,482	1,757,812
Minority interest		3,488,183	3,398,410
Total owners' equity (or shareholders' equity)		5,853,665	5,156,222
Total liabilities and owners' equity (or shareholders' equity)		13,457,350	13,619,744

Person in charge of the Company:
Yu Jianchao

Person in charge of accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan

Balance Sheet of the Parent Company

31 December 2023

Prepared by: ENN Natural Gas Co., Ltd.

Unit: RMB '0000 Currency: RMB

Item	Notes	31 December 2023	31 December 2022
Current assets:			
Monetary fund		296,515	35,233



Item	Notes	31 December 2023	31 December 2022
Transaction financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable	XIX-1	2,299	47
Receivables financing			
Prepayments		79	82
Other receivables	XIX-2	1,103,775	823,340
Including: Interests receivable			
Dividends receivable		88,911	170,586
Inventories			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		1,110	275
Total current assets		1,403,778	858,977
Non-current assets:			
Debt investment			
Other debt investment			
Long-term receivables		51,404	
Long-term equity investment	XIX-3	1,115,687	1,371,630
Investment in other equity instruments			
Other non-current financial assets			
Investment real estate			
Fixed assets		194	235
Construction in progress			
Productive biological assets			
Oil-gas assets			
Right-of-use assets			200
Intangible assets		2,790	3,160
Development expenditure		1,940	688
Goodwill			
Long-term prepaid expenses			
Deferred tax assets			
Other non-current assets			
Total non-current assets		1,172,015	1,375,913
Total assets		2,575,793	2,234,890
Current liabilities:			
Short-term borrowings		59,531	60,020
Transaction financial liabilities			
Derivative financial liabilities			
Notes payable		117,500	14,100
Accounts payable		1,387	961



Item	Notes	31 December 2023	31 December 2022
Advance receipts			
Contract liabilities			
Payroll payable		318	553
Taxes payable		24,842	51
Other payables		539,259	619,711
Including: Interests payable			
Dividends payable			
Liabilities held for sales			
Non-current liabilities due within one year		17,189	229
Other current liabilities			
Total current liabilities		760,026	695,625
Non-current liabilities:			
Long-term borrowings		19,700	60,061
Bonds payable		51,030	
Including: Preferred shares			
Perpetual bonds			
Lease liabilities			
Long-term payables		316,933	480,537
Long-term payroll payable			
Anticipation liabilities			
Deferred income		479	670
Deferred tax liabilities			
Other non-current liabilities		95,472	
Total non-current liabilities		483,614	541,268
Total liabilities		1,243,640	1,236,893
Owners' equity (or shareholders' equity):			
Paid-in capital (share capital)		309,840	309,866
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve		446,288	444,027
Less: Treasury shares		15,755	19,182
Other comprehensive income			
Special reserve			
Surplus reserve		101,789	53,167
Undistributed profits		489,991	210,119
Total owners' equity (or shareholders' equity)		1,332,153	997,997
Total liabilities and owners' equity (or shareholders' equity)		2,575,793	2,234,890

Person in charge of the Company:
Yu Jianchao

Person in charge of the accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan



Consolidated Income Statement

January – December 2023

Unit: RMB '0000 Currency: RMB

Item	Notes	2023	2022
I. Gross revenue		14,384,188	15,416,881
Including: Operating income	VII-67	14,375,398	15,404,417
Interest revenue	VII-68	8,790	12,454
Earned premium			
Handling charges and commissions income	VII-69		10
II. Gross operating cost		13,250,627	14,127,096
Including: Operating cost	VII-67	12,370,740	13,070,263
Interest expenses	VII-68	962	2,135
Handling charges and commissions expense	VII-69	246	311
Surrender value			
Net payments for insurance claims			
Net Deposit for Duty of Reinsurance			
Expenditures dividend policy			
Amortized Reinsurance expenses			
Taxes and surcharges	VII-70	54,371	78,411
Selling expenses	VII-71	142,868	148,501
Administrative expenses	VII-72	420,250	412,141
Research and development expenditure	VII-73	96,130	122,014
Financing expense	VII-74	165,060	293,320
Including: Interest expense		140,341	137,166
Interest revenue		23,071	13,618
Plus: Other income	VII-75	54,207	42,219
Investment income (losses as in "-")	VII-76	792,202	84,651
Including: Investment incomes from associated ventures and joint ventures		23,348	13,268
Derecognized income of financial assets measured at amortized cost (losses as in "-")			
Exchange gains (losses as in "-")	VII-77	-11	-41
Net exposure hedging gains (losses as in "-")			
Income from changes in fair values (losses as in "-")	VII-79	-147,905	116,912
Credit impairment losses (loss as in "-")	VII-80	-39,636	-30,829
Assets impairment losses (loss as in "-")	VII-81	-206,885	-24,287
Assets disposal gains (losses as in "-")	VII-82	-6,293	-7,944
III. Operating profit (losses as in "-")		1,579,240	1,470,466
Plus: Non-operating income	VII-83	16,494	9,850
Less: Non-operating expenditure	VII-84	19,115	12,637
IV. Total profit (total losses as in "-")		1,576,619	1,467,679
Less: Income tax expenses	VII-85	323,606	360,272

Item	Notes	2023	2022
V. Net profit (net loss as in "-")		1,253,013	1,107,407
(I) Classified by the continuity of operations			
1. Net profit of going concern (net losses as in "-")		827,302	973,885
2. Net profit of discontinuing operation (net losses as in "-")		425,711	133,522
(II) Classified by attribution of ownership			
1. Net profit attributable to shareholders of the parent company (net losses as in "-")		709,111	584,391
2. Minority shareholders' profits and losses (net losses as in "-")		543,902	523,016
VI. Net of tax from other comprehensive income		87,061	-13,664
(I) Net after-tax amount of other comprehensive income attributable to owners of the parent company		87,888	17,265
1. Other comprehensive income that can not be reclassified into profit or loss		-365	-603
(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		-365	-603
(4) Changes in fair value of enterprise's own credit risk			
2. Other comprehensive income that will be reclassified into profit or loss		88,253	17,868
(1) Other comprehensive income of convertible 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		76,630	-4,097
(6) Conversion difference of foreign currency financial statements		11,613	21,888
(7) Others		10	77
(II) Net income of tax of other comprehensive income attributable to minority shareholders		-827	-30,929
VII. Total comprehensive incomes		1,340,074	1,093,743
(I) Total consolidated income attributable to the owner of the parent company		796,999	601,656
(II) Total aggregate income attributable to minority shareholders		543,075	492,087
VIII. Earnings per share:			
(I) Basic earnings per share (yuan/share)		2.30	1.90
(II) Diluted earnings per share (yuan/share)		2.30	1.89

Person in charge of the Company:
Yu Jianchao

Person in charge of the accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan

Income Statement of the Parent Company

January – December 2023

Unit: RMB '0000 Currency: RMB

Item	Note	2023	2022
I. Operation income	XIX-4	2,359	1,859
Less: Operating cost	XIX-4	5	9
Taxes and surcharges		499	72
Selling expenses			
Administrative expenses		6,258	10,708
Research and development expenditure		498	
Financing Expense		15,835	15,272
Including: Interest expenses		15,236	15,340
Interest revenue		3,323	1,656
Plus: Other income		313	28
Investment income (losses as in "-")	XIX-5	534,480	131,206
Including: Investment incomes from associated ventures and joint ventures		-960	2,120
Derecognized income of financial assets measured at amortized cost (losses as in "-")			
Net exposure hedging gains (losses as in "-")			
Income from changes in fair values (losses as in "-")			
Credit impairment losses (loss as in "-")			
Assets impairment losses (loss as in "-")			
Assets disposal gains (losses as in "-")			-94
II. Operating profit (losses as in "-")		514,057	106,938
Plus: Non-operating income		7	15
Less: Non-operating expenditure		3,000	
III. Total profit (losses as in "-")		511,064	106,953
Less: Income tax expenses		24,848	
IV. Net profit (net loss as in "-")		486,216	106,953
1. Net profit of going concern (net losses as in "-")		486,216	106,953
2. Net profit of discontinuing operation (net losses as in "-")			
V. Net of tax from other comprehensive income			-26
(I) Other comprehensive income that can not be reclassified into profit or loss			-26
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			

Item	Note	2023	2022
3. Changes in fair value of other equity instrument			-26
4. Changes in fair value of enterprise's own credit risk			
(II) Other comprehensive income can reclassified into gains and losses			
1. Other comprehensive income of convertible 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 foreign currency financial statements			
7. Others			
VI. Total comprehensive income		486,216	106,927
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)			
(II) Diluted earnings per share (RMB/share)			

Person in charge of the Company:
Yu Jianchao

Person in charge of the accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan

Consolidated Cash Flow Statement

January – December 2023

Unit: RMB '0000 Currency: RMB

Item	Notes	2023	2022
I. Cash flow from operating activities:			
Cash received from selling goods and providing labor service		17,685,800	17,907,997
Net increase of customer's deposit and deposit from other banks			4,376
Net increase of borrowings from central bank			
Net increase of funds borrowed from other financial institutions			
Cash gained from the received premium of 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		7,582	10,019
Net increase of borrowing funds			
Net increase of the repurchased business capital			



Item	Notes	2023	2022
Net decrease in customers' loans and advances			33,383
Net cash of receivings from vicariously traded securities			
Refund of taxes received		75,585	226,539
Other cash received related to operating activities	VII-87	105,902	82,390
Subtotal cash inflow from operating activities		17,874,869	18,264,704
Cash paid for purchasing goods and accepting labor services		15,001,153	15,228,788
Net decrease of customer's deposit and deposit from other banks		6,020	
Net increase of customer lending and money advanced		7,185	
Net increase deposited in central bank and other banks			
Cash paid for compensated funds of the original insurance contract			
Net increase of lending funds			
Net decrease of the repurchase business funds		36,519	18,971
Cash paid for interest, handling charges and commissions			
Cash paid for policy dividends			
Cash payments to and on behalf of employees		608,190	597,407
Other taxes and dues		641,946	681,615
Other cash paid related to operating activities	VII-87	197,911	237,345
Subtotal cash outflow for operating activities		16,498,924	16,764,126
Net cash flow from operating activities		1,375,945	1,500,578
II. Cash flow from investing activities:			
Cash received from investment recovery	VII-87	972,645	1,073,761
Cash received from investment return	VII-87	220,657	170,348
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		30,196	56,231
Net cash received from disposal of subsidiaries and other business units		655,979	7,962
Other cash received related to investment activities	VII-87	386,709	42,941
Subtotal cash inflow of investment activities		2,266,186	1,351,243
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		925,866	871,924
Cash paid for investments	VII-87	1,035,081	1,107,630
Net increase of pledged loans			
Net cash paid by subsidiaries and other business units		6,402	7,652
Other cash payments related to investment activities	VII-87	65,715	52,146
Subtotal cash outflow for investment activities		2,033,064	2,039,352
Net cash flow from investing activities		233,122	-688,109

Item	Notes	2023	2022
III. Cash flow from financing activities:			
Cash received from investment absorption		16,846	13,844
Including: Cash received from subsidiaries for investment by minority interest		14,749	9,070
Cash received from loan		2,050,187	2,443,775
Other cash received related to financing activities	VII-87	227,614	79,286
Subtotal cash inflow from fund-raising activities		2,294,647	2,536,905
Cash paid for debt repayment		2,332,919	2,487,819
Cash paid for dividend distribution, profits distribution, or interests payment		607,716	497,839
Including: Dividends, profits paid to minority owners by the subsidiaries		303,325	261,699
Other cash payments related to financing activities	VII-87	181,858	516,463
Subtotal cash outflow for fund-raising activities		3,122,493	3,502,121
Net cash flow from financing activities		-827,846	-965,216
IV. Impact of exchange rate movement on cash and cash equivalents		901	6,960
V. Net increase of cash and cash equivalents		782,122	-145,787
Plus: Beginning balance of cash and cash equivalents		1,095,554	1,241,341
VI. ending cash and cash equivalents balance		1,877,676	1,095,554

Person in charge of the Company:
Yu Jianchao

Person in charge of the accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan

Cash Flow Statement of the Parent Company

January – December 2023

Unit: RMB '0000 Currency: RMB

Item	Notes	2023	2022
I. Cash flow from operating activities:			
Cash received from selling goods and providing labor service		137	109
Refund of taxes received			
Other cash received related to operating activities		359,275	3,579
Subtotal cash inflow from operating activities		359,412	3,688
Cash paid for purchasing goods and accepting labor services			
Cash payments to and on behalf of employees		417	1,387
Other taxes and dues		493	426
Other cash paid related to operating activities		15,576	11,011
Subtotal cash outflow for operating activities		16,486	12,824
Net cash flow from operating activities		342,926	-9,136



Item	Notes	2023	2022
II. Cash flow from investing activities:			
Cash received from investment recovery			
Cash received from investment return		325,314	90,835
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			85
Net cash received from disposal of subsidiaries and other business units		672,868	
Other cash received related to investment activities		3	
Subtotal cash inflow of investment activities		998,185	90,920
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		363	20
Cash paid for investments			10,000
Net cash paid by subsidiaries and other business units			
Other cash payments related to investment activities			318
Subtotal cash outflow for investment activities		363	10,338
Net cash flow from investing activities		997,822	80,582
III. Cash flow from financing activities:			
Cash received from investment absorption			
Cash received from loan		329,880	238,000
Other cash received related to financing activities		796,925	1,175,594
Subtotal cash inflow from fund-raising activities		1,126,805	1,413,594
Cash paid for debt repayment		332,032	237,590
Cash paid for dividend distribution, profits distribution, or interests payment		159,590	92,870
Other cash payments related to financing activities		1,710,290	1,261,633
Subtotal cash outflow for fund-raising activities		2,201,912	1,592,093
Net cash flow from financing activities		-1,075,107	-178,499
IV. Impact of exchange rate movement on cash and cash equivalents		-4,355	8
V. Net increase of cash and cash equivalents		261,286	-107,045
Plus: Beginning balance of cash and cash equivalents		32,457	139,502
VI. Ending cash and cash equivalents balance		293,743	32,457

Person in charge of the Company:
Yu Jianchao

Person in charge of the accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan

Consolidated Statement of Changes in Owners' Equity

January – December 2023

Unit: RMB'0000 Currency: RMB

Item	2023														Total owners' equity
	Attributable to the owner's equity of the parent company													Minority interest	
	Paid-in capital (share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk preparation	Undistributed profits	Others	Subtotal		
I. Ending balance of last year	309,866				19,396	19,182	45,835	5,222	33,111	18,839	1,344,725		1,757,812	3,398,410	5,156,222
Plus: Change in accounting policies													-178	-178	-178
Early error correction															
Others															
II. Beginning balance of current year	309,866				19,396	19,182	45,835	5,222	33,111	18,839	1,344,547		1,757,634	3,398,410	5,156,044
III. Increase or decrease of current period (decrease expressed with "-")	-26				-4,236	-3,427	87,888	-451	18,479	13	502,754		607,848	89,773	697,621
(I) Total Comprehensive income							87,888				709,111		796,999	543,075	1,340,074
(II) Capital invested and reduced by the owner	-26				-4,236	-3,427			-30,143				-30,978	-156,763	-187,741
1. Common stock invested by the owner	-26				-154	-180								6,559	6,559
2. Capital invested by other interest tool holders															
3. Amount of share-based payment included in the owner's equity					2,415	-3,247							5,662	493	6,155
4. Others					-6,497				-30,143				-36,640	-163,815	-200,455



2023															
Attributable to the owner's equity of the parent company															
Item	Paid-in capital (share capital)	Other equity instruments			Capital reserve	Less:		Special reserve	Surplus reserve	General risk preparation	Undistributed profits	Others	Subtotal	Minority interest	Total owners' equity
		Preferred shares	Perpetual bonds	Others		Treasury shares	Other comprehensive income								
(III) Profit distribution									48,622	13	-206,357		-157,722	-296,424	-454,146
1. Extraction of surplus reserve									48,622		-48,622				
2. Extraction of general risk reserve										13	-13				
3. Distribution to the owner (or shareholder)											-157,722		-157,722	-296,424	-454,146
4. 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. Carried forward retained earnings from changes in defined benefit plans															
5. Other comprehensive income carried forward to retained earnings															
6. Others															
(V) Appropriate reserve									-451				-451	-115	-566
1. Extraction of current period									20,798				20,798	2,278	23,076
2. Use of current period									21,249				21,249	2,393	23,642
(VI) Others															
IV. Ending balance of 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



Item	2022													Total owners' equity		
	Attributable to the owner's equity of the parent company															
	Paid-in capital (share capital)	Other equity instruments				Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General				Subtotal	Minority interest
		Preferred shares	Perpetual bonds	Others	risk preparation						Undistributed profits	Others				
(IV) Internal carry-over of ownership interests							1,111						-1,111			
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. Carried forward retained earnings from changes in defined benefit plans																
5. Other comprehensive income carried forward to retained earnings							1,111						-1,111			
6. Others																
(V) Appropriate reserve								931					931	431	1,362	
1. Extraction of current period									24,130				24,130	3,055	27,185	
2. Use of current period									23,199				23,199	2,624	25,823	
(VI) Others																
IV. Ending balance of current period	309,866				19,396	19,182	45,835	5,222	33,111	18,839	1,344,725		1,757,812	3,398,410	5,156,222	

Person in charge of the Company:
Yu Jianchao

Person in charge of the accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan

Statement of Changes in Owners' Equity of the Parent Company

January – December 2023

Unit: RMB '0000 Currency: RMB

Item	2023										
	Paid-in capital (share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	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 current year	309,866				444,027	19,182			53,167	210,119	997,997
III. Increase or decrease of 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 the owner	-26				2,261	-3,427					5,662
1. Common stock invested by the owner	-26				-154	-180					
2. Capital invested by other interest tool holders											
3. Amount of share-based payment included in the 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 of the owner (or shareholder)										-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. Carried forward retained earnings from changes in defined benefit plans											
5. Other comprehensive income carried forward to retained earnings											
6. Others											
(V) Appropriate reserve											
1. Extraction of current period											
2. Use of current period											
(VI) Others											
IV. Ending balance of current period	309,840				446,288	15,755			101,789	489,991	1,332,153



Item	2022										
	Paid-in capital (share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
I. Ending balance of last year	284,585				35,554	12,545	-1,085		42,471	202,297	551,277
Plus: Change in accounting policies											
Early error correction											
Others											
II. Beginning balance of current year	284,585				35,554	12,545	-1,085		42,471	202,297	551,277
III. Increase or decrease of current period (decrease expressed with "-")	25,281				408,473	6,637	1,085		10,696	7,822	446,720
(I) Total comprehensive income							-26			106,953	106,927
(II) Capital invested and reduced by the owner	25,281				408,473	6,637					427,117
1. Common stock invested by the owner	25,281				402,219						427,500
2. Capital invested by other interest tool holders											
3. Amount of share-based payment included in the owner's equity					6,254	-3,427					9,681
4. Others						10,064					-10,064
(III) Profit distribution									10,696	-98,020	-87,324
1. Extraction of surplus reserve									10,696	-10,696	
2. Distribution of the owner (or shareholder)										-87,324	-87,324
3. Others											
(IV) Internal carry-over of ownership interests							1,111			-1,111	
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. Carried forward retained earnings from changes in defined benefit plans											
5. Other comprehensive income carried forward to retained earnings							1,111			-1,111	
6. Others											
(V) Appropriate reserve											
1. Extraction of current period											
2. Use of current period											
(VI) Others											
IV. Ending balance of current period	309,866				444,027	19,182			53,167	210,119	997,997

Person in charge of the Company:
Yu Jianchao

Person in charge of the accounting:
Zong Bo

Person in charge of 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 with the approval of the Hebei Commission for Economic Reform in accordance with the Hebei Commission for Economic Reform (1992) No. 1 and No. 40 documents. 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 RMB52.1257 million of state-owned legal person shares and RMB66.096 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 RMB1 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 RMB9.33 per share. As of February 12, 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 RMB2,272,515,004.20; the company deducted various issuance charges of RMB33,684,570.74 (including tax); and actually recruited funds net amount of RMB2,238,830,433.46, among them: Included in the equity of RMB243,570,740.00 and included in capital reserve of RMB1,997,166,367.26. Meanwhile, the registered capital of the Company has been changed to RMB1,229,355,783.00.

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 RMB1,370,626,680.00, which shall be subscribed by ENN International with its corresponding shareholding in ENN Energy. The registered capital after the change shall be RMB2,599,982,463.00.

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 9th Board of Directors held on 9 September 2019, the 8th Meeting of the Ninth Board of Directors held on November 21, 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 RMB1.00 each at an issue price of RMB12.50 per share to specific recipients by way of private offering raising gross proceeds of RMB3,073,389,450.00, and after deducting the issuance fee of RMB45,029,544.86 (excluding taxes), the actual net amount of funds raised is RMB3,028,359,905.14. The Company has used RMB245,871,156.00 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 RMB2,845,853,619.00.

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 RMB252,808,988.00, 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 RMB3,098,662,607.00.

In accordance with the Proposal on the Repurchase and Cancellation of Some Restricted Shares of 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 Some Restricted Shares of 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 RMB3,098,397,607.00, and the share capital denominated in RMB was RMB3,098,397,607.00.

As at 31 December 2023, the registered capital of the Company was RMB3,098,397,607.00; 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 natural gas-based clean energy sale, sale and services of integrated energy, construction and installation, energy production, natural gas infrastructure operation and related smart home services.

These financial statements and the notes thereto have been approved at the 14th Meeting of the Tenth Board of Directors of the Company on 22 March 2024.

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. 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 RMB100 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 RMB100 million of budge amount
Material cash relating 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 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 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 generated by the amortization or impairment shall be recognized in the current profit and loss. 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, loan 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 and exchange profits and losses calculated by the effective interest rate method 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 thought 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 thought 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, combination of sale and services of integrated energy, 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.

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;
- The creditor gives the debtor no concessions under any other circumstances due to the economic or contractual considerations relating to the debtor's financial difficulties;
- 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' fair value due to the transfer of the financial asset) and plus the 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 s, 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

Determination and accounting treatment methods of expected credit losses on notes receivable

Applicable N/A

See the Note “V-11. Financial Instruments (2) Impairment of financial instruments” for details on the determination and accounting treatment methods of expected credit loss on notes receivable.

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

Determination and accounting treatment methods of expected credit losses on accounts receivable

Applicable N/A

See the Note “V-11. Financial Instruments (2) Impairment of financial instruments” for details on the determination and accounting treatment methods of expected credit loss on accounts receivable.

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.

Determination and accounting treatment methods of expected credit losses on receivables financing

Applicable N/A

See the Note "V-11. Financial Instruments (2) Impairment of financial instruments" for details on the determination and accounting treatment methods of expected credit loss on receivables financing.

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

Determination and accounting treatment methods of expected credit losses on other receivables

Applicable N/A

See the Note “V-11. Financial Instruments (2) Impairment of financial instruments” for details on the determination and accounting treatment methods of expected credit loss on other receivables.

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 stock 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.

Determination and accounting treatment methods of expected credit losses on contract assets

Applicable N/A

See the Note "V-11. Financial Instruments (2) Impairment of financial instruments" for details on the determination and accounting treatment methods of expected credit losses on 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 (except mine buildings), and the depreciation rate is determined according to the expected service life and estimated net salvage value rate of the fixed assets category.

According to the provisions of the document (89) Cai Gong Zi No. 302 issued by the Ministry of Finance, the depreciation of mine buildings is accrued according to the production, and the accrual ratio is RMB2.5/ton.

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
Mining right	Exploitable period	Exploitable reserve	Unit-of-production method
Production capacity index	Exploitable period	Exploitable reserve	Unit-of-production 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, integrated energy sales and services, 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) *Integrated energy sales and services*

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 coal and 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. *Coal mining*

Pursuant to the *Notice on Issuing and Distributing the Administrative Measures on the Deposit and Use of the Expenses for Safety Production of Coal Mine and the Several Provisions on the Issues concerning Regulating the Management of Coal Mine Maintenance Fee* (Cai Jian [2004] No. 119) issued by the Ministry of Finance, the State Development and Reform Commission and the State Administration of Coal Mine Safety and the Article 7 of the *Administrative Measures for the Withdrawal and Utilization of Enterprise Work Safety Costs* (Cai Zi [2022] No. 136) promulgated by the Ministry of Finance and the State Administration of Work Safety, the Company shall, based on the raw coal production mined for the current month, make provision for work safety costs at the end of the month by applying the criteria “(II) RMB30 per ton of coal for highly gassy mines, mines with complicated and extremely complicated hydrogeological types and spontaneously ignitable coal bed mines. The work safety costs for which provisions are made shall be used to cover ten expenditure items including coal mine safety facilities and “two 4-in-1” outburst prevention measures for coal and gas outburst and highly gassy mines; the Company withdraws coal mine maintenance fee from the costs as per RMB9.50 per ton of coal based on the actual raw coal output (including RMB2.50 per ton of coal for mine working) to be primarily used for ordinarily continued expansion and extension as well as technical retrofitting for coal mine production.

C. *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 RMB10 million and below;
- 2) 2.25% if the portion of actual sales revenue throughout the year falls within the range from RMB10 million to RMB100 million (inclusive);
- 3) 0.55% if the portion of actual sales revenue throughout the year falls within the range from RMB100 million to RMB1,000 million (inclusive);
- 4) 0.2% if the portion of actual sales revenue throughout the year exceed RMB1,000 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.

D. 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

On 30 November 2022, the Ministry of Finance promulgated the Interpretation No. 16 of Accounting Standards for Business Enterprises (Cai Kuai [2022] No. 31), hereinafter referred to as the “Interpretation No. 16”) of which the provision that “deferred income tax related to assets and liabilities arising from individual transactions does not apply to the accounting treatment of initial recognition exemption” was implemented from 1 January 2023.



The Company implemented the provision of Interpretation No. 16 on 1 January 2023. With respect to any individual transaction which occurs during the period from the beginning of the earliest period for the presentation of financial statements (1 January 2022) for the first implementation of Interpretation No. 16 to January 1, 2023, the Company shall make adjustment in accordance with the provisions of Interpretation No. 16. Where taxable temporary difference and deductible temporary difference incurs for the leased liabilities and right-of-use asset recognized on 1 January 2022 for individual transactions as a result of the application of the Interpretation No.16, the Company shall adjust the cumulative effect to the retained earnings and other relevant financial statement items on 1 January 2022 in accordance with the provisions of the Interpretation No.16 and the Accounting Standards for Enterprises No. 18 — Income Tax. The effects from implementation of the above accounting policy on the consolidated balance sheet at 31 December 2022 and the 2022 income statement are specified as follows:

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 No. 16 of Accounting Standards for Business Enterprises, the provision that “deferred income tax related to assets and liabilities arising from individual transactions does not apply to the accounting treatment of initial recognition exemption” was implemented from 1 January 2023.	Deferred income tax assets	10,290
	Deferred income tax liabilities	10,468
	Undistributed profits	-178
	Income tax expense	178

Apart from the above-mentioned changes in accounting policies, no other accounting policies of the Company have changed during the Reporting Period.

(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 2023

Applicable N/A

Description of reason for adjustment to the financial statements at the beginning of current year

In accordance with the implementation date stipulated in the Interpretation No. 16 of Accounting Standards for Business Enterprises, the provision that “deferred income tax related to assets and liabilities arising from individual transactions does not apply to the accounting treatment of initial recognition exemption” was implemented from 1 January 2023.

Consolidated Balance Sheet

Unit: RMB '0000 Currency: RMB

Item	31 December 2022	1 January 1 2023	Adjustment
Current assets:			
Monetary fund	923,809	923,809	
Settlement reserve			
Lending funds	285,117	285,117	
Transaction financial assets	2,560	2,560	
Derivative financial assets	289,663	289,663	
Notes receivable	32,507	32,507	
Accounts receivable	637,603	637,603	
Receivables financing	91,663	91,663	
Prepayments	498,758	498,758	
Premiums receivable			
Reinsured accounts receivable			
Reserves for reinsurance contract receivable			
Loans and advances	4,410	4,410	
Other receivables	326,770	326,770	
Including: Interests receivable			
Dividends receivable	25,912	25,912	
Buying back the sale of financial assets			
Inventories	241,660	241,660	
Contract assets	302,998	302,998	
Held-for-sale assets			
Non-current assets due within one year	8,417	8,417	
Other current assets	232,383	232,383	
Total current assets	3,878,318	3,878,318	
Non-current assets:			
Loans and advances			
Debt investment			
Other debt investment			
Long-term receivables	439	439	
Long-term equity investment	602,109	602,109	
Investment in other equity instruments	25,498	25,498	
Other non-current financial assets	432,722	432,722	
Investment real estates	27,632	27,632	
Fixed assets	6,612,822	6,612,822	
Construction in progress	478,612	478,612	
Productive biological assets			
Oil and gas assets			
Right-of-use assets	42,442	42,442	



Item	31 December 2022	1 January 1 2023	Adjustment
Intangible assets	1,106,248	1,106,248	
Development expenditure	18,507	18,507	
Goodwill	57,385	57,385	
Long-term prepaid expenses	77,407	77,407	
Deferred tax assets	225,454	235,744	10,290
Other non-current assets	34,149	34,149	
Total non-current assets	9,741,426	9,751,716	10,290
Total assets	13,619,744	13,630,034	10,290
Current liabilities:			
Short-term borrowings	756,023	756,023	
Borrowings from central bank			
Borrowing funds			
Transaction financial liabilities			
Derivative financial liabilities	101,916	101,916	
Notes payable	85,737	85,737	
Accounts payable	1,048,430	1,048,430	
Advance receipts			
Contract liabilities	1,742,053	1,742,053	
Financial assets sold for repurchase	36,519	36,519	
Deposits from customers and interbank	23,684	23,684	
Acting trading securities			
Acting underwriting securities			
Payroll payable	124,770	124,770	
Taxes payable	288,649	288,649	
Other payables	304,457	304,457	
Including: Interests payable			
Dividends payable	26,304	26,304	
Handling charges and commissions payable			
Cession insurance premiums payable			
Liabilities held for sales			
Non-current liabilities due within one year	194,933	194,933	
Other current liabilities	159,635	159,635	
Total current liabilities	4,866,806	4,866,806	
Non-current liabilities:			
Reserve for insurance contract			
Long-term borrowings	1,211,218	1,211,218	
Bonds payable	1,437,773	1,437,773	
Including: Preferred shares			
Perpetual bonds			

Item	31 December 2022	1 January 1 2023	Adjustment
Lease liabilities	30,977	30,977	
Long-term payables	157,114	157,114	
Long-term payroll payable			
Anticipation liabilities			
Deferred income	111,884	111,884	
Deferred tax liabilities	358,215	368,683	10,468
Other non-current liabilities	289,535	289,535	
Total non-current liabilities	3,596,716	3,607,184	10,468
Total liabilities	8,463,522	8,473,990	10,468
Owners' equity (or shareholders' equity):			
Paid-in capital (share capital)	309,866	309,866	
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve	19,396	19,396	
Less: Treasury shares	19,182	19,182	
Other comprehensive income	45,835	45,835	
Special reserve	5,222	5,222	
Surplus reserve	33,111	33,111	
General risk provisions	18,839	18,839	
Undistributed profits	1,344,725	1,344,547	-178
Total owners' equity (or shareholders' equity) attributable to the parent company	1,757,812	1,757,634	-178
Minority interest	3,398,410	3,398,410	
Total owners' equity (or shareholders' equity)	5,156,222	5,156,044	-178
Total liabilities and owners' equity (or shareholders' equity)	13,619,744	13,630,034	10,290

Balance Sheet of the Parent Company

Unit: RMB '0000 Currency: RMB

Item	31 December 2022	1 January 1 2023	Adjustment
Current assets:			
Monetary fund	35,233	35,233	
Transaction financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable	47	47	
Receivables financing			
Prepayments	82	82	
Other receivables	823,340	823,340	



Item	31 December 2022	1 January 1 2023	Adjustment
Including: Interests receivable			
Dividends receivable	170,586	170,586	
Inventories			
Contract assets			
Held-for-sale assets			
Non-current assets due within one year			
Other current assets	275	275	
Total current assets	858,977	858,977	
Non-current assets:			
Debt investment			
Other debt investment			
Long-term receivables			
Long-term equity investment	1,371,630	1,371,630	
Other equity instrument investment			
Other non-current financial assets			
Investment real estates			
Fixed assets	235	235	
Construction in progress			
Productive biological assets			
Oil and gas assets			
Right-of-use assets	200	200	
Intangible assets	3,160	3,160	
Development expenditure	688	688	
Goodwill			
Long-term prepaid expenses			
Deferred tax assets			
Other non-current assets			
Total non-current assets	1,375,913	1,375,913	
Total assets	2,234,890	2,234,890	
Current liabilities:			
Short-term borrowings	60,020	60,020	
Transaction financial liabilities			
Derivative financial liabilities			
Notes payable	14,100	14,100	
Accounts payable	961	961	
Advance receipts			
Contract liabilities			
Payroll payable	553	553	
Taxes payable	51	51	
Other payables	619,711	619,711	

Item	31 December 2022	1 January 1 2023	Adjustment
Including: Interests payable			
Dividends payable			
Liabilities held for sales			
Non-current liabilities due within one year	229	229	
Other current liabilities			
Total current liabilities	695,625	695,625	
Non-current liabilities:			
Long-term borrowings	60,061	60,061	
Bonds payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities			
Long-term payables	480,537	480,537	
Long-term payroll payable			
Anticipation liabilities			
Deferred income	670	670	
Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities	541,268	541,268	
Total liabilities	1,236,893	1,236,893	
Owners' equity (or shareholders' equity):			
Paid-in capital (share capital)	309,866	309,866	
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve	444,027	444,027	
Less: Treasury shares	19,182	19,182	
Other comprehensive income			
Special reserve			
Surplus reserve	53,167	53,167	
Undistributed profits	210,119	210,119	
Total owners' equity (or shareholders' equity)	997,997	997,997	
Total liabilities and owners' equity (or shareholders' equity)	2,234,890	2,234,890	

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%
Resource tax	Self-produced coal sales revenue and 90% of the self-produced coal sales revenue	10%
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	RMB0.6 – RMB30/m ²
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, wages of offshore companies incorporated in the British Virgin Islands	0%
Cayman Islands	Tax has not been levied on profits, capital gains, wages of offshore companies incorporated in the Cayman Islands	0%
Corporate income tax (Singapore)	Income from Singapore	17%, 10%
Corporate income tax (USA)	Income from USA	21%

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 Construction Consulting Co., Ltd.	15
Xindi Energy Engineering Technology Co., Ltd.	15



Name of taxpayer	Income tax rate (%)
Chongqing Xin'ao Longxin Clean Energy Co., Ltd.	15
Xin'ao (Hainan) Energy Trading Co., Ltd.	15
ENN (Zhoushan) LNG Co., Ltd.	15
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
Shangqiu ENN Gas Engineering Co., Ltd.	15
Guilin ENN Gas Co., Ltd.	15
Zhanjiang 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
Huaiji ENN Gas Co., Ltd.	15
Guangzhou Panyu ENN Gas Co., Ltd.	15
Shijiazhuang Xin'ao Energy Development Co., Ltd.	15
Beihai ENN Huaheng Logistics Co., Ltd.	15
Yancheng ENN Energy Development Co., Ltd.	15
Liaocheng Dongchangfu ENN Energy 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
Langfang ENN Fanneng Network Technology Services 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
Yangpu Xinrui Energy Development Co., Ltd.	15
E-Cheng E-Jia Network Technology 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



The preferential tax policy that the Company enjoys according to the preferential income tax for small low-profit enterprises issued by the State Taxation Administration:

Some subsidiaries of the Company: the subsidiaries including Huaian ENN Huaiyin Automotive Gas Co., Ltd., Shandong Xinfeng Engineering Design Co., Ltd. and Yueyang ENN Gas Co., Ltd. were applicable to the provisions of the *Announcement of the State Administration of Taxation of the Ministry of Finance on the Implementation of Preferential Income Tax Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households* (Announcement of the State Administration of Taxation of the Ministry of Finance [2023] No. 6) and the *Announcement of the State Administration of Taxation of the Ministry of Finance on the Further Implementation of Income Tax Preferential Policies for Small Low-profit Enterprises* (Announcement of the State Administration of Taxation of the Ministry of Finance [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 RMB3 million, number of employees not exceeding 300, and total assets amount not exceeding RMB50 million.

2. Tax preference

Applicable N/A

- (1) According to the *Announcement on the Extension of Enterprise Income Tax Policies for Western Development* (Announcement of the Ministry of Finance, the State Administration of Taxation and the National Development and Reform Commission [2020] No.23), the *Catalogue for Guidance of Industrial Structure Adjustment* (2019 Edition) and the *Catalogue of Encouraged Industries in Western Regions* (2020 Edition), from 1 January 2021 to 31 December 2030, the enterprises in encouraged industries located in western regions shall be subject to a reduced corporate income tax rate of 15%. Xinneng Energy Co., Ltd., Baotou ENN Gas Co., Ltd. and Tongliao ENN Gas Development Co., Ltd. of the Company were subject to a reduced corporate income tax rate of 15%.
- (2) Some subsidiaries of the Company: Xindi Energy Engineering Technology Co., Ltd., Dongguan ENN Gas Co., Ltd. and Langfang ENN Intelligent Technology Co., Ltd. were awarded the high-tech enterprise certificates, and are subject to a preferential corporate income tax rate of 15% for high-tech enterprises within three years.
- (3) Some subsidiaries of the Company: Huaian ENN Huaiyin Automotive Gas Co., Ltd., Shandong Xinfeng Engineering Design Co., Ltd. and Yueyang ENN Gas Co., Ltd. were applicable for the provisions of the *Announcement of the State Administration of Taxation of the Ministry of Finance on the Implementation of Preferential Income Tax Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households* (Announcement of the State Administration of Taxation of the Ministry of Finance [2023] No. 6) and the *Announcement of the State Administration of Taxation of the Ministry of Finance on the Further Implementation of Income Tax Preferential Policies for Small Low-profit Enterprises* (Announcement of the State Administration of Taxation of the Ministry of Finance [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 RMB3 million, number of employees not exceeding 300, and total assets amount not exceeding RMB50 million.

- (4) ENN (Hainan) Energy Trading Co., Ltd., a subsidiary of the Company was 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) and the *Catalogue of Industries for Encouraging Foreign Investment (2022 Version)*: the enterprises of encouraged industries registered in Hainan Free Trade Port and engaged in substantive operation are subject to corporate income tax at a reduced rate of 15%.
- (5) 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 applicable for a 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	142	926
Bank deposits	1,543,429	804,426
Other monetary fund	80,203	76,780
Statutory reserves deposited with the central bank	43,570	41,677
Total	1,667,344	923,809
Including: Total amount deposited overseas	547,756	192,765

Other information: The details of use of restricted monetary fund as a result of mortgage, pledge or lock-up are listed as follows:

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Statutory reserves deposited with the central bank	43,570	41,677
Bank acceptance margin	27,097	22,607
L/C margin	300	
Other margins	23,571	19,026
Special fund for gas purchase	8,256	11,475
Franchise margin	1,546	3,747
Electricity sales agent margin	6,633	3,372
Guarantee margin	3,091	2,834
Fund for geological environment restoration and governance of mines		2,166



Item	Closing balance	Opening balance
Futures margin	344	2,055
Project construction bond	3,037	1,361
Borrowing margin deposit		1,149
Fixed deposit receipt pledge		1,000
Margin for payment of farmers	1,673	899
Cash in investment account		3
Total	119,118	113,371

Other information:

The year-on-year increase in monetary capital by 80.49% was mainly attributable to the disposal of subsidiaries by the Company and increased cash generated from payment collection in day-to-day operation during the Reporting Period.

2. Lending funds

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Domestic bank	329,449	285,117
Total	329,449	285,117

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	2,560	/
Including:			
Structured deposits	10,000	2,560	/
Monetary fund	10,011		
Financial assets that are designated to be measured at fair value through current profit and loss			
Including:			
Total	20,011	2,560	/

Other information:

Applicable N/A

The year-on-year increase in transaction financial asset by 681.68% was mainly attributable to the increased structured deposits of the 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	42,430	254,589
Including: Commodity derivative contracts	42,430	254,589
Foreign exchange derivative contracts		
Hedging derivatives	92,643	35,074
Including: Commodity derivative contracts	92,643	35,074
Foreign exchange derivative contracts		
Total	135,073	289,663

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, majority of which are designated as hedging instruments.
3. The year-on-year decrease in derivative financial assets by 53.37% and derivative financial liabilities by 71.11% was mainly attributable to the decline in fair value of the commodities derivative financial instrument contracts of subsidiaries of the Company during the Reporting Period.

5. Notes receivable

(1). Notes receivable by category

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Bank acceptance notes	45,620	30,006
Commercial acceptance notes	944	2,501
Total	46,564	32,507



(2). Notes receivable pledged by the Company at the end of the period

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Pledged amount at the end of the period
Bank acceptance notes	12
Commercial acceptance notes	
Total	12

(3). Notes 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		25,000
Commercial acceptance notes		954
Total		25,954

(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										
Including:										
Bad debt provision made by portfolio	46,574	100.00	10	0.02	46,564	32,532	100.00	25	0.08	32,507
Including:										
Commercial acceptance notes	45,620	97.95			45,620	30,006	92.24			30,006
Bank acceptance notes	954	2.05	10	1.00	944	2,526	7.76	25	1.00	2,501
Total	46,574	/	10	/	46,564	32,532	/	25	/	32,507

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	Notes receivable	Closing balance	
		Provision for bad debt	Proportion of accrual (%)
Commercial acceptance notes	954	10	1.00
Total	954	10	

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

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 debts

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	25	-15			10
Total	25	-15			10

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

Description of Write-off of notes receivable:

Applicable N/A

Other information

Applicable N/A

The year-on-year increase in notes receivable by 43.24% was mainly attributable to the increased bank notes received by some 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	536,065	545,455
Sub-item due within one year	536,065	545,455
One to two years	118,706	103,964
Two to three years	74,182	25,214
Three to five years	24,885	30,976
More than five years	18,953	13,721
Total	772,791	719,330

(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	22,180	2.87	22,180	100.00		14,978	2.08	14,978	100.00	
Bad debt provision made by portfolio	750,611	97.13	89,717	11.95	660,894	704,352	97.92	66,749	9.48	637,603
Including:										
Related party payment	54,839	7.10	2,154	3.93	52,685	81,164	11.28	4,650	5.73	76,514
Non-related party payment	695,772	90.03	87,563	12.59	608,209	623,188	86.64	62,099	9.96	561,089
Total	772,791	/	111,897	/	660,894	719,330	/	81,727	/	637,603

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	22,180	22,180	100.00	Receivables that are difficult to recover and are likely to become bad debts
Total	22,180	22,180	100.00	/

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	38,400	298	0.78
One to two years	8,292	250	3.01
Two to three years	5,775	557	9.65
Three to five years	2,130	807	37.89
More than five years	242	242	100.00
Total	54,839	2,154	3.93

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	495,887	8,706	1.76
One to two years	103,315	21,264	20.58
Two to three years	58,967	21,834	37.03
Three to five years	19,094	17,250	90.34
More than five years	18,509	18,509	100.00
Total	695,772	87,563	12.59

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

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 debts

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 made individually	14,978	7,310		108	22,180
Bad debt provision made by portfolio	66,749	27,107		2,666	89,717
Including:					
Related party payment	4,650	-2,479		11	2,154
Non-related party payment	62,099	29,586		2,655	87,563
Total	81,727	34,417		2,774	111,897

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	2,774

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 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 bad debt provision
Top 1	82,879		82,879	8.00	41
Top 2	28,174		28,174	2.72	8,970
Top 3	25,296		25,296	2.44	13
Top 4	10,047	3,808	13,855	1.34	22
Top 5	9,422	2,908	12,330	1.19	20
Total	155,818	6,716	162,534	15.69	9,066

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	262,762	17,444	245,318	319,422	16,424	302,998
Total	262,762	17,444	245,318	319,422	16,424	302,998

(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 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	12,788	4.87	12,788	100.00		14,404	4.51	14,404	100.00	
Bad debt provision made by portfolio	249,974	95.13	4,656	1.86	245,318	305,018	95.49	2,020	0.66	302,998
Including										
Energy engineering	249,974	95.13	4,656	1.86	245,318	305,018	95.49	2,020	0.66	302,998
Total	262,762	/	17,444	/	245,318	319,422	/	16,424	/	302,998

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	12,788	12,788	100.00	Receivables that are difficult to recover and are likely to become bad debts
Total	12,788	12,788	100.00	/

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 one year	207,710	2,036	0.98
One to two years	20,305	866	4.26
Two to three years	15,870	646	4.07
Three to five years	6,089	1,108	18.20
Total	249,974	4,656	/

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

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	Current accrual	Current recovery or reversal	Current charge-off or write-off
Bad debt provision made individually	-1,616		
Bad debt provision made by portfolio	2,636		
Total	1,020		

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). 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	102,821	91,663
Total	102,821	91,663

(2). Receivables financing pledged by the Company at the end of the period

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Amount pledged at the end of the period
Bank acceptance notes	5,272
Total	5,272

(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	75,372	
Total	75,372	

(4). Disclosure by the methods of provision for bad debt

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

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 debts

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

9. Prepayments

(1). Prepayments by aging

Applicable N/A

Unit: RMB '0000 Currency: RMB

Aging	Closing balance		Opening balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within one year	508,282	96.15	483,619	96.96
One to two years	11,362	2.15	10,457	2.10
Two to three years	5,309	1.00	2,031	0.41
More than three years	3,687	0.70	2,651	0.53
Total	528,640	/	498,758	/

(2). Advances to suppliers with top five closing balances collected by the suppliers

Applicable N/A

Name of entity	Closing balance	Proportion in total closing balance of advances to suppliers (%)
Top 1	120,882	22.87
Top 2	45,547	8.62
Top 3	22,118	4.18
Top 4	21,709	4.11
Top 5	21,108	3.99
Total	231,364	43.77

Other information

Applicable N/A

10. Loans and advances

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Corporate loans	3,697	4,500
Total loans and advances to customers	3,697	4,500
Less: provision for loan loss	74	90
Book value of loans and advances to customers	3,623	4,410



11. Other receivables

Presentation of items

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Interests receivable		
Dividends receivable	14,701	25,912
Other receivables	113,051	300,858
Total	127,752	326,770

Other information:

Applicable N/A

The year-on-year decrease in other receivables by 60.90% was mainly attributable to the decrease in the settled but unpaid balance of commodities derivative financial instrument contracts as a result of the shortened payment period for such contracts during the Reporting Period.

Interests receivable

(1). Classification of interests receivable

Applicable N/A

(2). Significant overdue interest

Applicable N/A

(3). Disclosure by the methods of provision for bad debt

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

Significant change in the book balance of interests receivable with a change in loss provision during the current period:

Applicable N/A

(5). Provision for bad debts

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 important 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.	4,356	2,383
Shantou Huarun ENN Gas Co., Ltd.	240	240
Luquan Fuxin Gas Co., Ltd.	2,007	2,007
Ningbo ENN Gas Co., Ltd.	1,960	1,960
Huzhou Nanxun Xin'ao Gas Co., Ltd.		2,282
Huzhou Nanxun Xin'ao Gas Development Co., Ltd.		1,308



Project (or investee)	Closing balance	Opening balance
Changsha Xinneng Automobile Gas Co., Ltd.		50
Huzhou Gas Co., Ltd.		7,107
Guangzhou Ganghua Gas Co., Ltd.		1,000
Sinopec Marketing Co., Ltd.		5,164
Xingxiang ENN Lihua Energy Development Co., Ltd.	878	878
Shandong Luxin Natural Gas Co., Ltd.	120	120
Shanghai Kunlun ENN Clean Energy Co., Ltd.		872
Shenzhen ENN Shipping Co., Ltd.	259	
Yantai ENN Gas Development Co., Ltd.	4,250	
Hunan Yiwei Power Distribution Co., Ltd.	90	
Total	14,701	25,912

(2). Significant dividends receivable due beyond one year

Applicable N/A

(3). Disclosure by the methods of provision for bad debt

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

Significant change in the book balance of dividends receivable with a change in loss provision during the current period:

Applicable N/A

(5). Provision for bad debts

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

The year-on-year decrease in dividends receivable by 43.27% was mainly attributable to the recovery of the dividends which should have been received at the end of previous period by the subsidiaries of the Company during the Reporting Period.

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	42,489	227,812
Sub-item due within one year	42,489	227,812
One to two years	13,903	26,013
Two to three years	18,713	19,371
Three to five years	28,795	15,958
More than five years	20,485	18,950
Total	124,385	308,104

(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	269	178,774
Performance bond or deposit	52,342	64,083



Nature of payment	Closing book value	Opening book value
Current account	45,159	39,141
Asset disposal proceeds	13,538	11,507
Employee borrowings and reserves	3,074	2,812
Others	10,003	11,787
Total	124,385	308,104

(3). Provision for bad debts

Applicable N/A

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 2023	1,784		5,462	7,246
In the current period, the balance on 1 January 2023				
— Transfer to the second stage				
— Transfer to the third stage				
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period	1,232		3,799	5,031
Reversal in current period				
Charge-off in current period				
Write-off in current period	719			719
Other changes	224			224
Balance on 31 December 2023	2,073		9,261	11,334

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). Provision for bad debts

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	7,246	5,031		719	11,334
Total	7,246	5,031		719	11,334

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	719

Write-off of other receivables which are significant:

Applicable N/A

Write-off of other receivables:

Applicable N/A

(6). Other receivables with 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	8,566	6.89	Current account	Within one year, 1-2 years, 2-3 years, 3-5 years	274
Top 2	8,312	6.68	Current account, performance bond or deposit	Within one year, 3-5 years	125



Name of entity	Closing balance	Proportion in total closing balance of other receivables (%)	Nature of payment	Aging	Closing balance of bad debt provision
Top 3	7,321	5.89	Current account	1-2 years, 2-3 years, 3-5 years, more than 5 years	33
Top 4	5,000	4.02	Asset disposal proceeds	Within one year	
Top 5	3,800	3.06	Current account	2-3 years	
Total	32,999	26.54	/	/	432

(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 value	Book balance	Provision for decline in value of inventories/impairment provision for contract performance cost	Book value
Raw material	108,492		108,492	141,486		141,486
Products in process	5,386		5,386	4,359		4,359
Finished goods	101,531		101,531	93,684		93,684
Goods shipped	737		737	1,798		1,798
Materials for consigned processing	497		497	315		315
Other	14		14	18		18
Total	216,657		216,657	241,660		241,660

**(2). Provision for decline in value of inventories and impairment provision for contract performance cost** Applicable N/A

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**(3). Capitalized amount of borrowing costs included in inventory closing balance and its calculation standard and basis** Applicable N/A**(4). 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	38
Long-term receivables due within one year	277	8,379
Total	1,785	8,417

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). Impairment provision

√ Applicable N/A

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 2023				
In the current period, the balance on 1 January 2023				
— Transfer to the second stage				
— Transfer to the third stage				
— Reversal to the second stage				
— Reversal to the first stage				

	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				
Provision in current period	11			11
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 31 December 2023	11			11

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	339	301	38
Total	1,300	320	980	339	301	38

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	301	19		320
Total	301	19		320

(2). Information on 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 2023	301			301
In the current period, the balance on 1 January 2023				
— Transfer to the second stage				
— Transfer to the third stage	-300		300	
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period	19			19
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 31 December 2023	20		300	320

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	2,266	1,989	277	10,449	2,070	8,379
Total	2,266	1,989	277	10,449	2,070	8,379

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	2,070	1	82	1,989
Total	2,070	1	82	1,989

(2) Information on 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 2023	2,070			2,070
In the current period, the balance on 1 January 2023				
— Transfer to the second stage				
— Transfer to the third stage	-1,986		1,986	
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period	-82			-82
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes	-1			-1
Balance on 31 December 2023	3		1,986	1,989



Other information:

The year-on-year decrease in non-current assets due within one year by 78.79% was mainly attributable to the recovery of matured finance lease by the Company's subsidiaries during the Reporting Period.

15. Other current assets

√ Applicable □ N/A

(1) Information on other current assets

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Value added tax to be deducted, certified or prepaid	209,349	185,328
Prepaid corporate income tax	38,213	35,659
Prepaid business tax	3,383	4,009
Prepaid social security and provident fund	326	352
Entrusted loan	1,465	684
Factoring receivable	14,867	5,433
Financing lease receivable		644
Other	848	274
Total	268,451	232,383

(2) Impairment provision for other current assets

Unit: RMB '0000 Currency: RMB

Impairment provision	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 2023	942			942
In the current period, the balance on 1 January 2023				
— Transfer to the second stage				
— Transfer to the third stage				
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period	208			208
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 31 December 2023	1,150			1,150

16. Debt investments

(1). Information on debt investments

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). Impairment provision

Applicable N/A

Unit: RMB '0000 Currency: RMB

Impairment provision	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 2023				
In the current period, the balance on 1 January 2023				
— Transfer to the second stage				
— Transfer to the third stage				
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period	6			6
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 31 December 2023	6			6



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). Impairment provision

Applicable N/A

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 debts	Book value	Book balance	Provision for bad debts	Book value	
Financing lease receivable	6,000	60	5,940	443	4	439	5.00%
Including: Unrealized financing income	1,088		1,088	23		23	
Total	6,000	60	5,940	443	4	439	/

(2). Disclosure by the methods of provision for bad debt

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 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 2023	4			4
In the current period, the balance on 1 January 2023				
— Transfer to the second stage				
— Transfer to the third stage				
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period	57			57
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes	1			1
Balance on 31 December 2023	60			60

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). Provision for bad debts

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	4	57			1	60
Total	4	57			1	60

Major bad debts that tend to be recovered or reversed in the current period thereof:

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

The year-on-year increase in long-term receivables by 1253.08% was mainly attributable to the payment of financing lease by the Company's subsidiaries during the Reporting Period.

19. Long-term equity investments

(1). Information on long-term equity investments

Applicable N/A

Unit: RMB '0000 Currency: RMB

Investee	Increase or decrease in the current period										Closing balance of impairment provision
	Opening balance	Additional investment	Reduced investment	Investment gains 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	
I. Joint Venture											
Dongguan Xinde Gas Engineering Project Management Co., Ltd.	257		257								
Chongqing Changdian Fuxin Gas Co., Ltd.	763			154						917	
Yancheng ENN Compressed Natural Gas Co., Ltd.	2,242			-120						2,122	
Luquan Fuxin Gas Co., Ltd.	15,348			2,703						18,051	
Ningbo ENN Gas Co., Ltd.	6,494			-6,494							
Yantai ENN Gas Development Co., Ltd.	57,093			5,458			4,250			58,301	
Kaifeng ENN Yin Hai Automobile Gas Co., Ltd.	158			-158							
Yunnan Yuntou Xin'ao Gas Co., Ltd.	13,757			130			4,730			9,157	
Haining Xinxin Natural Gas Co., Ltd.	2,604		2,409	-195							
Tangshan ENN Yongshun Clean Energy Co., Ltd.	3,189			-650						2,539	
Hebei PetroChina Kunlun Natural Gas Co., Ltd.	29,114			4,075			1,576			31,613	
Henan Jingbao ENN New Energy Co., Ltd.	6,076			678						6,754	
Hangzhou Xiaoshan Huanneng Industrial Co., Ltd.	464			-371						93	

Investee	Increase or decrease in the current period									Closing balance of impairment provision
	Opening balance	Additional investment	Reduced investment	Investment gains 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	
Quzhou ENN Sinopec Automobile Gas Co., Ltd.	963			175			51			1,087
Shanghai Kunlun ENN Clean Energy Co., Ltd.	18,111			-63						18,048
Jiaying Sinopec ENN Gas Co., Ltd.	445			-133						312
Baoding ENN Gas Co., Ltd.	8,611			-8,611						
Langfang ENN Longyu Clean Energy Co., Ltd.	136			-136						
Jinhua Sinopec ENN Automobile Natural Gas Co., Ltd.	489			-219						270
Liaocheng Shihua Natural Gas Co., Ltd.	11,981			2,507			2,793			11,695
Guangxi Xijiang ENN Clean Energy Co., Ltd.	361			-361						
Anhui Wanneng ENN Natural Gas Co., Ltd.	6,091			1,621						7,712
Xuzhou Guotou ENN Energy Co., Ltd.	2,174			-171						2,003
Qingdao International Airport New Energy Development Co., Ltd.	6,680			-30						6,650
Jiangxi Poyang Lake LNG Co., Ltd.	3,589			17						3,606
Dongguan Haofeng ENN Energy Co., Ltd.	2,686			140						2,826
Yunnan Natural Gas Xuanwei ENN Gas Co., Ltd.	4,191			127						4,318
Chenzhou Sanxiang ENN Clean Energy Co., Ltd.	1,190			-343						847
Wulian Run'ao Energy Development Co., Ltd.	1,393			-48						1,345
Xuanheng Hezhong Natural Gas Pipeline Network Co., Ltd.	3,245			1,117			1,200			3,162
Dongguan Zhongdian ENN Heating Co., Ltd.	4,248			542						4,790
Zhuzhou Tai'ao Energy Co., Ltd.	294			8			30			272
Dongguan Changping Haofeng ENN Energy Development Co., Ltd.	45		45							
Lianyungang Chengxin Gas Co., Ltd.	4,026	2,561		829						7,416
Bengbu ENN PetroChina Sales Co., Ltd.	631			130			86			675
Sinopec Yuexi Pipeline Network Co., Ltd.	8,505	2,257		-2,656						8,106
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	686			104			61			729
Henan Zhongyuan Natural Gas Development Co., Ltd.	48,184			4,916						53,100
Shanxi Hengjing Energy Co., Ltd.		255		836						1,091
Shenzhen ENN Shipping Co., Ltd.	6,932			1,527			259			8,200
Beijing Xinzhi Shuxin Digital Technology Co., Ltd.	10			-10						
Changsha Xin'ao Great Wall Energy Co., Ltd.		500		23				-523		
Xinxiang ENN Lihua Energy Development Co., Ltd.	358			-115						243
Haining Guangyao Thermolectric Co., Ltd.		5,000		-1,577						3,423
Subtotal	283,814	10,573	2,711	5,356			15,036	-523		281,473

Investee	Increase or decrease in the current period										Closing balance of impairment provision	
	Opening balance	Additional investment	Reduced investment	Investment gains 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		
II. Associates												
CNOOC Gas and Electricity North Sea Gas Co., Ltd.	2,058			-892							1,166	1,563
Beijing Zhongnong Big Biotechnology Incorporated Company	631			-431							200	
Chongqing Longran Energy Technology Co., Ltd.	4,143			-529			663				2,951	
Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	7,315			331			432				7,214	
Changsha Xinneng Automobile Gas Co., Ltd.	616			-616								
Zhanjiang Xinyi Real Estate Development Co., Ltd.	2,500			25							2,525	
Zhanjiang Zhongyou ENN Natural Gas Co., Ltd.	2,056			-969							1,087	
Liaoning Liaoyou ENN Shengyu Natural Gas Co., Ltd.	1,462			-1,462								
Shijiazhuang Kunlun ENN Gas Co., Ltd.	50,014			7,710			2,555				55,169	
Taizhou City Natural Gas Co., Ltd.	2,987			-95		-84					2,808	
Guangzhou Ganghua Gas Co., Ltd.	3,025			1,147							4,172	
Taizhou Yinxingshu Gas Co., Ltd.	495			104			93				506	
CNOOC Xinrun Liaoning Gas Co., Ltd.	1,058			74			131				1,001	
Changzhou Meilu ENN Energy Co., Ltd.	500			-500								
Suzhou Wanneng Natural Gas Co., Ltd.	3,287			45							3,332	
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	9,205			1,076			4,356				5,925	
Wuzhou PetroChina Kunlun ENN Gas Co., Ltd.	4,764			213			449				4,528	
Shantou Huarun ENN Gas Co., Ltd.	18,380			3,134			1,470				20,044	
Enniu Chengfu (Langfang) Public Service Technology Co., Ltd.	43			-43								
Ningbo ENN Gas Development Co., Ltd.	3,750			631			490				3,891	
Guangxi Yilongyuan Electricity Distribution Co., Ltd.	1,116			-1,116								
Shanghai Zhuoxiao Energy Technology Co., Ltd.	497			-60							437	
Shijiazhuang Blue Sky ENN Natural Gas Pipeline Network Co., Ltd.	4,659			139							4,798	
Zhoushan Lanyan Gas Co., Ltd.	53,931			711							54,642	
Hunan Yiwei Power Distribution Co., Ltd.	3,160			56			90				3,126	
Zhejiang Xinyongzhou Logistics Co., Ltd.	372			-372								
Guangxi Daren Energy Co., Ltd.	3,765			53							3,818	
Luoyang Natural Gas Storage and Transportation Co., Ltd.	3,189			-235							2,954	
Huzhou Gas Co., Ltd.	34,809			4,069			1,816				37,062	

Investee	Increase or decrease in the current period										Closing balance of impairment provision
	Opening balance	Additional investment	Reduced investment	Investment gains 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	
Huzhou Nanxun Xin'ao Gas Co., Ltd.	20,496			2,380			821			22,055	
Huzhou Nanxun Xin'ao Gas Development Co., Ltd.	5,839			1,983			1,539			6,283	
Shandong Airport Intelligent Energy Development Co., Ltd.	531			-51						480	
Bengbu Ruiyuan Power Distribution Co., Ltd.	540									540	
Lianyungang Zhongxin Gas Co., Ltd.	15,335			1,012						16,347	
Kaifeng Xingsong City Trade Co., Ltd.	71		77	6							
Ningbo ENN Xinrui Energy Development Co., Ltd.	1,909			757						2,666	
Bozhou Xinglv New Energy Co., Ltd.	99			-99							
Shandong Luxin Natural Gas Co., Ltd.	1,925			376			360			1,941	
Jinhua Gaoya Natural Gas Co., Ltd.	1,097	630		40						1,767	
Changzhou Zhongwu Power Distribution Co., Ltd.	367			10						377	
Changshu China Petroleum Kunlun Natural Gas Development Co., Ltd.	350			12			47			315	
Danjiangkou ENN Energy Development Co., Ltd.	55			-18						37	
Xuyi Guolian ENN Natural Gas Pipeline Network Co., Ltd.	5,387			-8						5,379	
Minshang (Guangdong) Investment Partnership (Limited Partnership)	4,830			-72						4,758	
Beijing Shanjing Huisheng Pipeline Technology Development Co., Ltd.	585			-11						574	
Changzhou Gas Storage Co., Ltd.	872	375		-21						1,226	
Chizhou Qianjiang Gas Co., Ltd.	2,537			68			62			2,543	
Xinsheng Natural Gas Sales Co., Ltd.	794			47						841	
Yancheng National Investment Natural Gas Pipeline Network Co., Ltd.	21,530			194						21,724	
Haian Huihai Natural Gas Pipeline Network Co., Ltd.	700	2,800		-43						3,457	
Qinzhou PetroChina Kunlun Gas Co., Ltd.	2,379			839						3,218	
Shijiazhuang ENN City Gas Development Co., Ltd.	6,280			132						6,412	
Suqian Heating Pipe Network Co., Ltd.		2,441		-35						2,406	
Guanyun PetroChina Kunlun Gas Co., Ltd.		12,100		24						12,124	
Changsha ENN Gas Co., Ltd.		119,179		-1,728						117,451	
Subtotal	318,295	137,525	77	17,992		-84	15,374			458,277	1,563
Total	602,109	148,098	2,788	23,348		-84	30,410		-523	739,750	1,563

(2). Impairment test on long-term equity investments

Applicable N/A

20. Investment in other equity instruments

(1). Information on investment in other equity instruments

√ Applicable □ N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Additional investment	Reduced investment	Increase/decrease for current period			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	Other					
Jiaxing Gas Group Co., Ltd.	8,740				-718		8,022	462	3,909		Strategic investment
Shanghai Zhongyou Baihe Petroleum Gas Co., Ltd.	1,071			67			1,138	35	688		Strategic investment
Shanghai Petroleum and Gas Exchange Co., Ltd.	4,411				-13		4,398	124	198		Strategic investment
Chongqing Petroleum and Gas Exchange Co., Ltd.	5,480			74			5,554	120	305		Strategic investment
Xiangtan Desheng Energy Distribution Co., Ltd.	152						152			-8	Strategic investment
Sanmenxia Swan Power Co., Ltd.	977			3			980			-521	Strategic investment
Nanjing Jiangbei New District Power Distribution Co., Ltd.	468			3			471		21		Strategic investment
Heilongjiang Electric Power Trading Center Co., Ltd.	356						356				Strategic investment
Longchang Ruigao Energy Development Co., Ltd.	1,490		-1,400		-90						Strategic investment
Jibei Electric Power Trading Center Co., Ltd.	290						290			-1	Strategic investment
Zhejiang Hesen Energy Co., Ltd.	139				-2		137			-103	Strategic investment
Guangxi Power Exchange Center Co., Ltd.	264			3			267		7		Strategic investment
Langfang Youqi Business Planning Co., Ltd.		222			-39		183			-39	Strategic investment
Shenzhen Dapeng Liquefied Natural Gas Sales Co., Ltd.	1,610				-1,028		582	1,420	457		Strategic investment
Dongguan Fengneng LNG Co., Ltd.	25						25				Strategic investment
Dongguan Fengneng LNG Terminal Co., Ltd.	25						25				Strategic investment
Total	25,498	222	-1,400	150	-1,890		22,580	2,161	5,585	-672	/



(2). Description of derecognition for current period

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Accumulated profits transferred to retained earnings due to derecognition	Accumulated losses transferred to retained earnings due to derecognition	Reason for derecognition
Longchang Ruigao Energy Development Co., Ltd.	0	0	Sold
Total	0	0	/

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	18,788	
Non-hedging derivatives	2,861	
Including: Commodity derivative contracts	2,861	
Foreign exchange derivative contracts		
Hedging derivatives	15,927	
Including: Commodity derivative contracts	12,130	
Foreign exchange derivative contracts	3,797	
Financial assets measured at fair through current profit or loss	433,414	432,722
Total	452,202	432,722

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.	14,760	13,394
Guokai Siyuan (Beijing) Investment Fund Co., Ltd.	1,621	2,293
Chenzhou Jingui Silver Industry Co., Ltd.	33	35
Total	433,414	432,722

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 Chenzhou Jingui Silver Industry Co., Ltd.

22. Investment real estate

Measurement model of investment real estate

(1). 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	27,632			27,632
II. Changes in the current period	-818			-818
Add: Outsourcing				
Transfer from inventories/fixed assets/ construction in process	65			65
Increase in business combinations				
Less: Disposal				
Other transfer out				
Changes in fair value	-883			-883
III. Balance at the end of the period	26,814			26,814

(2). Investment real estate with property rights certificate uncompleted

Applicable N/A

(3). Description of conversion to 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	4	Conversion from self-use to rental	Approved by the general manager	0	61
Total	/	4	/	/	/	/

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	6,132,633	6,612,822
Disposal of fixed assets		
Total	6,132,633	6,612,822

Other information:

Applicable N/A

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	1,432,028	1,519,140	238,939	63,469	5,260,949	8,514,525
2. Current increase	235,574	234,635	44,855	4,515	352,631	872,210
(1) Purchase	8,313	91,038	14,545	4,104	4,303	122,303
(2) Transferred from construction in progress	225,862	143,570	30,295	141	348,328	748,196
(3) Increase in business combinations	1,399	27	15	270		1,711
(4) Transferred from investment real estate						
3. Current decrease	320,822	237,676	19,766	22,919	536,276	1,137,459
(1) Disposal or scrap	4,352	23,793	7,285	11,299	14,072	60,801
(2) Transferred to investment real estate	4					4
(3) Decrease in business combinations	316,466	213,883	12,481	11,620	522,204	1,076,654
4. Closing balance	1,346,780	1,516,099	264,028	45,065	5,077,304	8,249,276
II. Accumulated depreciation						
1. Opening balance	235,607	509,083	159,854	35,663	947,520	1,887,727
2. Current increase	36,941	113,784	25,317	7,597	159,729	343,368
(1) Provision	36,941	113,784	25,317	7,597	159,729	343,368

Item	Houses and buildings	Machinery & equipment	Office & electronic communication equipment	Means of transportation	Gas pipeline	Total
3. Current decrease	50,640	110,210	15,443	16,163	132,704	325,160
(1) Disposal or scrap	1,180	13,832	5,517	9,087	5,311	34,927
(2) Transferred from investment real estate						
(3) Decrease in business combinations	49,460	96,378	9,926	7,076	127,393	290,233
4. Closing balance	221,908	512,657	169,728	27,097	974,545	1,905,935
III. Impairment provision						
1. Opening balance	999	6,349			6,628	13,976
2. Current increase	27,924	168,113	187	569	3,352	200,145
(1) Provision	27,924	168,113	187	569	3,352	200,145
3. Current decrease	438	2,975				3,413
(1) Disposal or scrap		1,598				1,598
(2) Decrease in business combinations	438	1,377				1,815
4. Closing balance	28,485	171,487	187	569	9,980	210,708
IV. Book value						
1. Closing book value	1,096,387	831,955	94,113	17,399	4,092,779	6,132,633
2. Opening book value	1,195,422	1,003,708	79,085	27,806	4,306,801	6,612,822

(2). Temporarily idle fixed assets

Applicable N/A

(3). Fixed assets rent through financing lease

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Closing book value
Leased out through operating leases	6,024

(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	101,952	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
Equipment and supporting facilities for stable light hydrocarbon	51,862		51,862	Cost method	Disposal value of assets	Residual value of assets
Mining production equipment and structures	1,816		1,816	Cost method	Disposal value of assets	Residual value of assets
Gas station	1,769		1,769	Cost method	Disposal value of assets	Residual value of assets
Integrated energy investment	6,918		6,918	Cost method	Disposal value of assets	Residual value of assets
Gas business assets	1,518		1,518	Cost method	Disposal value of assets	Residual value of assets
Total	63,883		63,883	/	/	/

Other information:

The Ministry of Finance and the State Taxation Administration issued the *Announcement on the Execution Standards of Consumption Tax Policy for Certain Refined Oil Products* (Announcement [2023] No. 11 of the Ministry of Finance and the State Taxation Administration) on 30 June 2023, which clarified that stable light hydrocarbon would be subject to consumption tax as naphtha for the first time, and it was therefore not economically feasible for the production of stable light hydrocarbon products using equipment and supporting facilities for stable light hydrocarbon. From July to September 2023, the Company carried out technical discussion and economic demonstration of stable light hydrocarbon for oil blending, conversion to ethanol, methylamine and dimethylformamide, etc. On 30 October 2023, the Company concluded that it was not economically feasible for switch to other production based on the comparison results of the above proposals, so it decided to stop using the equipment, resulting in a lower recoverable amount than its book value.

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
Integrated equipment and related assets of methanol	502,385	371,905	130,480	5 years	Unit price, sales volume	Discount rate	Industry average return on investment

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
Integrated energy business assets	15,159	10,878	4,281	5 years	Unit price, sales volume	Discount rate	Industry average return on investment
Gas business assets	8,052	6,551	1,501	5 years	Unit price, sales volume	Discount rate	Industry average return on investment
Total	525,596	389,334	136,262	/	/	/	/

Reasons for the difference between the aforesaid information and the information adopted for impairment tests in previous years or external information

Applicable N/A

Methanol, as a bulk commodity, is characterized by periodicity. The price assumption for impairment tests in previous years is based on the average price in the period, and the estimated recoverable amount discounted at cash flow can cover the book value of integrated unit and related assets of methanol. In 2023, domestic economy entered into a recovery period, and the market demand for methanol remained at a low level due to adverse effects from export slowdown and real estate market downturn on the plastic, fiber, building materials and home decoration industries. From the supply side, since the countries such as USA and Iran was undergoing equipment capacity expansion for methanol and the incremental capacity was primarily supplied to China, such increased methanol import put pressure on domestic coal-based methanol demand. Second, the Company’s methanol plants used coal as raw material, and the coal price had been higher since 2021. In mid and long terms, coal price would fluctuate in a higher range, leading to higher coal-to-methanol costs. Furthermore, as the State facilitated the realization of the “dual carbon” goals, the work orientation and technological path for energy conservation and carbon reduction have been gradually clarified in the field of methanol production, and the Company kept increasing its investment in the technical transformation of coal-to-methanol equipment, and thus the operating costs went up. The above factors resulted in revisions to the unit price, sales volume and other key parameters for assets impairment tests in previous years during such tests performed in current year.

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

In 2023, domestic economy entered into a recovery period, and the market demand for methanol remained at a low level due to adverse effects from export slowdown and real estate market downturn on the plastic, fiber, building materials and home decoration industries. From the supply side, since the countries such as USA and Iran was undergoing equipment capacity expansion for methanol and the incremental capacity was primarily supplied to China, such increased methanol import put pressure on domestic coal-based methanol demand. Second, the Company’s methanol plants used coal as raw material, and the coal price had been higher since 2021. In mid and long terms, coal price would fluctuate in a higher range, leading to higher coal-to-methanol costs. Furthermore, as the State facilitated the realization of the “dual carbon” goals, the work orientation and technological path for



energy conservation and carbon reduction have been gradually clarified in the field of methanol production, and the Company kept increasing its investment in the technical transformation of coal-to-methanol equipment, and thus the operating costs went up. The above factors directly resulted in the obvious difference between the actual data in 2023 and the information adopted for impairment tests in previous years.

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	479,891	453,165
Project materials	18,481	25,447
Total	498,372	478,612

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	99,209	66	99,143	78,686	66	78,620
Gas engineering	284,737		284,737	345,423		345,423
Zhoushan project phase III	60,528		60,528	2,253		2,253
Environmental protection technology reform for water system	9,610	1,488	8,122	10,392		10,392
Other projects	28,369	1,008	27,361	17,787	1,310	16,477
Total	482,453	2,562	479,891	454,541	1,376	453,165

(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		Closing balance	Accumulated investment as a percentage of budget (%)	Project progress	Accumulated capitalized amount of interest	Including: Capitalized interest in current period		Sources of funding
				current period	Other current decreases					amount of interest in current period	rate of interest in current period (%)	
Longping High-tech Project	17,695	2,901		161		2,740	89.21	99.82%				Self-financing
High-pressure Natural Gas Pipeline Project from Taishang Pressure Control Station to Huianmen Station	21,267	17,446	2,944	20,390			95.88	100.00%				Self-financing
Integrated Energy Micro-network No. 1 Integrated Energy Main Station Project in Daqing Linyuan Chemical Park	108,928	5,853	1,502			7,355	86.37	99.00%	2,817			Self-financing and loan
Phase III LNG Storage Tank and Supporting Facilities for Zhejiang Zhoushan LNG Receiving Terminal and Filling Station	292,096	2,253	58,275			60,528	20.95	40.18%	18	18	3.00	Self-financing and loan
ENN Science Park R&D Workshop	42,000	5,267	5,837			11,104	26.44	60.00%				Self-financing
Natural Gas Supply Pipeline Works for Ningzhou Gas and Electricity Project	118,014	59,434	54,852	112,110		2,176	96.84	96.23%	1,063	814	4.50	Self-financing and loan
Dongguang High-pressure Natural Gas Pipeline Network Project along North Ring Road and Zhonghong Branch	33,600	9,444	15,095	320		24,219	73.43	81.90%				Self-financing
Dongguang High-pressure Natural Gas Pipeline Network Project along Sangcha Express Way and Eastern Extension Line	17,160		98			98	0.57	0.00%				Self-financing
ENN Research Institute Project (1#)	80,984		1,532			1,532	1.89	1.00%				Self-financing
ENN Research Institute Project (2#)	65,614		3,768			3,768	5.74	5.00%				Self-financing
High-pressure Natural Gas Pipeline Project from China-Russia Eastern Route Xinghuamen Station to Zhuhongmen Station	16,220		4,622			4,622	28.49	30.00%				Self-financing
Total	813,578	102,598	148,525	132,981		118,142	/	/	3,898	832	/ /	

(3). Provision on the 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	
Synthetic tower project	1,310		1,310		Equipment scrapping in current period
Equipment and supporting facilities for stable light hydrocarbon		176		176	Absence of economic feasibility for production and switch to other production of stable light hydrocarbon products
Integrated equipment and related assets of methanol		2,320		2,320	Decline in economic benefits from integrated equipment and related assets of methanol
Total	1,376	2,496	1,310	2,562	/

(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 of key parameter
Equipment and supporting facilities for stable light hydrocarbon	176		176	Cost method	Disposal value of assets	Residual value of assets
Total	176		176	/	/	/

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
Integrated equipment and related assets of methanol	19,845	17,525	2,320	5 years	Unit price, sales volume	Discount rate	Industry average return on investment
Total	19,845	17,525	2,320	/	/	/	/

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	18,481		18,481	24,962		24,962
Special-purpose equipment				485		485
Total	18,481		18,481	25,447		25,447

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	21,023	44,977	648	589	755	67,992
2. Current increase	4,410	21,353	229		347	26,339
3. Current decrease	2,452	201	19			2,672
4. Closing balance	22,981	66,129	858	589	1,102	91,659
II. Accumulated depreciation						
1. Opening balance	6,031	18,472	388	564	95	25,550
2. Current increase	3,000	10,827	130	18	223	14,198
(1) Provision	3,000	10,827	130	18	223	14,198
3. Current decrease	265	26	19			310
(1) Disposal	265	26	19			310
4. Closing balance	8,766	29,273	499	582	318	39,438
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	14,215	36,856	359	7	784	52,221
2. Opening book value	14,992	26,505	260	25	660	42,442

(2) Impairment tests on right-of-use assets

Applicable N/A

Item	Land use right	Patent right	Mining right	Software	Capacity index	Right of management	Others	Total
4. Closing balance				1,623		4,950		6,573
IV. Book value								
1. Closing book value	268,061	11,650		84,688		385,205	12,849	762,453
2. Opening book value	267,418	13,927	292,266	94,259	9,047	418,427	10,904	1,106,248

At the end of the period, intangible assets formed through internal R&D accounted for 1.00% of the balance of intangible assets of the Company

(2). *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	9,563	In progress
Total	9,563	/

(3). *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 of key parameter
Right of management	1,593		1,593	Cost method	Disposal value of assets	Residual value of assets
Total	1,593		1,593	/	/	/

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
Right of management	48		48	5 years	Unit price, sales volume	Discount rate	Industry average return on investment
Total	48		48	/ /	/	/	/

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

The year-on-year decrease in intangible assets by 31.08% was mainly attributable to the decrease of corresponding intangible assets arising from disposal of subsidiaries by the Company during the Reporting Period.

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	
Digital-intelligent safety project	77		2,771	117		2,731
Digital-intelligent management project	8,391	352	20,519	1,255		28,007
GreatGas ecological platform project	5,528	1,750	8,119	3,213		12,184
Digital-intelligent integrated energy project	379		307	177		509
Intelligent customer service platform project	991	1,951	913	1,951		1,904
Other projects	3,141	1,574	1,474	1,167	498	4,524
Total	18,507	5,627	34,103	7,880	498	49,859

Other information:

The year-on-year increase in development expenditure by 169.41% was mainly attributable to the increased investment in technology R&D and digital intelligence construction by the Company's subsidiaries during the Reporting Period.

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 ENN Gas Co., Ltd.	127			127
Xinxiang ENN 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
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
Inner Mongolia Huayi Energy 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

Name of investee or events forming goodwill	Opening balance	Current increase	Current decrease	Closing balance
		Resulted from business combination	Disposal	
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 Construction Consulting Co., Ltd.	283			283
Total	57,385			57,385

(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



Name	Composition and basis of asset group portfolio	Business division and basis	Consistence with previous years
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 ENN Gas Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Retail of natural gas	Yes
Xinxiang ENN 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
Inner Mongolia Huayi Energy 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



Name	Composition and basis of asset group portfolio	Business division and basis	Consistence with previous years
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	Integrated energy sale and services	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
Dehua Guang'an Natural 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 Construction Consulting Co., Ltd.	Long-term assets associated with goodwill, ability of asset group to independently generate cash flow	Smart home	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.	140,499	154,247		2024-2028	Revenue growth rate: 4.28%~5.73% Profit rate: 4.28%~7.09%	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: 7.09% Discount rate: 11.49%	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
Qingdao ENN Gas Co., Ltd.	51,702	56,759		2024-2028	Revenue growth rate: 0.26%~4.49% Profit rate: 7.29%~7.55%	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: 7.29% Discount rate: 11.49%	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
Qingdao ENN Jiaonan Gas Co., Ltd.	65,136	73,086		2024-2028	Revenue growth rate: 0.61%~3.00% Profit rate: 8.80%~9.00%	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: 8.80% Discount rate: 11.61%	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
Bengbu ENN Gas Co., Ltd.	88,068	108,028		2024-2028	Revenue growth rate: 1.39%~4.55% Profit rate: 2.96%~3.16%	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: 2.96% Discount rate: 11.49%	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
Yancheng ENN Gas Development Co., Ltd.	64,522	71,326		2024-2028	Revenue growth rate: 1.78%~2.36% Profit rate: 4.38%~4.88%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 4.88% Discount rate: 11.61%	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
Huai'an ENN Gas Co., Ltd.	76,442	86,454		2024-2028	Revenue growth rate: 3.70%~6.57% Profit rate: 10.23%~11.98%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 11.98% Discount rate: 11.49%	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.	74,519	106,809		2024-2028	Revenue growth rate: 2.52%~6.39% Profit rate: 5.97%~7.45%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 7.45% Discount rate: 11.72%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period;
Taizhou ENN Gas Co., Ltd.	16,515	19,020		2024-2028	Revenue growth rate: 0.85%~5.82% Profit rate: 4.70%~6.94%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 5.11% Discount rate: 11.72%	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
Xiangtan ENN Gas Co., Ltd.	64,997	71,883		2024-2028	Revenue growth rate: 2.29%~6.29% Profit rate: 7.69%~8.54%	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: 7.90% Discount rate: 11.72%	① 0% of revenue growth rate during stable period, and consistency of profit rate with that of last year in forecast period;
Zhuzhou ENN Gas Co., Ltd.	119,938	130,709		2024-2028	Revenue growth rate: 3.00%~7.23% Profit rate: 7.23%~8.60%	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: 11.72%	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 ENN Gas Co., Ltd.	56,678	79,931		2024-2028	Revenue growth rate: 1.22%~6.02% Profit rate: 5.76%~6.40%	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: 5.76% Discount rate: 11.49%	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
Kaifeng ENN Gas Co., Ltd.	76,198	74,537	1,684	2024-2028	Revenue growth rate: -1.54%~20.41% Profit rate: 9.70%~20.66%	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: 17.94% Discount rate: 11.49%	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
Guigang ENN Gas Co., Ltd.	23,221	25,218		2024-2028	Revenue growth rate: 6.21%~7.06% Profit rate: 9.89%~10.22%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 9.89% 折现率: 11.49%	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.	175,018	218,647		2024-2028	Revenue growth rate: 2.54%~6.20% Profit rate: 4.54%~5.90%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 5.87% Discount rate: 11.72%	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.	17,683	19,323		2024-2028	Revenue growth rate: 5.18%~7.22% Profit rate: 4.80%~5.70%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 5.70% Discount rate: 11.72%	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
Anhui Anran Gas Co., Ltd.	34,260	37,792		2024-2028	Revenue growth rate: 6.48%~7.15% Profit rate: 9.23%~12.15%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 12.15% Discount rate: 11.72%	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
Liaocheng Jin'ao Gas Development Co., Ltd.	39,364	44,470		2024-2028	Revenue growth rate: 1.29%~4.12% Profit rate: 2.85%~4.90%	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: 4.15% Discount rate: 11.72%	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.	112,498	127,344		2024-2028	Revenue growth rate: 2.41%~4.58% Profit rate: 9.22%~9.77%	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: 9.77% Discount rate: 11.72%	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
Inner Mongolia Huayi Energy Co., Ltd.	16,674	19,595		2024-2028	Revenue growth rate: 0.09%~2.86% Profit rate: 7.02%~7.44%	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: 11.61%	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.	52,342	54,782		2024-2028	Revenue growth rate: 3.19%~6.13% Profit rate: 9.05%~10.56%	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: 9.05% Discount rate: 11.72%	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
Quanzhou Gas Co., Ltd.	140,254	155,073		2024-2028	Revenue growth rate: 2.9%~3.16% Profit rate: 2.13%~2.31%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 2.25% Discount rate: 11.49%	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
Guangzhou ENN Gas Co., Ltd.	50,035	54,617		2024-2028	Revenue growth rate: 2.20%~6.31% Profit rate: 4.88%~5.88%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 5.67% Discount rate: 11.72%	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
Linyi Xin'ao Energy Development Co., Ltd.	13,651	16,006		2024-2028	Revenue growth rate: 1.80%~6.47% Profit rate: 2.93%~3.46%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 3.46% Discount rate: 11.72%	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
Pingxiang ENN Changfeng Gas Co., Ltd.	26,000	29,162		2024-2028	Revenue growth rate: 1.87%~5.86% Profit rate: 4.34%~5.28%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 5.28% Discount rate: 11.49%	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
Quzhou ENN Gas Co., Ltd.	24,718	30,866		2024-2028	Revenue growth rate: 0.36%~6.34% Profit rate: 5.81%~6.34%	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: 5.81% Discount rate: 11.49%	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
Zhejiang Puijiang Gaofeng PNG Co., Ltd.	29,154	31,849		2024-2028	Revenue growth rate: 5.89%~6.83% Profit rate: 15.55%~16.18%	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: 15.55% Discount rate: 11.61%	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
Hongze ENN Gas Co., Ltd.	14,050	15,043		2024-2028	Revenue growth rate: 5.87%~6.42% Profit rate: 5.39%~7.51%	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: 5.60% Discount rate: 11.61%	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
Harbin ENN Gas Co., Ltd.	19,799	21,804		2024-2028	Revenue growth rate: 4.28%~7.09% Profit rate: 13.73%~17.29%	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: 17.29% Discount rate: 11.72%	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
Changzhou Xin'ao Gas Development Co., Ltd.	9,119	264,888		2024-2028	Revenue growth rate: 0.96%~5.02% Profit rate: 13.36%~13.80%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 13.80% Discount rate: 11.49%	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
Qingdao ENN Jiaocheng Gas Co., Ltd.	9,195	10,013		2024-2028	Revenue growth rate: 0.26%~3.35% Profit rate: 1.91%~2.59%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 2.59% Discount rate: 11.61%	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
Lanxi ENN Gas Co., Ltd.	24,811	27,516		2024-2028	Revenue growth rate: 0.62%~4.42% Profit rate: 2.97%~4.90%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 3.58% Discount rate: 11.61%	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
Hangzhou Xiaoshan Pipeline Gas Development Co., Ltd.	85,128	87,023		2024-2028	Revenue growth rate: 2.38%~6.90% Profit rate: 17.69%~20.18%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 17.69% Discount rate: 11.72%	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
Guilin ENN Gas Co., Ltd.	27,694	29,049		2024-2028	Revenue growth rate: 1.87%~4.08% Profit rate: 3.52%~4.37%	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: 4.37% Discount rate: 11.49%	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
Jinjiang ENN Gas Co., Ltd.	44,253	56,123		2024-2028	Revenue growth rate: 1.29%~4.21% Profit rate: 4.63%~5.19%	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: 5.19% Discount rate: 11.61%	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 Zhongfen Pyroelectricity Co., Ltd.	17,251	31,716		2024-2028	Revenue growth rate: 1.05%~2.88% Profit rate: 5.49%~7.48%	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: 5.90% Discount rate: 11.72%	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
Beijing ENN Jinggu Gas Co., Ltd.	6,199	7,619		2024-2028	Revenue growth rate: 0.93%~4.33% Profit rate: 5.57%~6.41%	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: 5.57% Discount rate: 11.61%	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
Tongliao ENN Gas Co., Ltd.	4,905	5,438		2024-2028	Revenue growth rate: 3.54%~5.30% Profit rate: 6.34%~7.16%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 7.16% Discount rate: 11.49%	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
Shuangmin Gas (Jiangsu) Co., Ltd.	18,805	24,503		2024-2028	Revenue growth rate: 6.59%~7.14% Profit rate: 2.68%~3.19%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 2.68% Discount rate: 11.72%	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 Datong PNG Co., Ltd.	19,313	27,440		2024-2028	Revenue growth rate: 3.03%~5.70% Profit rate: 10.36%~11.74%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 11.36% Discount rate: 11.49%	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
Dongguan ENN Gas Co., Ltd.	398,588	463,617		2024-2028	Revenue growth rate: 5.07%~5.87% Profit rate: 2.97%~4.30%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 4.28% Discount rate: 11.49%	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
Dehua Guang'an Natural Gas Co., Ltd.	13,310	53,437		2024-2028	Revenue growth rate: 2.23%~6.70% Profit rate: 12.22%~13.41%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 13.41% Discount rate: 11.72%	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 Construction Consulting Co., Ltd.	449	2,022		2024-2028	Revenue growth rate: 10.00%~20.00% Profit rate: 11.79%~20.10%	Based on the Company's operating performance, industry level, and the management's expectation of market development in previous years	Revenue growth rate: 0% Profit rate: 20.10% Discount rate: 11.49%	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	2,362,955	3,024,784	1,684	/	/	/	/	/

Other information:

The Company shall carry out impairment test on each asset group related to goodwill at the end of the period. The goodwill and goodwill attributable to minority shareholders shall first be included to adjust each asset group to its carrying value, and then the adjusted carrying value of each asset group shall be compared with its recoverable amount to determine whether each asset group (including goodwill) has 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 for the current period	Closing balance
Decoration	8,835	4,913	4,646	441	8,661
Road construction	2,989		299	1,896	794
Compensation for demolition and ecological environment restoration	32,502	7,458	1,133	38,721	106
Maintenance and renovation expenses	15,715	3,760	3,028	11,963	4,484
Costs for periodic tests and inspection	4,659	6,356	2,575	972	7,468
Power supply route project	964		36		928
Others	11,743	9,178	2,734	9,838	8,349
Total	77,407	31,665	14,451	63,831	30,790

Other information:

The year-on-year decrease in long-term unamortized expenses by 60.22% was mainly attributable to the decrease of long-term unamortized expenses arising from disposal of subsidiaries by the Company 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	130,354	29,968	97,889	21,646
Unrealized profits from internal transactions	460,783	97,383	447,992	95,588
Deferred income	417,393	103,726	432,070	106,152
Long-term account current	25,076	3,813	6,746	1,075
Trial run revenue from construction in progress	6,096	914	6,618	993
Lease liabilities	49,275	12,259	41,541	10,290
Total	1,088,977	248,063	1,032,856	235,744

(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 assets	Taxable temporary difference	Deferred income tax assets
Value-added assessment on assets from business combination not under common control	294,469	73,617	323,823	80,955
Effect on one-time pretax deduction of fixed assets	742,614	185,005	771,872	189,733
Right-of-sue assets	51,830	12,900	42,242	10,468
Capitalized interest	110,101	27,525	115,148	28,788
Tax on dividends	127,455	6,373	403,532	20,177
Changes in fair value of financial assets	30,933	5,570	205,092	35,013
Others	13,830	2,953	17,396	3,549
Total	1,371,232	313,943	1,879,105	368,683

(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	1,036,655	872,787
Provision for assets impairment	235,345	34,095
Total	1,272,000	906,882

(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
2023		54,155	
2024	57,269	73,393	
2025	72,994	84,959	
2026	130,250	166,148	
2027	362,263	494,132	
2028	413,879		
Total	1,036,655	872,787	/

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				998		998
Margins paid on fixed assets and land use rights	1,379		1,379	7,336		7,336
Prepayment for equipment works	10,106		10,106	11,721		11,721
Value-added tax to be deducted, certified or prepaid	13,700		13,700	13,868		13,868



Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Others	50		50	226		226
Total	25,235		25,235	34,149		34,149

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 capital	119,118	119,118	Other	Margin and statutory reserve	113,371	113,371	Other	Margin and statutory reserve
Transaction financial assets					2,560	2,560	Pledge	Structured deposit pledge
Notes receivable	12	12	Pledge	Bill pledge				
Receivables financing	5,272	5,272	Pledge	Bill pledge				
Fixed assets	9,948	9,948	Mortgage	Loan mortgage	14,902	14,902	Mortgage	Loan mortgage
Intangible assets	469	469	Mortgage	Loan mortgage	26,052	26,052	Mortgage	Loan mortgage
Total	134,819	134,819	/	/	156,885	156,885	/	/

Other information:

- The restricted monetary capital is mainly represented by reserves and margins of the Company in various financial institutions, primarily including the statutory reserves amounting to RMB436 million and bank acceptance margins amounting to RMB271 million deposited in the central bank.
- 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	607,643	415,136
Guaranteed loan	89,408	230,977
Pledged loan	257,381	109,910
Mortgage loan	1,000	
Total	955,432	756,023

Description of the classification of short-term borrowings:

1. Guaranteed loan: The loan of RMB20.02 million was guaranteed by ENN (Hainan) Energy Trading Co., Ltd.; the loan of RMB20 million was guaranteed by Zhuzhou Xin'ao Gas Co., Ltd.; the loan of RMB403.06 million was guaranteed by Changzhou Xin'ao Gas Engineering Co., Ltd.; the loan of RMB100 million was guaranteed by Xinxiang ENN Clean Energy Co., Ltd.; the loan of RMB30 million was guaranteed by Changzhou Xin'ao Gas Development Co., Ltd.; the loan of RMB170 million was guaranteed by Xin'ao (China) Gas Investment Co., Ltd.; the loan of RMB131 million was guaranteed by Dongguan Xin'ao Gas Co., Ltd.; the loan of RMB10 million was guaranteed by Feidong County SME Financing Guarantee Co., Ltd.; and the loan of RMB10 million was guaranteed by Wen'an ENN Mingshun Gas Co., Ltd.
2. Pledged loan: The loan of RMB634.2 million was obtained by the subsidiaries, Dongguan Xin'ao Gas Co., Ltd., Huaihua ENN Gas Co., Ltd., Yongzhou ENN Gas Co., Ltd., Weifang ENN Natural Gas Pipeline Network Co., Ltd. and Xinxiang County Zhongnengfu Heating Power Co., Ltd. with their gas charging rights pledged; RMB1,939.61 million arose from the notes discounted.
3. Mortgage loan: The loan of RMB10 million was obtained by the subsidiary Zouping ENN Gas Co., Ltd. with its land use right and house ownership mortgaged.

(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	20,019	84,883
Including: Commodity derivative contracts	20,019	84,883
Foreign exchange derivative contracts		
Derivatives designated as hedging instrument	9,421	17,033
Including: Commodity derivative contracts	6,893	17,033
Foreign exchange derivative contracts	2,528	
Total	29,440	101,916

Other information:

See "Notes VII-4. Derivative Financial Assets" for the derivative financial assets.

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	74,148	85,737
Total	78,148	85,737

The total amount of notes payable due and outstanding at the end of the current period is 0.

39. Accounts payable

(1). Presentation of accounts payable

 Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Accounts payable	1,070,281	1,048,430
Total	1,070,281	1,048,430

(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 of and reason for the significant changes in 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	23,971	31,688
Sale of natural gas	1,256,215	1,339,071
Payment received on settled but uncompleted project	215,052	371,294
Total	1,495,238	1,742,053

(2). *Significant contract liabilities aging over one year*

Applicable N/A

(3). *Amount of and reason for the significant changes in book value during the Reporting Period*

Applicable N/A

Other information:

Applicable N/A



42. Financial assets sold for repurchase

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Notes		36,800
Accrued interest		-281
Total		36,519

Other information:

The year-on-year decrease in financial assets sold for repurchase by 100.00% was mainly attributable to the repurchase from the central bank by the Company's finance company when the rediscounted notes became mature during the Reporting Period.

43. Deposits from customers and interbank

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Demand deposit	14,435	19,337
– Corporate	14,435	19,337
Fixed deposit	3,229	3,184
– Corporate	3,229	3,184
Other deposits		1,163
Subtotal	17,664	23,684
Total	17,664	23,684

44. 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	122,905	538,883	543,561	118,227
II.Post-employment benefits – defined contribution plan	1,860	61,497	61,692	1,665
III.Dismission benefits		2,202	2,202	
IV.Other benefits due within one year	5		5	
Total	124,770	602,582	607,460	119,892

(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	110,129	417,346	422,148	105,327
II.Employee welfare	3	31,826	31,829	
III.Social insurance	795	27,980	28,314	461
Including: Medical insurance	624	25,502	25,715	411
Industrial injury insurance	96	1,984	2,048	32
Maternity insurance	75	494	551	18
IV.Housing provident fund	3,443	51,238	51,601	3,080
V.Union fund and staff education fund	8,535	10,431	9,607	9,359
VI.Short-term paid absence				
VII.Short-term profit-sharing scheme				
VIII.Others		62	62	
Total	122,905	538,883	543,561	118,227

(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	1,580	58,834	58,941	1,473
2.Unemployment insurance	273	2,403	2,491	185
3.Enterprise annuity contribution	7	260	260	7
Total	1,860	61,497	61,692	1,665

Other information:

Applicable N/A

45. Taxes payable

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Value added tax (VAT)	32,379	37,538
Business tax	642	690
Corporate income tax	224,504	229,425
Individual income tax	1,199	1,695



Item	Closing balance	Opening balance
Urban maintenance and construction tax	194	786
Education surcharge	101	302
Property tax	112	106
Resource tax		6,881
Stamp duty	155	252
Environmental protection tax	30	13
Water resources tax		184
Farming land occupation tax		2,237
Consumption tax		7,780
Others	1,193	760
Total	260,509	288,649

46. Other payables

(1). Presentation of items

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Interests payable		
Dividends payable	16,354	26,304
Other payables	182,176	278,153
Total	198,530	304,457

Other information:

Applicable N/A

The year-on-year decrease in other payables by 34.79% was mainly attributable to the decrease in the settled but unpaid balance of commodities derivative financial instrument contracts as a result of the shortened payment period for such contracts during the Reporting Period.

(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	16,354	26,304
Dividends on preferred stock/perpetual bond classified as equity instruments		
Total	16,354	26,304

Other information:

The year-on-year decrease in dividends payable by 37.83% was mainly attributable to the payment of the dividends which should have been paid at the end of previous period by the subsidiaries of the Company 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	75,993	86,432
Margin and deposit	26,653	31,322
Equity transfer payment	33,342	18,001
Payment collected and deducted for other party	7,151	9,047
Restricted share repurchase obligation	6,063	9,343
Settled but outstanding derivative contracts	11,731	107,047
Other	21,243	16,961
Total	182,176	278,153

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



Item	Closing balance	Reason for failure of repayment or carry-over
Top 3	5,295	Payment terms unsatisfied
Top 4	3,751	Payment terms unsatisfied
Top 5	3,298	Payment terms unsatisfied
Total	35,513	/

Other information:

Applicable N/A

47. Liabilities held for sales

Applicable N/A

48. 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	229,329	170,744
Long-term payables due within one year	122	13,416
Lease liabilities due within one year	13,381	10,773
Total	242,832	194,933

Information on classification of long-term borrowings due within one year:

1. Guaranteed loan: The loan of RMB642.16 million was guaranteed by ENN-NG; the loan of RMB11.46 million was guaranteed by ENN Gas Development Co., Ltd. (60%) and Zhejiang Rongsheng Holding Group Co., Ltd. (40%); the loan of RMB183.61 million was guaranteed by the subsidiary Xin'ao (China) Gas Investment Co., Ltd.; and the loan of RMB3 million was guaranteed by the subsidiary Xiangtan ENN Gas Development Co., Ltd.

2. Pledged loan: The loan of RMB59.84 million was obtained by the subsidiaries, Dongguan Xin'ao Gas Co., Ltd. and Dingzhou Fuyuan Natural Gas Co., Ltd., with gas charging rights pledged.

3. Mortgage and pledged loans: The loan of RMB200,000 was obtained by the subsidiary Binzhou ENN Gas Engineering Co., Ltd. with its equipment mortgaged and by Zouping ENN Gas Co., Ltd. with its lands and equipment mortgaged.

4. Mortgage and pledged loans: The loan of RMB4 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 RMB4 million was guaranteed by the subsidiary Hebei ENN Energy Development Co., Ltd. and obtained with its gas charging rights pledged; the loan of RMB2 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 their gas charging rights pledged.

6. Mortgage and guaranteed loans: The loan of RMB11.6 million was obtained by the subsidiary Shanghai Zhongfen Pyroelectricity Co., Ltd. with its residential property mortgaged, and guaranteed by Xin'ao (China) Gas Investment Co., Ltd.

49. 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	135,259	154,938
Others		4,697
Total	135,259	159,635

Increase/decrease in short-term bonds payable:

Applicable N/A

Other information:

Applicable N/A

50. 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	392,166	311,410
Guaranteed loan	380,720	730,509
Pledged loan	18,328	5,734
Mortgage loan	959	
Mortgage and pledged loans	3,000	3,400
Pledged and guaranteed loans	29,400	4,402
Mortgage and guaranteed loans	50,018	155,763
Total	874,591	1,211,218

Information on classification of long-term borrowings:

1. Guaranteed loans: The loan of RMB2,033 million was guaranteed by ENN-NG; the loan of RMB314.3 million was guaranteed by Xindi Energy Engineering Technology Co., Ltd.; the loan RMB68.61 million was guaranteed by ENN Gas Development Co., Ltd. (60%) and Zhejiang Rongsheng Holding Group Co., Ltd. (40%); the loan of



RMB1,352.89 million was guaranteed by Xin'ao (China) Gas Investment Co., Ltd.; the loan of RMB26.4 million was guaranteed by Xiangtan ENN Gas Development Co., Ltd.; the loan of RMB12 million was jointly guaranteed by ENN Natural Gas Co., Ltd. and ENN (Tianjin) Energy Investment Co., Ltd.

2.Pledged loan: The loan of RMB183.28 million was obtained by the subsidiaries, Dongguan Xin'ao Gas Co., Ltd. and Dingzhou Fuyuan Natural Gas Co., Ltd., with gas charging rights pledged.

3.Mortgage loan: The loan of RMB9.59 million was obtained by the subsidiary Binzhou ENN Gas Engineering Co., Ltd. with its equipment mortgaged and by Zouping ENN Gas Co., Ltd. with its lands and equipment mortgaged.

4.Mortgage and pledged loan: The loan of RMB30 million was obtained by the subsidiary Zouping ENN Gas Co., Ltd. with its gas charging right pledged and with pipeline assets of Binzhou ENN Gas Engineering Co., Ltd. mortgaged.

5.Pledged and guaranteed loans: The loan of RMB278 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 their gas charging rights pledged; the loan of RMB16 million was guaranteed by the subsidiary Hebei ENN Energy Development Co., Ltd. and obtained with its gas charging rights pledged.

6.Mortgage and guaranteed loans: The loan of RMB500.18 million was obtained by the subsidiary ENN (Zhoushan) LNG Co., Ltd. with its Phase III Project assets (upon completion) mortgaged, and guaranteed by the Company and ENN (Tianjin) Energy Investment Co., Ltd.

During the Reporting Period, the Company had no long-term borrowings that had not been duly repaid.

Other information:

Applicable N/A

51. Bonds payable

(1). Bonds payable

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Mid-term notes	51,030	
Bonds issued overseas	1,233,204	1,437,773
Total	1,284,234	1,437,773

(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 GN01	RMB100	3.300	2023/4/25	3 years	RMB500 million		50,000	1,118	-88		51,030	No
VEYONG 3.375% 2026	USD100	3.375	2021/5/12	5 years	USD800 million	535,172		18,435	10,213	90,235	455,259	No
2030 Senior Notes	USD100	2.625	2020/9/17	10 years	USD750 million	520,431		13,526	12,767	143,556	388,635	No
2027 Senior Notes	USD100	4.625	2022/5/17	5 years	USD550 million	382,170		17,919	7,103		389,310	No
Total	/	/	/	/	USD2,100 million, RMB500 million	1,437,773	50,000	50,998	29,995	233,791	1,284,234	/

Information on bonds payable:

1. *23 ENN-NG GN01*

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 RMB3,000 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 GN01) with a face value of RMB500 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 RMB100/hundred.

2. *VEYONG 3.375% 2026*

On 12 May 2021, ENN Clean Energy International Investment Limited, a subsidiary of the Company, issued USD800 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 a 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 USD127.05 million (equivalent to RMB902 million) at the open market during the Reporting Period.

3. *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 USD750 million and an interest rate of 2.625%. The net amount after deducting the issue cost was USD739 million. The "2030 Senior Notes" will expire on 17 September 2030. Subject to the terms and conditions of these "2030 Senior Notes", the subsidiary issuer 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 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. During the Reporting Period, the subsidiaries of the Company repurchased the face amount of USD200 million (equivalent to RMB1,436 million) at the open market and canceled the bonds repurchased in November.

4. *2027 Senior Notes*

On 17 May 2022, ENN Energy Holdings Limited, a subsidiary of the Company, issued senior notes with a face value of USD550 million and an interest rate of 4.625%. The net amount after deducting the issue cost was USD545 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 into 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 into financial liabilities:

Applicable N/A

Other information:

Applicable N/A

(5). *Information on corporate bonds*

Applicable N/A

Accounting treatment and judging criteria for conversion to equity

Applicable N/A

(6). Other financial instruments that are classified into 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 into financial liabilities:

Applicable N/A

Other information:

Applicable N/A

52. Lease liabilities

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Lease liabilities	36,206	30,977
Total	36,206	30,977

53. Long-term payables

Presentation of items

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
Long-term payables	275	157,114
Special payables		
Total	275	157,114

Other information:

Applicable N/A



The year-on-year decrease in long-term payables by 99.82% was mainly attributable to the decrease of long-term payables arising from disposal of subsidiaries by the Company during the Reporting Period.

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	385
Installment payable for acquisition of intangible assets		156,729
Total	275	157,114

Special payables

(1). Presentation of long-term payables by nature of payment

Applicable N/A

54. Long-term payroll payable

Applicable N/A

55. Anticipation liabilities

Applicable N/A

56. Deferred income

Information on deferred income

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance	Reason
Government subsidies	111,884	30,308	19,863	122,329	Asset-related and income-related government subsidies
Total	111,884	30,308	19,863	122,329	/

Other information:

Applicable N/A

57. 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:	1,380	4,841
Non-hedging derivatives		
Including: Foreign exchange derivative contracts		
Commodity derivative contracts		
Derivatives designated as hedging instrument	1,380	4,841
Including: Foreign exchange derivative contracts	619	4,841
Commodity derivative contracts	761	
Contract liabilities included in other non-current liabilities	272,030	284,694
Others	95,472	
Total	368,882	289,535

Other information:

Please refer to "Note VII-4 Derivative Financial Assets" for details on the foreign exchange derivative contracts and commodity derivative contracts.

58. Share capital

Applicable N/A

Unit: RMB '0000 Currency: RMB

	Opening balance	Current increase or decrease (+, -)				Subtotal	Closing balance
		Issue of new shares	Share donation	Reserved fund converted into share capital	Other		
Total number of shares	309,866				-26	-26	309,840

Other information:

The decrease in share capital for current period was attributable to the Company's repurchase and cancellation of some shares initially granted and reserved under the the 2021 Restricted Stock Incentive Plan during the Reporting Period.

59. 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

60. Capital reserve

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Capital premium (share capital premium)	2,522	4,336	6,858	
Other capital reserves	16,874	2,649	4,363	15,160
Total	19,396	6,985	11,221	15,160

Other information including current increase or decrease and reason for such change:

- The current increase in capital premium (share capital premium) was mainly attributable to the transfer of stock option incentive included in other capital reserves to the capital premium resulted from the satisfaction of conditions for removal of restrictions on sale during the second Unrestricted Period for first grant and reserved grant under the 2021 Restricted Stock Incentive Plan.
- The current decrease in capital premium (share capital premium) was mainly attributable to offsetting capital reserve with the difference between the long-term equity investment newly acquired with purchase of minority interest by Xinneng Hong Kong, a subsidiary of the Company, with its increased shareholding in ENN Energy and the share of net assets to which the subsidiary was entitled continuously calculated at the new shareholding ratio from the purchase date.
- 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, the expenses for stock option allocated and recognized by the Company's subsidiary ENN Energy as well as the exercise of stock option.
- The current decrease in other capital reserves was mainly attributable to the transfer of stock option incentive included in other capital reserves to the capital premium resulted from the satisfaction of conditions for removal of restrictions on sale during the second Unrestricted Period for first grant and reserved grant under the 2021 Restricted Stock Incentive Plan.

61. Treasury shares

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Treasury shares	19,182		3,427	15,755
Total	19,182		3,427	15,755

Other information including current increase or decrease and reason for such change:

The current decrease in treasury shares was mainly attributable to:

1. Offsetting the repurchase obligation recognized upon the satisfaction of conditions for removal of restrictions on sale during the second Unrestricted Period for first grant and reserved grant under the 2021 Restricted Stock Incentive Plan during the Reporting Period.
2. Provision by the Company for dividends on the shares subject to first grant and reserved grant under the 2021 Restricted Stock Incentive Plan during the Reporting Period.
3. Repurchase and cancellation of 265,000 shares subject to first grant and reserved grant under the 2021 Restricted Stock Incentive Plan by the Company during the Reporting Period.

62. Other comprehensive income

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Incurred before current amount income tax	Amount incurred in current period					Closing balance
			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	1,440	-1,740			-264	-365	-1,111	1,075
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	1,440	-1,740			-264	-365	-1,111	1,075

Item	Amount incurred in current period							Closing balance
	Opening balance	Incurred amount 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	
Changes in fair value of enterprise's own credit risk								
II. Other comprehensive income reclassified into profits or losses	44,395	161,597	65,805		7,255	88,253	284	132,648
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	3,793	143,441	65,805		7,240	76,630	-6,234	80,423
Conversion difference of foreign currency financial statements	39,777	18,095				11,613	6,482	51,390
Others	825	61			15	10	36	835
Total other comprehensive income	45,835	159,857	65,805		6,991	87,888	-827	133,723

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 year-on-year increase in other comprehensive income by 191.75% was mainly attributable to the increased cash flow hedging reserve of the Company's subsidiaries during the Reporting Period.

63. Special reserve

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Work safety costs	5,222	18,466	18,917	4,771
Coal mine maintenance fee		2,332	2,332	
Total	5,222	20,798	21,249	4,771

64. Surplus reserve

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Statutory surplus reserve	33,111	48,622	30,143	51,590
Total	33,111	48,622	30,143	51,590

Information on surplus reserve including current increase or decrease and reason for such change:

1. The 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 offsetting the surplus reserve by the difference between the consideration paid for increased shareholding in the holding subsidiary ENN Energy by Xinneng Hongkong, a subsidiary of the Company and repurchase of shares by ENN Energy and the share of net assets to which the subsidiary was entitled continuously calculated at the new shareholding ratio from the purchase date since the capital reserve was insufficient for such offset.

65. General risk provision

Unit: RMB '0000 Currency: RMB

Item	Opening balance	Current provision	Current decrease	Closing balance
General risk provision	18,839	13		18,852
Total	18,839	13		18,852

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.

66. Undistributed profit

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Current period	Previous period
Undistributed profit at the end of last period before adjustment	1,344,725	854,115
Total undistributed profits at the beginning of the adjustment period (+ for increase, - for decrease)	-178	6,725
Undistributed profit at the beginning of the period after adjustment	1,344,547	860,840
Add: Net profit attributable to owners of parent company during the current period	709,111	584,391
Less: Appropriation of statutory surplus reserve	48,622	10,696
Appropriation of discretionary surplus reserve		
Provision for general risk	13	1,375



Item	Current period	Previous period
Payable dividends on ordinary shares	157,722	87,324
Dividends on ordinary shares transferred to share capital		
Others		1,111
Undistributed profit at the end of the period	1,847,301	1,344,725

- Details of the adjustment to the undistributed profit at the beginning of the period:
 - The undistributed profit of RMB1.78 million at the beginning of the period was affected due to the changes in accounting policies.
- The year-on-year increase in undistributed profit by 37.37% was mainly attributable to the year-on-year increase in the net profit attributable to owners of parent company during the Reporting Period.

67. 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	14,224,530	12,280,552	15,300,214	13,012,048
Other business	150,868	90,188	104,203	58,215
Total	14,375,398	12,370,740	15,404,417	13,070,263

(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	6,945,229	6,176,215	6,945,229	6,176,215
Wholesale of natural gas	2,917,313	2,792,765	2,917,313	2,792,765
Direct Gas Sales by Platform	1,064,878	872,474	1,064,878	872,474
Construction and installation	851,725	505,105	851,725	505,105
Sale and services of integrated energy	1,519,206	1,319,613	1,519,206	1,319,613
Smart home business	395,988	134,609	395,988	134,609
Energy production	509,543	473,447	509,543	473,447
Infrastructure operation	20,648	6,324	20,648	6,324
Total	14,224,530	12,280,552	14,224,530	12,280,552

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 Sales 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 instalments as per the schedule provided in the contract	Construction and installation	Yes	0	Guaranteed warranty with warranty obligation fulfilled according to the national regulations
Sale and services of integrated energy	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 instalments 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	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
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 instalments before pickup of goods	Coal, 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 RMB9,020.98 million.

(5). *Change in material contracts or adjustment to material transaction price*

Applicable N/A

68. 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	8,790	12,454
Including: Loan interest revenue	283	327
Discount interest revenue	13	30
Revenue from interests on transactions among financial institutions	3,346	2,789
Lease interest revenue	706	2,399
Factoring interest revenue	4,442	6,909
Interest expense	962	2,135

69. Fee and commission revenue and fee and commission expense

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Fee and commission revenue	10	10
Including: Entrusted loan	5	5
Other	5	5
Fee and commission expense	246	311

70. 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	9,619	10,942
Education surcharge	7,361	8,211
Resources tax	9,860	26,663
Property tax	5,463	5,109
Land use tax	5,241	5,269
Stamp duty	12,805	9,588
Charges collected by the local government	1,337	1,796
Environmental protection tax	125	47
Water resources tax	232	463
Farming land occupation tax		967
Consumption tax	994	7,780
Others	1,334	1,576
Total	54,371	78,411

Other information:

The year-on-year decrease of taxes and surcharges by 30.66% was mainly attributable to the reduced sales of coals of Xinneng Mining Industry, a former subsidiary of the Company, and the decrease in the resource tax during the Reporting Period over the same period of the previous year.

71. 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	87,257	86,228
Travel expense	2,311	1,808
Advertising, publicity and promotion fees	1,853	1,950
Entertainment expense	1,000	779
Tenancy expense	2,091	1,427
Maintenance fee	15,600	27,719
Depreciation expense	21,111	18,720
Commission fee for products commissioned to sell	477	599
Communication expense	472	539
Other	10,696	8,732
Total	142,868	148,501

72. 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	239,516	226,736
Repair cost	9,925	11,876
Depreciation and amortization	65,999	60,912
Office & travel expenses	19,552	15,892
Entertainment expense	21,114	20,878
Vehicle cost	7,095	6,989
Fees for intermediaries	17,307	19,409
Water and electricity expenses	3,048	2,903
Property insurance premium	3,398	3,599
Tenancy expense	2,689	3,065
Amortization of share purchase right	2,601	9,230
Others	28,006	30,652
Total	420,250	412,141

73. 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	40,864	43,318
Depreciation expense	12,970	13,242
Materials	33,055	55,096
Experiment and test fee	516	616
Water and electricity expenses	2,441	2,456
Consultation expense	744	962
Outsourced processing charges	2,252	926
Others	3,288	5,398
Total	96,130	122,014

74. 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	140,341	137,166
Add: Interest revenue	-23,071	-13,618
Exchange loss (or gain)	38,995	159,780
Bank charges	8,057	8,139
Others	738	1,853
Total	165,060	293,320

Other information:

1. The year-on-year decrease in financing expense by 43.73% was mainly attributable to the year-on-year decrease in exchange gain or loss as a result of the reduced scale of US dollar debts in the subsidiaries of the Company during the Reporting Period over the same period of previous year, and year-on-year decrease of change in exchange rate.
2. The year-on-year increase in financing expense – interest income by 69.42% was mainly attributable to the increased interest income as a result of the rise in USD deposit interest rate for the subsidiaries of the Company during the Reporting Period.



75. 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	51,404	38,821	
Including: Government subsidies related to deferred income	8,125	4,208	Related to assets/income
Value added tax refund	7,438	5,952	Related to income
Government subsidies directly included in current profit or loss	35,841	28,661	Related to income
II. Item relating to other day-to-day activities and included in other income	2,803	3,398	
Total	54,207	42,219	/

76. 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	23,348	13,268
Investment income from disposal of long-term equity investments	427,654	385
Dividend revenue from other equity instrument investments during the holding period	2,161	717
Investment income from disposal of transaction financial assets	3,887	3,002
Settlement gains and losses arising from derivative financial instruments	273,885	52,357
Gain or loss from re-measurement of previously held equity	19,241	213
Gain or loss from debt restructuring	28,723	2,051
Investment income from other non-current financial assets during the holding period	13,303	12,658
Total	792,202	84,651

Other information:

The year-on-year increase in investment income by 835.84% was mainly attributable to higher income realized from disposal of subsidiaries of the Company and derivatives of subsidiaries during the Reporting Period.

77. Exchange gain

Unit: RMB '0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Exchange gain	-11	-41

78. Net exposure hedging income

Applicable N/A

79. 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
Transaction financial liabilities		
Investment real estates measured at fair value	-883	-3,466
Income from changes in fair value of financial assets measured at fair value	-145,218	116,912
Unrealized gains on ineffective portion of cash flow hedge	-3,221	2,498
Income from changes in fair value arising from cash-settled share-based payment in liabilities	1,417	968
Total	-147,905	116,912

Other information:

The income from changes in fair value decreased by 226.51% year-on-year mainly due to the settlement upon maturity in the current period of floating income from derivative financial instruments not mature in previous year, which offset the income from changes in fair value.

80. 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	15	-7
Bad debt loss on accounts receivable	-34,417	-23,828
Bad debt loss on other receivables	-5,031	-5,337
Impairment loss on debt investments	-6	-288
Bad debt loss on loans and advances	16	46
Bad debt loss on long-term receivables	-57	275
Bad debt loss on other current assets	-208	-771
Bad debt loss on non-current assets due within one year	52	-919
Total	-39,636	-30,829

81. 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	-1,020	-11,619
II.Loss of decline in value of inventories and impairment loss on contract performance cost		
III.Impairment loss on long-term equity investments		
IV.Impairment loss on investment real estates		
V.Impairment loss on fixed-assets	-200,145	-9,293
VI.Impairment loss on project materials		
VII.Impairment loss on construction in progress	-2,496	-66
VIII.Impairment loss on productive biological assets		
IX.Impairment loss on oil and gas assets		
X.Impairment loss on intangible assets	-1,641	-3,309
XI.Impairment loss on goodwill	-1,583	
XII.Others		
Total	-206,885	-24,287

Other information:

The year-on-year increase in assets impairment loss by RMB1.826 billion was mainly caused by the provision for impairment of assets made by the subsidiaries of the Company during the Reporting Period.

82. 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	-7,106	-14,765
Gain on the disposal of intangible assets	813	6,821
Total	-6,293	-7,944

83. 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
Total gains on disposal of non-current assets			
Including: Gain on disposal of fixed assets			
Gain on disposal of intangible assets			
Gain on non-monetary assets exchange			
Donations accepted			
Government subsidies			
Gains on inventory profit	443	347	443
Income from default	1,047	742	1,047
Unpayable accounts payable	4,139	4,000	4,139
Gain on disposal of waste and old materials	1,228	1,200	1,228
Compensation income	4,205	1,862	4,205
Others	5,432	1,699	5,432
Total	16,494	9,850	16,494

Other information:

Applicable N/A

Non-operating income increased by 67.45% year-on-year, mainly due to the increased compensation received by subsidiaries of the Company during the Reporting Period.

84. 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	2,177	440	2,177
Including: Loss on disposal of fixed assets	2,177	440	2,177
Loss on disposal of intangible assets			
Loss on non-monetary assets exchange			
External donations	7,724	2,442	7,724
Penalty expense	752	3,790	752
Loss on disposal of waste and old materials	1,684	2,439	1,684
Compensation expense	2,026	1,755	2,026
Others	4,752	1,771	4,752
Total	19,115	12,637	19,115



Other information:

Non-operating expense increased by 51.26% year-on-year, mainly due to more donations made by the subsidiaries of the Company during the Reporting Period.

85. 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	366,472	344,255
Deferred income tax expense	-42,866	16,017
Total	323,606	360,272

(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	1,576,619
Income tax expense calculated at statutory/applicable tax rate	394,155
Effect from the application of different tax rates by subsidiaries	-56,559
Effect from adjustment to the income tax of previous periods	-20,165
Effect from non-taxable income	-42,161
Effect from non-deductible costs, expenses and losses	4,344
Effect from use of deductible losses of deferred income tax assets not recognized in the previous period	-27,068
Effect from deductible temporary differences or deductible losses of deferred income tax assets not recognized during the current period	75,207
Others	-4,147
Income tax expense	323,606

Other information:

Applicable N/A

86. Other comprehensive income

Applicable N/A

See the "Note VII-62 Other Comprehensive Income" for details.

87. 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	22,854	13,618
Government subsidy income	69,055	54,049
Performance bond and deposit received	13,993	14,723
Total	105,902	82,390

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	112,133	115,338
Selling expenses paid in cash	34,499	43,553
Research and development expenses paid in cash	42,296	65,454
Charges from financial institutions	8,057	8,225
Performance bond and deposit paid in cash	926	4,775
Total	197,911	237,345

(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	971,619	1,068,195
Derivative contract	169,712	135,955
Total	1,141,331	1,204,150



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 finance products	989,059	1,055,245
Total	989,059	1,055,245

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	2,659	20,324
Third party entity repayments		312
Decrease in restricted bank deposits		17,990
Others	384,050	4,315
Total	386,709	42,941

Information on other cash received relating to investing activities:

The other cash received relating to investing activities increased by 800.56% year-on-year mainly due to the disposal of subsidiaries of the Company and recovery of their creditor's rights 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	36,400	43,722
Option proceeds		6,824
Increase in restricted bank deposits	5,746	
Others	23,569	1,600
Total	65,715	52,146

(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	32,204	21,182
Received bill discounts, bills maturity acceptance, bank acceptance bill deposit	193,961	41,810
Financing lease received		1,483
Others	1,449	14,811
Total	227,614	79,286

Information on other cash received relating to financing activities:

The other cash received relating to financing activities increased by 187.08% year-on-year mainly due 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	22,311	13,821
Share repurchase	22,935	10,067
Acquisition of shares under common control	82,685	433,677
Principal, rental interest and charges from financial lease	6,255	34,866
Payment of bank acceptance bill due	41,810	19,385
Others	5,862	4,647
Total	181,858	516,463

Information on other cash paid relating to financing activities:

The other cash paid relating to financing activities decreased by 64.79% year-on-year mainly due to the decreased payment for share acquisition under common control by the Company 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	756,023	1,822,066	5,460	1,529,422	98,695	955,432
Non-current liabilities due within one year	194,933		219,861	171,671	291	242,832
Long-term borrowings	1,211,218	372,202		485,731	223,098	874,591
Bonds payable	1,437,773	49,880	28,935	203,631	28,723	1,284,234
Lease liabilities	30,977	16,617		3,946	7,442	36,206
Long-term payables	157,114		5,486		162,325	275
Total	3,788,038	2,260,765	259,742	2,394,401	520,574	3,393,570

(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

88. 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	1,253,013	1,107,407
Add: Assets impairment provision	206,885	24,287
Credit impairment loss	39,636	30,829
Depreciation of fixed assets, loss of oil and gas assets, depreciation of productive biological assets	343,368	320,092
Amortization of right-of-use assets	14,198	13,536
Amortization of intangible assets	62,132	61,817
Amortization of long-term unamortized expenses	14,451	13,739
Loss on disposal of fixed assets, intangible assets and other long-term assets (gain expressed with "-")	6,293	7,944
Loss on scrapping of fixed assets (gain expressed with "-")	2,634	1,679
Loss on changes in fair value (gain expressed with "-")	147,905	-116,912
Financing expense (gain expressed with in "-")	179,336	296,946
Investment loss (gain expressed with "-")	-792,202	-84,651

Supplementary information	Amount incurred in the current period	Amount incurred in the previous period
Decrease in deferred income tax assets (increase expressed with "-")	-32,354	-8,549
Increase in deferred income tax liabilities (decrease expressed with "-")	-11,422	18,452
Decrease in inventories (increase expressed with "-")	13,470	74,158
Decrease in operating receivables items (increase expressed with "-")	-11,295	-189,433
Increase in operating payables items (decrease expressed with "-")	-60,103	-70,763
Others		
Net amount of cash flow from operating activities	1,375,945	1,500,578
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	1,877,676	1,095,554
Less: Opening balance of cash	1,095,554	1,241,341
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	782,122	-145,787

(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	2,775
Shandong Xinfeng Engineering Design Co., Ltd.	2,775
Less: Cash and cash equivalents held by subsidiaries on the date of purchase	137
Shandong Xinfeng Engineering Design Co., Ltd.	137
Add: Cash or cash equivalents paid in current period for business combinations incurred in previous periods	3,764
Shuangcheng Zhongqing Gas Co., Ltd.	2,946
Huaihua Zhongyou Zhenyu Clean Energy Co., Ltd.	13
Fuyang ENN Fukang Energy Development Co., Ltd.	805
Net cash paid to acquire subsidiaries	6,402



(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 incurred in current period	674,945
Yongdeng ENN Energy Development Co., Ltd.	50
Xinneng Mining Industry Co., Ltd.	674,895
Less: Cash and cash equivalents held by subsidiaries on the date of losing control	18,966
Xinneng Mining Industry Co., Ltd.	18,966
Add: Cash or cash equivalents received in current period from disposal of subsidiaries incurred in previous periods	
Net cash received from disposal of subsidiaries	655,979

(4). *Composition of cash and cash equivalents*

Applicable N/A

Unit: RMB '0000 Currency: RMB

Item	Closing balance	Opening balance
I.Cash	1,877,676	1,095,554
Including: Cash on hand	142	926
Bank deposits readily available for payment	1,520,189	787,400
Other monetary capital readily available for payment	27,896	22,111
Inter-bank deposits	329,449	285,117
Inter-bank offers		
II.Cash equivalents		
Including: Bond investment due within three months		
III.Closing balance of cash and cash equivalents	1,877,676	1,095,554
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 capital other than cash and cash equivalents*

Applicable N/A

Other information:

Applicable N/A

89. Notes on 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

90. Monetary items in foreign currency

(1). Monetary items in foreign currency

Applicable N/A

Unit: RMB '0000

Item	Closing balance in foreign currency	Exchanged rate for conversion	Closing balance converted to RMB
Monetary capital			
Including: USD	71,497	7.0827	506,392
HKD	31,180	0.9062	28,255
EUR	5	7.8592	39
AUD	19	4.8484	92
CAD	1	5.3673	5
GBP	2	9.0411	18
SGD	304	5.3772	1,635
Accounts receivable			
Including: USD	14,263	7.0827	101,021
Other receivables			
Including: USD	7	7.0827	50
HKD	300	0.9062	272
Accounts payable			
Including: USD	11,857	7.0827	83,980
Other payables			
Including: USD	1,618	7.0827	11,460
Bonds payable			
Including: USD	174,115	7.0827	1,233,204

(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

91. Lease

(1) As a lessee

Applicable N/A

Variable lease payments not included in the measurement of lease liabilities

Applicable N/A

The amount incurred in current period of the variable lease payments not included in the measurement of lease liabilities was RMB19.36 million.

Rental expenses for short-term lease and lease of low-value assets in a simplified treatment

Applicable N/A

The amount incurred in current period of the rental expenses for short-term lease and lease of low-value assets in a simplified treatment was RMB73.96 million.

Leaseback transaction and judging criteria

Applicable N/A

The total amount of cash outflow related to lease was 14,320 (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	6,304	
Machinery and equipment	2,547	
Land	525	
Means of transportation	803	
Total	10,179	

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		706	
Total		706	

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	2,839	2,054
Second year	1,629	1,401
Third year	1,555	994
Forth year	1,417	761
Fifth year	1,319	693
Total amount of undiscounted lease receipts after five years	6,224	4,231

(3) *Recognition of sale profit and loss on financing lease as a manufacturer or distributor*

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	45,768	45,268
Depreciation expense	13,260	13,242
Materials	32,927	55,096
Experiment and test fee	516	616
Water and electricity expenses	2,433	2,456
Consultation expense	757	962
Outsourced processing charges	36,355	18,224
Others	3,346	5,680
Total	135,362	141,544
Including: Expensed research and development expenditure	96,130	122,013
Capitalized research and development expenditure	39,232	19,531

(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	
Digital-intelligent safety project	77		2,771	117		2,731
Digital-intelligent management project	8,391	352	20,519	1,255		28,007
GreatGas ecological platform project	5,528	1,750	8,119	3,213		12,184
Digital-intelligent integrated energy project	379		307	177		509
Intelligent customer service platform project	991	1,951	913	1,951		1,904
Other projects	3,141	1,574	1,474	1,167	498	4,524
Total	18,507	5,627	34,103	7,880	498	49,859

Important capitalized research and development projects

Applicable N/A

Item	R&D progress	Expected time of completion	Projected economic benefit generation method	Time for capitalization	Specific basis
Intelligent Operation Center 3.0	Test phase	June 2024	Cost reduction and efficiency raising	January 2023	The project feasibility study report has been completed for the project

Impairment provision for development expenditure

Applicable N/A

(3). Important outsourced research projects

Applicable N/A

Item	Projected economic benefit generation method	Criteria for item capitalization or expensing	Specific basis for item capitalization or expensing
Intelligent Operation Center 3.0	Cost reduction and efficiency raising	(I) The technical feasibility of completing the intangible asset so that it will be available for use or sale; (II) Its intention to complete the intangible asset so that it will be available for use or sale; (III) 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; (IV) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; (V) Its ability to reliably measure the expenditure attributable to the intangible asset during its development.	(I) The Intelligent Operation Center 3.0 project is built on the digital-intelligent safety products which have been currently available, promoted and applied; (II) 1. The technical development (commission) contract on core products in the Intelligent Operation Center 3.0 project has been signed with the customer; 2. A clear promotion plan has been prepared; (III) Clear income analysis has been performed; (IV) The budget plan for human resources and financial cost has been completed, and the feasibility study report has analyzed the project plans and technical resources; (V) The Company has established a sound system for budgeting, cost accounting and approval.

IX. Changes in Scope of Consolidation

1. Business combination not under common control

Applicable N/A



(1). Business combination not under common control incurred in the current period

Applicable N/A

Unit: RMB '0000 Currency: RMB

Name of acquiree	Time of equity acquisition	Equity acquisition cost	Share ratio acquired (%)	Way of acquisition	Date of purchase	Criteria for determining the date of purchase	Income of the acquiree from date of purchase to the end of the period	Net profit of the acquiree from date of Purchase to the end of the period	Cash flow of the acquiree from date of Purchase to the end of the period
Tianjin International Petroleum & Gas Exchange Center Co., Ltd.	28 November 2022	2,625	80	Acquisition	5 January 2023	Completion of handover and establishment of actual control		-720	1,227
Haining Xinxin Natural Gas Co., Ltd.	17 May 2023	8,442	60	Acquisition	17 May 2023	Complete registration of equity change	387	220	117
Shandong Xinfeng Engineering Design Co., Ltd.	18 July 2023	3,750	100	Acquisition	18 July 2023	Complete registration of equity change	772	-115	316

(2). Combination cost and goodwill

Applicable N/A

Unit: RMB '0000 Currency: RMB

Combination cost	Tianjin International Petroleum & Gas Exchange Center Co., Ltd.	Haining Xinxin Natural Gas Co., Ltd.	Shandong Xinfeng Engineering Design Co., Ltd.
— Cash	1		3,750
— Fair value of non-cash assets		5,065	
— Fair value of debt issued or assumed	2,624		
— Fair value of equity securities issued			
— Fair value of contingent consideration			
— Fair value of shares on the date of purchase that are held by the Company prior to the date of purchase		3,377	
— Others			
Total combination cost	2,625	8,442	3,750
Less: Share of fair value of identifiable net assets acquired	2,625	8,442	3,750
Goodwill/the amount of combination cost lower than the share of fair value of identifiable net assets acquired			

Determination method for fair value of combination cost:

Applicable N/A

Completion of performance commitment:

Applicable N/A

Main reasons for goodwill in large amount:

Applicable N/A

(3). Identifiable assets and liabilities of the acquiree at the date of purchase

Applicable N/A

Unit: RMB '0000 Currency: RMB

	Tianjin International Petroleum & Gas Exchange Center Co., Ltd.		Haining Xinxin Natural Gas Co., Ltd.		Shandong Xinfeng Engineering Design Co., Ltd.	
	Fair value on purchase date	Book value on purchase date	Fair value on purchase date	Book value on purchase date	Fair value on purchase date	Book value on purchase date
Assets:	3,281	3,281	11,811	9,371	5,298	1,472
Monetary capital			583	583	137	137
Notes receivable					138	138
Accounts receivable					909	909
Advances to suppliers			137	137	116	116
Other receivables	3,281	3,281	6	6	18	18
Inventories			1	1		
Other current assets			340	340		
Long-term equity investments			5,000	3,510		
Fixed assets			1,439	917	886	154
Construction in progress			3,460	3,460		
Intangible assets			845	417	3,094	
Liabilities:			3,369	3,369	1,548	592
Payables			64	64	368	368
Advances from customers			191	191	15	15
Payroll payable					1	1
Taxes payable					8	8
Other payables			3,114	3,114	200	200
Deferred income tax liabilities					956	
Net assets	3,281	3,281	8,442	6,002	3,750	880
Less: minority interest	656	656				
Net assets acquired	2,625	2,625	8,442	6,002	3,750	880

Contingent liability of the acquiree undertaken in business combination

N/A



(4). Gains or losses arising from the re-measurement of the equity held before the purchase date according to the fair value

Whether the merger is realized through multiple transactions and the power to control is acquired during the Reporting Period

Applicable N/A

Unit: RMB '0000 Currency: RMB

Name of acquiree	Time for acquiring the equity held before the date of purchase	Proportion acquired of the equity held before the date of purchase (%)	Acquisition cost of the equity held before the date of purchase	Way of acquisition of the equity held before the date of purchase	Book value on the date of acquisition of equity held before the date of purchase	Fair value on the date of purchase of equity held before the date of purchase	Gains or losses arising from the re-measurement of the equity held before the date of purchase according to the fair value	Method for determination of the fair value of equity held before the date of purchase and main assumptions	Amount of other comprehensive income transferred to investment income or retained earnings related to the equity held before date of purchase
Haining Xinxin Natural Gas Co., Ltd.	19 May 2010	40	800	Capital contribution	2,409	3,377	968	Fair value determined during equity purchase	

(5). Description of the situation where it is impossible to reasonably determine the merger consideration or the fair value of the identifiable assets and liabilities of the acquiree on the date of purchase or at the end of the merger period

Applicable N/A

(6). Other information

Applicable N/A

2. Business combination under common control

Applicable N/A

3. Reverse purchase

Applicable N/A

4. Disposal of subsidiaries

Whether the Company lost its control over a subsidiary through one disposal

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 investment separately	Remaining equity ratio on the date of losing control (%)	Book value of remaining equity on the date of losing control at the consolidated financial statement level	Fair value of remaining equity on the date of losing control at the consolidated financial statement level	Gains or losses generated from the remaining equity with fair value	Method for determining the fair value of the remaining equity on the date of losing 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
Yancheng Tinghu New City Smart Home Co., Ltd.	9 January 2023	133	100	Transfer of equity	Complete registration of equity change	80						
Yongdeng ENN Energy Development Co., Ltd.	11 April 2023	50	100	Transfer of equity	Complete registration of equity change	50						
Changsha ENN Gas Co., Ltd. and its subsidiaries	24 August 2023	1,000	6	Transfer of equity	Complete registration of equity change	-7,334	49	68,063	86,336	18,273	Determined based on the appraisal report	
Xinneng Mining Industry Co., Ltd.	19 October 2023	674,895	100	Transfer of equity	Complete registration of equity change	541,020						

Other information:

Applicable N/A

1. ENN (China) Gas Investment Co., Ltd., a subsidiary of the Company, entered into the *Equity Transfer Agreement of Yancheng Tinghu New City Smart Home Co., Ltd.* with Yancheng Mingren Smart Home Co., Ltd, selling 100% of the equity of Yancheng Tinghu New City Smart Home Co., Ltd. at a transaction price of RMB1.33 million. Yancheng Tinghu New City Smart Home Co., Ltd. completed the industrial and commercial change registration on 9 January 2023, and the Company received the equity transfer price of RMB1.33 million paid by the counterparty. The Company no longer held the equity of Yancheng Tinghu New City Smart Home Co., Ltd., and no longer included Yancheng Tinghu New City Smart Home Co., Ltd. within the scope of consolidated statements of the Company.
2. Tianjin ENN Gas Development Co., Ltd., a subsidiary of the Company, entered into the *Equity Transfer Agreement of Yongdeng ENN Energy Development Co., Ltd.* with Gansu Xinkong Energy Group Co., Ltd., selling 100% of the equity of Yongdeng ENN Energy Development Co., Ltd. at a transaction price of RMB0.5 million. Yongdeng ENN Energy Development Co., Ltd. completed the industrial and commercial change registration on 11 April 2023, and the Company received the equity transfer price of RMB0.5 million paid by the counterparty. The Company no longer held the equity in Yongdeng ENN Energy Development Co., Ltd. and no longer included Yongdeng ENN Energy Development Co., Ltd. within the scope of consolidated statements of the Company.



3. ENN (China) Gas Investment Co., Ltd., a subsidiary of the Company, entered into the Equity Transfer Agreement with Changsha Xiandao Industrial Investment Co., Ltd., selling 6% of equity in Changsha ENN Gas Co., Ltd. at a transaction price of RMB10 million. Changsha ENN Gas Co., Ltd. completed the industrial and commercial change registration on 24 August 2023, and the Company lost its control over Changsha ENN Gas Co., Ltd. and longer included Changsha ENN Gas Co., Ltd. within the scope of consolidated statements of the Company.
4. The Company and Guangdong Kaihong Technology Co., Ltd. entered into the *Agreement on Transfer of 100% Equity in Xinneng Mining Industry Co., Ltd.* between ENN Natural Gas Co., Ltd. and Guangdong Kaihong Technology Co., Ltd., selling 100% equity in Xinneng Mining Industry Co., Ltd. at a transaction price of RMB6,748.95 million. Xinneng Mining Industry Co., Ltd. completed the industrial and commercial change registration on 19 October 2023, and the Company received the equity transfer price of RMB6,748.95 million paid by the counterparty. The Company no longer held the equity in Xinneng Mining Industry Co., Ltd. and no longer included Xinneng Mining Industry 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 Xinneng (Hebei) Natural Gas Co., Ltd.	ENN Xinneng (Jiangsu) Energy Trading Co., Ltd.
ENN Xinneng (Shandong) Energy Trading Co., Ltd.	ENN Xinneng (Langfang) Natural Gas Co., Ltd.
ENN Xinneng (Fujian) Energy Trading Co., Ltd.	Xin'an County Xinrui Photovoltaic Energy Co., Ltd.
Qinzhou ENN Clean Energy Co., Ltd.	Rudong ENN PNG Co., Ltd.
Ningxiang Xinrui New Energy Co., Ltd.	Tonglu ENN Ruineng Energy Development Co., Ltd.
Boai County Xinrui Energy Development Co., Ltd.	Qingdao Xinrong Energy Development Co., Ltd.
Shangrao ENN Energy Development Co., Ltd.	Haining ENN Zhicheng Technology Co., Ltd.
Yunfu ENN Energy Development Co., Ltd.	Haiyan ENN Zhicheng Technology Development Co., Ltd.
Jiangsu ENN Natural Gas Pipeline Network Co., Ltd.	Quanjiao ENN Zhicheng Technology Co., Ltd.
Ruyang County Xinrui Energy Development Co., Ltd.	Suqian ENN Urban Energy Development Co., Ltd.
Longyou ENN Xinruineng Energy Development Co., Ltd.	Lishui Xinrui Photovoltaic Energy Co., Ltd.
Luoding ENN Energy Development Co., Ltd.	Linying County Xinrui Energy Development Co., Ltd.



Fuyang Fuao New Energy Development Co., Ltd.	Shenzhen ENN Energy Sales Co., Ltd.
Shenyang Shenbei New Area Xinheng Energy Development Co., Ltd.	Wenling ENN Ruineng Energy Development Co., Ltd.
Ningling County Xinrui Energy Development Co., Ltd.	Sishui Xinrui Energy Development Co., Ltd.
ENN (Zhoushan) Supply Chain Management Co., Ltd.	Tianjin Xinrui Energy Development Co., Ltd.
Tianjin Binhai ENN Xinneng Energy Co., Ltd.	Zhoukou Xinrui Energy Development Co., Ltd.
ENN (Langfang) New Energy Technology Co., Ltd.	ENN Zhicheng Co., Ltd.
Tonglu Xinrui Photovoltaic Energy Co., Ltd.	Jiangsu Aoxing Zhicheng Low Carbon Technology Co., Ltd.
Anshan ENN Energy Development Co., Ltd.	Jiande Xinrui Photovoltaic Energy Co., Ltd.
Jiashan Xinrui Mingyuan Energy Development Co., Ltd.	Jiangsu Xinhai ENN Zhicheng Technology Co., Ltd.
Huaiji ENN Hengxin Energy Co., Ltd.	Luoyang Xinxin ENN Clean Energy Co., Ltd.
Jinzhao Xinhui Energy Development Co., Ltd.	Yichuan County Xinrui Energy Development Co., Ltd.
Baofeng County Xinrui Energy Development Co., Ltd.	Yancheng Dafeng ENN Hengxin Gas Co., Ltd.
Hefei Xinheng Energy Development Co., Ltd.	Huai'an ENN Zhicheng Technology Co., Ltd.
Tianjin Binhai ENN Energy Trading Co., Ltd.	Kulun ENN Energy Co., Ltd.
Luoyang ENN Longze Clean Energy Co., Ltd.	Langfang Development Zone ENN Zhicheng Technology Co., Ltd.

(2) *Subsidiaries canceled during the year*

Taizhou ENN Energy Development Co., Ltd.	Bozhou Chuangzhi New Energy Co., Ltd.
Jinchang ENN Energy Development Co., Ltd.	Shanghai Xinshen Cultural Supplies Co., Ltd.
Lianyungang ENN Port Clean Energy Co., Ltd.	Xinxiang ENN Automobile Gas Co., Ltd.
Jiangxi ENN Automobile Gas Co., Ltd.	Shijiazhuang ENN Pipeline Co., Ltd.
Nanning ENN Automobile Clean Energy Co., Ltd.	Dandong ENN Gas Co., Ltd.
Yangpu ENN Enterprise Management Service Partnership (Limited Partnership)	Quanzhou ENN Transportation Clean Energy Co., Ltd.
Xuchang ENN Energy Development Co., Ltd.	Xindi (Zhoushan) Natural Gas Pipeline Maintenance Co., Ltd.
Jieshou Xinneng Enterprise Management Consulting Service (Limited Partnership)	

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
ENN (China) Gas Investment Co., Ltd.	Hebei	USD43,178	Beijing	Investment holding		33.98	Business combination under common control
ENN Energy Holdings Limited	Hong Kong, China	HKD30,000	British Cayman Islands	Investment holding		33.98	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 Ltd.	66.02%	307,128	199,553	153,597
ENN (China) Gas Investment Co., Ltd.	66.02%	240,608	133,688	1,065,049

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	183,702	1,339,336	1,523,038	512,442	777,944	1,290,386	12,549	1,562,053	1,574,602	587,560	902,601	1,490,161
ENN (China) Gas Investment Co., Ltd.	1,548,787	2,056,232	3,605,019	1,405,741	586,057	1,991,798	1,278,640	1,966,768	3,245,408	1,381,447	485,836	1,867,283

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	3,530	465,205	465,007	-441	880	366,807	354,826	-1,208
ENN (China) Gas Investment Co., Ltd.	67,798	364,448	364,448	7,863	65,199	142,622	142,625	-15,994

(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. The Company's 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.	Corporate Name	Original shareholding (%)		Current shareholding (%)		Reason for change
		Direct	Indirect	Direct	Indirect	
1	ENN Energy Holdings Limited		32.64		33.98	Increase in shareholding and exercise of option by stock incentive grantee
2	Guangdong Xinzhi Energy Services Co., Ltd.		21.22		33.98	Acquisition of shares held by minority shareholders
3	Changzhou ENN Tongren Gas Equipment Co., Ltd.		15.67		20.39	Acquisition of shares held by minority shareholders
4	Haining ENN Gas Co., Ltd.		26.11		25.24	Passive dilution of equity and disposal of part of equity
5	Greatgas E-commerce Co., Ltd.		32.64		51.00	Internal share transfer and disposal of part of equity
6	Tianjin International Petroleum & Gas Exchange Center Co., Ltd.		56.00		70.00	Acquisition of shares held by minority shareholders
7	Huaihua Zhongyou Zhenyu Clean Energy Co., Ltd.		22.85		33.98	Acquisition of shares held by minority shareholders
8	Xuancheng ENN Gas Co., Ltd.		31.88		33.98	Acquisition of shares held by minority shareholders
9	Suining Wanfeng Natural Gas Co., Ltd.		22.85		33.98	Acquisition of shares held by minority shareholders
10	Longchang Zhongou Oil and Gas Energy Co., Ltd.		19.58		33.98	Acquisition of shares held by minority shareholders
11	Mengcun Hui Nationality Autonomous Region Shengde Gas Co., Ltd.		31.95		33.98	Debt repayment by equity
12	Xinxiang County Zhongnengfu Hengxin Heating Power Co., Ltd.		16.97		13.86	Disposal of part of equity

(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	Guangdong Xinzhi Energy Services Co., Ltd.	Changzhou ENN Tongren Gas Equipment Co., Ltd.	Haining ENN Gas Co., Ltd.	Greatgas E-commerce Co., Ltd.	Tianjin International Petroleum & Gas Exchange Center Co., Ltd.	Huaihua Zhongyou Clean Energy Co., Ltd.	Xuancheng ENN Gas Co., Ltd.	Suining Wanfeng Natural Gas Co., Ltd.	Longchang Oil and Gas Energy Co., Ltd.	Mengcun Hui Nationality Autonomous Region Shengde Gas Co., Ltd.	Xinxiang County Zhongnengfu Hengxin Heating Power Co., Ltd.
Purchase cost/disposal consideration												
- Cash	82,685	498	40	733	49	700	165	2,829	797	12,000		264
- Fair value of non-cash assets											92	
Total purchase cost/disposal consideration	82,685	498	40	733	49	700	165	2,829	797	12,000	92	264
Less: Share of net assets of the subsidiary calculated according to acquired/disposed equity ratio	54,280	477	43	2,746	-779	656	387	2,651	678	7,713	185	272
Difference	28,405	21	-3	-2,013	828	44	-222	178	119	4,287	-93	-8
Including: Adjusted capital reserve	6,857	21	-3	-2,013	828	44	-222	178	119	4,287	-93	-8
Adjusted surplus reserve	21,548											
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 venture

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
Associates		
Total book value of investments	281,473	283,814
The sum of the following items according to share proportion		
— Net profit	5,356	-1,820
— Other comprehensive income		
— Total comprehensive income	5,356	-1,820
Joint ventures:		
Total book value of investments	458,277	318,295
The sum of the following items according to share proportion		
— Net profit	17,992	15,088
— Other comprehensive income		
— Total comprehensive income	17,992	15,088

(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.	395	-255	140
Luoyang Tongyu ENN CBM Transmission and Distribution Co., Ltd.	1,942		1,942
Weichang Manchu and Mongolian Autonomous County Qihong Gas Co., Ltd.	276	-276	
Yancheng Guoneng ENN Energy Development Co., Ltd.	602	519	1,121
Total	3,215	-12	3,203

(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

Descriptions 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

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
Deferred income:							
Including: Refund on land	2,211			53		2,158	Related to assets
Government subsidy on induced draft fan and integral electric bag hybrid dust removing device	219			29		190	Related to assets
Special subsidy on power demand side	21			10		11	Related to assets
Water pollution prevention and treatment fund	91			35		56	Related to assets

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
Industrial internet innovation and development demonstration project	12			4		8	Related to assets
Subsidies on replacing coal with gas	23,327	4,517		848		26,996	Related to assets
Subsidies on pipeline network demolition and construction	6,505			264	-300	5,941	Related to assets
Subsidies on emergency gas storage facilities	9,632			125		9,507	Related to assets
Subsidies on pipeline modification	20,797	6,253		888	-3,817	22,345	Related to assets
Subsidies on land	2,681			44	-2,522	115	Related to assets
Subsidies on distributed energy project of natural gas	3,487			79	-2,743	665	Related to assets
Energy station projects	688			140		548	Related to assets
Xinchaoyang integrated microenergy network demonstration project	941			42		899	Related to assets
Subsidies on new passenger station project	601			120		481	Related to assets
Subsidies on phasing out coal-fired heating boilers	3,192			121		3,071	Related to assets
Renovation of old urban residential communities	8,707	13,613		2,376		19,944	Related to assets
Subsidies on guaranteed supply	1,397				-1,397		Related to assets
Subsidy for change from bottle to pipe	1,740	4,248		40		5,948	Related to assets
SOFC co-generation project	670	99		290		479	Related to assets
Investment incentive on natural gas terminals	2,369			119		2,250	Related to assets
Others	22,596	1,578		2,498	-959	20,717	Related to assets
Total	111,884	30,308		8,125	-11,738	122,329	

3. Government subsidiaries included in current profit and loss

√ Applicable □ N/A

Unit: RMB '0000 Currency: RMB

Type	Name of project	Amount incurred in current period	Amount incurred in previous period	Item presented
Related to income	Value added tax refund	7,438	5,952	Other income
Related to income	Government subsidiaries directly included in current profit and loss	35,841	28,661	Other income
Related to income	Government interest subsidy	103	66	Financing expense
Related to income	Rebate of value-added tax on imports	43,341	76,224	Operating cost
Related to income	Subsidies on guaranteed supply, etc.	51,829	20,700	Operating cost
Related to assets	Amortization of deferred income	8,125	4,208	Other income
Total	/	146,677	135,811	/

XII. Risk Associated with Financial Instruments

1. Risk of financial instruments

Applicable N/A

In addition to derivative products, 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 receivables.

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 period or loss	607,286	724,945
Financial assets measured at fair value through other comprehensive income	125,401	117,161
Financial assets measured at amortized value	2,859,938	2,225,833
Financial liability		
Financial liabilities measured at fair value through current period or loss	30,821	106,757
Other financial liabilities	4,708,606	5,245,115

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 capital, accounts receivable, other receivables and notes receivable. The maximum credit risk exposure to the Company is the carrying amount of such financial assets. Except for financial assets whose book value represents the greatest credit risk exposure, the maximum credit risk exposure to the Company is the financial guarantee contract it entered into. 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 continue monitoring the credit risk exposure.

The monetary capital of the Company includes cash on hand, bank deposits and other monetary capital. The Company's credit risk management policy requires that monetary capital be deposited primarily in international and Chinese banks with high credit ratings. As of 31 December 2023, the Company's management believes that the credit risk to which the monetary funds are exposed is low and highly liquid, and that expected credit loss over the next 12 months considered minimal.

In order to minimize the credit risk of receivable 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 set monitoring procedures to ensure follow-up actions on the recovery of overdue debts. In addition, after the implementation of the 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 method 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 2023, senior notes, unsecured bonds, receivables and payable, 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 2023, see the disclosure of the "Note VII-90 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. 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 ⁸ hedging proportion is basically consistent with the quantity of commodity represented by the derivative positions.	The Company mainly hedges the price of natural gas and crude oil by swaps 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 Commodity Hedging System. Comprehensive digital management is conducted on physical and paper transactions in the process of hedging depending on the ETMO risk management system and hedging effectiveness is evaluated continuously to ensure the hedging relationship is effective during the designated accounting period and has strong capability of risk control 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, the Company locks the range of exchange rate and interest rate fluctuation to manage 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 mainly hedges against the risks of repayment of principal and payment of interest of US dollar debts 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 the 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 Administrative System for Foreign Exchange Hedging 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	97,119	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.	54,365
Exchange rate risk	650	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.	6,596

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.	130,127

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	14,828	153,826	438,632	607,286
1. Financial assets measured at fair value through profit or loss of the current period	35	153,826	20,011	173,872
(1) Debt instrument investment			20,011	20,011
(2) Equity instrument investment				
(3) Derivative financial assets	35	153,826		153,861
2. Financial assets that are designated to be measured at fair value through profit and loss	14,793		418,621	433,414

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 instrument investment	14,793		418,621	433,414
Including: Shanghai Dazhong Public Utilities (Group) Co., Ltd.	14,760			14,760
Sinopec Sales Co., Ltd.			417,000	417,000
Chenzhou Jingui Silver Industry Co., Ltd.	33			33
Other non-listed equity investments – at fair value through profit and loss			1,621	1,621
(II) Other debt investments				
(III) Other equity instrument investments	8,022		14,558	22,580
Including: Jiaxing Gas Group Co., Ltd.	8,022			8,022
Other non-listed equity investments – at fair value through other comprehensive income			14,558	14,558
(IV) Accounts receivable financing			102,821	102,821
(V) Investment real estate			26,814	26,814
1. Land use right for rent				
2. Buildings for rent			26,814	26,814
3. Land use right held for transfer after appreciation				
(V) Biological assets				
1. Consumptive biological assets				
2. Productive biological assets				
Total assets continued to be measured at fair value	22,850	153,826	582,825	759,501
(VII) Transaction financial liabilities		30,820		30,820
1. Financial liabilities measured at fair value through current profit or loss		30,820		30,820
Including: Tradable bonds issued				
Derivative financial liabilities		29,440		29,440
Other				
Derivative financial liabilities that are included in other non-current liabilities		1,380		1,380
2. Financial liabilities designated to be measured at fair value through current profit or loss				
Total liabilities continued to be measured at fair value		30,820		30,820
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 non-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
Jiaxing Gas Group Co., Ltd.	Fair value is determined on the basis of stock market quotes
Chenzhou Jingui Silver Industry 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 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.

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 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
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 2023		31 December 2022	
	Book value	Fair value	Book value	Fair value
Fixed rate bank loans and other loans	672,686	652,699	696,366	672,551
Senior notes	777,944	720,002	902,601	792,669
Unsecured bonds	455,260	427,109	535,172	472,565
Mid-term notes	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	44.24	44.24

The ultimate controller of the Company is Wang Yusuo

2. Subsidiary of the enterprise

Please refer to Notes for details of subsidiaries of this enterprise

Applicable N/A

3. Information on the Company's joint ventures and associates

Please refer to Note X – Rights and Interests in Other Entities 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 or the 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 PetroChina Sales Co., Ltd.	Joint venture
Baoding ENN Gas Co., Ltd.	Joint venture
Chenzhou Sanxiang ENN Clean Energy Co., Ltd.	Joint venture
Chizhou Qianjiang Gas Co., Ltd.	Associate
Dingzhou Kunlun ENN Energy Development Co., Ltd.	Associate
Dongguan Haofeng ENN Energy Co., Ltd.	Joint venture
Guanyun PetroChina Kunlun Gas Co., Ltd.	Associate
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Associate
Guangxi Yilongyuan Electricity Distribution Co., Ltd.	Associate
Haining Xinxin Natural Gas 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



Name of joint venture or associate	Relationship with the enterprise
Huzhou Nanxun Xin'ao Gas Co., Ltd.	Associate
Huzhou Gas Co., Ltd.	Associate
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	Joint venture
Jiangxi Poyang Lake LNG Co., Ltd.	Joint venture
Jiaozuo Zhongneng Natural Gas Development Co., Ltd.	Joint venture
Jinhua Gaoya Natural Gas Co., Ltd.	Joint venture
Langfang ENN Longyu Clean Energy Co., Ltd.	Joint venture
Lianyungang Chengxin Gas Co., Ltd.	Joint venture
Lianyungang Zhongxin Gas Co., Ltd.	Associate
Liaocheng Shihua Natural Gas Co., Ltd.	Joint venture
Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	Associate
Luoyang Hongxin Gas Co., Ltd.	Joint venture
Ningbo ENN Automobile Energy Co., Ltd.	Joint venture
Ningxiang ENN Gas Co., Ltd.	Associate
Qinzhou PetroChina Kunlun Gas Co., Ltd.	Associate
Quzhou ENN Sinopec Automobile Gas Co., Ltd.	Joint venture
Shandong Luxin Natural Gas Co., Ltd.	Associate
Shanxi Hengjing Energy Co., Ltd.	Joint venture
Shantou Huarun ENN Gas Co., Ltd.	Associate
Shanghai Kunlun ENN Clean Energy Co., Ltd.	Joint venture
Shanghai Kunlun ENN Energy Development Co., Ltd.	Joint venture
Shanghai Sunshine Jiuquan Energy Development Co., Ltd.	Joint venture
Shanghai Zhuoxiao Energy Technology Co., Ltd.	Associate
Shenzhen ENN Shipping Co., Ltd.	Joint venture
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
Shijiazhuang ENN Zhonghong Gas Co., Ltd.	Associate
Taizhou City Natural Gas Co., Ltd.	Associate
Weichang Manchu and Mongolian Autonomous County Qihong Gas Co., Ltd.	Associate
Wenshan Yuntou ENN Gas Co., Ltd.	Joint venture
Xinsheng Natural Gas Sales Co., Ltd.	Associate
Xuyi Guolian ENN Natural Gas Pipeline Network Co., Ltd.	Associate
Yantai ENN Gas Development Co., Ltd.	Joint venture
Yantai ENN Industry Co., Ltd.	Joint venture
Yancheng Guoneng ENN Energy Development Co., Ltd.	Associate



Name of joint venture or associate	Relationship with the enterprise
Yancheng Guotou Natural Gas Pipeline Network Co., Ltd.	Associate
Yancheng ENN Compressed Natural Gas Co., Ltd.	Joint venture
Yunnan Natural Gas Xuanwei ENN Gas Co., Ltd.	Joint venture
Yunnan Yuntou Xin'ao Gas Co., Ltd.	Joint venture
Zhanjiang ENN Gas High Pressure Pipe Network Co., Ltd.	Joint venture
Zhanjiang Zhongyou ENN Natural Gas Co., Ltd.	Associate
Changsha Xinneng Automobile Gas 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 Longran Energy Technology Co., Ltd.	Associate
Chongqing Changdian Fuxin Gas Co., Ltd.	Associate
Zhoushan North Lanyan Island Gas Co., Ltd.	Associate
Zhoushan Lanyan Qiandao Industrial Gas Co., Ltd.	Associate
Zhoushan Lanyan Gas Co., Ltd.	Associate
Liaoning Liaoyou ENN Shengyu Natural Gas Co., Ltd.	Associate

Other information

Applicable N/A

Haining Xinxin Natural Gas Co., Ltd. was changed from a joint venture to a subsidiary of the Company on 19 May 2023; Changsha ENN Gas Co., Ltd., Changsha ENN Gas Development Co., Ltd., Changsha Xingsha ENN Gas Co., Ltd., Changsha ENN Changran Energy Development Co., Ltd. and Ningxiang ENN Gas Co., Ltd. were changed from the subsidiaries to the associates of the Company on 23 August 2023; and Weichang Manchu and Mongolian Autonomous County Qihong Gas Co., Ltd. was changed from an associate to a non-related party of the Company on 19 September 2023.

4. Other related parties

Applicable N/A

Name	Relationship between other related parties and the enterprise
Beihai ENN Sunshine Intelligent Technology Co., Ltd.	Same actual controller
Beijing Yongxin Environmental Protection Co., Ltd.	Same actual controller
Bokang Intelligent Information Technology Co., Ltd.	Same actual controller
Enniu Chengfu (Langfang) Public Service Technology Co., Ltd.	Same actual controller
Kaixin Real Estate Development and Operation Co., Ltd.	Same actual controller
Langfang Huijia Property Service Co., Ltd.	Same actual controller

Name	Relationship between other related parties and the enterprise
Langfang Development Zone Jingyu Real Estate Development 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
Nanjing ENN Environmental Protection Technology Co., Ltd.	Same actual controller
Shijiazhuang ENN Environmental Protection Technology Co., Ltd.	Same actual controller
Tianjin Huangpu Salinization Engineering Technology Co., Ltd.	Same actual controller
Tianjin Xinyijia Intelligent Technology Co., Ltd.	Same actual controller
Tianjin Xinzhi Sensing Technology Co., Ltd.	Same actual controller
Tibet Shengdi International Travel Agency Co., Ltd.	Same actual controller
ENN Insurance Brokers Co., Ltd.	Same actual controller
ENN Bower Technology Co., Ltd.	Same actual controller
ENN Power Technology (Langfang) Co., Ltd.	Same actual controller
ENN Gaoke Industry Co., Ltd.	Same actual controller
ENN Photovoltaic Energy Co., Ltd.	Same actual controller
ENN Group Co., Ltd.	Same actual controller
ENN Science and Technology Development Co., Ltd.	Same actual controller
ENN Investment Holdings Co., Ltd.	Same actual controller
ENN Energy Power Technology (Shanghai) Co., Ltd.	Same actual controller
ENN Shuneng Technology Co., Ltd.	Same actual controller
Xin'ao Cultural Industry Development Co., Ltd.	Same actual controller
ENN Cultural Industry Park Operation Co., Ltd.	Same actual controller
Xin'ao Xinzhi Technology Co., Ltd.	Same actual controller
Xindi (Langfang) Landscaping Engineering Co., Ltd.	Same actual controller
Xinyijia Insurance Assessment (Beijing) Co., Ltd.	Same actual controller
Xinyi Health Technology Co., Ltd.	Same actual controller
Ennova Seven-Cultivations Hotel Management Co., Ltd.	Same actual controller
Ennova Tiancheng (Langfang) Cultural Exchange 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
Shanghai 3040 Technology Co., Ltd.	Other related party
Shanghai Petroleum and Natural Gas Trading Center Co., Ltd.	Other related party
ENN Juneng Technology (Langfang) Co., Ltd.	Same actual controller
Hebei Financial Leasing Co., Ltd.	Enterprise with equity participation by the actual controller



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		Amount incurred in the previous period
			limit of transaction approved (if applicable)	Excess of the transaction amount limit (if applicable)	
Baoding ENN Gas Co., Ltd.	Purchase of equipment, materials and natural gas	1,469			5,956
Guanyun PetroChina Kunlun Gas Co., Ltd.	Purchase of equipment, materials and natural gas	4,497			
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Purchase of equipment, materials and natural gas	5,723			3,166
Haining Xinxin Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	34,889			134,985
Hebei PetroChina Kunlun Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	114,288			109,210
Henan Jingbao ENN New Energy Co., Ltd.	Purchase of equipment, materials and natural gas	10,352			13,212
Jinhua Gaoya Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas				9,328
Lianyungang Zhongxin Gas Co., Ltd.	Purchase of equipment, materials and natural gas	77,925			45,983
Liaocheng Shihua Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	33,403			38,736
Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	Purchase of equipment, materials and natural gas	3,887			1,258
Shandong Luxin Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	2,805			3,147
Shanxi Hengjing Energy Co., Ltd.	Purchase of equipment, materials and natural gas	44,331			
Shanghai 3040 Technology Co., Ltd.	Purchase of equipment, materials and natural gas	8,239	17,000	No	8,006
Shijiazhuang Kunlun Xin'ao Gas Co., Ltd.	Purchase of equipment, materials and natural gas	29,091			30,019
Shijiazhuang Luquan District Kunlun ENN Gas Co., Ltd.	Purchase of equipment, materials and natural gas	4,701			171
Taizhou City Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	19,352			25,861

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
Xinsheng Natural Gas Sales Co., Ltd.	Purchase of equipment, materials and natural gas	5,548			
Zhanjiang Zhongyou ENN Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	1,822			2,714
Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.	Purchase of equipment, materials and natural gas	3,865			
Chongqing Changdian Fuxin Gas Co., Ltd.	Purchase of equipment, materials and natural gas	14,599			
Subsidiary controlled by the Company's actual controller	Purchase of equipment, materials and natural gas	10,049	23,700	No	4,787
Subsidiary controlled by the Company's actual controller	Acceptance of engineering construction	1,681	3,600	No	1,166
Anhui Wanneng ENN Natural Gas Co., Ltd.	Acceptance of technology and comprehensive service	5,060			3,706
Shanghai 3040 Technology Co., Ltd.	Acceptance of technology and comprehensive service	588	900	No	
Shanghai Petroleum and Gas Exchange Co., Ltd.	Acceptance of technology and comprehensive service	4	400	No	179
Shenzhen ENN Shipping Co., Ltd.	Acceptance of technology and comprehensive service	4,719			1,455
Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.	Acceptance of technology and comprehensive service	1,568			4,934
Zhenjiang Xinyongzhou Logistics Co., Ltd.	Acceptance of technology and comprehensive service	2,624			2,892
Subsidiary controlled by the Company's actual controller	Acceptance of technology and comprehensive service	47,248	98,725	No	50,270
Others – Amount of transactions of which detail items are not listed		16,315			11,838

Fact sheet of sales/services provided

√ 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	1,012	7,018
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Design, construction and sale of materials and supplies	4,360	1,135
Huzhou Nanxun Xin'ao Gas Co., Ltd.	Design, construction and sale of materials and supplies	4,688	



Related party	Content of related-party transactions	Amount incurred in the current period	Amount incurred in the previous period
Shijiazhuang Kunlun Xin'ao Gas Co., Ltd.	Design, construction and sale of materials and supplies	817	2,968
Taizhou City Natural Gas Co., Ltd.	Design, construction and sale of materials and supplies	183	2,316
Subsidiary controlled by the Company's actual controller	Design, construction and sale of materials and supplies	4,223	6,423
Subsidiary controlled by the Company's actual controller	Provision of technology and integrated services	14,163	18,121
Anhui Wanneng ENN Natural Gas Co., Ltd.	Sale of gas and other goods	1,748	2,062
Baoding ENN Gas Co., Ltd.	Sale of gas and other goods	11,093	12,339
Chenzhou Sanxiang ENN Clean Energy Co., Ltd.	Sale of gas and other goods	1,150	4,053
Dingzhou Kunlun ENN Energy Development Co., Ltd.	Sale of gas and other goods	2,811	467
Dongguan Haofeng ENN Energy Co., Ltd.	Sale of gas and other goods	6,176	7,266
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Sale of gas and other goods	3,313	4,072
Haining Xinxin Natural Gas Co., Ltd.	Sale of gas and other goods		4,380
Huzhou Nanxun Xin'ao Gas Co., Ltd.	Sale of gas and other goods	73,603	2,730
Huzhou Gas Co., Ltd.	Sale of gas and other goods	2,965	47,066
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	Sale of gas and other goods	14,224	13,802
Jiangxi Poyang Lake LNG Co., Ltd.	Sale of gas and other goods	5,324	2,691
Jiaozuo Zhongneng Natural Gas Development Co., Ltd.	Sale of gas and other goods	2,524	
Lianyungang Chengxin Gas Co., Ltd.	Sale of gas and other goods	5,760	3,930
Lianyungang Zhongxin Gas Co., Ltd.	Sale of gas and other goods	82,592	40,845
Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	Sale of gas and other goods	2,739	2,128
Ningbo ENN Automobile Energy Co., Ltd.	Sale of gas and other goods	359	2,357
Shanxi hengjing Energy Co., Ltd.	Sale of gas and other goods	33,861	
Shantou Huarun ENN Gas Co., Ltd.	Sale of gas and other goods	8,531	10,743
Shijiazhuang Kunlun ENN Gas Co., Ltd.	Sale of gas and other goods	21,387	31,908
Shijiazhuang Gaocheng District Zhongran Xiangke Gas Co., Ltd.	Sale of gas and other goods	3,055	3,222
Shijiazhuang Luquan District Kunlun ENN Gas Co., Ltd.	Sale of gas and other goods	1,102	4,832
Shijiazhuang ENN Zhonghong Gas Co., Ltd.	Sale of gas and other goods	3,544	7,380
Taizhou City Natural Gas Co., Ltd.	Sale of gas and other goods	12,997	608
Wenshan Yuntou ENN Gas Co., Ltd.	Sale of gas and other goods	3,142	16,694
Xinsheng Natural Gas Sales Co., Ltd.	Sale of gas and other goods	8,631	
Yantai ENN Gas Development Co., Ltd.	Sale of gas and other goods	18,960	14,249
Yantai ENN Industry Co., Ltd.	Sale of gas and other goods	1,331	2,537

Related party	Content of related-party transactions	Amount incurred in the current period	Amount incurred in the previous period
Yunnan Yuntou Xin'ao Gas Co., Ltd.	Sale of gas and other goods	4,789	4,231
Zhanjiang Zhongyou ENN Natural Gas Co., Ltd.	Sale of gas and other goods	1,599	3,928
Changsha Xinneng Automobile Gas Co., Ltd.	Sale of gas and other goods		3,088
Changsha ENN Gas Development Co., Ltd.	Sale of gas and other goods	1,146	
Chongqing Longran Energy Technology Co., Ltd.	Sale of gas and other goods	938	13,152
Zhoushan North Lanyan Island Gas Co., Ltd.	Sale of gas and other goods	24,712	15,936
Zhoushan Lanyan Qiandao Industrial Gas Co., Ltd.	Sale of gas and other goods	7,306	20,971
Zhoushan Lanyan Gas Co., Ltd.	Sale of gas and other goods	2,065	10,511
Subsidiary controlled by the Company's actual controller	Sale of gas and other goods	3,011	2,523
Others – Amount of transactions of which detail items are not listed		28,537	21,154

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	2023/1/1	2023/12/31	Trusteeship contract	5,420

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	Amount incurred	Amount incurred	Amount incurred	Amount incurred	Amount incurred	Amount incurred	Amount incurred	Amount incurred	Amount incurred
		in current period	in previous period	in current period	in previous period	in current period	in previous period	in current period	in previous period	in current period	in previous period
Shanghai Sunshine Jiuwan Energy Development Co., Ltd.	Houses	6									
Lianyungang Zhongxin Gas Co., Ltd.	Equipment	92									
Hebei Financial Leasing Co., Ltd.	Equipment					567					
Subsidiaries actually controlled by the Company	Houses/equipment	774	313			217	508	10	27		460

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	1,345	2021/3/8	2025/12/31	No
Shijiazhuang Kunlun Xin'ao Gas Co., Ltd.	8,000	0	2019/10/15	2029/10/15	Yes
Jinhua City Gaoya Natural Gas Co., Ltd.	1,875	700	2023/12/22	2024/12/21	No

Chongqing Longran Energy Technology Co., Ltd., a shareholding company of the Company applied for a financing loan to the bank for which 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	Amount of guarantee contract	Balance of guarantee	Starting date of guarantee	Expiration date of guarantee	Whether the guarantee has been fulfilled
Mr. Wang Yusuo and his wife	40,000	3,889	2020/9/27	2024/9/18	No
ENN Group Co., Ltd., ENN Investment Holdings Co., Ltd. and Mr. Wang Yusuo and his wife	321,000	0	2015/12/23	2026/12/31	Yes
ENN Group Co., Ltd., ENN Investment Holdings Co., Ltd. and Mr. Wang Yusuo and his wife	117,000	0	2019/8/30	2031/12/31	Yes
ENN Investment Holdings Co., Ltd., ENN Juneng Technology (Langfang) Co., Ltd. and Mr. Wang Yusuo and his wife	181,000	0	2020/8/19	2035/12/31	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				
Guangxi Yilongyuan Electricity Distribution Co., Ltd.	1,100	2023/3/31	2024/3/31	
Shijiazhuang Blue Sky ENN Natural Gas Pipeline Network Co., Ltd.	3,425	2023/7/8	2024/7/7	
Lianyungang Chengxin Gas Co., Ltd.	1,500	2023/4/17	2024/3/21	
Xin'ao Xinzhi Technology Co., Ltd.	1,000	2023/12/26	2026/12/31	
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	20,000	2023/12/29	2024/12/28	

Unit: RMB '0000 Currency: RMB

Related party	Amount lent	Starting date	Due date	Description
Lending				
Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.	441	2023/3/24	2024/3/23	
Liaoning Liaoyou ENN Shengyu Natural Gas Co., Ltd.	94	2023/11/29	2024/11/28	
Luoyang Hongxin Gas Co., Ltd.	800	2023/12/19	2024/12/18	
Baoding ENN Gas Co., Ltd.	3,000	2023/9/21	2023/12/27	
Baoding ENN Gas Co., Ltd.	2,000	2023/11/22	2023/12/27	

Related party	Amount lent	Starting date	Due date	Description
Weichang Manchu and Mongolian Autonomous County Qihong Gas Co., Ltd.	300	2023/1/17	2024/1/16	
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	3,000	2023/11/17	2023/12/16	
Weichang Manchu and Mongolian Autonomous County Qihong Gas Co., Ltd.	1,288	2023/7/1	2024/6/30	
Yancheng Guoneng ENN Energy Development Co., Ltd.	1,000	2023/7/23	2024/7/22	
Shanghai Zhuoxiao Energy Technology Co., Ltd.	1,000	2023/3/16	2024/3/15	
Baoding ENN Gas Co., Ltd.	8,000	2023/10/26	2024/10/25	
Dongguan Haofeng ENN Energy Co., Ltd.	980	2023/3/29	2025/3/28	
Shijiazhuang Kunlun Xin'ao Gas Co., Ltd.	5,805	2023/1/1	2023/12/31	
Qinzhou PetroChina Kunlun Gas Co., Ltd.	1,875	2023/1/16	2028/1/15	
Qinzhou PetroChina Kunlun Gas Co., Ltd.	1,350	2023/1/16	2026/1/15	

(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.	Sale of 49% equity in GreatGas E-commerce Co., Ltd. held by ENN (China) Gas Investment Co., Ltd.	49	
ENN Science and Technology Development Co., Ltd.	Acquisition of 70% equity in ENN (Zhoushan) LNG Co., Ltd. held by ENN Science and Technology Development Co., Ltd.		665,000
ENN Group Co., Ltd.	Acquisition of 15% equity in ENN (Zhoushan) LNG Co., Ltd. held by ENN Group Co., Ltd.		142,500
ENN Investment Holdings Co., Ltd.	Acquisition of 5% equity in ENN (Zhoushan) LNG Co., Ltd. held by ENN Investment Holdings Co., Ltd.		47,500
ENN Gaoke Industry Co., Ltd.	Acquisition of 100% equity in Langfang ENN Gaobo Technology Co., Ltd. held by ENN Gaoke Industry Co., Ltd.		6,177
ENN Juneng Technology (Langfang) Co., Ltd.	Acquisition of 50% equity in E-Cheng E-Jia Network Technology Co., Ltd. held by ENN Juneng Technology (Langfang) Co., Ltd.		65
Shenzhen ENN Shipping Co., Ltd.	Sale of LNG refueling vessel of Shenzhen ENN Shipping Co., Ltd.		29,800

(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	2,871	3,040

(8). Other related-party transactions√ Applicable N/A

Information on the financing lease and commercial factoring provided by the Company

Unit: RMB '0000 Currency: RMB

Related party	Content of transaction	Amount	Start date	End date
Beijing Yongxin Environmental Protection Co., Ltd.	Provision of financing lease and commercial factoring	101	2023/9/6	2023/11/15
Beijing Yongxin Environmental Protection Co., Ltd.	Provision of financing lease and commercial factoring	91	2023/9/5	2023/11/15
Kaixin Real Estate Development and Operation Co., Ltd.	Provision of financing lease and commercial factoring	39	2023/3/29	2023/4/3
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	132	2023/3/30	2023/6/14
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	23	2023/4/28	2023/6/30
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	26	2023/4/26	2023/6/1
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	41	2023/4/25	2023/7/10
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	89	2023/6/12	2023/11/29
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	99	2023/8/8	2024/7/23
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	101	2023/7/20	2023/10/11
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	166	2023/7/11	2024/6/21
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	59	2023/7/5	2023/10/18
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	64	2023/7/5	2024/6/17
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	110	2023/8/24	2024/8/8
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	45	2023/8/28	2024/7/23
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	15	2023/9/28	2023/10/10
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	15	2023/11/29	2024/11/13
Langfang ENN Real Estate Development Co., Ltd.	Provision of financing lease and commercial factoring	18	2023/11/29	2024/7/23

Related party	Content of transaction	Amount	Start date	End date
Langfang ENN Construction and Installation Engineering Co., Ltd.	Provision of financing lease and commercial factoring	104	2023/1/4	2023/3/16
Langfang ENN Construction and Installation Engineering Co., Ltd.	Provision of financing lease and commercial factoring	8	2023/2/15	2023/4/16
Langfang ENN Construction and Installation Engineering Co., Ltd.	Provision of financing lease and commercial factoring	18	2023/2/15	2023/4/16
Langfang ENN Construction and Installation Engineering Co., Ltd.	Provision of financing lease and commercial factoring	19	2023/2/20	2023/5/18
Langfang ENN Construction and Installation Engineering Co., Ltd.	Provision of financing lease and commercial factoring	91	2023/4/27	2023/7/17
Langfang ENN Construction and Installation Engineering Co., Ltd.	Provision of financing lease and commercial factoring	48	2023/5/30	2023/6/29
Langfang ENN Construction and Installation Engineering Co., Ltd.	Provision of financing lease and commercial factoring	182	2023/9/8	2024/9/5
Langfang Yitongcheng Business Services Limited	Provision of financing lease and commercial factoring	35	2023/2/13	2023/2/16
Shijiazhuang ENN Environmental Protection Technology Co., Ltd.	Provision of financing lease and commercial factoring	314	2023/1/17	2024/1/12
Shijiazhuang ENN Environmental Protection Technology Co., Ltd.	Provision of financing lease and commercial factoring	56	2023/6/12	2023/6/28
Shijiazhuang ENN Environmental Protection Technology Co., Ltd.	Provision of financing lease and commercial factoring	102	2023/7/28	2024/1/12
Tianjin Huangpu Salinization Engineering Technology Co., Ltd.	Provision of financing lease and commercial factoring	92	2023/7/17	2023/7/28
Tianjin Xinzhi Sensing Technology Co., Ltd.	Provision of financing lease and commercial factoring	10	2023/8/15	2023/11/6
Tianjin Xinzhi Sensing Technology Co., Ltd.	Provision of financing lease and commercial factoring	101	2023/8/24	2023/11/6
ENN Science and Technology Development Co., Ltd.	Provision of financing lease and commercial factoring	8,697	2023/7/7	2026/6/30
ENN Science and Technology Development Co., Ltd.	Provision of financing lease and commercial factoring	41	2023/1/6	2023/6/12
ENN Science and Technology Development Co., Ltd.	Provision of financing lease and commercial factoring	56	2023/5/11	2023/6/15
ENN Science and Technology Development Co., Ltd.	Provision of financing lease and commercial factoring	4	2023/5/31	2023/6/12
ENN Science and Technology Development Co., Ltd.	Provision of financing lease and commercial factoring	29	2023/5/31	2023/6/15
ENN Science and Technology Development Co., Ltd.	Provision of financing lease and commercial factoring	92	2023/6/29	2023/7/12
ENN Science and Technology Development Co., Ltd.	Provision of financing lease and commercial factoring	80	2023/8/17	2023/8/25
ENN Shuneng Technology Co., Ltd.	Provision of financing lease and commercial factoring	15	2023/4/27	2023/5/5
ENN Shuneng Technology Co., Ltd.	Provision of financing lease and commercial factoring	4	2023/8/17	2023/8/22
ENN Shuneng Technology Co., Ltd.	Provision of financing lease and commercial factoring	23	2023/8/17	2023/8/22

Related party	Content of transaction	Amount	Start date	End date
Xindi (Langfang) Landscaping Engineering Co., Ltd.	Provision of financing lease and commercial factoring	257	2023/3/20	2023/9/11
Xinyi Zhiye (Beihai) Co., Ltd.	Provision of financing lease and commercial factoring	227	2023/6/21	2023/12/18
Shanghai 3040 Technology Co., Ltd.	Provision of financing lease and commercial factoring	98	2023/1/30	2023/2/6
Shanghai 3040 Technology Co., Ltd.	Provision of financing lease and commercial factoring	7	2023/4/4	2023/4/17
Shanghai 3040 Technology Co., Ltd.	Provision of financing lease and commercial factoring	15	2023/4/4	2023/4/17
Shanghai 3040 Technology Co., Ltd.	Provision of financing lease and commercial factoring	452	2023/4/4	2023/4/17
Shanghai 3040 Technology Co., Ltd.	Provision of financing lease and commercial factoring	262	2023/4/27	2023/5/15
Shanghai 3040 Technology Co., Ltd.	Provision of financing lease and commercial factoring	1,020	2023/4/27	2023/5/15

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 debts	Book balance	Provision for bad debts
Receivables	Baoding ENN Gas Co., Ltd.	16,179	257	17,507	210
Receivables	Dingzhou Kunlun ENN Energy Development Co., Ltd.	158	6	839	34
Receivables	Dongguan Haofeng ENN Energy Co., Ltd.	1,794	308	2,064	201
Receivables	Guanyun PetroChina Kunlun Gas Co., Ltd.	961			
Receivables	Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	1,188	13	2,721	15
Receivables	Haining Xinxin Natural Gas Co., Ltd.			6,969	12
Receivables	Hebei PetroChina Kunlun Natural Gas Co., Ltd.	22,118		17,765	143
Receivables	Jinhua Gaoya Natural Gas Co., Ltd.	863		979	
Receivables	Kaixin Real Estate Development and Operation Co., Ltd.	535	74	1,306	40
Receivables	Langfang ENN Real Estate Development Co., Ltd.	1,579	68	726	19
Receivables	Langfang ENN Construction and Installation Engineering Co., Ltd.	1,025	9	614	5
Receivables	Lianyungang Chengxin Gas Co., Ltd.	3,556	26	3,797	30
Receivables	Lianyungang Zhongxin Gas Co., Ltd.	422	10	1,268	12

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Receivables	Liaocheng Shihua Natural Gas Co., Ltd.	3,317		2,340	
Receivables	Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	670	10	351	3
Receivables	Luoyang Hongxin Gas Co., Ltd.	808	800	808	800
Receivables	Ningxiang ENN Gas Co., Ltd.	1,346	15		
Receivables	Qinzhou PetroChina Kunlun Gas Co., Ltd.	3,225	64		
Receivables	Shanxi Hengjing Energy Co., Ltd.	1,677			
Receivables	Shanghai Kunlun ENN Energy Development Co., Ltd.	443	16	840	29
Receivables	Shanghai Petroleum and Natural Gas Trading Center Co., Ltd.			1,232	21
Receivables	Shanghai Zhuoxiao Energy Technology Co., Ltd.	1,000	20	1,000	20
Receivables	Shijiazhuang Airport Gas Co., Ltd.	875	137	782	167
Receivables	Shijiazhuang Kunlun ENN Gas Co., Ltd.	10,893	86	29,663	2,971
Receivables	Shijiazhuang Luquan District Kunlun ENN Gas Co., Ltd.	612	23	2,682	187
Receivables	Tianjin Xinzhi Sensing Technology Co., Ltd.	3,667	33	1,421	3
Receivables	Weichang Manchu and Mongolian Autonomous County Qihong Gas Co., Ltd.			1,833	1,833
Receivables	Wenshan Yuntou ENN Gas Co., Ltd.	2,126	118	1,730	61
Receivables	ENN Science and Technology Development Co., Ltd.	6,760	64	8,010	85
Receivables	Xin'ao Cultural Industry Development Co., Ltd.	3,244	286	2,743	141
Receivables	Xinsheng Natural Gas Sales Co., Ltd.	2,214	16	800	2
Receivables	Ennova Seven-Cultivations Hotel Management Co., Ltd.	859	17	454	6
Receivables	Xinzhi Cognitive Data Services Co., Ltd.	52	1	2,448	
Receivables	Yantai ENN Gas Development Co., Ltd.	759	41	1,576	18
Receivables	Yancheng Guoneng ENN Energy Development Co., Ltd.	1,809	59	1,802	50
Receivables	Yunnan Natural Gas Xuanwei ENN Gas Co., Ltd.	147	2	1,272	165
Receivables	Zhanjiang ENN Gas High-pressure Pipeline Network Co., Ltd.	6		789	17
Receivables	Changsha ENN Gas Development Co., Ltd.	1,398	16		
Receivables	Changsha ENN Gas Co., Ltd.	12,672	306		
Receivables	Changsha ENN Changran Energy Development Co., Ltd.	630	22		
Receivables	Changsha Xingsha ENN Gas Co., Ltd.	1,076	9		
Receivables	Chongqing Longran Energy Technology Co., Ltd.	399	4	1,287	3
Total of other related parties that are not listed separately		11,485	793	9,730	450

(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 PetroChina Sales Co., Ltd.	923	842
Payables	Baoding ENN Gas Co., Ltd.	1,411	1,990
Payables	Beijing Yongxin Environmental Protection Co., Ltd.	4,494	2,715
Payables	Bokang Intelligent Information Technology Co., Ltd.	4,766	4,368
Payables	Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	21,054	1,367
Payables	Guangxi Yilongyuan Electricity Distribution Co., Ltd.	1,118	1,442
Payables	Huzhou Nanxun Xin'ao Gas Co., Ltd.	2,744	107
Payables	Huzhou Gas Co., Ltd.	1,062	1,017
Payables	Langfang ENN Longyu Clean Energy Co., Ltd.	1,097	1,170
Payables	Lianyungang Chengxin Gas Co., Ltd.	1,983	6,784
Payables	Lianyungang Zhongxin Gas Co., Ltd.	2,129	68
Payables	Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	3,310	877
Payables	Shangxi Hengjing Energy Co., Ltd.	3,807	
Payables	Shanghai 3040 Technology Co., Ltd.	3,199	2,691
Payables	Shanghai Sunshine Jiuquan Energy Development Co., Ltd.	1,804	1,804
Payables	Shenzhen ENN Shipping Co., Ltd.	2,053	662
Payables	Shijiazhuang Kunlun ENN Gas Co., Ltd.	3,061	10,861
Payables	Shijiazhuang Blue Sky ENN Natural Gas Pipeline Network Co., Ltd.	3,486	3,486
Payables	Taizhou City Natural Gas Co., Ltd.	2,223	1,399
Payables	Tianjin Xinzhi Sensing Technology Co., Ltd.	5,156	2,463
Payables	ENN Gaoke Industry Co., Ltd.	4,686	4,686
Payables	ENN Investment Holdings Co., Ltd.	5,575	5,575
Payables	ENN Shuneng Technology Co., Ltd.	8,132	6,522
Payables	Xin'ao Xinzhi Technology Co., Ltd.	2,321	1,161
Payables	Xinzhi Cognitive Data Services Co., Ltd.	1,432	431
Payables	Xinzhi Cloud Data Services Co., Ltd.	5,088	4,410
Payables	Xuyi Guolian ENN Natural Gas Pipeline Network Co., Ltd.	5,271	6,944
Payables	Yantai ENN Gas Development Co., Ltd.	880	1,897
Payables	Yancheng Guotou Natural Gas Pipeline Network Co., Ltd.	17,594	21,500
Payables	Yancheng ENN Compressed Natural Gas Co., Ltd.	1,018	1,019
Payables	Changsha ENN Gas Development Co., Ltd.	5,084	
Payables	Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.	1,167	
Payables	Zhoushan Lanyan Gas Co., Ltd.	1,085	1,044
Total of other related parties that are not listed separately		11,774	35,350

(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			805,600	3,091	6,707,859	9,710	2,360,166	762
Total			805,600	3,091	6,707,859	9,710	2,360,166	762

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	HKD40.34	Until 8 December 2025	RMB7.03	Until 25 March 2025
	HKD76.36	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 Company 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 on 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 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 6,722,150 share options had been exercised, 4,594,715 share options had been annulled and 683,135 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 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, 4,307,192 share options had been annulled and 5,576,441 share options had not been exercised.

(2) Share incentive plan

Under the Share Award Plan, ENN Energy entered into a trust contract with the trustee on 12 March 2019. The Board of Directors of ENN Energy can 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 under the cash-settled share incentive plan and 676,000 share options had not been exercised.

(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	17,011

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	778

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	3,116	-1,848
Total	3,116	-1,848

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 2023	31 December 2022
Contracted but unrecognized in the financial statements		
– Commitment on acquisition and construction of long-term assets	69,559	81,965
– Commitment on external investments	92,383	96,023
Including: Unrecognized commitments relating to investments in joint ventures and associates	92,223	68,275
Total	161,942	177,988

2. Contingencies

(1). Important contingencies on balance sheet date

Applicable N/A

(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	281,354
Profits or dividends declared to be paid after deliberation and approval	281,354

Note:

As resolved at the 14th Meeting of the Tenth Board of Directors, the Company proposed to distribute cash dividends of RMB9.1 (tax inclusive) per 10 shares to all shareholders with 3,091,806,493 shares as the base obtained by deducting 5,808,614 repurchased shares not participating in profit distribution and 782,500 restricted shares to be repurchased and canceled from its total share capital of 3,098,397,607 shares on 31 December 2023, including cash dividends of RMB6.6 (tax inclusive) per 10 shares as the annual dividends in 2023 and cash dividends of RMB2.5 (tax inclusive) per 10 shares as the special dividends distributed in accordance with the Special Dividend Plan for Shareholders in the Next Three Years (2023-2025) of ENN-NG. To sum up, the Company distributed cash dividends amounting to RMB2,813,543,908.63 (tax inclusive) in total, and the remaining undistributed profits would be rolled over to the next year.

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. 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

Unit: RMB '0000 Currency: RMB

Item	Revenue	Expense	Total profit	Income tax expense	Net profit	Profit from discontinued operation attributable to parent company
Xinneng Mining Industry Co., Ltd.	113,002	78,831	35,839	5,531	30,308	30,308

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, gas trading on platform, project construction and installation, integrated energy sales and services, smart home business, energy production and infrastructure operation. Each reporting division is a separate business segment providing 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	Gas trading on platform	Construction and installation	Sale and services of integrated energy	Smart home business	Energy production	Infrastructure operation	Inter-division offset	Total
Subtotal of primary operation income from external transactions	6,945,229	2,917,313	1,064,878	851,725	1,519,206	395,988	509,543	20,648		14,224,530
Primary operation income from inter-division transactions	4,541,022	2,923,176	1,433,753	393,349	70,597	778,623	78,399	94,628	10,313,547	
Primary operation income of reporting division	11,486,251	5,840,489	2,498,631	1,245,074	1,589,803	1,174,611	587,942	115,276	10,313,547	14,224,530
Subtotal of primary operation cost from external transactions	6,176,215	2,792,765	872,474	505,105	1,319,613	134,609	473,447	6,324		12,280,552
Primary operation cost from inter-division transactions	4,649,164	2,879,116	1,468,625	364,060	72,502	764,028	78,697	33,866	10,310,058	
Primary operation cost of reporting division	10,825,379	5,671,881	2,341,099	869,165	1,392,115	898,637	552,144	40,190	10,310,058	12,280,552
Gross profit of reporting division	660,872	168,608	157,532	375,909	197,688	275,974	35,798	75,086	3,489	1,943,978
Gross profit from external transactions	769,014	124,548	192,404	346,620	199,593	261,379	36,096	14,324		1,943,978
Classified assets	4,698,322	375,354	1,007,826	2,163,876	1,044,529	493,628	521,187	856,151	936,882	10,223,991
Classified liabilities	1,815,948	20,611	219,112	1,828,334	276,898	259,096	568,538	455,387	244,297	5,199,627

(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

According to the calculation method of evaluating profits in the "2021 Restricted Stock Incentive Plan" announced on January 21, 2021, the company obtained an estimated profit of 10,215.99 million yuan in 2023. In 2023, the net profit attributable to the parent generated by the company's operating activities amounted to RMB70.9111 million after deducting the impact of foreign currency asset liability gains and losses, changes in the fair value of hedging products, provision for asset impairment, and amortization of stock incentive costs on the net profit attributable to the parent amounted to RMB3,124.88 million (all taken from the financial statements audited by the company's auditors). It is concluded that the company's estimated profit in 2023 is 10,215.99 million yuan.



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	2,299	47
Sub-item due within one year	2,299	47
More than five years	39	39
Total	2,338	86

(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										
Including										
Bad debt provision made by portfolio	2,338	100.00	39	1.67	2,299	86	100.00	39	45.35	47
Including										
Related party payment	2,299	98.33			2,299	47	54.65			47
Other payments	39	1.67	39	100.00		39	45.35	39	100.00	
Total	2,338	/	39	/	2,299	86	/	39	/	47

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	2,299		
Total	2,299		

Item subject to provision made by portfolio: Other payments

Unit: RMB '0000 Currency: RMB

Name	Closing balance		
	Accounts receivable	Provision for bad debt	Proportion of accrual (%)
More than five years	39	39	100.00
Total	39	39	/

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 debts

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
Total	39				39

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	1,242		1,242	53.12	
Top 2	855		855	36.57	
Top 3	108		108	4.62	
Top 4	52		52	2.22	
Top 5	42		42	1.80	
Total	2,299		2,299	98.33	

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	88,911	170,586
Other receivables	1,014,864	652,754
Total	1,103,775	823,340

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 the methods of provision for bad debt

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). Provision for bad debts

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

Information on 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
Xinneng Mining Industry Co., Ltd.		91,500
ENN (Tianjin) Energy Investment Co., Ltd.	79,086	79,086
ENN (Hong Kong) Energy Investment Co., Ltd.	9,825	
Total	88,911	170,586

(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	1-2 years	Unrecovered	No
Total	79,086	/	/	/

(3). Disclosure by the methods of provision for bad debt

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). *Provision for bad debts*

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

Information on 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 value
Within one year		
Including: Sub-item due within one year		
Within one year	664,731	409,679
Including: Sub-item due within one year	664,731	409,679
One to two years	253,130	243,075
Two to three years	97,003	
Total	1,014,864	652,754

(2). *Classification by the nature of payments*

Applicable N/A

Unit: RMB '0000 Currency: RMB

Nature of payment	Closing book value	Opening book value
Current account	1,014,711	652,601
Others	153	153
Total	1,014,864	652,754

(3). *Accrual of provision for bad debts*

Applicable N/A

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). *Provision for bad debts*

Applicable N/A

Bad debt provisions with significant reserved or recovered amount:

Applicable N/A

(5). *Other receivable actually written-off during the current period*

Applicable N/A

Write-off of significant other receivable:

Applicable N/A

Information on write-off of other receivables:

Applicable N/A

(6). *Other receivables with 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	459,453	45.27	Current funds	Within one year, one to two years, two to three years	
Top 2	332,931	32.81	Current funds	Within one year	
Top 3	64,098	6.32	Current funds	Within one year	
Top 4	59,600	5.87	Current funds	Within one year	
Top 5	37,486	3.69	Current funds	Within one year	
Total	953,568	93.96	/	/	

(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	1,367,006		1,367,006
Investment in associates and joint ventures	3,001		3,001	4,624		4,624
Total	1,115,687		1,115,687	1,371,630		1,371,630



(1). Investment in subsidiaries

Applicable N/A

Unit: RMB '0000 Currency: RMB

Investee	Opening balance	Current increase	Current decrease	Closing balance	Current accrual of impairment provision	Closing balance of impairment provision
Shanghai International Engineering Consulting Company	871			871		
Xinneng Mining Industry Co., Ltd.	254,320		254,320			
Xinneng (Hong Kong) Energy Investment Co., Ltd.	498,182			498,182		
ENN (Langfang Airport FTZ) Natural Gas Sales Co., Ltd.	10,000			10,000		
ENN (Tianjin) Energy Investment Co., Ltd.	603,123			603,123		
Chongqing Xin'ao Longxin Clean Energy Co., Ltd.	510			510		
Total	1,367,006		254,320	1,112,686		

(2). Investment in associates and joint ventures

Applicable N/A

Unit: RMB '0000 Currency: RMB

Investee	Opening balance	Current increase or decrease changes							Closing balance	Closing balance of impairment provision
		Additional investment	Reduced investment	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		
I. Joint Venture										
Subtotal										
II. Associate										
Beijing Zhongnong Big Biotechnology Incorporated Company	481			-431						50
Chongqing Longran Energy Technology Co., Ltd.	4,143			-529			663			2,951
Total	4,624			-960			663			3,001

(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	2,359	5	1,859	9
Total	2,359	5	1,859	9

(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	217,625	129,086
Income from long-term equity investment calculated by equity method	-960	2,120
Investment income from disposal of long-term equity investment	317,815	
Total	534,480	131,206



6. Others

Applicable N/A

XX. Supplementary Information

1. Statement 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	440,602	
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	41,420	
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	129,333	
Gains or losses from external entrusted loans	829	
Reversal of the provision for impairment on receivables which were tested individually for impairment	4,724	
Gains or losses on debt restructuring	28,723	
Gains or losses arising from changes in fair value of employee benefits payable after the vesting date for cash settled share-based payment	1,417	
Gains or losses arising from changes in fair value of investment real estate under fair value model on subsequent measurement	-883	
Other non-operating income and expenses other than above items	-2,621	
Other gain and loss items within the definition of non-recurring gains and losses	-52,038	
Less: Effect of income tax	63,019	
Effect of minority equity (after tax)	65,301	
Total	463,186	

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	34.39	2.30	2.30
Net profit attributable to common shareholders of the Company after deducting non-recurring gains and losses	11.93	0.80	0.80

3. Differences between accounting data under domestic and overseas accounting standards

Applicable N/A

4. Others

Applicable N/A

Chairman: Wang Yusuo

Date of submission to the Board for approval: March 22, 2023

Revision Information

Applicable N/A



新奥股份
ENN Natural Gas

