



新奥股份
ENN Natural Gas



ENN Natural Gas Co., Ltd.

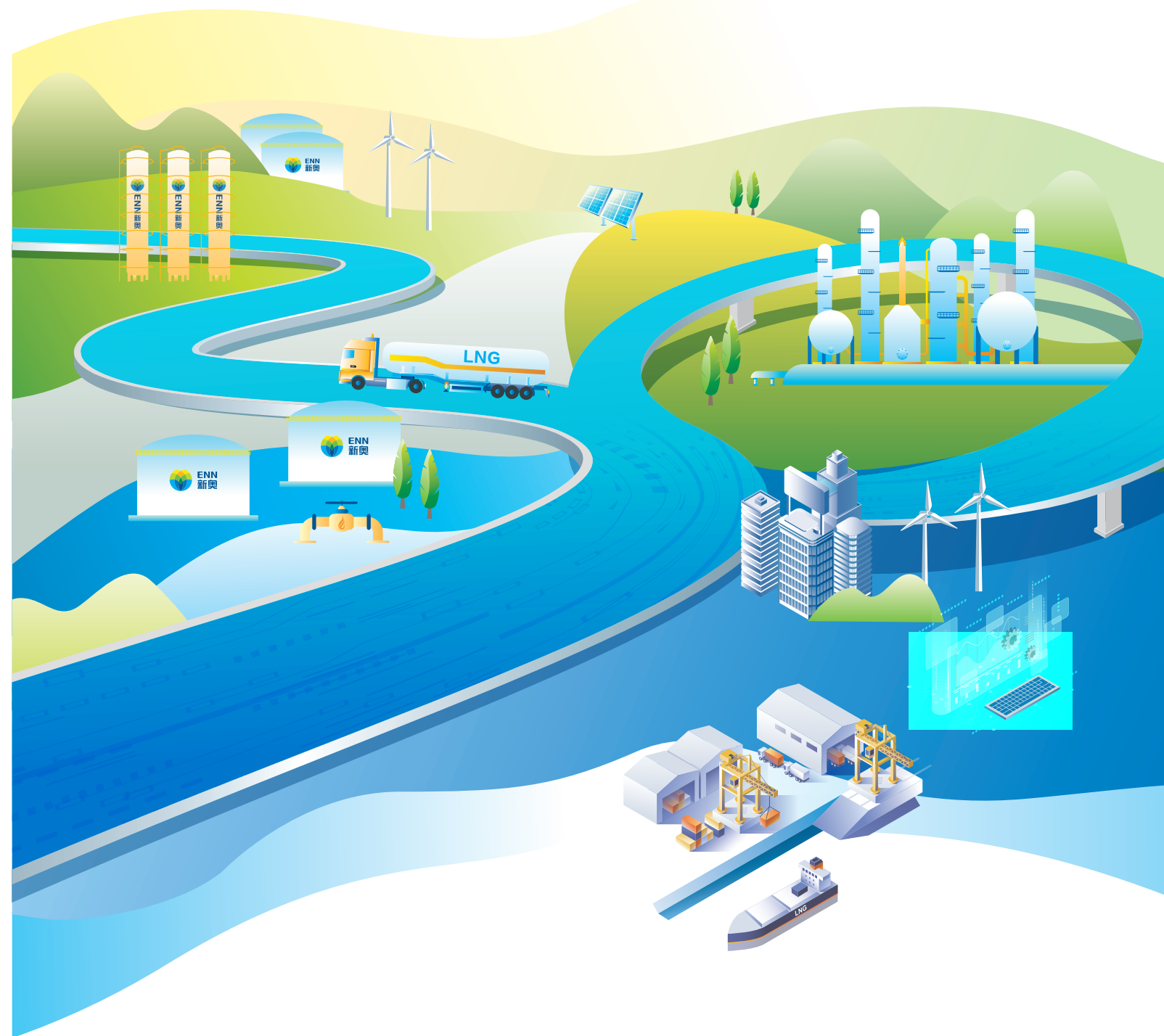


新奥天然气股份有限公司
ENN Natural Gas Co., Ltd.

2024 INTERIM REPORT

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

2024 INTERIM REPORT





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目录

CONTENTS

Section I	3
Interpretation	
Section II	5
Company Profile and Main Financial Indicators	
Section III	10
Management Discussion and Analysis	
Section IV	43
Corporate Governance	
Section V	47
Environmental and Social Responsibilities	
Section VI	58
Major Events	
Section VII	71
Change in Shares and Information on Shareholders	
Section VIII	79
Information on Preferred Shares	
Section IX	81
Information on Bonds	
Section X	85
Financial Report	

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



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 Semi-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. This Semi-annual Report is unaudited.
- IV. The person in charge of the Company, Yu Jianchao, the person in charge of the accounting, Zong Bo, and the chief accountant (accounting officer), Cheng Zhiyan, declare to ensure that the Semi-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

Uninvolved

- VI. Prospective statement of risk

Applicable N/A

The prospective description of future plans, development strategies, etc. in this 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 Semi-annual Report disclosed by the Company

No

- Value: X. Material Risk Warning

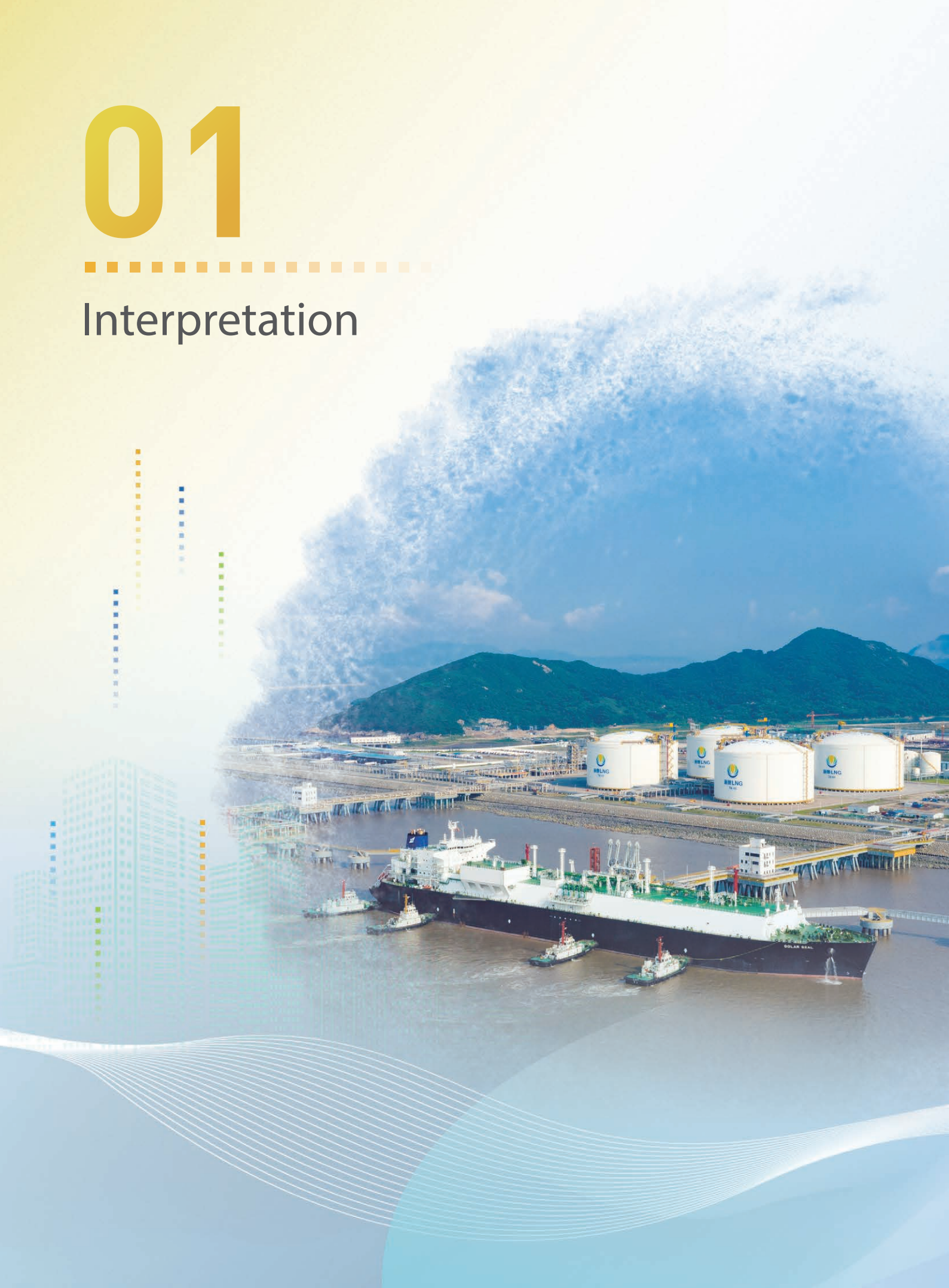
In this Report, the Company has elaborated various risks and countermeasures it may face in the course of its production and operation. Please refer to the "Possible risks" of "Section III Management Discussion and Analysis".

- 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 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., which is a shareholder of the Company
SSE	Refers to	Shanghai Stock Exchange
PetroChina	Refers to	PetroChina Company Limited
Sinopec	Refers to	China Petrochemical Corporation
CNOOC	Refers to	China National Offshore Oil Corporation
Yuan, 0.01 Million Yuan, 100 Million Yuan	Refers to	RMB Yuan, RMB0.01 Million Yuan, RMB100 Million Yuan, China's legal currency unit
Reporting Period	Refers to	A period from 1 January 2024 to 30 June 2024

02

Company Profile and Main Financial Indicators



I. Corporate Information

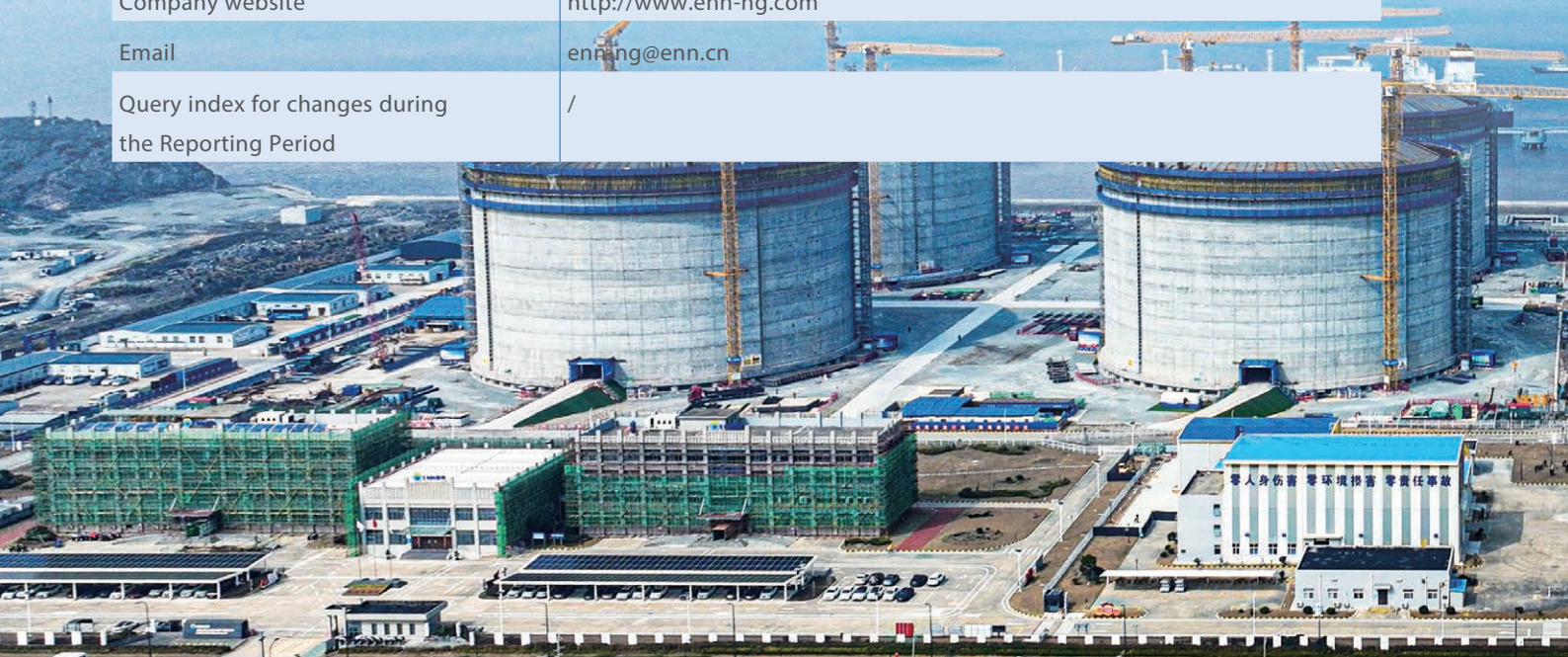
Chinese name of the Company	新奥天然气股份有限公司
Chinese abbreviation of the Company	新奥股份
Foreign name of the Company	ENN Natural Gas Co., Ltd.
Abbreviation of Company's foreign name	ENN-NG
Legal representative of the Company	Wang Yusuo

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	ennng@enn.cn
Query index for changes during the Reporting Period	/



IV. Information Disclosure and Preparedness Location

Name of the newspapers disclosing information selected by the Company	Shanghai Securities News, Securities Times, Securities Daily
Website address disclosing the Semi-annual Report	http://www.sse.com.cn
Preparedness location of the Company's Semi-annual Report	Shanghai Stock Exchange, Corporate Investor Relations Intellectual Competency Group
Query index for changes during the Reporting Period	/

V. 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

Applicable N/A



VII. Key Accounting Data and Financial Indicators of the Company

(I) Key accounting data

Unit: RMB'0000 Currency: RMB

Key accounting data	Reporting Period (January – June)	Same period of last year	Increase or decrease in the Reporting Period over the same period in the previous year (%)
Operating income	6,697,552	6,716,963	-0.29
Net profit attributable to shareholders of listed companies	252,959	220,353	14.80
Net profit attributable to shareholders of listed companies after deducting non-recurring gains and losses	199,300	138,104	44.31
Net cash flow from operating activities	481,731	631,108	-23.67
Core profit attributable to shareholders of listed companies	269,873	316,882	-14.83

	End of the Reporting Period	End of last year	Increase or decrease at the end of the Reporting Period over the end of last year (%)
Net assets attributable to shareholders of listed companies	2,225,213	2,365,482	-5.93
Total assets	13,074,964	13,457,350	-2.84

(II) Key financial indicators

Key financial indicators	Reporting Period (January – June)	Same period of last year	Increase or decrease in the Reporting Period over the same period in the previous year (%)
Basic earnings per share (RMB/share)	0.82	0.71	15.49
Diluted earnings per share (RMB/share)	0.82	0.71	15.49
Basic earnings per share after deducting non-recurring gains and losses (RMB/share)	0.65	0.45	44.44
Basic core profit per share (RMB/share)	0.88	1.03	-14.56
Weighted average return on equity (%)	10.37	11.76	decrease by 139 bp
Weighted average return on equity after deducting non-recurring gains or losses (%)	8.17	7.37	Increase by 80 bp

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

Applicable N/A

The net profit attributable to shareholders of listed companies after deducting non-recurring gains and losses increased by 44.31% in the current period over the same period of last year, and basic earnings per share after deducting non-recurring gains and losses increased by 44.44% in the current period over the same period of last year mainly due to the year-on-year increase of income from the derivatives applicable to hedge accounting and the year-on-year decrease in the exchange rate fluctuations, which led to the year-on-year decrease in exchange losses.

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

Applicable N/A

IX. Items and Amounts of Non-recurring Gains or Losses

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount	Note (if applicable)
Gains or losses on disposal of non-current assets, including write-off portion of the drawn asset impairment provision	-976	
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	30,467	
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	17,587	
Gains or losses from external entrusted loans	204	
Reversal of the provision for impairment on receivables which were tested individually for impairment	1,067	
Gains or losses on debt restructuring	8,993	
Gains or losses arising from changes in fair value of payroll payable after the vesting date for cash settled share-based payment	-272	
Other non-operating income and expenses other than above items	-2,211	
Less: Effect of income tax	7,012	
Effect of minority equity (after tax)	-5,812	
Total	53,659	

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

X. Others

Applicable N/A

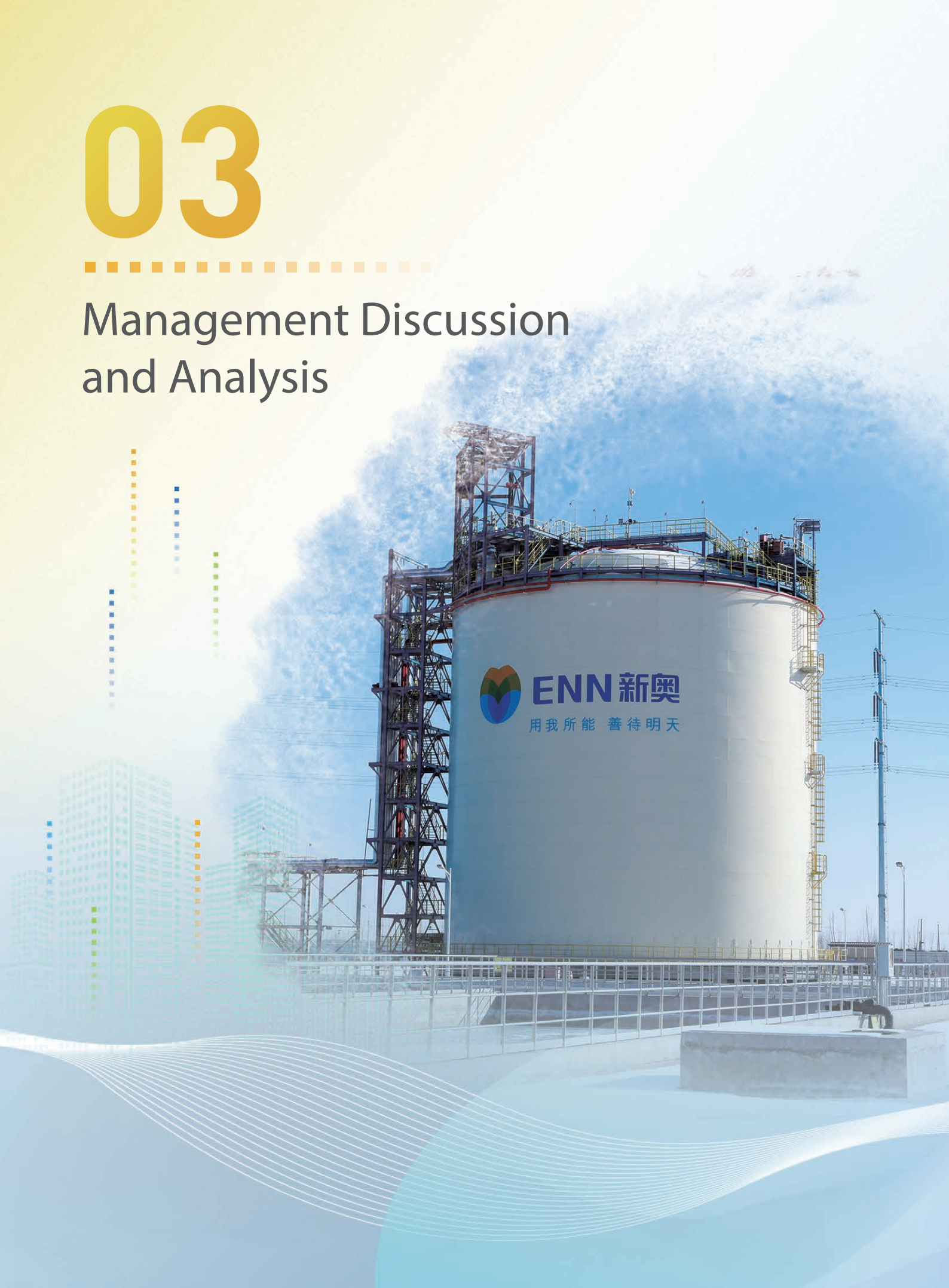
03

Management Discussion and Analysis



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I. An Overview of the Industry and the Principal Business of the Company During the Reporting Period

(I) Company profile

As a publicly listed company in the energy industry, our business encompasses the entire natural gas value chain, including natural gas sales; construction and operations of the intelligent platform for natural gas industry; infrastructure operations; engineering construction and installation; integrated energy and value-add services. Based on comprehensive capabilities across the natural gas value chain and Internet of Things (IoT) data, we are continuing to scale our business model, with the goal of becoming a leading intelligent platform operator in the natural gas industry.

ENN Natural Gas operates 260 gas projects across 20 provinces, municipalities, and autonomous regions across China, serving over 30 million households and 250,000 corporate customers. We have established core competitive advantages based on four key business pillars: a solid customer base in China, a robust fulfilment and delivery network, a diversified domestic and international resource pool, and an international advanced risk control system. These pillars have allowed us to develop best practices in natural gas industry operations, and as a result, we have independently built and operated a key intelligent platform for the natural gas industry: Greatgas.cn. The platform bridges gaps in supply and demand through digital and intelligent technologies, enabling smart matching at international, national, and regional levels, ultimately enhancing operational efficiency across the gas industry.



Operated **260** gas projects across 20 provinces

Served over

30 mil

households and **250,000** corporate customers



(II) Business Model

1. Natural gas sales

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



Company Natural Gas Plant Station

a) Direct gas sales by platform

The Company sells natural gas to various customers such as city gas operators, energy groups and large industries, distributors, 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, etc. 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 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 utilizes digital intelligence technology to connect all stakeholders across the natural gas value chain, from supply to demand. Our four key business pillars – a solid customer base, a robust fulfilment and delivery network, a diversified domestic and international

resource pool, and an international advanced risk control system – have enabled Greatgas.cn to establish industry best practices and drive innovation across natural gas business models. It provides users with intelligent capabilities and collaboration opportunities, bringing the natural gas industry together as one ecosystem for better operational efficiency.

3. Infrastructure operations

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



Homepage Illustration of greatgas.cn Industrial Intelligence Platform

The Company currently has a total of 82,907 kilometers of transmission and trunk and main pipelines. 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 over 500 million cubic meters and serve as important facilities for balancing the production, transportation, sales, and application of natural gas.

4. Integrated energy

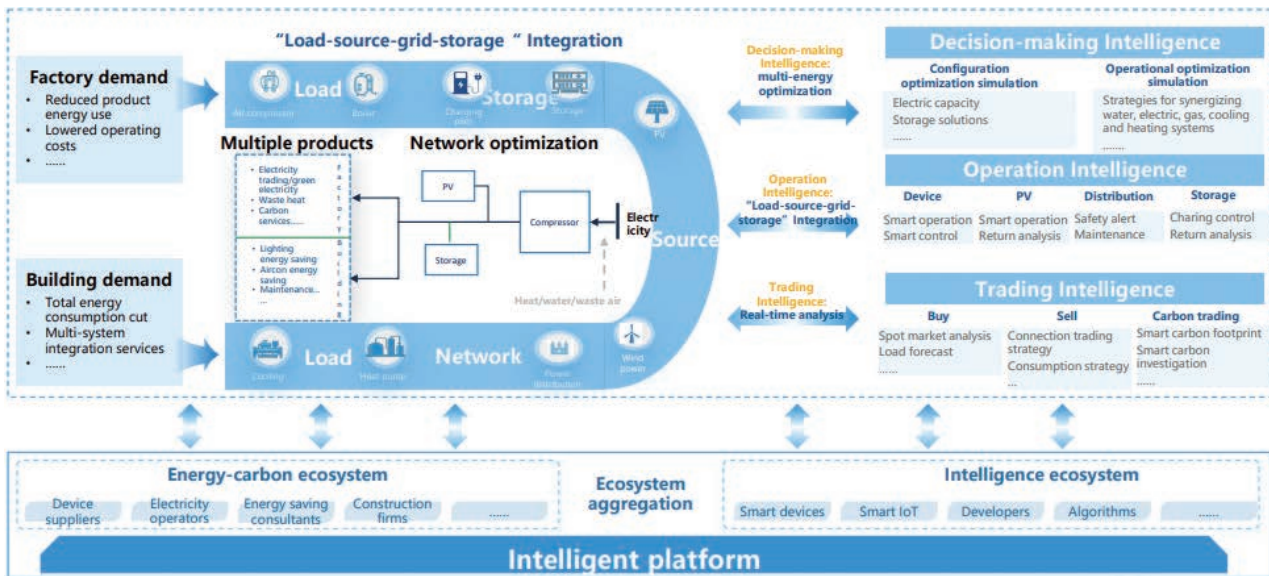
The Integrated energy business is a core focus of the Company that meets customers' diverse and centers around the development of the entire energy value chain. It relies on the intelligent ecological platform for energy and carbon industries to intelligently match products and services that meet customer 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.



A total of **82,907** km of transmission and trunk and main pipelines

Owns **4** long-distance pipelines with a gas transmission capacity of **12** bcm per year

Over **500** mcm capacity of the gas storage facilities

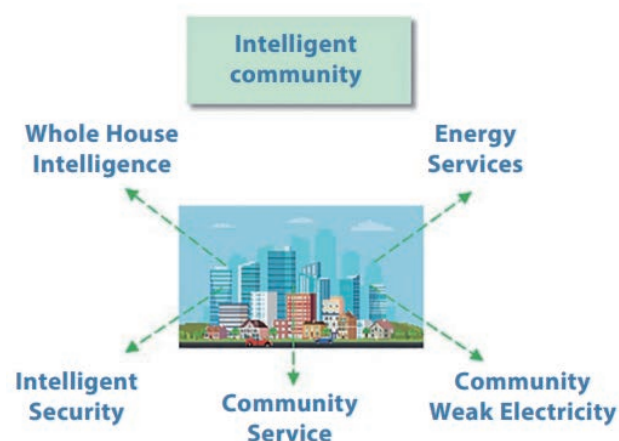


Schematic of Integrated Energy Business



5. 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

6. Engineering construction and installation

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

a) Engineering construction

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

b) Engineering installation

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 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.



National apparent consumption
reached **213.75** bcm

achieving a yoy increase of
10.1%

(III) Company Operations During the Reporting Period

1. Natural gas sales

The first half of 2024, we saw accelerated growth in new economic drivers within China. This, coupled with the “dual carbon” policies promoting energy transition, led to a resurgence in natural gas demand, with national apparent consumption reaching 213.75 billion cubic metres, achieving a year-on-year increase of 10.1%. This growth was primarily driven by urban gas consumption and power generation.

The National Development and Reform Commission (NDRC) has been actively promoting high-quality development in the natural gas industry. In June, the NDRC revised and reissued the “Regulations on Natural Gas Utilization”, encouraging the prioritization of several key areas. These include: gas-fired power generation specifically used for peak shaving in the electricity grid, which plays an important role in building new energy and power systems to support the development of a new energy power system; interruptible industrial fuel gas to help smooth out fluctuations in natural gas consumption; natural gas utilization in ocean-going vessels, LNG trucks, and other medium and heavy-duty vehicles; integrated energy projects and natural gas-hydrogen blending projects. The revised regulations also significantly expanded the scope of permissible uses for natural gas. These regulations will help standardize natural gas utilization, optimize the consumption structure, and improve utilization efficiency. It will also leverage the role of natural gas as a “stabilizer” in coordinating the development of renewable energy and ensuring the operational security of a new energy power system, ultimately promoting the further expansion of the natural gas market.

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

In March, the National Energy Administration (NEA) issued the “Guiding Opinions on Energy Work in 2024”, outlining a focus on promoting high-quality development of the energy sector, ensuring energy security, and accelerating the planning and construction of a new energy system. The document emphasized the need to deeply implement innovation-driven development strategies, focusing on high-quality, digital, and intelligent development. It called for strengthening independent innovation in energy technology and enhancing the autonomy and controllability of the energy industry chain and supply chain, highlighting the increasingly important role of digital and intelligent technologies.

The primary challenge in the digital transformation of the natural gas industry lies in achieving connectivity across the entire industry chain. Breaking down the barriers of isolated processes and data silos within the industry is a core issue that digitalization aims to address. Accelerating the green and low-carbon transformation of the energy industry will contribute to the formation of new economic growth points.



3. Infrastructure operations

By the end of June, mainland China had 29 operational LNG receiving terminals, strategically located in coastal and riverside regions. These terminals boast a total annual receiving capacity exceeding 130 million tons, forming a relatively comprehensive LNG receiving network.

In the first half of the year, the global natural gas supply and demand dynamics eased. Consequently, Chinese upstream suppliers showed increased enthusiasm for procuring LNG on the spot market, leading to a 13.9% year-on-year surge in LNG imports, reaching 38 million tons. This surge effectively boosted the utilization rate of LNG receiving terminals. Furthermore, some terminals have introduced flexible, differentiated, and customized services, opening up access to third parties to meet customers' diverse gas storage and withdrawal needs. These terminals are increasingly incorporating low-carbon and digitally driven approaches to achieve high-quality development.

To meet China's steadily growing demand for natural gas, strengthening gas storage capacity is crucial for enhancing the resilience and reliability of the industry's supply chain. Currently, there are 33 operational gas storage facilities (clusters) in China, with a total designed working gas capacity exceeding 30 billion cubic metres. These facilities provide a peak shaving capacity of 23 billion cubic metres and a peak gas production capacity approaching 300 million cubic metres per day.

4. Integrated energy

During the first half of the year, national and local governments introduced a series of policies to support and encourage multi-energy synergies and low-carbon intelligent development, creating a more robust policy mechanism and market environment for the integrated energy service market. In March, the State Council issued the "Work Plan for Accelerating Energy Conservation and Carbon Reduction in the Building Sector" and the National Energy Administration issued "Guiding Opinions on Energy Work in 2024". These documents emphasized the need to continuously improve energy efficiency and reduce carbon emissions in the building sector. Key targets were set for 2025 include ensuring all new urban buildings adhere to green building standards, and increasing the area of energy-efficient renovation of existing buildings by over 200 million square metres compared to 2023, with the aim to achieve an electricity consumption share of over 55% in building energy use. Furthermore, the documents advocated for accelerating the development of distributed photovoltaic power generation based on local conditions; strengthening policy measures to promote the grid connection and dispatching operation of new energy storage; encouraging eligible industrial parks to implement low-carbon and zero-carbon renovations; and promoting green and efficient energy supply and consumption models such as integrated energy stations and source-grid-load-storage integration.



Mainland China had **29** operational LNG receiving terminals

A total annual receiving capacity exceeding **130** mil tons



LNG imports reached **38** mil tons

with a **13.9%** yoy increase



33 operational gas storage facilities (clusters) are built in China

with a total designed working gas capacity exceeding **30** bcm



The proportion of newly added capacity for wind and solar power

84%



The national per capita disposable income of residents reached

RMB **20,733**

representing a nominal yoy increase of

5.4%

In the first half of 2024, China added 153 million kilowatts of new power generation capacity. Notably, wind and solar power accounted for 84% of this newly added capacity. By the end of June, the country’s total installed power generation capacity across all sources reached 3.07 billion kilowatts, representing a year-on-year increase of 14.1%. Wind and solar power constituted 38.4% of this total, while coal power accounted for 38.1%. This marks the first time that new energy power generation capacity has surpassed coal power, signifying a deepening trend towards greening electricity production and supply. New energy has further solidified its position as the primary source of new power generation capacity in China, playing an increasingly prominent role in ensuring energy supply and driving the clean and low-carbon transition.

5. Value-added business

In the first half of 2024, the national per capita disposable income of residents reached RMB20,733, representing a nominal year-on-year increase of 5.4%. After adjusting for price factors, the actual growth rate stood at 5.3%. In March, the State Council issued the “Action Plan for Promoting Large-Scale Equipment Renewal and Trade-in Programs for Consumer Goods”. This plan encouraged the replacement of household appliances and supports residents in renovating old houses, including partial renovations of kitchens, bathrooms, and other areas. It also promoted home modifications for ageing in place and actively fosters new consumption patterns such as smart homes. In June, the National Development and Reform Commission released the “Measures on Creating New Consumption Scenarios and Cultivating New Growth Drivers for Consumption”. These measures encouraged the development of new consumption scenarios in catering, cultural tourism and sports, shopping, bulk commodities, health care, elderly care, childcare, and community consumption. The aim was to promote consumption upgrading and better meet people’s needs for a high-quality life. This policy further unleashed consumption demand, providing more effective scenarios for smart home businesses such as community retail services, as well as gas and security product sales.

6. Engineering construction and gas installation

a) Engineering construction

The “Regulations on Natural Gas Utilization” emphasized the importance of enhancing the efficient use of natural gas, coordinating market development, and stabilizing supply. The regulations prioritized the development of several project types, including: integrated oil, gas, electricity, and hydrogen energy supply projects; terminal natural gas-hydrogen blending demonstration projects; and natural gas peak-shaving power plant projects. The Ministry of Housing and Urban-Rural Development also announced its plan to continue intensifying the renovation



of ageing urban pipelines for gas, water supply, sewage, and heating in 2024, with a target of renovating over 100,000 kilometres. The ministry also aimed to continuously promote the construction of urban lifeline safety projects. This involved leveraging digital technologies for real-time monitoring of various urban infrastructure, including water supply, drainage, gas, heating, bridges, and utility tunnels. The goal was to enable early detection and resolution of issues, effectively enhancing the city's safe operation and security capabilities. In May, the Ministry of Transport and thirteen other departments jointly issued the "Action Plan for Large-Scale Equipment Renewal in Transportation". This plan encouraged the exploration and construction of infrastructure such as supercharging piles, battery swap stations, and hydrogen refuelling stations, presenting opportunities for the Company to accumulate experience and expand its presence in the new energy sector.

b) Engineering installation

As of the first half of 2024, China's urbanization rate reached 66.2%. Compared to the level of around 80% in developed economies, there is still room for progress. The demand for improved housing among the population also remains relatively urgent. Simultaneously, the ongoing "Three Major Projects" – construction of affordable housing, development of dual-use public infrastructure for both normal times and emergencies, and renovation of urban villages – are serving as significant driving forces in the real estate market. In the first half of the year, as the window for real estate policy adjustments widened, local governments accelerated the pace of policy fine-tuning. However, overall development and investment in the real estate sector continue to face downward pressure.

(Industry development information is extracted from public sources such as the National Bureau of Statistics, the National Development and Reform Commission, Sia Energy, and China Energy News, and is for reference only)

II. Analysis of Core Competitiveness During the Reporting Period

✓ Applicable N/A

1. Leveraged our four key pillars to continuously expand our gas volume scale

The company leverages four key business pillars – demand, resources, infrastructure, and trading & risk control – to continuously expand its gas volume scale:

Firstly, regarding the demand side: We continue to build upon the Company's foundation of 260 urban gas projects nationwide, as we actively explore and develop customer bases through innovative service models such as joint procurement and tiered packages. By capitalizing on our extensive customer base, we are vigorously expanding our integrated energy and smart home businesses to meet the diversified and low-carbon energy product and service needs of our customers. This approach allows us to establish robust downstream distribution capabilities and customer service capabilities.

Secondly, regarding the resources side: Guided by customer demand, the Company has established a flexible resource pool that taps into both domestic and international markets. The Company has secured long-term contracts cumulatively exceeding 10 million tons, and we strategically continue to import spot cargoes to address customer needs for price competitiveness and flexibility. Domestically, while ensuring the stability of our contracted pipeline gas volume, we are strengthening our foundation of resources from the "Three Barrels". This is achieved through fulfilling our medium and long-term purchase and sales contracts with CNPC and leveraging our cooperation agreement on the utilization of LNG facilities in Zhoushan. These efforts supported the long-term and stable development of the downstream market. We also optimized the cost base of our foundational gas supplies, including sources from Xinjiang Qinghua, Datang Energy, Shanxi coalbed methane, and Chongqing shale gas. Furthermore, we selectively supplemented our portfolio with advantageous resources based on market demand

to enhance the flexibility of our supply and allocation. By integrating domestic and international resources, physical and paper trading, and long-term agreements with spot purchases, the company created a flexible and cost-effective resource programme. This approach, combining gas and LNG options, allowed for dynamic demand-supply matching through resource combination, exchange, and value optimization. This enabled intelligent, many-to-one and many-to-many matching, ultimately providing customers with access to low-cost resource solutions.

Thirdly on infrastructure pillar: We strategically positioned and optimized our infrastructure assets to construct a robust fulfillment and delivery network. This network leveraged both physical assets and virtual solutions to connect supply and demand effectively. Our Zhoushan LNG terminal served as a vital link between domestic and international markets, enhancing the utilization rate of this individual facility. Concurrently, we actively secured and optimized access to the national pipeline network (“PipeChina”) while pursuing collaborations with third-party receiving terminals. This approach allowed us to strategically distribute our receiving terminal capacity and secure access to critical transportation routes. Furthermore, we leveraged innovative products and services such as pipeline capacity trading, pipeline imbalance management, gas swapping and processing, and in-terminal trading to build an agile delivery system. This system enabled the flexible delivery of international resources to domestic end users. By strengthening our infrastructure capabilities, we can efficiently match supply and demand, enhance asset utilization, reduce customer costs, and contribute to the efficient operation of the entire industry.

Fourthly, on trading and risk control: We were committed to continuously strengthening our risk management capabilities and systems. We dynamically optimized our paper hedging positions based on physical cargo movements and market conditions, strictly adhering to a hedging strategy that closely aligns paper and physical trading. Leveraging the credible platform offered by the Tianjin Trading Center, we have introduced innovative products such as pooled trading for PipeChina, catering to diverse customer needs and fostering a more market-

oriented trading environment. The Company precipitated transaction and risk control fulcrum capabilities, brought together all ecological parties, helped customers manage uncertainty, realized customers’ low-cost gas consumption in a sustainable manner, and formed and enhanced intelligent risk control capabilities to support transactions.

2. Innovating industry best practices, building an intelligent platform for the industry, reconstructing natural gas ecosystem with intelligent supply and demand integration

The Company leveraged its own industrial operation advantages and capabilities to continuously build and enhance four key business pillars: demand, resources, fulfilment and delivery, and an internationally advanced risk control system. Based on gas demand, the company analysed industry pain points, accumulated best practices, continuously built its core competencies, and innovated natural gas business models on multiple levels. The Company leveraged the intelligent platform of Greatgas.cn to create digitally driven capabilities that link demand and supply. This built the foundation for a large-scale natural gas industry model, enabling rapid generation of intelligence to support precise business decisions and boost fast and efficient execution, ultimately driving efficient industry operations. Simultaneously, the Company provided a variety of intelligent capabilities, customizable and differentiated products, and services to customers and ecosystem partners. This ensured optimal demand-supply matching, helped customers manage uncertainty, reduced gas costs, and systematically solved pain points that have historically risen from industry mismatching. By leveraging intelligent capabilities to enhance efficiency and drive industry operations, the Company fostered a mutually reinforcing cycle of growth in customer scale, intelligent capabilities, and innovative models, ultimately leading to continuous expansion of the natural gas ecosystem.



3. Continuously promoted R&D and application of new energy technologies, deepen transformation of clean energy business

In the first half of 2024, the Company integrated its innovation teams and established a company-level technology and innovation centre to enhance technology development efficiency and optimize the structure of technical capabilities, aiming to accelerate the rapid alignment of technology with strategy and ensure the efficient implementation of plans. To meet customer needs for energy conservation and low-carbon solutions, the Company continue to actively pursue technological advancements in natural gas, hydrogen energy, and integrated energy with phased results.

In natural gas, the Company continues to leverage its independently developed technologies. The self-developed hydrogenation and gasification technology integration upgrading project has successfully completed the test run on 4 July and passed the performance assessment organized by the China Coal Processing and Utilization Association. The technology realized efficient and clean conversion of coal to natural gas and co-production of high value-added aromatics, which served as an important technology route for coal classification and quality utilization, and adhered to the national policy guidance of clean and efficient utilization of coal under the "dual-carbon" policy.

In the field of hydrogen energy, the Company continues to enhance its technological capabilities and expanding into new businesses across the entire industrial chain of diversified hydrogen production, storage, transportation, and application:

In the field of integrated energy, by relying on a joint research and development mechanism with top domestic research institutions such as Peking University and Tianjin University, the Company has continued to engage in technological exchanges in green ammonia, CO₂ transcritical refrigeration, long-duration energy storage, and other energy technologies. The Company is also collaborating on the development of application scenarios to promote the demonstration and application of advanced technologies within the industry.

Hydrogen Production

The company independently developed a solid oxide electrolyser (SOEC) hydrogen production integrated system and completed the design plan for a 50 kW system. Compared to alkaline and proton exchange membrane (PEM) electrolysis technologies, SOEC hydrogen production offers higher efficiency and lower electricity consumption, which can also couple plant waste heat to reduce system energy consumption.

Hydrogen Storage and Transportation

In terms of hydrogen blending in natural gas pipelines, a subsidiary company has completed the construction of a natural gas blending demonstration station in Jiangsu Province. The construction of a natural gas hydrogen blending demonstration station in Jiangsu invested by a subsidiary company has been completed, with a designed hydrogen blending ratio of 10%, which can realize carbon reduction for customers through partial substitution of natural gas. This blending station features data transmission capabilities and remote valve control through an intelligent operation centre. Furthermore, the Company continued to actively expand its pure hydrogen pipeline business, develop design and construction capabilities for such pipelines. In the first half of the year, the Company undertook its first feasibility study for a pure hydrogen pipeline project in Inner Mongolia, laying the foundation for its future in pure hydrogen pipeline engineering and construction.

Hydrogen Application

Leveraging its proprietary natural gas-based hydrogen production technology, the Company has entered the mineral processing industry for the first time, undertaking an 18,000 Nm³/h natural gas reforming syngas project for a steel plant. Simultaneously, the Company has entered a strategic cooperation relationship with external strategic partners in hydrogen-based mineral phase conversion, iterating diversified hydrogen production solutions and expanding the large-scale industrialized application of hydrogen energy in the purification of low-grade poor mines and tailings.

4. Comprehensive upgrade of ESG concepts, empowering company's intelligent, innovative, and sustainable development

The Company actively responded to the demand national low-carbon energy transition, adhering to the business philosophy of sustainable development, continuously improving its governance structure and execution system, and enhancing its ESG performance. In terms of governance, the Board of Directors actively implemented the concept of sustainable development, reviewing and making decisions on major issues related to the Company's environment, social responsibility, and governance. The Company also actively promoted the concept of ESG, integrating it into all aspects of corporate decision-making and business operations, encouraging every member to embrace and practice ESG principles. In terms of environmental protection, the Company carried out marine biodiversity conservation work during the construction of the Zhoushan LNG receiving terminal phase III project, conducting six phases marine organism releases. These efforts were important for protecting marine biological resources and improving the marine ecological environment around the Zhoushan LNG receiving terminal. In terms of social responsibility, the Company has vigorously implemented a "Safety First" responsibility system, carried out safety awareness education for all employees, enhanced the safety management capabilities of contractors, and actively promoted intelligent safety construction (e.g. intelligent safety risk map) to strengthen the foundation for the Company's sustainable development.

Based on national energy strategy deployments and its own strategic development plan, the Company actively engaged in extensive communication and research with various stakeholders in the ecosystem. By aligning with the United Nations' 17 Sustainable Development Goals, the Company

has upgraded its ESG philosophy to "With Wisdom, we Innovate Sustainable Energy (WISE)". This philosophy defined four key action areas for sustainable development. By leveraging ESG as a driving force for the sustainable development of all business segments, the Company aimed to provide fundamental guidelines and direction for all its sustainability initiatives, ultimately achieving a close integration of ESG and its business operations.

Guided by the WISE sustainable development concept, the Company has achieved significant progress in its ESG performance. Its ESG management level and long-term investment value have been fully recognized by ESG rating agencies and professional institutions. The Company received an 'A' rating in MSCI's ESG Ratings and the Morningstar Sustainalytics ESG Risk Rating dropped to 22.2 (a lower score indicates lower ESG risk and better ESG management capabilities), ranking among the top 16% globally in the gas utility sector and leading the A-share gas industry.



WISE Concept Diagram





III. Discussion and Analysis of Operations

In the first half of 2024, policy effects have gradually started to emerge despite challenges posed by the evolving international political and economic situation, fluctuations in international energy prices and exchange rates, and intensified macroeconomic policies. Efforts to foster new quality productive forces are strengthening the endogenous momentum of economic growth. Meanwhile, the steady recovery of international trade has driven China's exports to exceed expectations, reaching a year-on-year growth of 6.9%. China's macroeconomy continued to recover in the first half of the year, with the gross domestic product (GDP) reaching RMB61,683.6 billion representing a year-on-year increase of 5.0%. China's natural gas consumption growth has also sped up, with the natural gas market showing a "boom in both supply and demand". During the reporting period, the Company recorded total revenue of RMB67,014 million, a 0.3% decrease year-on-year; net profit attributable to shareholders of the Company was RMB2.53 billion, up 14.8% year-on-year.

1. Natural gas sales business

During the Reporting Period, the total gas sales volume amounted to 19,115 million cubic meters, an increase of 5.8% year-on-year. The annual target gas sales volume is 40 billion cubic meters.

a) Direct Gas Sales by Platform

During the Reporting Period, direct gas sales by platform amounted to 2,705 million cubic meters, an increase of 21.0% year-on-year, of which overseas gas transactions amounted to 964 million cubic meters and domestic gas transactions amounted to 1,741 million cubic meters, mainly covering the provinces of Zhejiang, Guangdong, Shandong, Hebei, Chongqing and so on.

b) Retail and wholesale of natural gas

At the end of June 2024, the Company had 260 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 12.71 billion cubic metres, with a year-on-year increase of 4.5%. Among them, the retail gas sales volume to commercial and industrial users reached 9,561 million cubic metres, with a year-on-year decrease of 5.4%, accounting for 75.2% of the total retail sales volume of natural gas. The retail gas sales volume to residential users reached 3,001 million cubic metres, with a year-on-year increase of 3.1%, accounting for 23.6% of the total retail sales volume of natural gas.

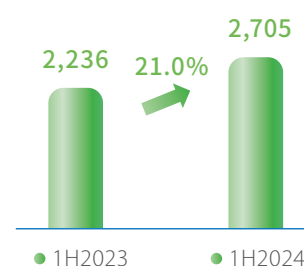
During the Reporting Period, the Company wholesaled 3.7 billion cubic metres of gas.



China's GDP reached
RMB **61,683.6**
billion
representing a yoy increase of
5.0%

Direct Gas Sales by Platform

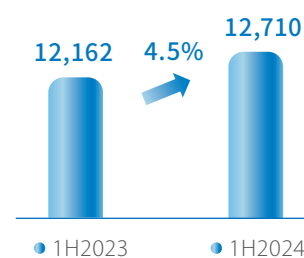
Unit: mil m³



Sales volume of direct gas sales by platform for the H1 of 2024

Retail Gas Sales

Unit: mil m³



Sales Volume of retail gas for the H1 of 2024

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

In order to meet customers' demand for low-cost gas, Greatgas.cn continues to iteratively update the platform's intelligent capabilities, while also reducing the Company's operating costs and improving management efficiency. On the demand side, it has developed capabilities such as customer insights and opportunity mining, demand forecasting, and intelligent supply-demand matching. These measures have helped industrial, commercial, and residential customers better purchase and utilize gas, and assisted urban gas distributors in improving supply-demand matching efficiency. On the resources and facilities side, it has innovatively optimized capability products such as resource and facility recognition, intelligent pipeline networks, multi-user operation of receiving terminals, and liquid delivery, enabling resource providers to better match customers and facility operators to improve facility utilization. At the same time, it continued to iterate general capability products such as intelligent market judgment and intelligent risk control, which were conducive to customers better knowing and judging market trends and controlling risks.

3. Infrastructure operations

The Zhoushan LNG terminal currently has an actual processing capacity of 7.5 million tons per year, with a supporting submarine pipeline transportation capacity of 8 billion cubic metres per year. The Phase III project commenced construction in October 2022. As of now, the main structure construction of the four LNG storage tanks' outer tanks has been fully completed, and the tank project has entered the inner tank installation and construction phase. The entire Phase III construction is expected to be put into operation in the fourth quarter of 2025, and the actual processing capacity will cumulatively exceed 10 million tons per year after commissioning.



Four new storage tanks of Zhoushan LNG terminal successfully capped





During the reporting period, the Zhoushan LNG terminal completed the construction of green energy facilities such as carport photovoltaics, fire station photovoltaics, and photovoltaic streetlights, with a power generation capacity of more than 307,000 kilowatt-hours. It also established a low-carbon management and energy efficiency platform, achieving digital and intelligent upgrades for green energy. In May, it independently developed the first domestic cold energy combined power cycle generation unit and completed its linkage test run, verifying the feasibility of the technology, which lays an industrial foundation for the utilization of LNG cold energy. Meanwhile, the Company is also actively exploring projects that couple LNG cold energy with hydrogen liquefaction.

Zhoushan LNG Terminal had a cumulative processing volume of 1.02 million tons for the first half of 2024, providing strong support for the stable supply of natural gas in the Yangtze River Delta region.

4. Integrated energy

In the first half of the year, the Company signed 412 integrated energy micro-grid projects, 4 low-carbon industrial parks, 90 low-carbon buildings and 201 low-carbon factories. In terms of the delivery and operation of projects, there are currently 72 integrated energy projects under construction, and 36 integrated energy projects which have been completed and put into operation during the period, bringing the total number of integrated energy projects that have been put into operation to 332. The annual energy supply of the projects under construction and those put into operation reached 57.4 billion kilowatt-hours. the Company's integrated energy business recorded a year-on-year increase of 26.0% in sales volume to 19,740 million kilowatt-hours.



Zhoushan LNG receiving Terminal had a cumulative processing capacity of **1.02** mil tons



IE business recorded a yoy increase of **26.0%** in sales volume to **19,740** mil kWh





Achieved access to charging services
in over **600** communities

10 pilot community service
stations being cultivated in regions

5. Value added business

In the first half of the year, the Company focused on customer needs and deepened its product diversification strategy. While expanding and strengthening basic products such as kitchen appliances, concealed installations, and security systems, it continuously innovated intelligent IoT products such as AI safety valves, LoRa meter-alarm linkage, intelligent gas stoves, intelligent heating furnaces, and its E-Home Guardian solution. The Company provided comprehensive and customized intelligent security solutions for residential and commercial customers, launching intelligent services including Community Security, Community Water Purification, and Community Smart Charging. For example, in the Jiangsu region, relying on ENN Smart Charging, the Company has built an intelligent charging network for community electric bicycles and automobiles, achieving access to charging services in over 600 communities and establishing high-frequency connections with customers. In Shandong, it has created an intelligent water purification platform, leveraging IoT to achieve real-time perception and monitoring of water quality, filter element progress, and raw water quality as part building an intelligent water service platform. Currently, there are 10 pilot community service stations being cultivated in regions such as Jiangsu, Henan, Hunan, and Shandong.

The Company expanded a variety of new marketing channels, actively explored an integrated model of online seamless intelligent selection and offline community-based services, to respond to customer service needs more quickly, enhance customer stickiness, and further unleash the value-added service value of gas users. The penetration rate of the value-added business in the Company's existing customer base was only 9.0%, while the penetration rate in newly developed customers during the Reporting Period was 71.3%, indicating a vast potential for business growth.

6. Engineering construction and gas installation

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

a) Engineering construction

In terms of coke oven gas, the Company's Hebei Xinpengnan project has successfully produced LNG, marking the official entry into the trial operation phase of the Company's largest EPC general contracting project for coke oven gas methanation. The successful output of qualified LNG from Shanxi project has once again verified the stability and reliability of the Company's coke oven gas methanization technology.



With respect to hydrogen energy projects, such as the Guanghui Energy's Green Power and Hydrogen Production and Integration Demonstration Project, contracted and constructed by the Company, successfully achieved grid connection in June. This project realized the entire process of new energy power generation, electrolytic hydrogen production, hydrogen storage, hydrogen refuelling, hydrogen transportation, and hydrogen utilization, with a hydrogen production scale of 660 tons per year. The construction of the Tangshan Haibaolu Hydrogen Refueling Station and the Tangshan West Outer Ring Hydrogen Refueling Station projects has entered the commissioning phase.

In terms of the power business, the Company signed contracts for the Shengyuan Energy Hydrogen Production and Hydrogenation Integration Project and several distribution network projects. It also commenced the construction of the 10 kV external power supply project for the Bengbu Industrial Park, which is one of the first batch of pilot projects for incremental distribution networks in China.

In terms of overseas business, the Company seized opportunities in overseas oil and gas infrastructure construction, focusing on overseas market expansion. Leveraging its international advantages in a full-scenario natural gas ecosystem, the Company has signed an EPC contract for an LNG receiving terminal project in northern Vietnam. This project marks the first LNG receiving terminal in northern Vietnam, with an expected annual turnover of 700,000 tons, which will effectively guarantee the supply of natural gas to the local and neighbouring areas upon completion.

b) Engineering Installation Business

During the Reporting Period, the Company newly developed 9,544 commercial and industrial users, with an opening volume of 7.262 million cubic meters per day. By the end of June, the total number of commercial and industrial users served by the Company has reached about 0.25 million. 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 0.775 million newly developed residential users, and has developed a cumulative total of 30.537 million household users, with an average piped gas penetration rate of 65.5%, covering a population of nearly 140 million.



Signed an EPC contract for an

LNG receiving terminal project in northern Vietnam

With an expected annual turnover

of **700,000** tons



Completed engineering installations

for **0.775** million newly developed residential users



Sold **0.81** mil
tons of methanol

7. Energy production

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 0.81 million tons of methanol.

8. Ratings and Capital Market Awards

As of the date of this report, international rating agencies Standard & Poor's and Fitch have both upgraded the rating from "BBB-" to "BBB (Outlook: Stable)". Moody's has upgraded the rating from "Ba1 (Positive Outlook)" to "Baa3 (Outlook: Stable)", and China's domestic rating agencies China Chengxin Credit Rating and CSCI Pengyuan Credit Rating Limited both maintained their "AAA" ratings for the Company. The above credit ratings reflect the agencies' full affirmation of the Company's solid business foundation, strong financial capabilities and promising prospects.



Won a total number of **43**
awards for two consecutive years in
the Asia (ex-Japan) Executive Team
rankings by Institutional Investor

ENN-NG was named Most Honored Company for two consecutive years in the Asia (ex-Japan) Executive Team rankings by *Institutional Investor*, the internationally respected financial magazine. The company won a total number of 43 awards, including *Best ESG*, *Best Company Board*, *Best IR Team*, *Best CEO*, *Best CFO* and *Best IR Professionals*. These honours underpin recognition of the excellence of the Company's governance, management execution and IR management in the capital market.

Significant changes in the company's operating conditions during the reporting period, as well as events that have a significant impact on the company's operating conditions and are expected to have a significant impact in the future during the reporting period

Applicable N/A



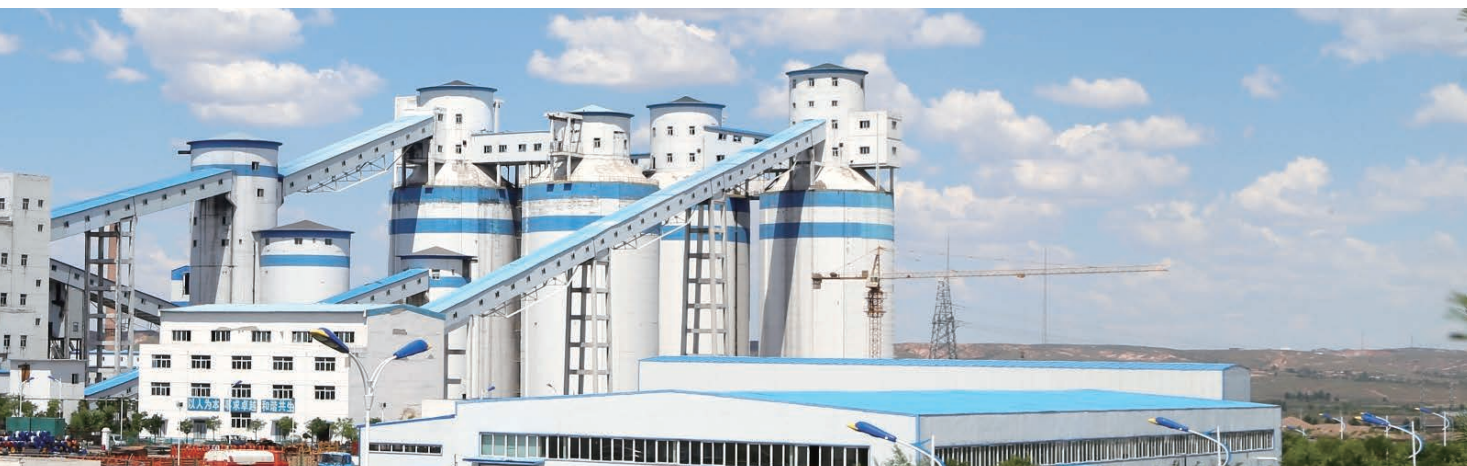
IV. Main Operating Conditions in the Reporting Period

(I) Analysis of principal business

1. Analysis of changes in related items in the financial statements

Unit: RMB'0000 Currency: RMB

Item	Current period	Same period of previous year	Change (%)
Operating income	6,697,552	6,716,963	-0.29
Operating cost	5,739,785	5,744,034	-0.07
Taxes and surcharges	19,637	30,497	-35.61
Selling expense	72,641	73,771	-1.53
Administrative expense	204,838	209,390	-2.17
Financing expense	50,242	119,529	-57.97
Financing expense – interest income	23,184	7,909	193.13
Research and development expenditure	34,947	37,475	-6.75
Investment income	91,200	201,599	-54.76
Investment income from associated ventures and joint ventures	26,485	8,598	208.04
Income from changes in fair value	-26,850	-90,612	–
Assets impairment loss	-13,085	5,776	-326.54
Income from disposal of assets	-4,683	235	-2,092.77
Non-operating income	3,873	10,336	-62.53
Net of tax from other comprehensive income	-88,091	7,932	-1,210.58
Net cash flow from operating activities	481,731	631,108	-23.67
Net cash flow from investing activities	-444,534	-380,209	–
Net cash flow from financing activities	-426,368	60,828	–



1. The year-on-year decrease of taxes and surcharges by 35.61% was mainly attributable to the disposal of Xinneng Mining Industry, a subsidiary of the Company, and no resource tax needed to be paid in the Reporting Period.

2. The year-on-year decrease in financing expense by 57.97% 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 last year, and year-on-year decrease of change in exchange rate.

3. The year-on-year increase in financing expense-interest income by 193.13% was mainly attributable to the increased bank interest income as a result of the year-on-year rise in USD deposits for the subsidiaries of the Company during the Reporting Period, and year-on-year increase in the deposit interest rate.

4. The year-on-year decrease in investment income by 54.76% was mainly attributable to less income realized from derivatives of subsidiaries of the Company during the Reporting Period.

5. The investment income from associated ventures and joint ventures increased by 208.04% 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 increased by RMB638 million year-on-year mainly due to the settlement

upon maturity in the current period of floating income from derivative financial instruments not mature at the end of last year, which offset the income from changes in fair value.

7. The year-on-year increase in assets impairment loss by RMB189 million was mainly caused by the increased fixed asset impairment of subsidiaries of the Company during the Reporting Period, and reversal of impairment of contract assets made by the subsidiaries of the Company during the same period of last year.

8. The income from disposal of assets decreased by RMB49 million year-on-year mainly due to the increased losses from disposal of fixed assets of subsidiaries of the Company during the Reporting Period.

9. Non-operating income decreased by 62.53% year-on-year mainly due to the decreased compensation received by subsidiaries of the Company during the Reporting Period over the same period of last year.

10. Net of tax from other comprehensive income decreased by RMB960 million year-on-year mainly due to the increase in the amount of cash flow hedging reserve offset by derivative financial instruments which were included in the cash flow hedging reserve in the previous year and settled at the current period.

11. Net cash flow from financing activities decreased by RMB4.872 billion year-on-year mainly due to the reduction of debt scale by the Company and its subsidiaries in the Reporting Period.

Unit: RMB'0000 Currency: RMB

Item	Current period	Same period of last year	Change (%)
Other cash received relating to operating activities	63,756	44,089	44.61
Net decrease in deposits from customers and interbank	2,636	60	4,293.33
Net decrease in repurchased business fund		16,650	-100.00
Cash received from investment recovery	1,529,331	417,359	266.43
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	10,483	7,932	32.16



Item	Current period	Same period of last year	Change (%)
Net cash received from disposal of subsidiaries and other business units	4,862	50	9,624.00
Cash paid for investment	1,704,761	437,972	289.24
Net cash paid for acquisition of subsidiaries and other business units	7,675	2,946	160.52
Cash received from loans	1,527,678	952,036	60.46
Other cash received relating to financing activities	204,370	88,718	130.36
Cash paid for debt repayment	1,786,961	840,256	112.67
Other cash paid relating to financing activities	267,871	28,293	846.77

Other information:

1. Other cash received relating to operating activities increased by 44.61% year-on-year mainly due to the increased interest income from bank deposits received by subsidiaries of the Company during the Reporting Period.
2. The net decrease in deposits from customers and interbank increased by 4,293.33% year-on-year mainly due to the decreased deposits absorbed by the finance company of the Company in the Reporting Period over the same period of last year.
3. Net decrease in repurchased business fund decreased by 100% year-on-year mainly due to the decreased balance of rediscounted notes of the finance company of the Company during the Reporting Period.
4. The cash received from investment recovery increased by 266.43% year-on-year mainly due to the increase in structured deposits recovered by 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 increased by 32.16% year-on-year mainly due to the increase in cash received from the disposal of intangible assets by subsidiaries of the Company during the Reporting Period.
6. The net cash received from disposal of subsidiaries and other business units increased by 9,624% year-on-year mainly due to the increase in equity transfer payment received by the Company and its subsidiaries during the Reporting Period.
7. The cash paid for investment increased by 289.24% year-on-year mainly due to the increase in structured deposits purchased by subsidiaries of the Company during the Reporting Period.
8. The net cash paid for acquisition of subsidiaries and other business units increased by 160.52% year-on-year mainly due to the increased equity transfer consideration paid by subsidiaries of the Company during the Reporting Period.
9. The cash received from loans increased by 60.46% year-on-year mainly due to the reduction of financing cost by loan replacement and new financing for project construction by subsidiaries of the Company during the Reporting Period.

10. Other cash received relating to financing activities increased by 130.36% year-on-year mainly due to the increase in discounted notes received by the Company and its subsidiaries during the Reporting Period.

11. The cash paid for debt repayment increased by 112.67% year-on-year mainly due to decreased debt scale and reduced financing cost by loan replacement of subsidiaries of the Company during the Reporting Period.

12. Other cash paid relating to financing activities increased by 846.77% year-on-year mainly due to the increase in the notes due and payable by the Company and its subsidiaries during the Reporting Period.

2. 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

(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
Transaction financial assets	190,000	1.45	20,011	0.15	849.48	
Derivative financial assets	48,140	0.37	135,073	1.00	-64.36	
Notes receivable	29,406	0.22	46,564	0.35	-36.85	
Prepayments	333,751	2.55	528,640	3.93	-36.87	
Other receivables	168,974	1.29	127,752	0.95	32.27	
Dividends receivable	28,561	0.22	14,701	0.11	94.28	
Non-current assets due within one year	1,017	0.01	1,785	0.01	-43.03	
Other non-current assets	15,765	0.12	25,235	0.19	-37.53	
Derivative financial liabilities	40,145	0.31	29,440	0.22	36.36	
Payroll payable	80,533	0.62	119,892	0.89	-32.83	



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
Other payables	605,584	4.63	198,530	1.48	205.03	
Dividends payable	457,104	3.50	16,354	0.12	2,695.06	
Capital reserve	3,097	0.02	15,160	0.11	-79.57	
Treasury share	29,860	0.23	15,755	0.12	89.53	
Other comprehensive income	50,772	0.39	133,723	0.99	-62.03	

Other information

1. The transaction financial asset at the end of current period increased by 849.48% from the amount at the end of previous period mainly due to the increased structured deposits of subsidiaries of the Company during the Reporting Period.
2. The derivative financial assets at the end of current period decreased by 64.36% and the derivative financial liabilities at the end of current period increased by 36.36%, from the amount at the end of previous period, mainly due to the decline in fair value of the commodity derivative contracts of subsidiaries of the Company during the Reporting Period.
3. The notes receivable at the end of current period decreased by 36.85% from the amount at the end of previous period mainly due to the maturity of bank acceptance bills issued by the subsidiaries of the Company during the Reporting Period.
4. The prepayments at the end of current period decreased by 36.87% from the amount at the end of previous period mainly due to the decrease in prepayments for natural gas business of the Company during the Reporting Period.
5. The other receivables at the end of current period increased by 32.37% from the amount at the end of previous period mainly due to the increase in dividends receivable during the Reporting Period.
6. The dividends receivable at the end of current period increased by 94.28% from the amount at the end of previous period mainly due to the dividends of joint and associated ventures of the Company during the Reporting Period.
7. The non-current assets due within one year at the end of current period decreased by 43.03% from the amount at the end of previous period mainly due to the recovery of matured loans, advances and finance lease by the Company's subsidiaries during the Reporting Period.
8. The other non-current assets at the end of current period decreased by 37.53% from the amount at the end of previous period mainly due to the transfer of prepayments for equipment projects of subsidiaries of the Company into fixed assets during the Reporting Period.
9. The payroll payable at the end of current period decreased by 32.83% from the amount at the end of previous period mainly due to the payment of performance incentives accrued in the previous year by the Company and its subsidiaries during the Reporting Period.

10. The other payables at the end of current period increased by 205.03% from the amount at the end of previous period mainly due to the increase in dividends payable during the Reporting Period.

11. The dividends payable at the end of current period increased by 2,695.06% from the amount at the end of previous period mainly due to the increase in dividends payable as a result of declaration of dividend distribution by the Company and its subsidiaries during the Reporting Period.

12. The capital reserve at the end of current period decreased by 79.57% from the amount at the end of previous period mainly due to the purchase of minority interest by a subsidiary of the Company during the Reporting Period, and offset of the capital reserve by the difference between the long-term equity investment acquired by such purchase of minority interest and the share of net assets to which the subsidiary was entitled continuously calculated at the new shareholding ratio from the purchase date.

13. The treasury shares at the end of current period increased by 89.53% from the amount at the end of previous period mainly due to the repurchase of the Company's shares by the Company through centralized competitive-price trading during the Reporting Period.

14. The other comprehensive income at the end of current period decreased by 62.03% from the amount at the end of previous period mainly due to the offset of cash flow hedging reserves by derivative financial instruments which were included in the cash flow hedging reserves in the previous year and matured and settled at the end of the current period.

2. Overseas assets

Applicable N/A

(1) Asset size

Including: Overseas assets RMB1,147,844 (unit: RMB'0000 currency: RMB), accounting for 8.78% of total assets

(2) Explanation of the high percentage of overseas assets

Applicable N/A

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

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	End of period				Beginning of period			
	Book balance	Book value	Type of restriction	Details of restriction	Book balance	Book value	Type of restriction	Details of restriction
Monetary fund	105,120	105,120	Other	Margin and statutory reserve	119,118	119,118	Other	Margin and statutory reserve
Notes receivable					12	12	Pledge	Bill pledge
Receivables financing					5,272	5,272	Pledge	Bill pledge



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
Fixed assets	7,261	7,261	Mortgage	Loan mortgage	9,948	9,948	Mortgage	Loan mortgage
Intangible assets	2,816	2,816	Other	Loan mortgage and freezing due to litigation	469	469	Mortgage	Loan mortgage
Total	115,197	115,197	/	/	134,819	134,819	/	/

Other information:

1. The restricted monetary fund is mainly represented by reserves and margins of the Company in various financial institutions, primarily including the statutory reserves amounting to RMB391 million and bank acceptance margins amounting to RMB233 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 investments

1. 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 increase or decrease (%)
87,448	152,792	-42.77%

Other information:

The total external equity investment decreased by 42.77% year-on-year mainly due to the decrease in the number of newly established companies by the Company during the current period.

(1) Significant equity investment

Applicable N/A

(2) Significant non-equity investment

Applicable N/A

Unit: RMB'0000 Currency: RMB

Project name	Amount	Progress (%)	Investment amount in current year	Cumulative		Details of major change in fund
				actual investment amount	Project income	
Longping High-Tech Project	17,695	99.85		15,787	Partly under construction	Self-owned fund
Phase III LNG Storage Tank and Supporting Facilities for Zhejiang Zhousha LNG Receiving Terminal and Filling Station	292,096	59.75	29,780	90,960	Under construction	Self-owned fund and bank loans
ENN Science Park R&D Workshop	32,395	80.00	3,312	14,416	Under construction	Self-owned fund
Natural Gas Supply Pipeline Works for Ningzhou Gas and Electricity Project	121,014	98.16	5,295	119,581	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	90.00	3,083	27,756	Partly under construction	Self-owned fund
Dongguang High-pressure Natural Gas Pipeline Network Project along Sangcha Express Way and Eastern Extension Line	17,160	1.00	26	124	Under construction	Self-owned fund
ENN Research Institute Project (1#)	80,984	8.00	1,374	2,906	Under construction	Self-owned fund
ENN Research Institute Project (2#)	65,614	15.00	1,119	4,887	Under construction	Self-owned fund
High-pressure Natural Gas Pipeline Project from China-Russia Eastern Route Xinghuamen Station to Zhuhongmen Station	16,220	90.00	4,741	9,363	Under construction	Self-owned fund
Relocation and Reconstruction of Dongguan High-pressure Natural Gas Pipeline Network Project (Changhua Expressway – Chang'an Pressure Regulation Station)	12,912	1.00	108	108	Under construction	Self-owned fund
Total	689,690	/	48,838	285,888	/	/



(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 of provision for the current period	Current purchase amount	Current sale/redemption amount	Current settlement amount	Other changes	Ending balance
Stock	22,815	-1,071	3,819						21,654
Derivative instruments	123,006	-25,455	-22,242				106,170		-8,257
Futures	35	-41					845		-6
Others									
Including: Monetary fund	10,011	-11				10,000			
Structured deposits	10,000				170,000				180,000
Financial products					10,000				10,000
Receivables financing	102,821					15,593			87,228
Other equity instrument investment	14,558		1,005		1,311				15,869
Other non-current financial assets	418,621								418,621
Total	701,867	-26,578	-17,418		181,311	25,593	107,015		725,109

Securities investment

✓ Applicable N/A

Unit: RMB'0000 Currency: RMB

Type	Code	Abbreviation	Initial investment cost	Source of funding	Opening book value	Current profit or loss on change in fair value	Cumulative change in fair value included in equity	Current purchase amount	Current sale amount	Current profit or loss on investment	Closing book value	Accounting item
Capital securities	01635.HK	DZUG	41,054	Self-owned fund	14,760	-1,075					13,685	Other non-current financial assets
Capital securities	002716	Hunan Silver	29	Self-owned fund	33	4					37	Other non-current financial assets
Capital securities	09908.HK	JiaXing Gas	4,113	Self-owned fund	8,022		3,819			286	7,932	Other equity instrument investments
Total	/	/	45,196	/	22,815	-1,071	3,819			286	21,654	/

Description of securities investment

 Applicable N/A

Private equity investment

 Applicable N/A

Derivatives investment

✓ Applicable N/A

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

✓ Applicable □ N/A

Unit: RMB'0000 Currency: RMB

Type of derivatives investment	Initial investment amount	Opening book value	Current profit or loss on change in fair value	Cumulative change in fair value included in equity	Purchase amount during the Reporting Period	Sale amount during the Reporting Period	Settlement amount during the Reporting Period	Closing book value	Proportion of closing book value in net assets of the Company at the end of the Reporting Period (%)
Commodity derivatives contract		122,391	-16,817	3,037			106,444	1,242	0.02
Foreign exchange derivatives contract		650	-8,679	-25,279			571	-9,505	-0.16
Total		123,041	-25,496	-22,242			107,015	-8,263	-0.14
Accounting policies and specific accounting principles for hedging business during the Reporting Period, and explanation on whether there were significant changes compared with the previous Reporting Period	The Company carried out corresponding accounting and disclosure for hedging in accordance with relevant provisions and guidelines of the <i>Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments</i> , the <i>Accounting Standards for Business Enterprises No. 24 – Hedging</i> and the <i>Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments</i> , and there were no changes compared with the previous Reporting Period.								
Actual profits and losses during the Reporting Period	During the reporting period, the actual hedging profits and losses is RMB1,171.11 million.								
Description of hedging effect	<p>1. Commodity derivatives transaction 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 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								

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

Applicable N/A

(V) **Sale of major asset and equity**

Applicable N/A

(VI) **Analysis of major controlled and invested companies**

Applicable N/A

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

Founded on 11 September 2019, it is a wholly-owned subsidiary of the Company mainly engaged in marketing and sale of liquefied natural gas, shipping and charting with a registered capital of USD30 million. As of the end of the Reporting Period, ENN LNG (SINGAPORE) PTE LTD had total assets of RMB8,236.31 million and net assets of RMB7,499.35 million; during the Reporting Period, it achieved operating income of RMB6,001.74 million, operating profit of RMB1,444.94 million and net profit of RMB1,281.55 million.

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

Founded on 15 May 2013, it is a holding subsidiary of the Company mainly engaged in the construction and operation of LNG terminals with a registered capital of RMB2,056 million. As of the end of the Reporting Period, ENN (Zhoushan) LNG Co., Ltd. had total assets of RMB7,288.58 million and net assets of RMB4,173.17 million; during the Reporting Period, it achieved operating income of RMB548.90 million, operating profit of RMB349.19 million and net profit of RMB298.38 million.

Subsidiaries and Associates Contributing More Than 10% of Profits

Unit: RMB'0000 Currency: RMB

Item	ENN LNG (SINGAPORE) PTE LTD	ENN (Zhoushan) LNG Co., Ltd.
Operating income	600,174	54,890
Operating cost	493,464	14,820
Operating profit	144,494	34,919
Net profit	128,155	29,838
Total assets	823,631	728,858
Net assets	749,935	417,317

(VII) **Structured entities controlled by the Company**

Applicable N/A



V Other Disclosures

(I) 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 (Hereinafter referred to as "three major oil companies"). 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. The current international situation remains volatile, and the risk of geopolitical conflict has not been completely eliminated. Natural gas prices may still fluctuate significantly due to related disturbances. Domestically, natural gas retail price adjustments are subject to government regulation, often lagging behind purchase price adjustments or lacking sufficient scope, potentially impacting the company's operating performance.

In terms of natural gas sourcing, the Company continues to deepen its cooperative relationship with the three major oil companies to continuously obtain incremental resources. We continuously optimize our international resource portfolio, leveraging pre-calculated strategies to capitalize on spot import opportunities, forming a robust combination of long-term agreements and spot purchases. Additionally, we are actively aggregating domestic unconventional resources including coalbed methane, coal-fired gas, and shale gas to bolster our controllable resource base and form a diversified resource supply pattern.

In response to the price fluctuation risk from international resource imports, we mitigate cost escalation risks arising from price volatility through a strategic blend of physical and paper trading. In the retail sector, we are actively promoting a price linkage mechanism to effectively manage operating risks. Furthermore, we have developed intelligent demand-resource linkage capabilities based on our robust foundation of resources, demand, infrastructure, and risk control and hedging mechanisms. This empowers us to make precise business decisions and execute efficiently, enhancing operational efficiency and minimizing costs.

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. In daily operation, 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, the Company may be required by the government departments for suspension or overhaul which would cause losses to production and operations.

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 engineering and construction business has implemented an intelligent safety risk map product, which includes role-based maps for frontline workers, team leaders, project managers, and branch managers. This facilitates real-time IoT monitoring of construction sites, and using AI-powered violation detection to trigger immediate alerts, automatically assess and visualize risk levels, and streamline tracking and resolution processes, culminating in a closed-loop digital management system for enhanced on-site safety. The Company is dedicated to deepening the integration of digital intelligence in safety practices to elevate the overall safety performance.

3. *Risk of exchange rate fluctuations*

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

4. *Interest rate risk*

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

5. Derivative product 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 JCC, 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. We have established the Risk Control and Compliance Department to control various risks. By leveraging advanced quantitative analysis models, the Company extracts market data and

establishes a 24-hour global market risk emergency response mechanism. As for credit and counterparty risks, the Company rigorously enforces counterparty transaction risk limits and utilize a credit limit tracking and monitoring model, which quantifies and analyzes credit defaults and various financial indicators to monitor changes in counterparty risk. In terms of operational risks, the "Hedging System and Detailed Rules" standardize trading authorization, hedging processes, and define clear trading directions and stop-loss limits. The Company has established a world-class commodity energy trading risk management system and developed a proprietary ETMO digital risk control platform (including web and mobile app) for daily market monitoring and risk indicator analysis. Through professional risk control model technology, the Company manages the entire process of its derivatives business risk, reducing inappropriate manual intervention to avoid risks and maximize risk management accuracy.

(II) Other Disclosures

Applicable N/A



04

Corporate Governance



I. Brief Introduction of the General Meetings

Meeting	Convening date	Inquiry index of the website designated to publish resolutions	Disclosure date of resolutions	Resolution
2024 First Extraordinary General Meeting	8 April 2024	Website of Shanghai Stock Exchange www.sse.com.cn Announcement No.: 2024-025	9 April 2024	1. Deliberated and approved the Proposal on <i>Repurchase and Cancellation of Some Restricted Shares under the 2021 Restricted Stock Incentive Plan</i>
2023 Annual General Meeting	27 June 2024	Website of Shanghai Stock Exchange www.sse.com.cn Announcement No.: 2024-049	28 June 2024	1. Deliberated and approved the <i>2023 Annual Report and its Summary</i> 2. Deliberated and approved the <i>2023 Work Report of the Board of Directors</i> 3. Deliberated and approved the <i>2023 Work Report of the Board of Supervisors</i> 4. Deliberated and approved the <i>2023 Final Accounting Report of the Company</i> 5. Deliberated and approved the <i>2023 ENN-NG Profit Distribution Plan</i> 6. Deliberated and approved the Proposal on <i>Renewing the Appointment of the Accounting Firm</i> 7. Deliberated and approved the <i>Proposal on the Remuneration of Directors in 2023</i> 8. Deliberated and approved the <i>Proposal on the Remuneration of Supervisors in 2023</i> 9. Deliberated and approved the <i>Proposal on Repurchase and Cancellation of Some Restricted Shares under the 2021 Restricted Stock Incentive Plan</i>

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

Applicable N/A

Information on the general meetings

Applicable N/A

During the Reporting Period, the Company convened a total of 2 general meetings. The procedures for convening and holding the general meetings, qualification of the convener, qualification of the attendees and procedures for voting resolutions are in compliance with the provisions of relevant laws, regulations, regulatory documents and the Articles of Association, and the voting results are legally valid.

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

II. Changes in directors, supervisors and senior managers of the Company

✓ Applicable N/A

Name	Position	Change
Jiang Yang	Assistant to the President	Appointment
Sun Dianfei	Assistant to the President	Appointment
Lin Yan	Assistant to the President	Appointment
Liang Hongyu	Assistant to the President	Appointment

Description of the changes in directors, supervisors and senior managers of the Company

✓ Applicable N/A

The Company held the Thirteenth Meeting of the Tenth Board of Directors on 6 February 2024 to deliberate and pass the *Proposal on Appointment of Senior Manager of the Company*, approving Mr. Jiang Yang, Mr. Sun Dianfei, Ms. Lin Yan, Ms. Liang Hongyu to be appointed as the Assistant to the President of the Company.

III. Plan for Profit Distribution or Capitalization of Capital Reserve

Semi-annual proposed plan for profit distribution or capitalization of capital reserve

Whether distribution or capitalization is made	No
Number of bonus shares per 10 shares (share)	/
Amount of dividends distributed per 10 shares (yuan) (tax included)	/
Number of shares converted into share capital per 10 shares (share)	/
Information on profit distribution or capitalization of capital reserve	

N/A

IV. 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
The Company held the Sixteenth Meeting of the Tenth Board of Directors and the Thirteenth Meeting of the Tenth Board of Supervisors on 17 June 2024, deliberating and approving the <i>Proposal on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Third Unrestricted Period for the First Grant under the 2021 Restricted Stock Incentive Plan</i> , and the <i>Proposal on Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan</i> .	For details, please refer to the <i>Announcement of ENN-NG on the Satisfaction of Conditions for Removal of Restrictions on Sale during the Third Unrestricted Period for the First Grant under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: 2024-043), and the <i>Announcement of ENN-NG on Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: 2024-044) disclosed by the Company at the website of Shanghai Stock Exchange on 18 June 2024.

Summary	Query Index
<p>Upon application made by the Company to Shanghai Stock Exchange and China Securities Depository and Clearing Corporation Limited Shanghai Branch, the number of restricted shares for which restrictions on sale may be removed for 36 incentive grantees who have satisfied the conditions for removal of restrictions on sale during the third Unrestricted Period for the first grant under the 2021 Restricted Stock Incentive Plan was 3,725,000, which were listed and circulated from 27 June 2024.</p>	<p>For details, please refer to the <i>Announcement of ENN-NG on the Unlocking and Listing of Shares during the Third Unrestricted Period for the First Grant under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: 2024-047) disclosed by the Company at the website of Shanghai Stock Exchange on 22 June 2024.</p>
<p>The Company held the 2023 Annual General Meeting on 27 June 2024, deliberating and approving the <i>Proposal on Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan</i>, and perform the procedure of notice to creditors in accordance with relevant legal provisions regarding the repurchase and cancellation of restricted shares.</p>	<p>For details, please refer to the <i>Announcement of ENN-NG on the Resolution of the 2023 Annual General Meeting</i> (Announcement No.: 2024-049), and the <i>Announcement of ENN-NG on the Notice to Creditors for Reduction of Registered Capital by Repurchase and Cancellation of Part of Restricted Shares</i> (Announcement No.: 2024-050) disclosed by the Company at the website of Shanghai Stock Exchange on 28 June 2024.</p>
<p>Under the 2021 Restricted Stock Incentive Plan of the Company, two incentive grantees had an “unsatisfactory” individual performance evaluation result during the second Unrestricted Period (i.e., 2022), three incentive grantees were no longer eligible for incentive grant due to resignation, and three incentive grantees were no longer eligible for incentive grant due to adjustment of position among the incentive grantees for first grant, and one incentive grantee was no longer eligible for incentive grant due to adjustment of position among the incentive grantees for reserved grant. A total of 782,500 restricted shares in whole or in part which have been granted to the above incentive grantees but have not been released from restrictions on sale shall not be released from restrictions on sale and had been repurchased and canceled by the Company on 12 July 2024.</p>	<p>For details, please refer to the <i>Announcement of ENN-NG on the Implementation of Repurchase and Cancellation of Part of Shares Subject to First Grant and Reserved Grant under the 2021 Restricted Stock Incentive Plan</i> (Announcement No.: 2024-052) disclosed by the Company at the website of Shanghai Stock Exchange on 10 July 2024.</p>

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

Equity incentive

Applicable ✓ N/A

Other information

Applicable ✓ N/A

Employee stock ownership plan

Applicable ✓ N/A

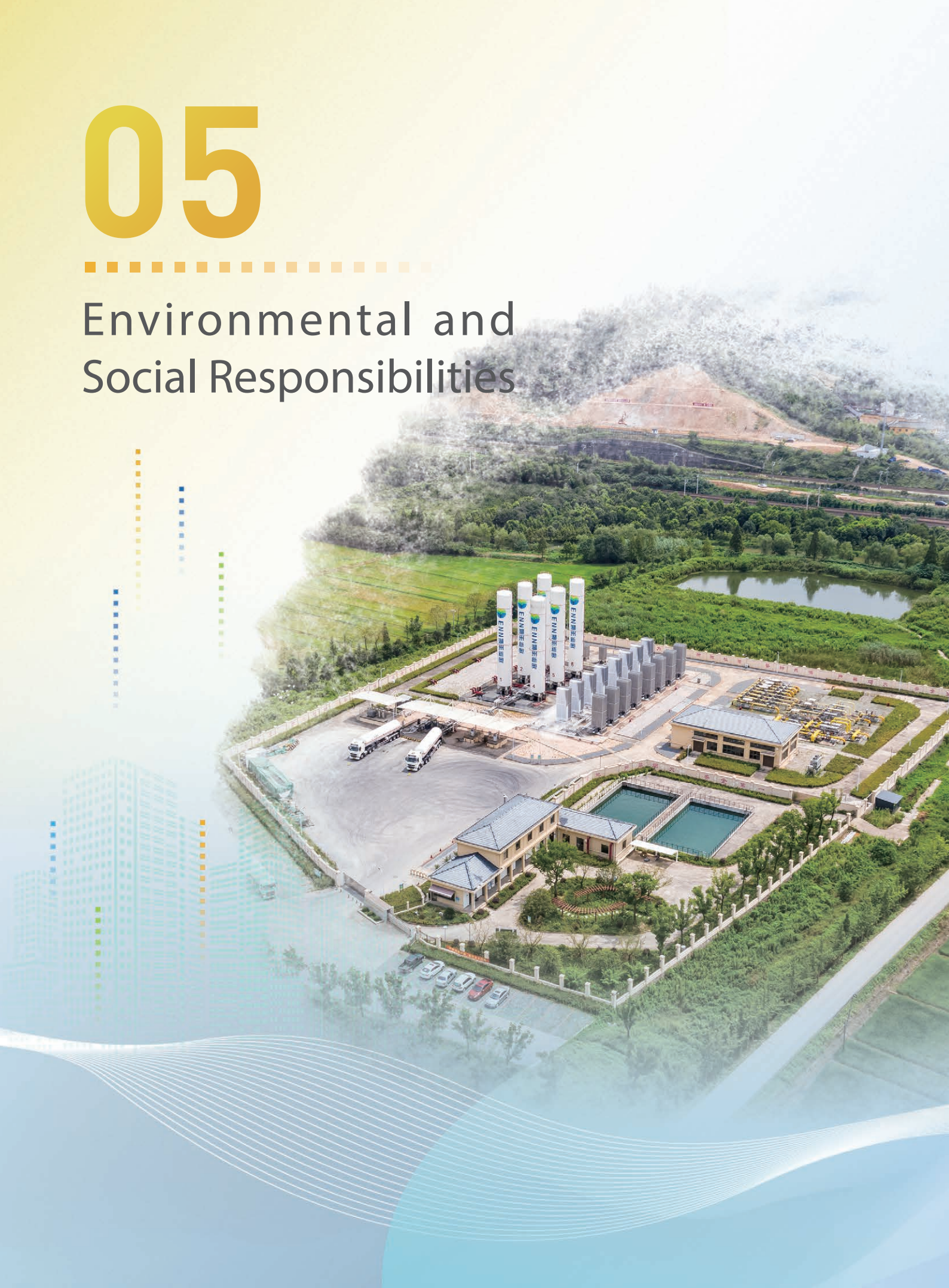
Other incentive measures

Applicable ✓ N/A



05

Environmental and Social Responsibilities



I. Environmental Information

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

Applicable N/A

1. Information on pollution discharge

Applicable N/A

Company name	Pollutant name	Discharge method	Number of discharge outlets	Location of discharge outlets	Name of main pollutants and characteristic pollutants	Pollutant discharge standards implemented	Discharge concentration limited by national or local standards	Discharge concentration	Total discharge (t)	Total verified discharge/ discharge concentration	Excessive discharge
Xinneng Energy	Exhaust gas	Centralized discharge	2	West side of Phase I Plant and east side of Phase II Plant	Sulfur dioxide	<i>Emission Standards of Air Pollutants for Thermal Power Plants</i> (GB13223-2011)	50mg/m ³	23.798 mg/m ³	43.72865	455.06t/a 50mg/m ³	None
			2		Smoke and dust		20mg/m ³	5.62 mg/m ³	7.64246	130.01t/a 20mg/m ³	None
			2		Nitrogen oxide		100mg/m ³	54.498 mg/m ³	104.079425	650.07t/a 100mg/m ³	None
	General solid waste	comprehensive utilization	6	Gasifier slagging outlet	Gasified coarse slag Gasified fine slag	<i>Standards on Control of General Industrial Solid Waste Storage and Disposal Site Pollution</i> (GB18599-2001)	—	—	129,617.11	—	None
			5	Boiler slagging outlet	Boiler ash		—	—	3,852.96	—	None
		Disposal by agreement	—	—	—		—	15,036.1	—	None	
			5	Boiler dust removal	Fly ash		—	—	2,614.94	—	None
		comprehensive utilization	2	Phase I desulfurization tower	Desulfurization gypsum		—	—	5,021.14	—	None
			Disposal by agreement				—	—	6,450.02	—	None
		Disposal by agreement	2	Filter press outlet	Water purification station and mud for reuse of reclaimed water		—	—	4,879.18	—	None
			Disposal by itself	2	Sewage treatment		Biochemical sludge	—	—	511.1	—
	Hazardous waste	Disposal by itself	—	Recovery tower outlet	Fusel oil	<i>Standards on Control of Hazardous Waste Pollution Storage</i> (GB18597-2023)	—	—	2,353.01	—	None
			—	Laboratory	Laboratory waste liquid		—	—	0.015909	—	None
		Disposal by agreement	Dryer outlet	Carnallite	—		—	1.28	—	None	
			Unit fuel tank	Waste mineral oil	—		—	11.256	—	None	
			Substation UPS	Waste storage battery	—		—	0.3295	—	None	
			Phases I & II	Waste mineral oil drum	—		—	2.9895	—	None	
Laboratory	waste drugs	—	—	0.03605	—	None					
Noise	—	—	Boundary of the Plant	—	Standards on Noise Emissions at the Boundaries of Industrial Plants (GB12348-2008)	Daytime 65dB(A) Night 55dB(A)	Daytime 57dB(A) Night 46.85dB(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). In June 2024, it has met the requirements of *Ordos Pollution Prevention and Control Development* [(2019) No. 5] and *Ordos Air Pollution Prevention and Control Regulations*, and the flue gas emission index has reached $\text{SO}_2 \leq 35 \text{ mg/m}^3$, $\text{NO}_x \leq 50 \text{ mg/m}^3$, soot $\leq 10 \text{ mg/m}^3$, and the ultra-low emission limit requirements have been implemented. 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 chlor-alkali industry.

(3) Noise control measures

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

(4) Solid waste treatment measures

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

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

Applicable N/A

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

Xinneng Energy, following the requirements of the *Circular of the Department of Environmental Protection of Inner Mongolia Autonomous Region on the Ratification of Emission Rights for Major Pollutants* (Nei Huan Ban [2015] No. 242), has ratified the initial emission rights for existing pollutant discharging units within the region, and allowed discharge of a quantified amount of pollutants after such ratification, and obtained the pollutant discharge amount by a payment-based method. Xinneng Energy secured its pollutant discharge permit on 10 August 2021 and completed the fourth permit modification on 19 February 2024. 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 formulated and implemented the *Environmental Emergency Response Plan of Xinneng Energy Co., Ltd.*, which was registered with the Dalad Banner Branch of Ordos City Ecological Environment Bureau and issued on 26 December 2023. In the second half of 2024, Xinneng Energy carried out the on-site disposal drill for "leakage from valve flange of the electric valve at the outlet of the stock tank farm (V0202B) of major hazard sources of fusel oil, and on-site disposal drill for "radioactive source leakage from hydrogenated semi-coke holding tanks". These drills aimed to familiarize employees with emergency response procedures and methods, thereby enhancing their capability to deal with sudden environmental incidents.

5. *Environmental self-monitoring program*

Applicable N/A

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

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

Applicable N/A

7. *Other environmental information to be disclosed*

Applicable N/A

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

✓ Applicable N/A

1. Administrative penalties imposed for environmental issues

 Applicable ✓ N/A

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

✓ Applicable N/A

(1) Information on pollution discharge

Company name	Pollutant name	Discharge/disposal method	Number of discharge outlets	Location of discharge outlets	Name of main pollutants and characteristic pollutants	Pollutant discharge standards implemented	Discharge concentration limited by national or local standards	Discharge concentration	Total discharge (t)	Total verified discharge/ discharge concentration	Excessive discharge
ENN Qinshui	Waste water	Centralized discharge	1	Southwest corner of the Plant	COD (chemical oxygen demand)	DB14/1928-2019 <i>Comprehensive Wastewater Discharge Standard (Shanxi Province)</i>	40mg/L	Q1: 38mg/L Q2: 27mg/L	0.0414	0.077t	None
					Ammonia nitrogen		2.0mg/L	Q1: 1.78mg/L Q2: 0.395mg/L	0.0014	0.021t	None
	Exhaust gas	Centralized discharge	2	Chimney of thermal oil furnace	Sulfur dioxide	<i>Emission Standard of Air Pollutants for Boilers (DB14/1929-2019)</i>	35mg/m ³	1#: 22mg/m ³ 2#: 16mg/m ³	0.4821	—	None
					Nitrogen oxide		50mg/m ³	1#: 21mg/m ³ 2#: 31mg/m ³	0.6574	1.22t	None
					Particulate matter		5mg/m ³	1#: 2.4mg/m ³ 2#: 2.7mg/m ³	0.0646	0.56t	None
Hazardous waste	Disposal by agreement	—	—	Waste MDEA solution (N-methyldiethanolamine)	<i>Standards on Control of Hazardous Waste Pollution Storage (GB18597-2023)</i>	—	—	4.72	—	None	
Noise	—	—	Boundary of the Plant	—	<i>Standards on Noise Emissions at the Boundaries of Industrial Plants (GB12348 - 2008)</i>	Daytime 60dB(A) Night 50dB(A)	Daytime 53.8dB(A) Night 47.3dB(A)	—	Daytime 60dB(A) Night 50dB(A)	None	
ENN Zhoushan	Hazardous waste	Disposal by agreement	/	Warehouse for hazardous waste	Waste paint buckets	<i>Standard for Pollution Control in Storage of Hazardous Wastes (GB18597-2023)</i>	—	—	0.46	—	None
			/		Waste dilute hydrochloric acid (5%)		—	3.26	—	None	
			/		Waste packing materials		—	0.009	—	None	
			/		Waste lubrication oil		—	0.08	—	None	
			/		Oily waste		—	0.251	—	None	
			/		Waste adhesives and sealants		—	0	—	None	
			/		Waste paint and diluent		—	0	—	None	
			/	Waste filter elements	—		0.074	—	None		
	/	Mamu Offtake Station	Used paint bucket	—	0.015	—	None				
Noise	—	—	BOG compressor, nitrogen generation by membrane and water intake	—	<i>Standard on Noise at the Boundaries of Industrial Plants (GB12348 - 2008)</i>	Daytime 65dB(A) Night 55dB(A)	Daytime 55dB(A) Night 46dB(A)	—	Daytime 65dB(A) Night 55dB(A)	None	

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

1) 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.

2) 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 (DB14/1928-2019) 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.

3) Noise treatment measures

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





ENN Zhoushan: 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).

4) 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 MDEA solution disposed in first half of 2024 reached 4.72 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 21 March 2029.

ENN Zhoushan: Phase I and Phase II projects of ENN Zhoushan were in strict compliance with the requirements of laws and regulations concerning environmental protection, with environmental impact assessment and completion acceptance of environmental protection completed and registered at the National Discharge Permit Management

Information System Platform with registration number of 913309000692086510001W and term valid until 26 July 2025. Phase III project of Zhoushan Terminal has completed the environmental impact assessment report.

(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 propane tank pipelines under storage tank was organized on 6 June 2024.

ENN Zhoushan: The Emergency Plan for Environmental Contingencies of ENN (Zhoushan) LNG Co., Ltd. was revised and subject to expert review in May 2024, and has been filed with Zhoushan Bureau of Ecology and Environment (Filing No.: 330900-2024-007-M) for record.

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

(5) Environmental self-monitoring program

ENN Qinshui: Pursuant to the requirements of the 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 the first half of 2024, Shanxi Mengsheng Environmental Technology Co., Ltd. was appointed to complete testing of wastewater and noise at plant boundary for Q1 in March, and complete testing of wastewater, exhaust gas and noise at plant boundary for Q2 in June, both with 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 not disclosing other environmental information

Applicable N/A

(III) Information on the subsequent progress or change of the disclosure of environmental information during the Reporting Period

Applicable N/A

(IV) 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 upheld the environmental protection and green concepts, and strengthened the management in environmental protection and efficient resource use. To implement national and local environmental protection policies, a whole-process environmental management system has been established to conduct whole-process environmental risk control in design, construction and operation, and carry out environmental protection systematically and comprehensively. The main measures are specified as follows:

- (1) In the stage of project preparation, ENN Energy proactively engaged in environmental impact assessment for projects, analyzed the current environmental quality of the areas where projects were located, identified ecological and environmental elements, conducted a comprehensive environmental assessment of the atmospheric environment, water environment, acoustic environment and soil environment based on national standards, and developed environmental protection plans to deal with potential environmental risks.
- (2) In the stage of material procurement, ENN Energy required all suppliers to comply with national laws and regulations, prioritize environmental protection, and protect and maintain the legal rights and benefits of employees in the process of production and manufacturing. The *Health, Safety, and Environment (HSE) Agreement for Suppliers* was made a part of the material procurement contracts, requiring all suppliers to observe the *Corporate Social Responsibility Code of Conduct for Suppliers of ENN Energy Holdings Limited*. At present, more than 90% of suppliers have been certified for ISO 14001 environmental management system and ISO 45001 occupational health and safety management system.
- (3) In the stage of operation, ENN Energy upheld the principle of maximizing resource conservation and minimizing negative environmental impacts while ensuring quality and safety. It leveraged digital and intelligent techniques for comprehensive environmental monitoring, accurately identified environmental risks such as air pollution, noise pollution, waste pollution, and damage to flora and fauna, and implemented effective management measures to ensure that the discharge of various pollutants such as wastewater, waste gas, and solid waste complied with national standards.
- (4) ENN Energy actively utilized various digital and intelligent products to promptly monitor equipment in scenarios such as factory stations, pipeline networks, and indoor spaces to reduce natural gas leaks. It vigorously recovered boil-off gases (BOG) during storage, transportation and distribution processes to reduce methane emissions. It maximally lowered the emission and leakage of natural gas during engineering and operation processes, minimizing impacts on the surrounding ecological environment while ensuring operational safety.
- (5) ENN Energy promoted the application of clean energy and implemented a large number of photovoltaic projects. Zero carbon emissions have been achieved in some factory stations and office areas.

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. The recycle technology solely developed 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 chlor-alkali industry.

The Phase I methanol loading platform of Xinneng Energy is equipped with 16 loading and unloading positions. The exhaust gases from loading are uniformly collected and drawn by a fan, and two-stage water absorption + demisting + activated carbon adsorption process is applied to wash, adsorb, and recover methanol organics in the exhaust gases. The adsorbent is desorbed using saturated steam. After treatment by the absorption device, the methanol exhaust gases comply with the *Emission Standard of Pollutants for Petroleum Chemistry Industry* (GB31571-2015), where the organic characteristic pollutant methanol in the exhaust gases should be $\leq 50\text{mg/m}^3$.

3. 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; concurrently, a marine enhancement and release plan has been established to release such species as jellyfish and large yellow croaker, aiming to compensate for fishery resources. During the Reporting Period, ENN Zhoushan has carried out six fishery compensation initiatives, releasing 65.8 million jellyfishes, 6.75 million inkfishes, 8.29 million portunids, and 3.24 million large yellow croakers, thereby safeguarding the marine fishery resources.

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

Applicable N/A

The Company is deeply committed to the path of carbon reduction, and responds to the national “dual carbon” goals and energy transition strategy through cutting-edge technology R&D and product innovation. With a focus on fields such as energy digitization, energy storage, hydrogen energy, photovoltaics and energy conservation, the Company aggressively advances the research and development of key technologies and industrial incubation for the transition to clean energy. During the Reporting Period, ENN Energy has been dedicated to ongoing energy-saving and emission-reducing technological upgrades and intends to optimize the steam balance between Phase I and Phase II facilities to enable the interconnection of 2.5 MPa and 380°C superheated steam pipe network. This measure ensures stable operation of units during emergencies and provides favorable conditions for the plant-wide steam balance. By enhancing the cascade utilization efficiency of steam, energy conservation and consumption reduction can be achieved. Currently, this technical upgrade has completed the project initiation phase, and now the implementation phase is underway. Meanwhile, to further tap into the potential for energy conservation and emission reduction of equipment, Xinneng Energy plans to retrofit

the wastewater treatment blowers in the water treatment workshop with magnetically levitated blowers to allow for an annual electricity saving of 3 million kWh, which represents a substantial electricity saving effect with an electricity saving rate exceeding 20%.

During the Reporting Period, the Zhoushan Terminal has continued its research on the utilization of LNG cold energy. In May 2024, the proprietary LNG cold energy dual-loop power generation unit was re-launched for a joint trial operation, which successfully completed the whole process and achieved power generation and grid connection for both loops. Ongoing efforts are currently made to optimize power generation efficiency and address any issues with equipment. The joint trial operation has verified the technical feasibility of the country's first LNG gasified cold energy dual-loop power generation system to lay an industrial foundation for the promotion and application of this LNG cold energy dual-loop power generation technology. Meanwhile, the Zhoushan Terminal has been proactive in exploring various applications of LNG cold energy, and conducted a feasibility demonstration on the coupling of LNG cold energy with hydrogen liquefaction technology.

In terms of hydrogen energy, the Company has made a comprehensive layout and actively invested in technological research and development, hydrogen energy equipment and construction of hydrogen energy projects. During the Reporting Period, the first demonstration project of blending hydrogen in natural gas, invested in and constructed by the Company's subsidiary, was successfully commissioned in April 2024. In earlier stages, the demonstration project of blending hydrogen in natural gas served some industrial users in the park, and will gradually expand its coverage after safe and stable operation. Currently, the Company is developing standardized design for skid-mounted products blending hydrogen in natural gas and conducting R&D on skid-mounted units, which provide a robust support for future technology promotion and project implementation. The blending of hydrogen in natural gas pipelines allows efficient and cost-effective transport of hydrogen, facilitates large-scale consumption of renewable energy, and reduces carbon emissions during the use of natural gas.



II. Consolidation and Expansion of Our Results in Poverty Alleviation and Rural Revitalization

✓ Applicable N/A

ENN-NG actively assumes its corporate social responsibilities and it is dedicated to charitable endeavors guided by deep sense of social responsibility and compassion. By promoting and fulfilling its responsibilities, the Company fosters the flourishing of public welfare and contributes to a harmonious society. It has implemented numerous public welfare programs in key areas including green development, education, and poverty alleviation, and made continuous investment in culture, sports, healthcare, elderly care, and aid for vulnerable groups. During the Reporting Period, the Company has been actively involved in various public welfare activities to ensure that the fruits of its development benefit the social mass.

(I) Support for education undertakings

Education is an important cornerstone for national development. With a long-range vision, the Company steadfastly supports the educational undertakings, and continually expands the scope of educational philanthropy from enhanced hardware for basic education to improved teaching faculties and then to the deepened collaboration between schools and enterprises. It actively offers support for the development of higher education, and contributes to talent introduction, scientific research innovation and improvement of campus environment by donations and technical cooperation. With a heart full of gratitude, the Company has invested approximately RMB5.63 million during the Reporting Period in educational philanthropy projects such as educational scholarship to support the high-quality development of educational undertakings with concrete actions.

(II) Rural revitalization

The Company tries its best to make persistent efforts in construction of rural public infrastructure, aiming to create a new countryside that is habitable, conducive to business, and harmonious. During the Reporting Period, an investment of approximately RMB240,000 was made for the repair of rural roads and support of the High-quality Development Project for Hundreds of Counties, Thousands of Towns, and Myriads of Villages in Guangdong Province, contributing to the prosperity of rural economies and the enhancement of ecological conservation, and painting a magnificent picture of rural revitalization.

(III) Other public welfare programs

The Company concentrates on the needs of the industry and the public. Approximately RMB10.72 million was invested during the Reporting Period in the special relief efforts such as assistance for the elderly and orphans, and support for projects related to the charity sector and a range of cultural, sports, and health initiatives. By adhering to the core values of “compassion for people, benevolence for the world, and harmonious coexistence,” the Company consistently takes on the mission of making the country strong and the people prosperous, and interprets its social responsibility by practical actions.

06

Major Events





I. Performance of Commitments

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

✓ Applicable □ N/A

Commitment background	Commitment type	Commitment provider	Commitment content	Time of commitment	Time limit for performance	term of commitment	Timely and strict performance	Reasons for failure to perform commitments (if applicable) on a timely basis	Next action plan for failure to perform commitments (if applicable) on a timely basis
Commitment related to major asset restructuring	Others	Wang Yusuo	I will maintain my status as the actual controller of the Listed Company within 60 months upon completion of this restructuring in which the shares of ENN Energy are purchased by means of asset swap, issue of shares and cash payment.	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 horizontal competition	ENN International	Upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment, we and the companies under our control will avoid substantive horizontal competition with ENN-NG and its holding subsidiaries.	26 October 2021	No	indefinite	Yes		
	Solving horizontal competition	Wang Yusuo	Upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment, the companies under my control and I, as the actual controller, will avoid substantive horizontal competition with ENN-NG and its holding subsidiaries.	26 October 2021	No	indefinite	Yes		
	Solving horizontal competition	ENN Science and Technology, ENN Group and ENN Holdings	Upon completion of this restructuring in which 90% shares of ENN Zhoushan are purchased by issue of shares and cash payment, we and the companies under our control will avoid substantive horizontal competition with ENN-NG and its holding subsidiaries.	26 October 2021	No	indefinite	Yes		
	Solving related-party transaction	ENN International	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		

Commitment background	Commitment type	Commitment provider	Commitment content	Time of commitment	Time limit for performance	term of commitment	Timely and strict performance	Reasons for failure to perform commitments (if applicable) on a timely basis	Next action plan for failure to perform commitments (if applicable) on a timely basis
	Solving related-party transaction	Wang Yusuo	I 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		
	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	No	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		



Commitment background	Commitment type	Commitment provider	Commitment content	Time of commitment	Time limit for performance	term of commitment	Timely and strict performance	Reasons for failure to perform commitments (if applicable) on a timely basis	Next action plan for failure to perform commitments (if applicable) on a timely basis
Commitment related to refinancing	Others	ENN 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 RMB349.67 million, RMB639.43 million, RMB933.48 million and RMB1,196.43 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		
	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	No	indefinite, 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. Occupation of Funds by the Controlling Shareholder and Other Related Parties for Non-operational Purposes During the Reporting Period

Applicable N/A

III. Guarantees in Violation of Applicable Regulations

Applicable N/A

IV. Audit of the Semi-annual Report

Applicable N/A

V. Change and Handling of Matters Involved in Non-standard Audit Opinions in the Annual Report of the Previous Year

Applicable N/A

VI. Matters Related to Bankruptcy Reorganization

Applicable N/A

VII. Material Litigation and Arbitration

The Company was subject to material litigation or arbitration during the Reporting Period

The Company was not subject to material litigation or arbitration during the Reporting Period

VIII. Suspected Violations of Laws and Regulations by, Penalties on and Rectifications by the Listed Company and its Directors, Supervisors, Senior Managers and Holding Shareholders and Actual Controller

Applicable N/A

IX. 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 shareholders 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.

X. 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

(1) *Related-party transaction estimate*

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.

(2) *Implementation of related-party transactions in the first half of 2024*

The actual daily related-party transactions between the Company (and its subsidiaries) and related parties amounted to RMB491.51 million during the period from January to June 2024, accounting for 21.20% of the estimated amount thereof in 2024.



Comparison of Predicted and Actually Implemented Daily Related-party Transactions from January to June 2024

Unit: RMB'0000 Currency: RMB

Category of related-party transaction	Related party	Estimated amount in 2024 (RMB'0000)	Actually incurred amount from January to June 2024 (RMB'0000)
Design, construction and sales of materials and supplies	Subsidiaries controlled by the actual controller of the Company	10,800	2,184
Subtotal		10,800	2,184
Provision of technology and comprehensive services	Ennova Holdings Co., Ltd. and its subsidiaries	16,100	8,139
	Subsidiaries controlled by the actual controller of the Company	3,400	1,125
Subtotal		19,500	9,264
Provision of financing lease and commercial factoring	Subsidiaries controlled by the actual controller of the Company	14,000	870
	Shanghai 3040 Technology Co., Ltd.	1,000	74
Subtotal		15,000	944
Sale of gas and other goods	Subsidiaries controlled by the actual controller of the Company	4,000	860
Subtotal		4,000	860
Total income		49,300	13,252
Purchase of equipment, materials and natural gas	ENN Shuneng Technology Co., Ltd. and its subsidiaries	9,600	1,012
	Subsidiaries controlled by the actual controller of the Company	11,800	3,527
	Shanghai 3040 Technology Co., Ltd.	15,000	2,029
Subtotal		36,400	6,568
Acceptance of project construction	Subsidiaries controlled by the actual controller of the Company	5,700	1,404
Subtotal		5,700	1,404
Acceptance of technology and comprehensive services	Ennova Holdings Co., Ltd. and its subsidiaries	11,100	2,115
	ENC Digital Technology Co., Ltd. and its subsidiaries	24,900	13,155
	ENN Shuneng Technology Co., Ltd. and its subsidiaries	11,700	1,887
	ENN Xinzhi Technology Co., Ltd. and its subsidiaries	18,900	4,122
	Subsidiaries controlled by the actual controller of the Company	19,800	4,989
	Shanghai 3040 Technology Co., Ltd.	4,000	
Subtotal		90,400	26,268
Donation	ENN Public Charity Foundation		1,659
Subtotal			1,659
Total expenditure		132,500	35,899
Establishment of a consortium to jointly participate in bid submission	ENC Digital Technology Co., Ltd. and its subsidiaries	50,000	
Total		50,000	
Aggregate		231,800	49,151



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 appraisal value or fair market value
ENN Xinzhi	Subsidiary of shareholder	Acquisition of equity	Acquisition of 43% equity interests in Langfang Xinzhi Digital-intelligent Future Smart City Co., Ltd.	Negotiated pricing	754	754	782	Bank transfer	/	N/A	N/A
ENN Juneng Science and Technology (Langfang) Co., Ltd.	Subsidiary of shareholder	Acquisition of equity	Acquisition of 12% equity interests in Langfang Xinzhi Digital-intelligent Future Smart City Co., Ltd.	Negotiated pricing	210	210	218	Bank transfer	/	N/A	N/A

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

Prior to this equity transaction, Langfang Xinzhi Digital-intelligent Future Smart City Co., Ltd. (hereinafter referred to as "Langfang Xinzhi") had a registered capital of RMB0.2 billion, with ENN Xinzhi holding 43% equity interests in Langfang Xinzhi and paid-in contribution of RMB7.82 million. ENN Juneng Science and Technology (Langfang) Co., Ltd. (hereinafter referred to as "Juneng Technology") held 12% equity interests in Langfang Xinzhi, and had a paid-in contribution of RMB2.18 million. On 24 June 2024, ENN Zhicheng Co., Ltd. (hereinafter referred to as "ENN Zhicheng"), a holding subsidiary of the Company, entered into a *Share Transfer Agreement* with ENN Xinzhi, under which the Parties agreed to transfer the 43% equity interests held by ENN Xinzhi in Langfang Xinzhi to ENN Zhicheng at the share transfer price of RMB7.82 million. On the same day, Beijing ENN New Energy Investment Co., Ltd. (hereinafter referred to as "Beijing ENN"), a holding subsidiary of the Company, entered into a *Share Transfer Agreement* with Juneng Technology, under which the Parties agreed to transfer the 12% equity interests held by Juneng Technology in Langfang Xinzhi to Beijing ENN at the share transfer price of RMB2.18 million. ENN Xinzhi and Juneng Technology are companies under control of the Company's actual controller Mr. Wang Yusuo. As set forth in the *Share Listing Rules of the Shanghai Stock Exchange*, ENN Xinzhi and Juneng Technology shall be the Company's affiliated legal persons and this transaction shall be a related-party transaction.

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 profits and losses of ENN Zhoushan in 2023 shall be no less than RMB639.43 million. As presented in the *Special Audit Report on the Realization of Profit Forecast for ENN (Zhoushan) LNG Co., Ltd.* 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 RMB671.4274 million, and 105% of the performance commitment of RMB639.43 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

(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) Other major related-party transactions

Applicable N/A

(VII) Others

Applicable N/A

XI. Significant Contracts and Performance Thereof

1. Trusteeship, contracting and lease

Applicable N/A





2. Material guarantees performed or to be performed during the Reporting Period

✓ 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	Type of guarantee	Principal debt (if any)	Collateral (if any)	Whether the guarantee has been fully executed	Whether the guarantee is overdue	Overdue amount	Counter guarantee	Guarantee for a related party	Associated relationship
ENN Natural Gas Co., Ltd.	Company headquarters	Chongqing Fuling Energy Industry Group Co., Ltd.	1,101	2020/10/8	2021/3/8	2025/12/31	Surety guarantee	See description		No	No	0	Yes	No	
ENN Natural Gas Co., Ltd.	Company headquarters	Chongqing Fuling Energy Industry Group Co., Ltd.	1,118	2024/6/12	2024/6/12	2024/12/31	Surety guarantee	See description		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	See description		No	No	0	No	No	
Total guarantee amount incurred during the Reporting Period (excluding guarantees for subsidiaries)													1,120		
Total guarantee balance at the end of the Reporting Period (A) (excluding guarantees for subsidiaries)													2,919		
Guarantees from the Company for subsidiaries															
Total guarantee amount incurred during the Reporting Period for subsidiaries													691,794		
Total guarantee balance at the end of the Reporting Period for subsidiaries (B)													1,859,924		
Total amount of guarantees provided by the Company (including those for subsidiaries)															
Total guarantee amount (A+B)													1,862,843		
Proportion of total guarantee amount to net assets of the Company (%)													78.75		
Including:															
Amount of guarantees for shareholders, actual controller and their related parties (C)													0		
Amount of direct or indirect debt guarantees for guaranteed party whose asset-liability ratio exceeds 70% (D)													482,818		
Amount of total guarantee in excess of 50% of net assets (E)													680,102		
Total amount of the above three guarantees (C+D+E)													1,162,920		
Information on the outstanding guarantees for which the Company may assume joint and several liabilities													N/A		

Total amount of guarantees provided by the Company (including those for subsidiaries)

Description of guarantees	Total amount of guarantees provided by the Company (including those for subsidiaries)
	<p>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.</p>
	<p>2. Guarantees provided by subsidiaries for subsidiaries as at the end of the Reporting Period had a balance of RMB10.70795 billion. Specifically:</p>
	<p>(1) ENN Energy Holdings Limited provided guarantees of up to RMB2,367.93 million for ENN Global Trading Pte. Ltd.</p>
	<p>(2) Wen'an ENN Wingshun Gas Co., Ltd. provided guarantees of up to RMB10 million for Wen'an County Yutong Gas Co., Ltd.</p>
	<p>(3) Hebei ENN Energy Development Co., Ltd. provided guarantees of up to RMB18.66 million for Xian County ENN Gas Co., Ltd.</p>
	<p>(4) Changzhou Xin'ao Gas Development Co., Ltd. provided guarantees of up to RMB30 million for Changzhou Xin'ao Gas Engineering Co., Ltd.</p>
	<p>(5) Changzhou Xin'ao Gas Engineering Co., Ltd. granted guarantees of up to RMB272.80 million for Changzhou Xin'ao Gas Development Co., Ltd.</p>
	<p>(6) Dongguan ENN Gas Co., Ltd. provided guarantees of up to RMB80 million for Dongguan New Energy Management Co., Ltd.</p>
	<p>(7) ENN (Tianjin) Energy Investment Co., Ltd. provided guarantees of up to RMB1.17 billion for ENN (Zhoushan) LNG Co., Ltd.</p>
	<p>(8) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB2,148.07 million in total for 15 subsidiaries including ENN Gas Development Co., Ltd.</p>
	<p>(9) ENN Gas Development Co., Ltd. provided guarantees of up to RMB44.60 million for ENN Zhejiang Petrochemical (Zhoushan) Gas Co., Ltd.</p>
	<p>(10) Ximeng (Hong Kong) Energy Investment Co., Ltd. provided guarantees of up to RMB3,244.49 million for ENN LNG (Singapore) Pte Ltd.</p>
	<p>(11) Xinxiang Xin'ao Clean Energy Co., Ltd. provided guarantees of up to RMB100 million for Xinxiang Xin'ao Gas Co., Ltd.</p>
	<p>(12) Xinxiang Xin'ao Gas Engineering Co., Ltd. provided guarantees of up to RMB100 million for Xinxiang Xin'ao Gas Co., Ltd.</p>
	<p>(13) Zhuzhou Xin'ao Gas Co., Ltd. provided guarantees of up to RMB100 million for Zhuzhou Xin'ao Gas Development Co., Ltd.</p>
	<p>(14) Xiangtan ENN Gas Development Co., Ltd. provided guarantees of up to RMB27.90 million for Xiangtan ENN Gas Co., Ltd.</p>
	<p>(15) Bengbu ENN Gas Development Co., Ltd. provided guarantees of up to RMB50 million for Bengbu ENN Gas Co., Ltd.</p>
	<p>(16) Rui'an Natural Gas Co., Ltd. provided guarantees of up to RMB464.50 million for Rui'an ENN Gas Co., Ltd.</p>
	<p>(17) Shijiazhuang Xin'ao Energy Development Co., Ltd., Shijiazhuang Luquan District ENN Gas Co., Ltd., and Zhengding Xin'ao Gas Co., Ltd. provided guarantees of up to RMB479 million for Shijiazhuang Xin'ao Gas Co., Ltd.</p>



Total amount of guarantees provided by the Company (including those for subsidiaries)

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 RMB6,823.11 million. Specifically:
- (1) ENN Clean Energy International Investment Limited, an overseas wholly-owned subsidiary of the Company, issued USD800 million senior unsecured fixed-rate bonds (with ending balance of RMB3,994.95 million) on 12 May 2021; the Company provided a cross-border joint liability surety guarantee which was deliberated and approved at the Sixteenth Meeting of the Ninth Board of Directors held on 21 July 2020 and the Second Extraordinary General Meeting held on 7 August 2020.
 - (2) The Company provided its wholly-owned subsidiary Xinmeng (Tianjin) Energy Co., Ltd. with guarantees of up to RMB228.74 million.
 - (3) The Company provided its wholly-owned subsidiary ENN Xinmeng (Zhejiang) Energy Trading Co., Ltd. with guarantees of up to RMB97.43 million.
 - (4) Zhuzhou Xin'ao Gas Co., Ltd. provided guarantees of up to RMB100 million for Zhuzhou Xin'ao Gas Development Co., Ltd.
 - (5) Changzhou Xin'ao Gas Development Co., Ltd. provided guarantees of up to RMB30 million for Changzhou Xin'ao Gas Engineering Co., Ltd.
 - (6) Changzhou Xin'ao Gas Engineering Co., Ltd. provided guarantees of up to RMB272.80 million for Changzhou Xin'ao Gas Development Co., Ltd.
 - (7) Wen'an ENN Mingshun Gas Co., Ltd. provided guarantees of up to RMB10 million for Wen'an County Yutong Gas Co., Ltd.
 - (8) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB641.39 million for Daqing Gaoxin Boyuan Thermal Power Co., Ltd.
 - (9) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB96 million for Kaifeng Xin'ao Gas Co., Ltd.
 - (10) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB20 million for Luozhou ENN Clean Energy Co., Ltd.
 - (11) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB5.8 million for Shanghai Zhongfeng Pyroelectricity Co., Ltd.
 - (12) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB60 million for Yudian ENN Gas Co., Ltd.
 - (13) Xin'ao (China) Gas Investment Co., Ltd. provided guarantees of up to RMB20 million for Tangshan Fengnan ENN Gas Co., Ltd.
 - (14) Xinxiang Xin'ao Gas Engineering Co., Ltd. provided guarantees of up to RMB100 million for Xinxiang Xin'ao Gas Co., Ltd.
 - (15) Xinxiang Xin'ao Clean Energy Co., Ltd. provided guarantees of up to RMB100 million for Xinxiang Xin'ao Gas Co., Ltd.
 - (16) Dongguan ENN Gas Co., Ltd. provided guarantees of up to RMB80 million for Dongguan New Energy Management Co., Ltd.
 - (17) ENN Gas Development Co., Ltd. provided guarantees of up to RMB44.60 million for ENN Zhejiang Petrochemical (Zhoushan) Gas Co., Ltd.
 - (18) Xiangtan ENN Gas Development Co., Ltd. provided guarantees of up to RMB27.90 million for Xiangtan ENN Gas Co., Ltd.
 - (19) Rui'an Natural Gas Co., Ltd. provided guarantees of up to RMB464.50 million for Rui'an ENN Gas Co., Ltd.
 - (20) Shijiazhuang Xin'ao Energy Development Co., Ltd., Shijiazhuang Luquan District ENN Gas Co., Ltd., and Zhengding Xin'ao Gas Co., Ltd. provided guarantees of up to RMB479 million for Shijiazhuang Xin'ao Gas Co., Ltd.

Total amount of guarantees provided by the Company (including those for subsidiaries)

4. Jinhua Xin'ao Gas Company Limited, a subsidiary of the Company, provided guarantees of up to RMB7 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 RMB22.19 million counter guarantee for joint and several liability guarantee for Chongqing Fuling Energy Industry Group Co., Ltd., an enterprise invested by the Company, in favor of Chongqing Longran Energy Technology Co., Ltd. The counter guarantee has been deliberated and approved at the Seventeenth Meeting of the Ninth Board of Directors held on 28 August 2020 and the Third Extraordinary General Meeting held on 29 September 2020, the Eleventh Meeting of the Tenth Board of Directors held on 8 December 2023, and the Third Extraordinary General Meeting held on 26 December 2023 respectively.
6. Description of principal debts associated with the guarantees for external parties (excluding those for subsidiaries) provided by the Company
- (1) Chongqing Longran Energy Technology Co., Ltd., a company in which the Company held equity interests, applied for a loan of no more than RMB300 million from the Fuling Branch of Chongqing Rural Commercial Bank for project construction and operation needs, for which its major shareholder Chongqing Fuling Energy Industry Group Co., Ltd. provided full guarantee, and the Company provided a counter guarantee at 14% shareholding. At the end of the Reporting Period, balance of the counter guarantee provided by the Company was RMB11.01 million.
- (2) Chongqing Longran Energy Technology Co., Ltd., a company in which the Company held equity interests, applied for a working capital loan and a bank acceptance bill exposure of up to RMB80 million from the Fuling Branch of China CITIC Bank and Chongqing Fuling Branch of China Merchants Bank for the needs of production and operation, for which its major shareholder Chongqing Fuling Energy Industry Group Co., Ltd. provided full guarantee, and the Company provided a counter guarantee at 14% shareholding. At the end of the Reporting Period, balance of the counter guarantee provided by the Company was RMB11.18 million.
- (3) Jinhua City Gaoya Natural Gas Co., Ltd., an associated company of the Company, applied for a working capital loan of RMB20 million from Chengtai Rural Commercial Bank, Jinhua, Zhejiang for the needs of production and operation, for which Jinhua Xin'ao Gas Company Limited, a subsidiary of the Company, provided guarantee at 14% shareholding. At the end of the Reporting Period, balance of the guarantee provided by Jinhua Xin'ao Gas Company Limited was RMB7 million.

3. Other material contracts

Applicable N/A

XII. Description of Progress of the Use of Funds Raised

Applicable N/A

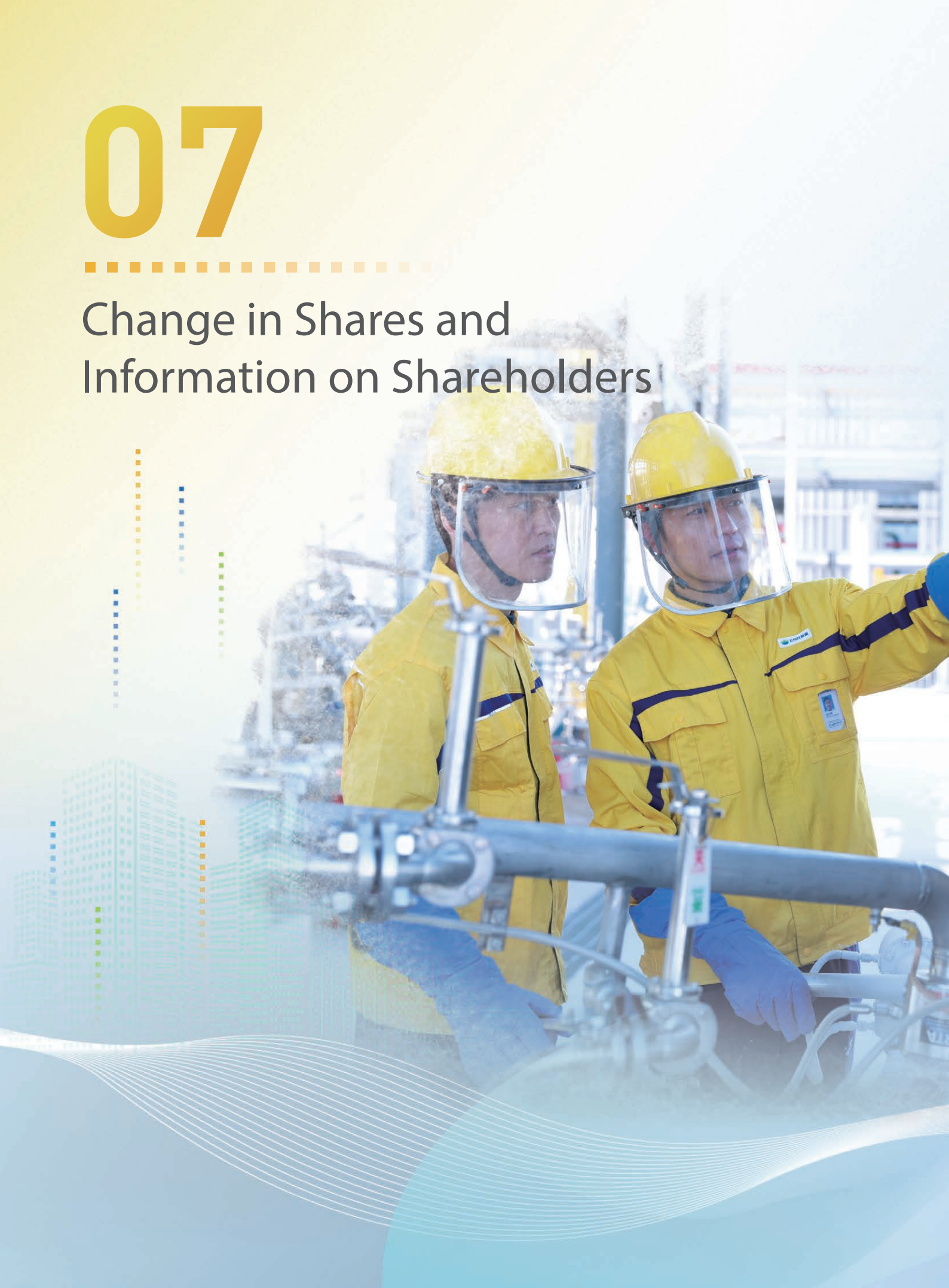
XIII. Information on other major matters

Applicable N/A

The Company held the 11th Meeting of the Tenth Board of Directors on 8 December 2023, deliberating and approving the *Proposal on Share Repurchase by Way of Centralized Competitive-price Transaction*. Company planned to use its own funds of not less than RMB360 million (inclusive) and not more than RMB600 million (inclusive) to repurchase the Company's shares in a centralized bidding transaction, used for implementing the equity incentive plan or employee stock ownership plan. Duration of proposed repurchase is 8 December 2023 to 7 December 2024. As of 30 Jun 2024, the Company has repurchased a cumulative total of 9,351,300 shares, accounting for 0.3018% of the total share capital of the Company. The highest purchase price was RMB19.41 per share, and the lowest was RMB17.38 per share. The total amount paid was RMB172,189,006.00 (excluding transaction costs).

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 -)					After change	
	Number of shares	Proportion (%)	New shares issued	Capitalization of capital			Subtotal	Number of shares	Proportion (%)
				Bonus shares	reserves	Other			
I. Restricted shares	266,489,039	8.60	0	0	0	-7,957,517	-7,957,517	258,531,522	8.34
1. Shares held by the State									
2. Shares held by the state-owned legal persons									
3. Other shares held by domestic investors	266,489,039	8.60	0	0	0	-7,957,517	-7,957,517	258,531,522	8.34
Including: Shares held by domestic non-state-owned legal persons	252,808,988	8.16	0	0	0	0	0	252,808,988	8.16
Shares held by domestic natural persons	13,680,051	0.44	0	0	0	-7,957,517	-7,957,517	5,722,534	0.18
4. Shares held by foreign investors									
Including: Shares held by overseas legal persons									
Shares held by overseas natural persons									
II. Tradable share without conditions on restricted sale	2,831,908,568	91.40	0	0	0	+7,957,517	+7,957,517	2,839,866,085	91.66
1. RMB ordinary shares	2,831,908,568	91.40	0	0	0	+7,957,517	+7,957,517	2,839,866,085	91.66
2. Foreign shares listed domestically									
3. Foreign shares listed overseas									
4. Others									
III. Total number of shares	3,098,397,607	100.00	0	0	0	0	0	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, the conditions for removal of restrictions on sale during the second Unrestricted Period for the first grant and reserved grant has been satisfied, with the number of restricted shares that can be released from restrictions on sale being 4,232,517. On 5 January 2024, these restricted circulating shares were listed for circulation. The number of restricted shares in the Company changed from 266,489,039 to 262,256,522, and the number of unrestricted shares changed from 2,831,908,568 to 2,836,141,085, with the total number of shares remaining at 3,098,397,607.

(2) Under the 2021 Restricted Stock Incentive Plan of the Company, the conditions for removal of restrictions on sale during the third Unrestricted Period for the first grant and reserved grant has been satisfied, with the number of restricted shares that can be released from restrictions on sale being 3,725,000. On 27 June 2024, these restricted circulating shares were listed for circulation. The number of restricted shares in the Company changed from 262,256,522 to 258,531,522, and the number of unrestricted shares changed from 2,836,141,085 to 2,839,866,085, with the total number of shares remaining 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 during the period from the end of the Reporting Period to the disclosure date of the Semi-annual Report (if any)*

Applicable N/A

Under the 2021 Restricted Stock Incentive Plan of the Company, two incentive grantees had an “unsatisfactory” individual performance evaluation result during the second Unrestricted Period (i.e., 2022), three incentive grantees were no longer eligible for incentive grant due to resignation, and three incentive grantees were no longer eligible for incentive grant due to adjustment of position among the incentive grantees for first grant, and one incentive grantee was no longer eligible for incentive grant due to adjustment of position among the incentive grantees for reserved grant. In accordance with the provisions of the *2021 Restricted Stock Incentive Plan (Draft) of the Company*, a total of 782,500 restricted shares in whole or part which have been granted to the above incentive grantees but have not been released from restrictions on sale shall not be released from restrictions on sale and had been repurchased and canceled by the Company on 12 July 2024. The number of restricted shares in the Company decreased from 258,531,522 to 257,749,022 and the total number of shares decreased from 3,098,397,607 to 3,097,615,107.

The changes in the above shares did not affect the company’s financial indicators such as earnings per share and net assets per share in the Reporting Period. In the subsequent calculation of the company’s earnings per share and other relevant indicators, the Company will take the total equity after the changes above shares as the criterion.

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

Applicable N/A

Under the 2021 Restricted Stock Incentive Plan of the Company, two incentive grantees had an “unsatisfactory” individual performance evaluation result during the second Unrestricted Period (i.e., 2022), three incentive grantees were no longer eligible for incentive grant due to resignation, and three incentive grantees were no longer eligible for incentive grant due to adjustment of position among the incentive grantees for first grant, and one incentive grantee was no longer eligible for incentive grant due to adjustment of position among the incentive grantees for reserved grant. a total of 782,500 restricted shares in whole or part which have been granted to the above incentive grantees but have not been released from restrictions on sale shall not be released from restrictions on sale and had been repurchased and canceled by the Company on 12 July 2024. The number of restricted shares in the Company decreased from 258,531,522 to 257,749,022 and the total number of shares decreased from 3,098,397,607 to 3,097,615,107.

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 restricted shares at the beginning of the period	Number of restricted shares released during the Reporting Period	Increase in the number of restricted shares during the Reporting Period	Number of unrestricted shares at the end of the Reporting Period	Reasons for restriction	Date of restriction release
Incentive Grantees for Restricted Shares in 2021	13,680,051	4,232,517 3,725,000	0	5,722,534	Equity incentive restriction	5 January 2024 27 Jun 2024
Total	13,680,051	7,957,517	0	5,722,534	/	/

Note: 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. Shareholders

(I) Total number of shareholders:

Total number of ordinary shareholders as of the end of the Reporting Period (household)	17,055
Total number of preferred shareholders with voting rights restored at the end of the Reporting Period (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

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 (%)	Shareholding of top 10 shareholders (Excluding shares on loan in securities lending and borrowing)			
				Number of restricted shares	Share status	Number	Nature of shareholder
ENN GROUP INTERNATIONAL INVESTMENT LIMITED	0	1,370,626,680	44.24	0	Pledged	13,000,000	Foreign legal person
ENN Investment Holdings Co., Ltd.	-25,000,000	405,737,451	13.10	0	Pledged	263,600,000	Domestic non-state-owned legal person
ENN Science and Technology Development Co., Ltd.	25,000,000	277,808,988	8.97	252,808,988	N/A	0	Domestic non-state-owned legal person
Hong Kong Securities Clearing Company Limited	-9,996,674	121,622,040	3.93	0	N/A	0	Other
Langfang Heyuan Investment Center (LLP)	0	98,360,656	3.17	0	Pledged	63,840,000	Other



Shareholding of top 10 shareholders (Excluding shares on loan in securities lending and borrowing)							
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 (%)	Pledged, marked or frozen shares			
				Number of restricted shares	Share status	Number	Nature of shareholder
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.)	-3,673,217	74,790,200	2.41	0	N/A	0	Other
National Social Security Fund 106 Portfolio	0	69,235,738	2.23	0	N/A	0	Other
Basic Endowment Insurance Fund 15022 Portfolio	2,011,243	28,766,762	0.93	0	N/A	0	Other
Huaneng Guicheng Trust Co., Ltd.	-205,700	18,955,714	0.61	0	N/A	0	Domestic non-state – owned legal person

Shareholding of top 10 shareholders of unrestricted shares (Excluding shares on loan in securities lending and borrowing)			
Name of shareholder	Number of tradable shares without conditions on restricted sale	Category and number of shares	
		Category	Number
ENN GROUP INTERNATIONAL INVESTMENT LIMITED	1,370,626,680	Ordinary shares in RMB	1,370,626,680
ENN Investment Holdings Co., Ltd.	405,737,451	Ordinary shares in RMB	405,737,451
Hong Kong Securities Clearing Company Limited	121,622,040	Ordinary shares in RMB	121,622,040
Langfang Heyuan Investment Center (LLP)	98,360,656	Ordinary shares in RMB	98,360,656
Hebei Weiyuan Group Co., Ltd.	89,004,283	Ordinary shares in RMB	89,004,283
Hongchuang (Shenzhen) Investment Center (L.P.)	74,790,200	Ordinary shares in RMB	74,790,200
National Social Security Fund 106 Portfolio	69,235,738	Ordinary shares in RMB	69,235,738
Basic Endowment Insurance Fund 15022 Portfolio	28,766,762	Ordinary shares in RMB	28,766,762
ENN Science and Technology Development Co., Ltd.	25,000,000	Ordinary shares in RMB	25,000,000
Huaneng Guicheng Trust Co., Ltd.	18,955,714	Ordinary shares in RMB	18,955,714
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		

Shareholding of top 10 shareholders of unrestricted shares (Excluding shares on loan in securities lending and borrowing)			
Name of shareholder	Number of tradable shares without conditions on restricted sale	Category and number of shares	
		Category	Number
Information on associated relationship or concerted action between the aforesaid shareholders		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 other 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	

Top 10 Shareholders' Shares Loaned in Securities Lending and Borrowing

Applicable N/A

Unit: share

Top Ten Shareholders' Shares Loaned in Securities Lending and Borrowing								
Name of shareholder (full name)	Holdings in ordinary and credit accounts of shareholders at the beginning of the period		Unreturned shares loaned in securities lending and borrowing at the beginning of the period		Holdings in ordinary and credit accounts of shareholders at the end of the period		Unreturned shares loaned in securities lending and borrowing at the end of the period	
	Number	Proportion (%)	Number	Proportion (%)	Number	Proportion (%)	Number	Proportion (%)
	Huaneng Guicheng Trust Co., Ltd.	19,161,414	0.62	0	0	18,955,714	0.61	205,700

Changes in the Top 10 Shareholders from the Previous Period Due to Shares Loaned in Securities Lending and Borrowing

Applicable N/A

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	18 August 2025	252,808,988	Issue of shares for asset purchase, with lock-up period of 36 months
2	Yu Jianchao	350,000	Note 1	0	Stock Incentive
3	Han Jishen	350,000	Note 1	0	Stock Incentive
4	Zheng Hongtao	250,000	Note 1	0	Stock Incentive
5	Jiang Chenghong	280,034	Note 1	0	Stock Incentive
6	Wang Dongzhi	200,000	Note 1	0	Stock Incentive
7	Zhang Jin	150,000	Note 1	0	Stock Incentive
8	Zheng Wenping	150,000	Note 1	0	Stock Incentive
9	Zhang Xiaoyang	150,000	Note 1	0	Stock Incentive
10	Yin Ming	137,500	Note 1	0	Stock Incentive
Information on associated relationship or concerted action between the aforesaid shareholders		N/A			

Note 1: The restricted 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 Jun 2024, the conditions for the removal of restrictions on sale during the third Unrestricted Period for the first grants under the 2021 Restricted Stock Incentive Plan were satisfied. The number of restricted shares for which restrictions on sale may be removed for 36 incentive grantees during the third Unrestricted Period for the first grant was 3,725,000. Upon application made by the Company to the Shanghai Stock Exchange, such restricted shares were listed and circulated on 22 Jun 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 Third Unrestricted Period for the First Grants under the 2021 Restricted Stock Incentive Plan (Announcement No.: 2024-047) 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

III. Information on Directors, Supervisors and Senior Management

(I) Changes in shares held by incumbent and resigned directors, supervisors and senior managers during the Reporting Period

Applicable N/A

Unit: Share

Name	Position	Number of shares held at the beginning of the period	Number of shares held at the end of the period	Increase or decrease of shares during the Reporting Period	Reasons for increase or decrease
Han Jishen	Director & Co-CEO	1,050,000	843,800	-206,200	Decrease by centralized competitive pricing
Jiang Chenghong	Director & Co-CEO	910,068	857,568	-52,500	Decrease by centralized competitive pricing
Zhang Jin	Director	510,000	382,500	-127,500	Decrease by centralized competitive pricing
Su Li	Executive Vice President	500,000	470,000	-30,000	Decrease by centralized competitive pricing
Huang Baoguang	Vice President	250,000	238,000	-12,000	Decrease by centralized competitive pricing
Zheng Wenping	Vice President	600,000	560,000	-40,000	Decrease by centralized competitive pricing
Liang Hongyu	Assistant President & Board Secretary	100,000	75,000	-25,000	Decrease by centralized competitive pricing
Lin Yan	Assistant President	100,000	85,000	-15,000	Decrease by centralized competitive pricing

Other information

Applicable N/A

The Company disclosed the Announcement of ENN-NG on the Share Reduction Plan upon the Expiry of Restricted Period for the Shares Granted to Some Directors and Senior Managers as Equity-based Incentive on 18 May 2024. Some directors and senior managers intended to reduce their shareholdings in the Company by a total of no more than 924,200 shares through a combination of centralized bidding and block trading. The shares reduced accounted for no more than 0.0298% of the Company's total share capital and did not exceed 25% of their respective total shareholdings in the Company. The directors and senior managers of the Company have reduced the shares they held in line with the disclosed Share Reduction Plan. The

reduction is detailed in the table above and in compliance with the provisions of laws and regulations and regulatory requirements.

(II) Equity incentives granted to the directors, supervisors and senior managers in the Reporting Period

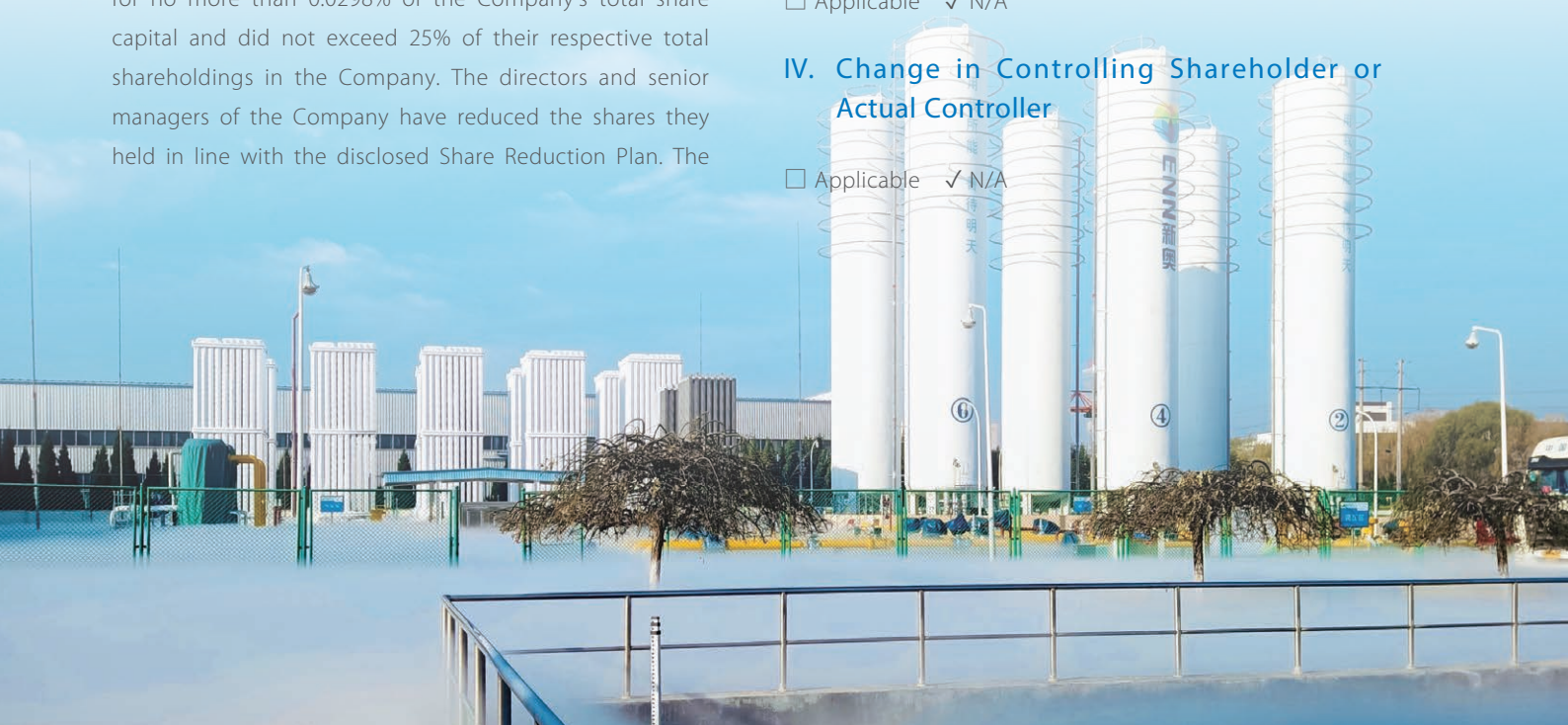
Applicable N/A

(III) Other information

Applicable N/A

IV. Change in Controlling Shareholder or Actual Controller

Applicable N/A



08

Information on Preferred Shares

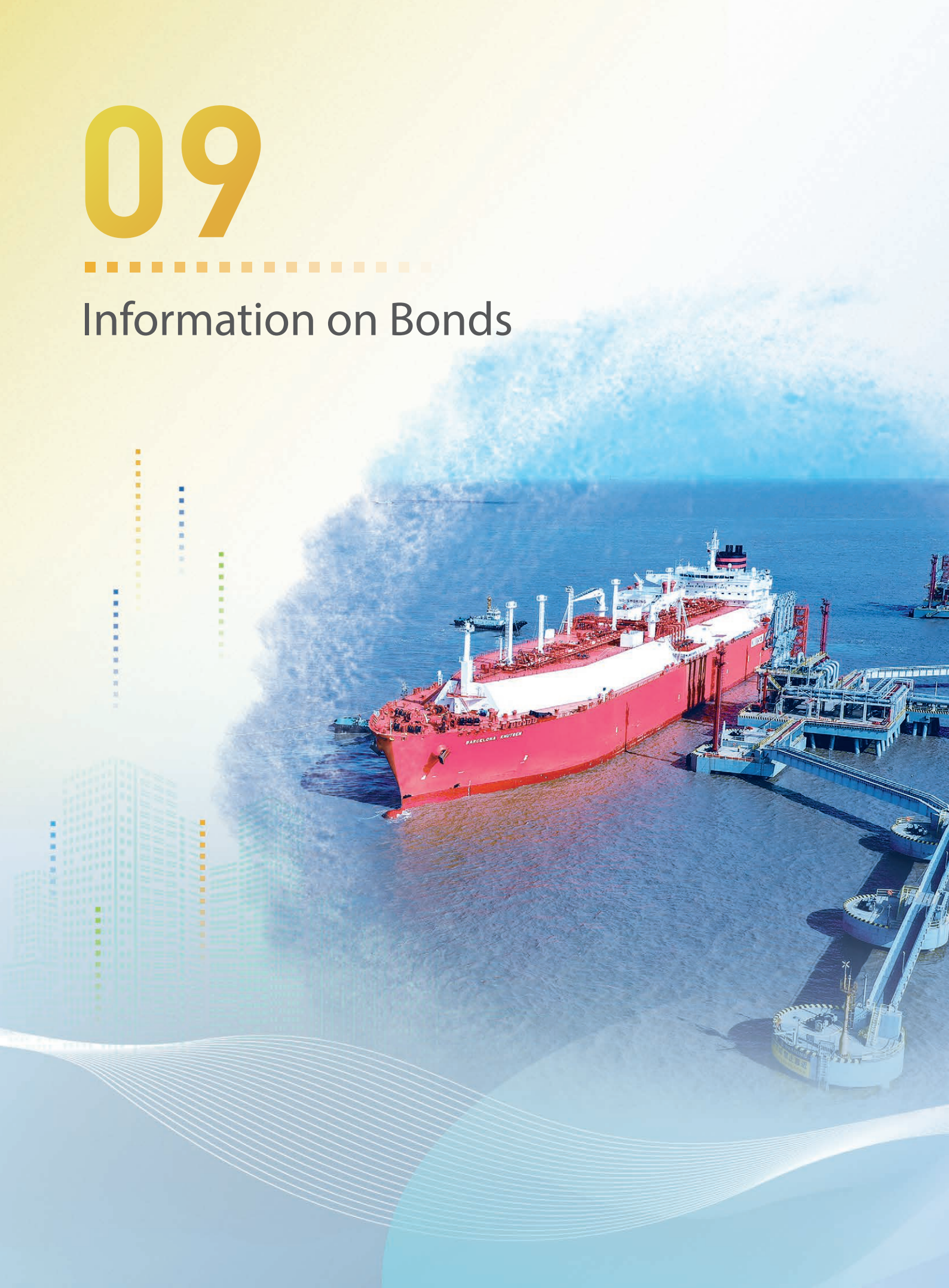




Applicable N/A

09

Information on Bonds



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

Applicable N/A

(I) Corporate Bonds (including Enterprise Bonds)

Applicable N/A

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

Applicable N/A

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

Unit: RMB'0000 Currency: RMB

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





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

Applicable N/A

Overdue outstanding bond

Applicable N/A

Description of overdue debt

Applicable N/A

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

Applicable N/A

3. Adjustment of credit rating result

Applicable N/A

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

Applicable N/A

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

Applicable N/A



(III) Information on the fund-raising by corporate bonds

- None of the corporate bonds involves the utilization or rectification of the raised funds during the Reporting Period
 The corporate bonds involve the utilization or rectification of the raised funds during the Reporting Period

(IV) Other matters that should be disclosed for special bonds

- Applicable N/A

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

- Applicable N/A

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

- Applicable N/A

(VII) Key accounting data and financial indicators

- Applicable N/A

Unit: RMB'0000 Currency: RMB

Key indicator	End of the Reporting Period	End of last year	Increase or decrease at the end of the Reporting Period over the end of last year (%)	Reason for change
Liquidity ratio	0.88	0.95	-7.37	
Quick ratio	0.82	0.90	-8.89	
Asset-liability ratio (%)	56.01	56.50	-0.87	

	Reporting Period (January – June)	Same period of last year	Increase or decrease during the Reporting Period over the same period of last year (%)	Reason for change
Net profit after deducting nonrecurring gains or losses	199,300	138,104	44.31	See the Section II/VII. Key Accounting Data and Financial Indicators
Ratio of EBITDA to total debt	0.29	0.24	20.83	
Interest coverage ratio	10.99	9.57	14.84	
Cash interest coverage ratio	10.77	13.07	-17.60	
EBITDA interest coverage ratio	14.34	12.55	14.26	
Loan repayment rate (%)	100.00	100.00		
Interest coverage (%)	100.00	100.00		

II. Convertible Corporate Bonds

- Applicable N/A

10

Financial Report





I. Auditor's Report

Applicable N/A

II. Financial Statements

Consolidated Balance Sheet

30 June 2024

Prepared by: ENN Natural Gas Co., Ltd.

Unit: RMB'0000 Currency: RMB

Item	Notes	30 June 2024	31 December 2023
Current assets:			
Monetary fund	VII-1	1,301,029	1,667,344
Settlement reserve			
Lending funds	VII-2	292,352	329,449
Transaction financial assets	VII-3	190,000	20,011
Derivative financial assets	VII-4	48,140	135,073
Notes receivable	VII-5	29,406	46,564
Accounts receivable	VII-6	613,400	660,894
Receivables financing	VII-8	87,228	102,821
Prepayments	VII-9	333,751	528,640
Premiums receivable			
Loans and advances	VII-10	2,842	3,623
Reinsured accounts receivable			
Reserves for reinsurance contract receivable			
Other receivables	VII-11	168,974	127,752
Including: Interests receivable			
Dividends receivable		28,561	14,701
Buying back the sale of financial assets			
Inventories	VII-12	242,628	216,657
Including: Data resources			
Contract assets	VII-7	203,380	245,318
Assets held for sale			
Non-current assets due within one year	VII-14	1,017	1,785
Other current assets	VII-15	280,340	268,451
Total current assets		3,794,487	4,354,382
Non-current assets:			
Loans and advances			
Debt investment	VII-16		254
Other debt investment			
Long-term receivables	VII-18	5,940	5,940
Long-term equity investment	VII-19	755,424	739,750

Item	Notes	30 June 2024	31 December 2023
Investment in other equity instruments	VII-20	23,801	22,580
Other non-current financial assets	VII-21	440,122	452,202
Investment real estate	VII-22	26,124	26,814
Fixed assets	VII-23	6,215,425	6,132,633
Construction in progress	VII-24	579,429	498,372
Productive biological assets			
Oil-gas assets			
Right-of-use assets	VII-27	51,862	52,221
Intangible assets	VII-28	772,187	762,453
Including: Data resources			
Development expenditure	VII-29	52,721	49,859
Including: Data resources			
Goodwill	VII-30	55,802	55,802
Long-term prepaid expenses	VII-31	29,998	30,790
Deferred tax assets	VII-32	255,877	248,063
Other non-current assets	VII-33	15,765	25,235
Total non-current assets		9,280,477	9,102,968
Total assets		13,074,964	13,457,350
Current liabilities:			
Short-term borrowings	VII-35	708,206	955,432
Borrowings from central bank			
Borrowing funds			
Transaction financial liabilities			
Derivative financial liabilities	VII-37	40,145	29,440
Notes payable	VII-38	54,930	78,148
Accounts payable	VII-39	935,338	1,070,281
Advance receipts			
Contract liabilities	VII-41	1,322,067	1,495,238
Financial assets sold for repurchase			
Deposits from customers and interbank	VII-42	15,028	17,664
Acting trading securities			
Acting underwriting securities			
Payroll payable	VII-43	80,533	119,892
Taxes payable	VII-44	203,215	260,509
Other payables	VII-45	605,584	198,530
Including: Interests payable			
Dividends payable		457,104	16,354
Handling charges and commissions payable			
Cession insurance premiums payable			

Item	Notes	30 June 2024	31 December 2023
Liabilities held for sales			
Non-current liabilities due within one year	VII-47	227,016	242,832
Other current liabilities	VII-48	113,585	135,259
Total current liabilities		4,305,647	4,603,225
Non-current liabilities:			
Reserve for insurance contract			
Long-term borrowings	VII-49	884,054	874,591
Bonds payable	VII-50	1,280,178	1,284,234
Including: Preferred shares			
Perpetual bonds			
Lease liabilities	VII-51	35,021	36,206
Long-term payables	VII-52		275
Long-term payroll payable			
Anticipation liabilities			
Deferred income	VII-55	108,308	122,329
Deferred tax liabilities	VII-32	309,189	313,943
Other non-current liabilities	VII-56	401,348	368,882
Total non-current liabilities		3,018,098	3,000,460
Total liabilities		7,323,745	7,603,685
Owners' equity (or shareholders' equity):			
Paid-in capital (share capital)	VII-57	309,762	309,840
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve	VII-59	3,097	15,160
Less: Treasury shares	VII-60	29,860	15,755
Other comprehensive income	VII-61	50,772	133,723
Special reserve	VII-62	5,576	4,771
Surplus reserve	VII-63	48,108	51,590
General risk provisions	VII-64	18,852	18,852
Undistributed profits	VII-65	1,818,906	1,847,301
Total owners' equity (or shareholders' equity) attributable to the parent company		2,225,213	2,365,482
Minority interest		3,526,006	3,488,183
Total owners' equity (or shareholders' equity)		5,751,219	5,853,665
Total liabilities and owners' equity (or shareholders' equity)		13,074,964	13,457,350

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

30 June 2024

Prepared by: ENN Natural Gas Co., Ltd.

Unit: RMB'0000 Currency: RMB

Item	Notes	30 June 2024	31 December 2023
Current assets:			
Monetary fund		120,122	296,515
Transaction financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable	XIX-1	2,362	2,299
Receivables financing			
Prepayments		61	79
Other receivables	XIX-2	1,770,289	1,103,775
Including: Interests receivable			
Dividends receivable		392,323	88,911
Inventories			
Including: Data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		1,502	1,110
Total current assets		1,894,336	1,403,778
Non-current assets:			
Debt investment			
Other debt investment			
Long-term receivables		51,870	51,404
Long-term equity investment	XIX-3	1,115,309	1,115,687
Investment in other equity instruments			
Other non-current financial assets			
Investment real estate			
Fixed assets		174	194
Construction in progress			
Productive biological assets			
Oil-gas assets			
Right-of-use assets			
Intangible assets		2,744	2,790
Including: Data resources			
Development expenditure		1,868	1,940
Including: Data resources			
Goodwill			

Item	Notes	30 June 2024	31 December 2023
Long-term prepaid expenses			
Deferred tax assets			
Other non-current assets			
Total non-current assets		1,171,965	1,172,015
Total assets		3,066,301	2,575,793
Current liabilities:			
Short-term borrowings		100,068	59,531
Transaction financial liabilities			
Derivative financial liabilities			
Notes payable		112,000	117,500
Accounts payable		1,277	1,387
Advance receipts			
Contract liabilities			
Payroll payable		266	318
Taxes payable		13,789	24,842
Other payables		942,825	539,259
Including: Interests payable			
Dividends payable		281,354	
Liabilities held for sales			
Non-current liabilities due within one year		217	17,189
Other current liabilities			
Total current liabilities		1,170,442	760,026
Non-current liabilities:			
Long-term borrowings		19,600	19,700
Bonds payable		150,735	51,030
Including: Preferred shares			
Perpetual bonds			
Lease liabilities			
Long-term payables		284,714	316,933
Long-term payroll payable			
Anticipation liabilities			
Deferred income		474	479
Deferred tax liabilities			
Other non-current liabilities		88,431	95,472
Total non-current liabilities		543,954	483,614
Total liabilities		1,714,396	1,243,640
Owners' equity (or shareholders' equity):			
Paid-in capital (share capital)		309,762	309,840
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve		446,622	446,288

Item	Notes	30 June 2024	31 December 2023
Less: Treasury shares		29,860	15,755
Other comprehensive income			
Special reserve			
Surplus reserve		101,789	101,789
Undistributed profits		523,592	489,991
Total owners' equity (or shareholders' equity)		1,351,905	1,332,153
Total liabilities and owners' equity (or shareholders' equity)		3,066,301	2,575,793

Person in charge of the Company:
Yu Jianchao

Person in charge of accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan

Consolidated Income Statement

January – June 2024

Unit: RMB'0000 Currency: RMB

Item	Notes	Half Year of 2024	Half Year of 2023
I. Gross revenue		6,701,419	6,721,300
Including: Operating income	VII-66	6,697,552	6,716,963
Interest revenue	VII-67	3,867	4,337
Earned premium			
Handling charges and commissions income			
II. Gross operating cost		6,122,641	6,215,576
Including: Operating cost	VII-66	5,739,785	5,744,034
Interest expenses	VII-67	443	736
Handling charges and commissions expense	VII-68	108	144
Surrender value			
Net payments for insurance claims			
Net deposit for duty of reinsurance			
Expenditures dividend policy			
Amortized reinsurance expenses			
Taxes and surcharges	VII-69	19,637	30,497
Selling expenses	VII-70	72,641	73,771
Administrative expenses	VII-71	204,838	209,390
Research and development expenditure	VII-72	34,947	37,475
Financing expense	VII-73	50,242	119,529
Including: Interest expense		56,168	66,740
Interest revenue		23,184	7,909

Item	Notes	Half Year of 2024	Half Year of 2023
Plus: Other income	VII-74	30,467	34,322
Investment income (losses as "-")	VII-75	91,200	201,599
Including: Investment incomes from associated ventures and joint ventures		26,485	8,598
Derecognized income of financial assets measured at amortized cost (losses as "-")			
Exchange gains (losses as "-")	VII-76	-4	-24
Net exposure hedging gains (losses as "-")			
Income from changes in fair values (losses as "-")	VII-78	-26,850	-90,612
Credit impairment losses (losses as "-")	VII-79	-19,905	-16,161
Assets impairment losses (losses as "-")	VII-80	-13,085	5,776
Assets disposal gains (losses as "-")	VII-81	-4,683	235
III. Operating profit (losses as "-")		635,918	640,859
Plus: Non-operating income	VII-82	3,873	10,336
Less: Non-operating expenditure	VII-83	6,084	6,691
IV. Total profit (total losses as "-")		633,707	644,504
Less: Income tax expenses	VII-84	138,965	164,622
V. Net profit (net loss as "-")		494,742	479,882
(I) Classified by the continuity of operations			
1. Net profit of going concern (net losses as "-")		494,742	479,882
2. Net profit of discontinuing operation (net losses as "-")			
(II) Classified by attribution of ownership			
1. Net profit attributable to shareholders of the parent company (net losses as "-")		252,959	220,353
2. Minority shareholders' profits and losses (net losses as "-")		241,783	259,529
VI. Net of tax from other comprehensive income		-88,091	7,932
(I) Net after-tax amount of other comprehensive income attributable to owners of the parent company		-82,951	7,770
1. Other comprehensive income that cannot be reclassified into profit or loss		-26	16
(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		-26	16
(4) Changes in fair value of enterprise's own credit risk			

Item	Notes	Half Year of 2024	Half Year of 2023
2. Other comprehensive income that will be reclassified into profit or loss		-82,925	7,754
(1) Other comprehensive income that can be transferred to profit or loss under equity method			
(2) Changes in the fair value of other creditor's rights investments			
(3) Amount of financial assets reclassified into other comprehensive income			
(4) Preparation for credit impairment of other creditor's rights investment			
(5) Cash flow hedge reserve		-88,808	-16,804
(6) Conversion difference of financial statements in foreign currency		5,883	24,558
(7) Others			
(II) Net of tax of other comprehensive income attributable to minority shareholders		-5,140	162
VII. Total comprehensive income		406,651	487,814
(I) Total consolidated income attributable to the owner of the parent company		170,008	228,123
(II) Total comprehensive income attributable to minority shareholders		236,643	259,691
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)		0.82	0.71
(II) Diluted earnings per share (RMB/share)		0.82	0.71

Person in charge of the Company:
Yu Jianchao

Person in charge of accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan

Income Statement of the Parent Company

January – June 2024

Unit: RMB'0000 Currency: RMB

Item	Notes	Half year of 2024	Half year of 2023
I. Operation revenue	XIX-4	58	64
Less: Operating cost	XIX-4		2
Taxes and surcharges		91	143
Selling expenses			
Administrative expenses		1,610	3,117
Research and development expenditure		6	
Financing expense		4,642	8,938
Including: Interest expenses		6,993	8,624
Interest revenue		3,842	347
Plus: Other income		59	22
Investment income (losses as "-")	XIX-5	320,453	242,351
Including: Investment incomes from associated ventures and joint ventures		-378	-394
Derecognized income of financial assets measured at amortized cost (losses as "-")			
Net exposure hedging gains (losses as "-")			
Income from changes in fair values (losses as "-")			
Credit impairment losses (losses as "-")			
Assets impairment losses (losses as "-")			
Assets disposal gains (losses as "-")			
II. Operating profit (losses as "-")		314,221	230,237
Plus: Non-operating income		500	1
Less: Non-operating expenditure			
III. Total profit (total losses as "-")		314,721	230,238
Less: Income tax expenses		-234	-25
IV. Net profit (net losses as "-")		314,955	230,263
(I) Net profit of going concern (net losses as "-")		314,955	230,263
(II) Net profit of discontinuing operation (net losses as "-")			
V. Net of tax from other comprehensive income			
(I) Other comprehensive income that cannot be reclassified into profit or loss			
1. Re-measurement of the amount of changes in the defined benefit plans			
2. Other other comprehensive income that cannot be transferred to profit or loss under the equity method			
3. Changes in fair value of other equity instrument			
4. Changes in fair value of enterprise's own credit risk			



Item	Notes	Half year of 2024	Half year of 2023
(II) Other comprehensive income can reclassified into profits and losses			
1. Other comprehensive income that can be transferred to profit or loss under equity method			
2. Changes in the fair value of other creditor's rights investments			
3. Amount of financial assets reclassified into other comprehensive income			
4. Preparation for credit impairment of other creditor's rights investment			
5. Cash flow hedging reserve			
6. Conversion difference of financial statements in foreign currency			
7. Others			
VI. Total comprehensive income		314,955	230,263
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 accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan

Consolidated Cash Flow Statement

January – June 2024

Unit: RMB'0000 Currency: RMB

Item	Notes	Half year of 2024	Half year of 2023
I. Cash flow from operating activities:			
Cash received from selling goods and providing labor service		8,203,241	8,041,811
Net increase of customer's deposit and deposit from other banks			
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		3,317	3,456
Net increase of borrowing funds			
Net increase of the repurchased business capital			
Net cash of receivings from vicariously traded securities			
Refund of taxes received		27,829	33,097
Other cash received related to operating activities	VII-86	63,756	44,089
Subtotal cash inflow from operating activities		8,298,143	8,122,453
Cash paid for purchasing goods and accepting labor services		7,045,892	6,658,462

Item	Notes	Half year of 2024	Half year of 2023
Net decrease of customer's deposit and deposit from other banks		2,636	60
Net increase in customers' loans and advances		4,257	4,768
Net increase of deposits 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			16,650
Cash paid for interest, handling charges and commissions			
Cash paid for policy dividends			
Cash payments to and on behalf of employees		374,741	365,342
Taxes and dues paid		297,363	360,203
Other cash paid relating to operating activities	VII-86	91,523	85,860
Subtotal cash outflow from operating activities		7,816,412	7,491,345
Net cash flow from operating activities		481,731	631,108
II. Cash flow from investing activities:			
Cash received from investment recovery	VII-86	1,529,331	417,359
Cash received from investment return	VII-86	53,706	54,259
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		10,483	7,932
Net cash received from disposal of subsidiaries and other business units		4,862	50
Other cash received relating to investing activities	VII-86	42,270	57,434
Subtotal cash inflow from investing activities		1,640,652	537,034
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		327,700	412,098
Cash paid for investments	VII-86	1,704,761	437,972
Net increase of pledged loans			
Net cash paid by subsidiaries and other business units		7,675	2,946
Other cash paid relating to investing activities	VII-86	45,050	64,227
Subtotal cash outflow from investing activities		2,085,186	917,243
Net cash flow from investing activities		-444,534	-380,209
III. Cash flow from financing activities:			
Cash received from investment absorption		8,407	7,481
Including: Cash received from subsidiaries for investment by minority interest		8,396	5,558
Cash received from loans		1,527,678	952,036
Other cash received relating to financing activities	VII-86	204,370	88,718
Subtotal cash inflow from financing activities		1,740,455	1,048,235
Cash paid for debt repayment		1,786,961	840,256
Cash paid for dividend distribution, profits distribution, or interest payment		111,991	118,858
Including: Dividends and profits paid to minority owners by the subsidiaries		42,691	48,263
Other cash paid relating to financing activities	VII-86	267,871	28,293
Subtotal cash outflow from financing activities		2,166,823	987,407



Item	Notes	Half year of 2024	Half year of 2023
Net cash flow from financing activities		-426,368	60,828
IV. Impact of exchange rate movement on cash and cash equivalents		-243	7,212
V. Net increase of cash and cash equivalents		-389,414	318,939
Plus: Beginning balance of cash and cash equivalents		1,877,676	1,095,554
VI. Ending cash and cash equivalents balance		1,488,262	1,414,493

Person in charge of the Company:
Yu Jianchao

Person in charge of accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan

Cash Flow Statement of the Parent Company

January – June 2024

Unit: RMB'0000 Currency: RMB

Item	Notes	Half year of 2024	Half year of 2023
I. Cash flow from operating activities:			
Cash received from selling goods and providing labor service			
Refund of taxes received			
Other cash received relating to operating activities		5,801	47,062
Subtotal cash inflow from operating activities		5,801	47,062
Cash paid for purchasing goods and accepting labor services			
Cash payments to and on behalf of employees		227	140
Taxes and dues paid		10,916	131
Other cash paid relating to operating activities		1,557	901
Subtotal cash outflow from operating activities		12,700	1,172
Net cash flow from operating activities		-6,899	45,890
II. Cash flow from investing activities:			
Cash received from investment recovery		180,000	
Cash received from investment return		10,378	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			
Net cash received from disposal of subsidiaries and other business units			
Other cash received relating to investing activities			3
Subtotal cash inflow from investing activities		190,378	3
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		90	38
Cash paid for investments		180,000	
Net cash paid by subsidiaries and other business units			
Other cash payments relating to investing activities			
Subtotal cash outflow from investing activities		180,090	38

Item	Notes	Half year of 2024	Half year of 2023
Net cash flow from investing activities		10,288	-35
III. Cash flow from financing activities:			
Cash received from investment absorption			
Cash received from loans		279,760	179,880
Other cash received relating to financing activities		1,383,346	194,716
Subtotal cash inflow from financing activities		1,663,106	374,596
Cash paid for debt repayment		156,550	99,980
Cash paid for dividend distribution, profit distribution, or interest payment		4,350	2,625
Other cash payments relating to financing activities		1,680,768	322,780
Subtotal cash outflow from financing activities		1,841,668	425,385
Net cash flow from financing activities		-178,562	-50,789
IV. Impact of exchange rate movement on cash and cash equivalents		-1,223	3
V. Net increase of cash and cash equivalents		-176,396	-4,931
Plus: Beginning balance of cash and cash equivalents		293,743	32,456
VI. Ending cash and cash equivalents balance		117,347	27,525

Person in charge of the Company:
Yu Jianchao

Person in charge of accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan

Consolidated Statement of Changes in Owners' Equity

January – June 2024

Unit: RMB'0000 Currency: RMB

Item	Half year of 2024														Total owners' equity
	Owners' equity attributable to the parent company													Minority interest	
	Paid-in capital (or share capital)	Other equity instrument			Less: Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Subtotal		
I. Ending balance of last year	309,840				15,160	15,755	133,723	4,771	51,590	18,852	1,847,301	2,365,482	3,488,183	5,853,665	
Plus: Change in accounting policies															
Early error correction															
Others															
II. Beginning balance of current year	309,840				15,160	15,755	133,723	4,771	51,590	18,852	1,847,301	2,365,482	3,488,183	5,853,665	
III. Increase or decrease of current period (decrease expressed with "-")	-78				-12,063	14,105	-82,951	805	-3,482		-28,395	-140,269	37,823	-102,446	
(I) Total comprehensive income							-82,951				252,959	170,008	236,643	406,651	
(II) Capital invested and reduced by the owner	-78				-12,063	14,105			-3,482			-29,728	2,747	-26,981	



Half year of 2024															
Item	Owners' equity attributable to the parent company														
	Paid-in capital (or share capital)	Other equity instrument			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Subtotal	Minority interest	Total owners' equity
		Preferred shares	Perpetual bonds	Others											
(V) Special reserve							805					805	119	924	
1. Extraction of current period							3,903					3,903	1,014	4,917	
2. Utilization of current period							3,098					3,098	895	3,993	
(VI) Others															
IV. Ending balance of the current period	309,762				3,097	29,860	50,772	5,576	48,108	18,852	1,818,906	2,225,213	3,526,006	5,751,219	

Half year of 2023															
Item	Owners' equity attributable to the parent company														
	Paid-in capital (or share capital)	Other equity instrument			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Subtotal	Minority interest	Total owners' equity
		Preferred shares	Perpetual bonds	Others											
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				3,642	-878	7,770	1,356			62,631	76,251	56,033	132,284	
(I) Total comprehensive income							7,770				220,353	228,123	259,691	487,814	
(II) Capital invested and reduced by the owner	-26				3,642	-878						4,494	10,428	14,922	
1. Common stock invested by the owner	-26				-154	-180							4,818	4,818	
2. Capital invested by other equity instrument holders															
3. Amount of share-based payment included in the owners' equity					1,999	-698						2,697		2,697	
4. Others					1,797							1,797	5,610	7,407	

Half year of 2023																
Item	Owners' equity attributable to the parent company															
	Paid-in capital (or share capital)	Other equity instrument			Capital reserve	Less:		Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Subtotal	Minority interest	Total owners' equity
		Preferred shares	Perpetual bonds	Others		Treasury shares										
(III) Profit distribution												-157,722	-157,722	-214,278	-372,000	
1. Extraction of surplus reserve																
2. Extraction of general risk provisions																
3. Distribution to owners (or shareholders)												-157,722	-157,722	-214,278	-372,000	
4. Others																
(IV) Internal carry-over of owners' equity																
1. Capital reserve converted into capital (or share capital)																
2. Surplus reserve converted into capital (or share capital)																
3. Surplus reserve made up for losses																
4. Changes in defined benefit plans carried forward to retained earnings																
5. Other comprehensive income carried forward to retained earnings																
6. Others																
(V) Special reserve								1,356					1,356	192	1,548	
1. Extraction of current period								13,936					13,936	880	14,816	
2. Utilization of current period								12,580					12,580	688	13,268	
(VI) Others																
IV. Ending balance of the current period	309,840				23,038	18,304	53,605	6,578	33,111	18,839	1,407,178	1,833,885	3,454,443	5,288,328		

Person in charge of the Company:
Yu Jianchao

Person in charge of accounting:
Zong Bo

Person in charge of accounting organization:
Cheng Zhiyan



Statement of Changes in Owners' Equity of the Parent Company

January – June 2024

Unit: RMB'0000 Currency: RMB

Item	Half year of 2024										Total owners' equity
	Paid-in capital (share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	
		Preferred shares	Perpetual bonds	Others							
I. Ending balance of last year	309,840				446,288	15,755			101,789	489,991	1,332,153
Plus: Change in accounting policies											
Early error correction											
Others											
II. Beginning balance of current year	309,840				446,288	15,755			101,789	489,991	1,332,153
III. Increase or decrease of current period (decrease expressed with "-")	-78				334	14,105				33,601	19,752
(I) Total comprehensive income										314,955	314,955
(II) Capital invested and reduced by the owner	-78				334	14,105					-13,849
1. Common stock invested by the owner	-78				-393	-471					
2. Capital invested by other equity instrument holders											
3. Amount of share-based payment included in the owner's equity					727	-2,645					3,372
4. Others						17,221					-17,221
(III) Profit distribution										-281,354	-281,354
1. Extraction of surplus reserve											
2. Distribution of the owner (or shareholder)										-281,354	-281,354
3. Others											
(IV) Internal carry-over of ownership interests											
1. Capital reserve converted into capital (or share capital)											
2. Surplus reserve converted into capital (or share capital)											
3. Surplus reserve makes up for losses											
4. Changes in defined benefit plans carried forward to retained earnings											
5. Other comprehensive income carried forward to retained earnings											
6. Others											
(V) Special reserve											
1. Extraction of current period											
2. Utilization of current period											
(VI) Others											
IV. Ending balance of current period	309,762				446,622	29,860			101,789	523,592	1,351,905

Item	Half year of 2023										
	Paid-in capital (share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
I. Ending balance of last year	309,866				444,027	19,182			53,167	210,119	997,997
Plus: Change in accounting policies										-50	-50
Early error correction											
Others											
II. Beginning balance of current year	309,866				444,027	19,182			53,167	210,069	997,947
III. Increase or decrease of current period (decrease expressed with "-")	-26				1,845	-878				72,541	75,238
(I) Total comprehensive income										230,263	230,263
(II) Capital invested and reduced by the owner	-26				1,845	-878					2,697
1. Common stock invested by the owner	-26				-154	-180					
2. Capital invested by other equity instrument holders											
3. Amount of share-based payment included in the owner's equity					1,999	-698					2,697
4. Others											
(III) Profit distribution										-157,722	-157,722
1. Extraction of surplus reserve											
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. Changes in defined benefit plans carried forward to retained earnings											
5. Other comprehensive income carried forward to retained earnings											
6. Others											
(V) Special reserve											
1. Extraction of current period											
2. Utilization of current period											
(VI) Others											
IV. Ending balance of current period	309,840				445,872	18,304			53,167	282,610	1,073,185

Person in charge of the Company:
Yu Jianchao

Person in charge of 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”) was established in July 1992 under the approval document of No. 1 (1992) and No. 40 by Hebei Sports Reform Commission and Yiji Sports Reform Commission. The original name of ENN Natural Gas Co., Ltd. is Hebei Weiyuan Industrial Co., Ltd. In December 1993, the letter No. 52 [1993] of the China Securities Regulatory Commission (hereinafter referred to as the “CSRC” for short) passed the re-approval of the CSRC, 20 million ordinary shares were issued in RMB to the public, listed and traded on the Shanghai Stock Exchange on 3 January 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 the registration procedures for the industrial and commercial change of the new-added capital of ENN Holdings Investment Limited on 28 January. The Company's total share capital was changed to 311,832,403 shares.

According to the resolution of the 2012 Second Extraordinary General Meeting of Shareholders 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 share capital 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 2012 Second Extraordinary General Meeting of Shareholders 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 share capital was changed to 985,785,043 shares.

After deliberation and approval by the 2014 Second Extraordinary General Meeting of Shareholders, the name of the Company was changed to "ENN Ecological Holdings Co., Ltd." on 24 December 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 12 February, 2018, the Shareholders of all the tradable shares with unlimited conditions actually acquired 243,570,740 shares of RMB common shares, and the company actually received the acquisition amount of 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 *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) 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 by the 4th Extraordinary General Meeting in 2020, the name of the company was changed to ENN Natural Gas Co., Ltd. on 2 December 2020, and the new Business License issued by Shijiazhuang Market Supervision Bureau was obtained.

As resolved at the 4th Meeting of the Ninth Board of Directors held on 9 September 2019, the 8th Meeting of the Ninth Board of Directors held on 21 November, 2019, the 6th Extraordinary General Meeting held on 9 December 2019, the 11th Meeting of the Ninth Board of Directors held on 12 March 2020, as well as at the First Extraordinary General Meeting held on 30 March 2020, and the *Approval for ENN Ecological Holdings Co., Ltd. to Issue Shares to ENN Group International Investment Limited to Purchase Assets and Raise Matching Funds* (CSRC [2020] No. 806) issued by China Securities Regulatory Commission, the Company has issued 245,871,156.00 ordinary shares (A shares) with a par value of 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 Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan* considered and approved by the 47th Meeting of the Ninth Board of Directors, the 26th Meeting of the Ninth Board of Supervisors and the 2022 Third Extraordinary General Meeting of Shareholders, and the *Proposal on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan* considered and 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. According to the *Proposal on the Repurchase and Cancellation of Part of Restricted Shares under the 2021 Restricted Stock Incentive Plan* considered and approved by the Twelfth Meeting of the Tenth Board of Directors and the Tenth Meeting of the Tenth Board of Supervisors held on 22 December 2023 by the Company, and the 2024 First Extraordinary General Meeting of Shareholders held on 8 April 2024, 782,500 restricted shares were repurchased and canceled on 12 July 2024, and the registered capital after change was RMB3,097,615,107.00, and the share capital denominated in RMB was RMB3,097,615,107.00.

As at 30 June 2024, 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 sale of natural gas-based clean energy, sale and services of integrated energy, construction and installation, energy production, natural gas infrastructure operation and related smart home services.

IV. Basis 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.

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 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 initially recognized 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 recognize 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 recognized 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 recognition, 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 and 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 owners' equity of the subsidiary, the balance shall still be used to reduce the minority interest.

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. Determination 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 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 the 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 fund, 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 (inclusive) from the balance sheet date as non-current assets due within one year; Debt investments with a maturity of one year (inclusive) 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 (inclusive) from the balance sheet date as non-current assets due within one year; debt investments with a maturity of one year (inclusive) 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 recognition, 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 value of the credit loss of a financial instrument weighted by the risk of default. Credit loss refers to the difference between all contractual cash flows receivable by the Company discounted at the original effective interest rate and all cash flows expected to be received, i.e., the present value of all cash shortfalls.

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 receivable by the Company and the expected cash flow expected to be received.
- 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 throughout 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*

A financial asset meeting one of the following conditions shall be derecognized: 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 in 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, 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.

Transaction 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.

The 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 specific debtor is unable to pay its liabilities as they fall due in accordance with the terms of any of the original or any modification thereto. Financial guarantee contracts which are not designated as financial liabilities at fair value through current profit or loss shall, after initial recognition, be measured based on the balance of the provision for losses or the amount of initial recognition less the accumulative amortization amount within the guarantee period, whichever is higher.

(5) *Derecognition of financial liabilities*

If the current obligations of a financial liability have been discharged in whole or in part, such financial liability or a part thereof shall be derecognized. The Company (borrower) signs an agreement with the lender to replace the original financial liability by assuming the new financial liability. If the contract terms of the new financial liability and the original financial liability are substantially different, the company shall derecognize the original financial liability and simultaneously recognize a new financial liability.

Where a financial liability is derecognized in whole or in part, the Company shall recognize the difference between the book value and consideration paid (including the transferred non-cash assets or new financial liabilities assumed) of the derecognized portions into the current profit and loss.

(6) *Equity instruments*

Equity instruments are contracts that prove ownership of the residual interest in the Company's assets after deducting all liabilities. The issuance (including refinancing), repurchase, sale or cancellation of the equity instruments of the Company shall be treated as changes in the equity. The Company does not recognize changes in the fair value of equity instruments. The transaction fees related to the equity transactions shall be deducted from the equity.

The distribution to the holders of equity instruments by the Company shall be treated as profit distribution. The share dividend issued by the Company shall not affect the total shareholder equity.

(7) *Derivatives and hedging instruments*

The Company's related derivative financial instruments include option contracts, swaps, forwards, etc. Derivatives are initially measured at fair value on the date of signing the relevant contract, and are measured subsequently at fair value. Changes in the fair value of derivatives are included in the profits and losses of the current period.

For a hybrid contract composed of embedded derivatives and a principle contract, if the principal contract belongs to financial assets, the Company does not separate the embedded derivatives from the hybrid contract, and the hybrid contract as a whole applies to the accounting standards on the classification of financial assets.

If the principal contract contained in the hybrid contract does not belong to financial assets and meets the following conditions, the Company shall separate the embedded derivatives from the hybrid instruments and treats them as separate derivative financial instruments: Embedded derivatives are not closely related to the principle contract in terms of economic characteristics and risks; A separate instrument with the same terms as the embedded derivatives meets the definition of the derivatives; The hybrid contract is not measured at fair value and its changes are included in the profits and losses of the current period.



The embedded derivative is separated from the hybrid contract, and the Company shall perform accounting treatment to the principle contract of the hybrid contract according to the applicable accounting standards. If the Company cannot reliably measure the fair value of the embedded derivative according to the terms and conditions of the embedded derivative, the fair value of the embedded derivative shall be determined based on the difference between the fair value of the hybrid contract and the fair value of the principle contract. If, after using the above method, the fair value of the embedded derivative on the acquisition date or the subsequent balance sheet date still cannot be measured separately, the Company shall designate the hybrid contract as a financial instrument as a whole measured at fair value and whose changes shall be included in the profits and losses of the current period.

The hedging accounting method refers to the method by which the Company includes the profits or losses generated by the hedging instrument and the hedged item into profits and losses of the current period (or other comprehensive income) in the same accounting period to reflect the impact of risk management activities. The Company uses a cash-flow hedging, specifying certain derivatives to hedge specific risks associated with the cash flows of expected transactions with determined assets or liabilities which are very likely to occur.

The hedged item refers to the item which can be measured reliably; can make the Company to face the risk of cash flow change and is designated as the hedged object. The Company is designated as the hedged item. There is the expectation that the company will face the risk of changes in cash flow and the purchases or sales, etc. may be conducted at a future market price that has not yet been determined.

A hedging instrument is a financial instrument designated by the Company for hedging or a financial instrument whose cash flow changes are expected to offset the cash flow changes of the hedged item.

If the hedging meets the following conditions at the same time, the Company determines that the hedging relationship meets the requirements for the hedging validity:

There is an economic relationship between hedged items and hedging instruments. This economic relationship causes the value of the hedging instrument and the hedged item to change in the opposite direction due to the facing of the same risk of being hedged.

The credit risk does not play a dominant role in the change of value caused by the economic relationship between hedged items and hedging instruments.

The hedging ratio of the hedging relationship is equal to the ratio of the number of hedged items actually hedged by the Company to the actual number of hedging instruments used to hedge the hedged items. But it does not reflect the imbalance of the relative weights of the hedged items and the hedging instruments.

Cash flow hedging

Cash flow hedging refers to the hedging of risk exposure to changes in cash flow. The cash flow changes arise from transactions very likely to occur with determined assets or liabilities, or specific risks associated with the above-mentioned components of the project, and will affect the profits and losses of the Company. The Company shall, as a cash flow hedging reserve, include in other comprehensive income the part of the gain or loss generated by the hedging instrument that is the effective part of the hedging. The amount of the cash flow hedging reserve is the absolute amount of the following two items, whichever is lower:

- Accumulated gains or losses from the start of the hedging of the hedging instruments;
- The cumulative change in the present value of the expected future cash flow of the hedged item since the beginning of the hedging.

The amount of cash flow hedging reserves included in each period is considered as the change of current cash flow hedging reserves.

The portion of the gains or losses generated by hedging instruments that is ineffective in hedging is included in the profits and losses of the current period.

The hedged item is an expected transaction, and the expected transaction causes the company to subsequently recognize a non-financial asset or non-financial liability, or when the expected transaction of non-financial assets or non-financial liabilities forms a definite commitment applicable to fair value hedge accounting, the Company shall transfer the amount of the cash flow hedging reserves previously determined in other comprehensive income into the initial determination amount of the asset or liability.

For cash flow hedging which does not belong to the above-mentioned situation, the Company shall transfer the cash flow hedging amount originally determined in other comprehensive income to the profits and losses of the current period during the same period in which the expected cash flow to be hedged affects profit and loss.

When the hedging relationship no longer meets the risk management objectives due to changes in risk management objectives (i. e., the subject no longer seeks to achieve the risk management objectives); when the hedging instrument is expired, sold; when the contract is terminated or has been exercised; when the economic relationship between the hedged item and the hedging instruments ceases to exist; when the impact of the credit risk begins to dominate the value change caused by the economic relationship between the hedged item and the hedging instrument; or if the hedging no longer meets the requirements of the hedging accounting method, the Company shall terminate the hedging accounting. If the hedged future cash flow is still expected to occur, the amount of accumulated cash flow hedging reserves determined in other comprehensive income shall be retained and be dealt with according to the above-mentioned accounting policy for cash flow hedging. If the hedged future cash flow is expected to no longer occur, the amount of the accumulated cash flow hedging reserves shall be transferred from other comprehensive income to the profits and losses of the current period. If the hedged future cash flow is no longer highly likely to occur but may still be expected to occur, in the expect of still occurring, the amount of accumulated cash flow hedging reserves shall be retained and be dealt with according to the above-mentioned accounting policy for cash flow hedging.



(8) Fair value of financial instruments

The fair value of a financial asset or a financial liability with an active market shall be determined by the quoted price in the active market. Where there is no active market, the Company uses valuation techniques to determine its fair value. When evaluating the fair value of a financial asset or a financial liability, the Company uses valuation techniques that are applicable under current circumstances and are supported by sufficient data and other information to select input values consistent with the features of the asset or liability considered by market participants in the transactions of related asset or liability and uses relevant observable input values as possible. Non-observable input values are used if relevant observable input values cannot be obtained or are impracticable.

The valuation techniques the Company adopts including reference prices used in recent orderly transactions by market participants, reference current fair value of other financial instruments that are substantially the same, discounted cash flow and option pricing models. When using DCF analysis, the estimated future cash flows are based on the management's best estimate, and the discount rate used is the market discount rate for similar tools. For certain financial instruments (including derivative financial instruments) are valued using pricing models that take into account contract and market prices, correlation coefficient, the time value of money, credit risk, yield curve factors and/or prepayment ratios. The use of different pricing models and assumptions can lead to significant differences in fair value estimates.

For financial instruments that significant unobservable input values are used in their valuation methods, their fair values are classified as level 3 fair values.

(9) Offset of financial assets and financial liabilities

When the Company has a legal right to offset recognized financial assets and financial liabilities and such legal rights are currently executable, and the Company plans to settle on a net basis or to cash the financial assets and pay off the financial liabilities at the same time, the financial assets and financial liabilities shall be presented in the balance sheet at the amount offset by each other. In addition, financial assets and financial liabilities shall be separately presented on the balance sheet and should not be offset each other.

12. Notes receivable

Applicable N/A

Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations

Applicable N/A

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

Aging calculation method for recognition of credit risk characteristic combinations based on aging

Applicable N/A

Individual provision criteria based on individual provision for bad debts

Applicable N/A

See the Note "V-11. Financial instruments (2) Impairment of financial instruments" for details on the individual provision criteria based on individual provision for bad debts for notes receivable.

13. Accounts receivable

Applicable N/A

Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations

Applicable N/A

See the Note "V-11. Financial instruments (2) Impairment of financial instruments" for details on the category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations of accounts receivable.

Aging calculation method for recognition 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 derecognition, the accumulated gains or losses previously recorded as other comprehensive income shall be transferred out and reckon in current profit or loss. By derecognition, the accumulated gains or losses previously recorded as other comprehensive income shall be transferred out and reckon in current profit or loss.



Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations

Applicable N/A

See the Note "V-11. Financial instruments (2) Impairment of financial instruments" for details on the Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations of receivables financing.

Aging calculation method for recognition of credit risk characteristic combinations based on aging

Applicable N/A

Individual provision criteria based on individual provision for bad debts

Applicable N/A

See the Note "V-11. Financial instruments (2) Impairment of financial instruments" for details on the individual provision criteria based on individual provision for bad debts of receivables financing.

15. Other receivables

Applicable N/A

Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations

Applicable N/A

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

Aging calculation method for recognition 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 criteria 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 recognition of net realizable value of inventories based on inventory aging

Applicable N/A



17. Contract assets

Applicable N/A

Method and criteria for recognition of contract assets

Applicable N/A

The Company lists the contract assets in the balance sheet in accordance with the relationship between the performance of the contract obligations and the payment by the customer. The consideration which the Company is entitled to charge from customers for the transfer of goods or services provided to them (and such right is subject to factors other than the passage of time) is listed as contract assets.

Contract assets and contract liabilities are presented separately in the balance sheet. The contract assets and contract liabilities under the same contract are presented on a net basis. If the net amount is a debit balance, it is presented under the item "Contract Assets" or "Other Non-current Assets" according to its liquidity; if the net amount is a credit balance, it is presented under the "Contract Liabilities" or "Other Non-Current Liabilities" according to its liquidity. Contract assets and contract liabilities under different contracts cannot be set off against each other.

Category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations

Applicable N/A

See the Note "V-11. Financial instruments (2) Impairment of financial instruments" for details on the category of combinations and determination basis for provision for bad debts based on the credit risk characteristic combinations of contract assets.

Aging calculation method for recognition 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 asset or disposal portfolio is not classified as held for sale or the non-current asset is removed from the held-for-sale disposal portfolio as 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 investee, 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 recognized 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 investee, 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 investee, 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 recognizing 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 recognized.

Where the accounting policy and accounting period adopted by the investee are inconsistent with that of the parent company, the financial statements of the investee 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 investee until the book value of the long-term equity investment and other long-term interests which substantially constitute the net investment in the investee are reduced to zero, unless the parent company is obliged to bear additional loss. If the investee 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 recognition of 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 possible 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.

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 portion 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 estate 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 conditions of investment real estate shall be included in the cost of investment real estate; those do not satisfy the recognition conditions 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 measurement model is adopted, depreciation or amortization of the investment real estate is not accounted, the book value of the investment real estate shall be adjusted on the basis of the fair value of the investment real estate 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 property 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%
Plant and equipment	Straight-line depreciation method	6~30 years	5%-10%	3.17%~15.83%
Office and electronic communication equipment	Straight-line depreciation method	6~8 years	5%-10%	11.88%~15.83%
Means of transportation	Straight-line depreciation method	6~8 years	5%-10%	11.88%~15.83%
Gas pipeline	Straight-line depreciation method	20~30 years	0%-10%	3.00%~4.50%

Starting from the next month when the fixed assets reach the predetermined serviceable state, the straight-line method is adopted to extract the depreciation, and the depreciation rate is determined according to the expected service life and estimated net salvage value rate of the fixed assets category

22. Construction in progress

Applicable N/A

- (1) Construction in progress refers to capital assets under construction and is recorded at actual cost. Costs include construction works, installation works, purchase price of machinery and equipment, construction expenses and other indirect expenses, as well as capitalized interest and exchange profit or loss.
- (2) Time limit on transferring construction in progress to fixed assets: The fixed assets purchased and constructed shall be transferred to fixed assets on the date of reaching the working condition for their intended use, and depreciation of the asset shall start from the following month. If the final accounting procedures for the completion of the project have not been completed, it shall be transferred into fixed assets at an estimated value and depreciation is accounted according to such value. After the final accounting procedures for the completion of the project completed, the original estimated value shall be adjusted according to the actual cost, but the originally accounted depreciation shall not be adjusted.

23. Borrowing cost

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 real estate, 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 financing expenses.

(5) If the asset eligible for capitalization is abnormally interrupted during the acquisition, construction or production processes, and the interruption lasts for more than 3 months, the capitalization of borrowing costs is suspended. The loan expenses incurred during the interruption are recognized as expenses and are recorded in the profit and loss of the current period until the purchase and construction of the assets or the resumption of production activities. The capitalization of the borrowing expenses continues if the interruption is necessary for the acquisition or production of a capitalized asset to reach the intended usable or saleable state. Borrowing costs cease to be capitalized when the assets purchased or constructed or produced that meet the capitalization conditions reach the intended use or sale. Subsequent borrowing costs are recognized as expenses in the period in which they are incurred.

(6) The capitalized amount of the borrowing costs shall be determined in accordance with the following methods: Where a special loan is borrowed for the purpose of purchasing or producing an asset which meets the capitalization conditions, the amount of interest actually incurred for the current period of the special loan should be determined by deducting the amount of interest income derived from the deposit of the outstanding loan funds into the bank or from the investment income derived from the temporary investment; If a general borrowing is occupied for the purpose of purchasing or producing an asset that meets the capitalization requirements, the amount of interest to be capitalized for the general borrowing should be calculated on the basis of the weighted average of the expenses of the assets that have been spent over the part of the particular loan multiplied by the capitalization rate of the general borrowing. The capitalization rate is calculated on the basis of the weighted average interest rate of general borrowings.



24. Biological assets

Applicable N/A

25. Oil and gas assets

Applicable N/A

26. Intangible assets

(1). *Service life and its determination basis, estimate, amortization method or review procedure*

Applicable N/A

The Company's intangible assets refer to the identifiable non-monetary assets owned or controlled by the Company that have no physical form, including land use right, patent right, mining right, right of management, production capacity index, software, etc.

Intangible asset is initially measured at cost and its service life is determined on acquisition. An intangible asset with a finite service life is amortized within the expected service life by a method which can reflect the expected realization of economic benefits related to the asset since the intangible asset is available for use; when the expected realization of economic benefits cannot be reliably determined, intangible asset is amortized under straight-line method; an intangible asset with an indefinite service life is not amortized.

Amortization methods of intangible assets with finite service life are shown as follows:

Item	Expected service life	Determination basis of service life	Amortization method
Land use right	30-50 years	Term of title registration	Straight-line method
Patent right	6-10 years	Expected benefit period	Straight-line method
Right of management	10-30 years	Business license term	Straight-line method
Software	5-6 years	Expected benefit period	Straight-line method

The Company reviews the service life of the intangible assets at the end of each year. If there is evidence that the service life of the intangible assets is different from the previous estimates, the amortization period of the intangible assets with limited service life shall be changed; for intangible assets with uncertain service life, if there is an evidence that their service life is limited, they shall be treated by the principle of intangible assets with limited service life.

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 expense

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. Anticipation liabilities

Applicable N/A

The Company's obligations related to the contingent events are recognized as anticipation 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 anticipation 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 or 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, platform-traded gas, 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) Platform-traded gas

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 sale 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, 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 receive substantially all of the economic benefits arising from the use of identified assets during a period of use and shall have the right to lead the use of identified assets during the period of use. If a party to the contract assigns the right to control the use of one or more identified assets for a certain period in exchange for consideration, the Company will consider the contract to be a lease or to include a lease.

- (1) The Company as the lessee

On the commencement date of the lease term, the Company shall recognize right-of-use assets and lease liabilities for all leases except for short-term lease and lease of low-value assets subject to simplified treatment.

Short-term lease is a lease that excludes an option to purchase and has a lease term of less than 12 months. Lease of low-value assets is a lease of a single lease asset with low value when it is new. The Company elects not to recognize short-term leases and leases of low-value assets as right-of-use assets and lease liabilities, and includes the relevant lease payments in each lease term in relevant asset costs or current profit or loss using straight-line method.

The Company recognizes the short-term leases and low-value leases other than those mentioned above as right-of-use assets and lease liabilities.

Right-of-use assets

Right-of-use assets are the right of the Company, as a lessee, to use the leased assets during the term of the lease. Except for short-term lease and low-value assets lease, the Company recognizes the right-of-use assets on the beginning date of the lease. Right-of-use assets are recognized when it is probable that economic benefits will flow in and the cost can be measured reliably. The Company's Right-of-use assets categories mainly include houses and buildings, machinery and equipment, leased land and transportation equipment.

Right-of-use assets are initially measured at cost. This cost includes:

- (1) The initial measurement amount of the lease liabilities;
- (2) For the lease payment made on or before the commencement date of the lease term, if there is a lease incentive, the relevant amount of the lease incentive already enjoyed shall be deducted;
- (3) Initial direct costs incurred by the Company;
- (4) Costs expected to be incurred by the Company in dismantling and removing the leased assets, restoring the premises where the leased assets are located, or restoring the leased assets to its agreed condition under the terms of the lease.

The Company subsequently adopts cost model to depreciate the right-of-use assets. If it can be reasonably determined to obtain the ownership of the leased asset when the lease term expires, the company shall accrue depreciation for the remaining useful life of the leased asset. If it cannot be reasonably determined to obtain the ownership of the leased asset when the lease term expires, the company shall set aside depreciation during the shorter period between the lease term and the remaining life of the leased asset.

The Company determines whether the right-of-use assets has been impaired and carried out accounting treatment in accordance with the relevant provisions of *Accounting Standards for Business Enterprises No. 8 — Asset Impairment*.

When the Company re-measures the lease liability according to the present value of the lease payment after the change, and adjusts the book value of the right-of-use asset accordingly, if the book value of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, the remaining amount shall be recorded in the profits and losses of the current period.

Lease liabilities

At the start date of the lease, the company recognizes the present value of the unpaid lease payments as lease liabilities, except for short-term leases, and low-value asset leases. When calculating the present value of lease payment, the interest rate implicit in the lease is used as the discount rate. If it is impossible to determine the inherent interest rate of leasehold, the company's incremental borrowing interest rate is used as the discount rate. The difference between the amount of lease payments and the present value of leases shall be taken as unconfirmed financing expenses, and the interest expenses shall be recognized in accordance with the discount rate of the present value of the confirmed lease payments during each period of the lease term, and shall be included in the profits and losses of the current period. The amount of variable lease payments not included in the measurement of lease liabilities shall be included in the current profit or loss at the time of actual occurrence.

Lease payments are payments made by the Company to the lessor in relation to the right to use the leased assets during the lease term, including:

- (1) Fixed payment and substantial fixed payment, if there is lease incentive, the relevant amount of lease incentive shall be deducted;
- (2) The exercise price of call to purchase reasonably determined by the Company;



- (3) The amount payable for termination of lease option if the lease term reflects the exercise of lease termination option by the Company.

After the commencement date of the lease term, the company calculates the interest expense of the lease liability in each period of the lease term at the fixed periodic interest rate, and records it into the current profit and loss or relevant asset cost.

After the commencement of the lease term, when there is a change in the actual fixed payment amount, the expected amount payable for the guarantee residual value, the index or ratio used to determine the lease payment amount, the evaluation result of the purchase option, the renewal option or the termination option or the actual exercise situation, the Company shall re-measure the lease liabilities according to the present value of the lease payment after the change, and adjust the corresponding right-of-use assets. If the book value of the Right-of-use assets has been reduced to zero; however, if the lease liabilities still need to be further reduced, the Company shall include the difference in current profits and losses.

Lease modification

If the lease is modified and meets the following conditions at the same time, the Company will account for the lease modification as a separate lease: ① The lease modification increases the scope of the lease by adding the right to use one or more underlying assets; and ② The increased consideration is equivalent to the individual price of the extended portion of the lease adjusted for the circumstances of the contract.

For a lease modification that is not accounted for as a separate lease, the Company reallocates the consideration of the contract after modification, re-determines the lease term and remeasures the lease liabilities at the present value calculated based on the modified lease payments and the revised discount rate.

If the lease modification results in a reduction in the scope of the lease or a shortened lease term, the Company will reduce the book value of right-of-use assets accordingly, and include the gains or losses related to the lease partially or completely terminated in current profit or loss.

If other lease modifications cause the re-measurement of lease liabilities, the Company will adjust the book value of right-of-use assets accordingly.

Lease classification standard and accounting treatment method as a lessor

Applicable N/A

The Company divides the lease into financing lease and operating lease on the lease commencement date based on the substance of transactions. Financing lease is a lease that substantially transfers almost all the risks and rewards related to the ownership of the leased assets. Operating lease is a lease other than financing lease.

① *Operating lease*

The Company recognizes lease receipts from operating leases as rental income by using the straight-line method. The variable lease payment which is related to operating leases but not included in lease receipts shall be included in current loss and profit when actually incurred.

② *Financing lease*

On the commencement date of the lease term, the Company recognizes the financing lease receivables and derecognizes the financing lease assets. The financing lease receivables are initially measured at net investment in lease (the sum of unguaranteed residual value and the present value of lease receipts that have not been received on the commencement date of lease discounted at interest rate in the lease), and the interest income incurred during the lease term is calculated and recognized at the fixed periodic interest rate. The variable lease payment received by the Company that is not included in the measurement of net investment in lease is recorded in current profit and loss when actually incurred.

39. Other significant accounting policies and accounting estimates

Applicable N/A

(1) *Provision and utilization of work safety costs*

The Company shall, in accordance with the *Administrative Measures for the Withdrawal and Utilization of Enterprise Work Safety Costs* (Cai Zi [2022] No. 136) jointly promulgated by the Ministry of Finance and the State Administration of Work Safety, collect work safety funds. The collection and utilization of work safety funds for relevant businesses are as follows:

A. *Project construction*

In accordance with the provisions of Article 17 of Cai Zi [2022] No. 136, the construction projects subsidiaries of the Company shall, on the basis of the construction project price, make provision for work safety costs subject to the project progress at the end of the month by applying the criteria “(II) 3% for railway projects, housing construction projects and urban rail transit projects; (IV) 2% for smelting, mechanical and electrical installation, chemical petroleum and communication projects; (V) 1.5% for municipal public works, harbor and waterway projects as well as highway projects”.

The work safety costs for which provisions are made by project construction entities shall be used for the expenses incurred directly in connection with work safety and protection during project construction.

B. *Production and storage of hazardous goods*

In accordance with the provisions of Article 21 of Cai Zi [2022] No. 136, the enterprises engaged in production and storage 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 on average month by month 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.

C. Transportation of hazardous goods

In accordance with the provisions of Article 24 of Cai Zi [2022] No. 136, the transportation entities of hazardous goods under the Company shall make provision for the work safety costs on the basis of the actual operating income from the previous year and by applying the proportion of "1.5% for passenger transportation, pipeline transportation, transportation of dangerous goods and other special cargo transportation operations".

The work safety costs for which provisions are made by the transportation entities of hazardous goods under the Company shall be used for the expenses incurred directly in connection with safety and protection during transportation of hazardous goods.

The work safety costs for which provisions are made by the Company in accordance with the above regulations shall be included in the current profit or loss and special reserve. When the use of work safety funds belongs to expense expenditure, special reserve shall be directly written off. If a fixed asset is formed by the use of work safety funds, the expenditures of such use shall be included in "construction in progress" and shall be transferred to fixed-assets when the safety project reaches its working conditions for intended use. At the same time, special reserve shall be deducted by the amount of the cost of the fixed asset constructed and accumulated depreciation of the same amount shall be recognized. The fixed assets are no longer subject to depreciation during subsequent periods. The "special reserve" item under the owners equity in the balance sheet is set to reflect the closing balance of work safety costs separately.

(2) Repurchased share

The shares repurchased by the Company are managed as treasury stock prior to their cancellation or transfer, and all expenses incurred for the shares repurchased are converted into treasury stock cost.

Where the consideration and transaction expenses paid in a share repurchase reduce shareholders' equity, no gain or loss will be recognized when the shares of the Company are repurchased, transferred or canceled.

For transfer of a treasury stock, the difference between the amount actually received and the book value of the treasury stock is included in the capital reserves, and where the capital reserves are insufficient for offset, surplus reserves and undistributed profits shall be offset against. For cancellation of a treasury stock, the share capital shall be reduced at the par value of stock and the number of shares canceled, and the difference between the book balance of the treasury stock canceled and the par value shall be used to offset against the capital reserves. Where the capital reserves are insufficient for offset, surplus reserves and undistributed profits shall be offset against.

(3) Restricted shares

Under the equity incentive plan, the Company grants restricted shares to grantees who shall subscribe for the shares first, and if the unlocking conditions as previously agreed are not satisfied subsequently, the Company shall repurchase the shares at a previously agreed price. Where registration and other capital increase procedures have been completed in accordance with relevant regulations for the restricted shares issued among employees, the Company shall, on the grant date, recognize the share capital and capital reserve (capital premium) based on the subscription amount received from the employees, and recognize treasury share and other payables in connection with the repurchase obligation at the same time; where registration and other capital increase procedures have been completed in accordance with relevant regulations for the restricted shares granted to employees with repurchased treasury stocks, the Company shall, on the grant date, adjust the value of treasury stock based on the subscription payment made by the employees and recognize other payables in connection with the repurchase obligation.

(4) Information on division

The Company determines the operating division based on the internal organizational structure, management requirements and internal reporting system, and determines the reporting division based on the operating division and discloses the information of the division.

An operating division is a segment that simultaneously meets the following conditions: (1) The segment is capable of generating revenue and incurring expenses in its daily activities; (2) Management is able to periodically evaluate the operating results of the segment in order to determine the allocation of resources to it and to evaluate its performance; (3) The accounting information such as the financial position, operating results and cash flow of such segment is available. Where two or more operating divisions have the similar economic characteristics and meet certain conditions, they may be merged into one operating division.

(5) Profit distribution

For a subsidiary with foreign shareholders, after-tax profit shall be distributed in accordance with the resolution of its Board of Directors. The profits of other subsidiaries shall be distributed in the following order after making up the losses of the previous years:

Item	Percentage of proportion
Provision for statutory reserve fund	10%
Provision for discretionary surplus reserve	Decided by the General Meeting
Payment of dividends on ordinary shares	Decided by the General Meeting



40. Changes in significant accounting policies and accounting estimates

(1). Changes in significant accounting policies

Applicable N/A

Unit: RMB'0000 Currency: RMB

Content and reason of changes in accounting policies	Significantly influenced financial statements item	Amount of effect
In accordance with the implementation date stipulated in the Interpretation No. 17 of Accounting Standards for Business Enterprises, the provisions regarding the "division between current liabilities and non-current liabilities", "disclosure of the financing arrangement of suppliers" and "accounting treatment of leaseback transaction" are required to be implemented as of 1 January 2024.	N/A	0

(2). Changes in significant accounting estimates

Applicable N/A

(3). Adjustment to the financial statements at the beginning of year of initial implementation due to initial implementation of new accounting standards of interpretations on the standards since 2024

Applicable N/A

41. Others

Applicable N/A

VI. Taxation

1. Main tax categories and tax rates

Main tax categories and tax rates

Applicable N/A

Tax category	Taxation basis	Tax rate
Value added tax (VAT)	Taxable income for VAT	13%, 9%, 6%, 3%
Urban maintenance and construction tax	Turnover tax payable	7% and 5%
Corporate income tax	Taxable income	25%, 15%, 20%
Education surcharge	Turnover tax payable	5%
Property tax	Rental income of rental property and 70% of the original value of self-use property	12% and 1.2%

Tax category	Taxation basis	Tax rate
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, and wages of offshore companies incorporated in the British Virgin Islands	0%
Cayman Islands	Tax has not been levied on profits, capital gains, and wages of offshore companies incorporated in the Cayman Islands	0%
Corporate income tax (Singapore)	Income from 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 Consulting Company	15
Xindi Energy Engineering Technology Co., Ltd.	15
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
Guilin ENN Gas Co., Ltd.	15
Guigang ENN Gas Co., Ltd.	15
Guilin ENN Gas Development Co., Ltd.	15
Tongliao ENN Gas Development Co., Ltd.	15
Luoyang ENN Huayou Gas Co., Ltd.	15
Xin'an ENN Gas Co., Ltd.	15
Guangzhou ENN Gas Co., Ltd.	15



Name of taxpayer	Income tax rate (%)
Guangzhou Panyu ENN Gas Co., Ltd.	15
Shijiazhuang Xin'ao Energy Development Co., Ltd.	15
Yancheng ENN Energy Development Co., Ltd.	15
Luoyang ENN Energy Development Co., Ltd.	15
Luoyang ENN Gas Development Co., Ltd.	15
Mudanjiang ENN Energy Development Co., Ltd.	15
Longyou ENN Intelligent Energy Co., Ltd.	15
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
Guigang ENN Gas Engineering Co., Ltd.	15
Yangpu ENN Energy Development Co., Ltd.	15
ENN Gas North America Investment Co., Ltd.	16.5
ENN LNG Trading Co., Ltd.	16.5
Jiangsu Energy Holdings Co., Ltd.	16.5
ENN LNG (SINGAPORE) PTE LTD	17, 10
ENN Global Trading Pte. Ltd.	17
ENN Clean Energy International Investment Limited	0

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 Hua'an 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., ENN (Zhoushan) LNG Co., Ltd., Dongguan ENN Gas Co., Ltd. and Langfang ENN Intelligent Technology Co., Ltd. were awarded the high-tech enterprise certificates, and are subject to a preferential corporate income tax rate of 15% for high-tech enterprises within three years.
- (3) Some subsidiaries of the Company: Huai'an 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., Yangpu Xinrui Energy Development Co., Ltd., and Yangpu ENN Energy Development Co., Ltd., subsidiaries of the Company, were applicable to the provisions of the *Notice of the Ministry of Finance and the State Taxation Administration on Preferential Corporate Income Tax Policies for Hainan Free Trade Port* (Cai Shui [2020] No. 31) 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 an income tax rate of 10% from 1 January 2023 to 31 December 2025.

3. Others

Applicable N/A



VII. Notes to the Items in the Consolidated Financial Statements

1. Monetary fund

✓ Applicable □ N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Cash on hand	141	142
Bank deposits	1,209,875	1,543,429
Other Monetary fund	51,900	80,203
Statutory reserves deposited with the central bank	39,113	43,570
Total	1,301,029	1,667,344
Including: Total amount deposited overseas	474,356	547,756

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	39,113	43,570
Bank acceptance margin	23,310	27,097
L/C margin		300
Other margins	22,446	23,571
Special fund for gas purchase	2,443	8,256
Franchise margin	1,646	1,546
Electricity sales agent margin	3,193	6,633
Guarantee margin	5,936	3,091
Futures margin	602	344
Project construction bond	5,141	3,037
Margin for payment of farmers	1,290	1,673
Total	105,120	119,118

2. Lending funds

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Domestic bank	292,352	329,449
Total	292,352	329,449

3. Transaction financial assets

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance	Reason and bases for designation
Financial assets measured at fair value through current profit and loss	190,000	20,011	/
Including:			
Structured deposits	180,000	10,000	/
Wealth investment product	10,000		/
Monetary fund		10,011	/
Total	190,000	20,011	/

Other information:

Applicable N/A

The transaction financial asset at the end of current period increased by 849.48% from the amount at the end of previous period mainly due to the increased structured deposits of subsidiaries of the Company during the Reporting Period.

4. Derivative financial assets

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Non-hedging derivatives	30,128	42,430
Including: Commodity derivative contracts	30,128	42,430
Foreign exchange derivative contracts		
Hedging derivatives	18,012	92,643
Including: Commodity derivative contracts	16,891	92,643
Foreign exchange derivative contracts	1,121	
Total	48,140	135,073



Other information:

1. The Company's exposure to commodity price risk arises primarily from LNG sale and purchase contracts linked to indexes such as crude oil and natural gas. To manage and mitigate commodity price risk, the Company has signed multiple commodity derivative contracts with several financial institutions, some of which are designated as hedging instruments.
2. The Company's exposure to foreign exchange risk arises primarily from various bonds and bank loans denominated in USD. To manage and reduce the foreign exchange exposure, the Company has signed multiple foreign currency derivative contracts with several financial institutions, majority of which are designated as hedging instruments.
3. The derivative financial assets at the end of current period decreased by 64.36% and the derivative financial liabilities at the end of current period increased by 36.36% from the amount at the end of previous period, mainly due to the decline in fair value of the commodity derivative contracts of subsidiaries of the Company during the Reporting Period.

5. Notes receivable

(1). Presentation of notes receivable by category

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Bank acceptance notes	28,974	45,620
Commercial acceptance notes	432	944
Total	29,406	46,564

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

Applicable N/A

(3). Notes receivable which are not matured as at the balance sheet date but have been endorsed or discounted by the Company at the end of the period

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptance notes		12,560
Commercial acceptance notes		261
Total		12,821

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

Applicable N/A

Unit: RMB'0000 Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debt			Book balance		Provision for bad debt		
	Amount	Proportion (%)	Amount	Proportion of accrual (%)	Book value	Amount	Proportion (%)	Amount	Proportion of accrual (%)	Book value
Bad debt provision made individually										
Bad debt provision made by portfolio	29,411	100.00	5	0.02	29,406	46,574	100.00	10	0.02	46,564
Including:										
Bank acceptance notes	28,974	98.51			28,974	45,620	97.95			45,620
Commercial acceptance notes	437	1.49	5	1.00	432	954	2.05	10	1.00	944
Total	29,411	/	5	/	29,406	46,574	/	10	/	46,564

Bad debt provision made individually:

Applicable N/A

Bad debt provision made by portfolio:

Applicable N/A

Item subject to provision made by portfolio: Commercial acceptance notes

Unit: RMB'0000 Currency: RMB

Name	Closing balance		
	Notes receivable	Provision for bad debt	Proportion of accrual (%)
Commercial acceptance notes	437	5	1.00
Total	437	5	/

Description of bad debt provision made by portfolio

Applicable N/A

Bad debt provision made according to the general model of expected credit loss

Applicable N/A

Description of significant change in the book balance of notes receivable with a change in loss provision during the current period:

Applicable N/A

(5). Information on provision for bad 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	10	-5			5
Total	10	-5			5

Bad debt provisions with significant reserved or recovered amount:

 Applicable ✓ N/A**(6). Notes receivable actually written-off during the current period** Applicable ✓ N/A

Write-off of significant notes receivable:

 Applicable ✓ N/A

Write-off of notes receivable:

 Applicable ✓ N/A

Other information:

✓ Applicable N/A

The notes receivable at the end of current period decreased by 36.85% from the amount at the end of previous period mainly due to the maturity of bank acceptance bills issued by the subsidiaries of the Company during the Reporting Period.

6. Accounts receivable

(1). Disclosure by aging

Applicable N/A

Unit: RMB'0000 Currency: RMB

Aging	Closing book balance	Opening book balance
Within one year		
Including: Sub-item due within one year		
Within one year	480,035	536,065
Sub-item due within one year	480,035	536,065
One to two years	109,907	118,706
Two to three years	94,948	74,182
Three to five years	38,383	24,885
More than five years	19,248	18,953
Total	742,521	772,791

(2). Disclosure by methods of bad debt provision

Applicable N/A

Unit: RMB'0000 Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debt			Book balance		Provision for bad debt		
	Amount	Proportion (%)	Amount	Proportion of accrual (%)	Book value	Amount	Proportion (%)	Amount	Proportion of accrual (%)	Book value
Bad debt provision made individually	23,725	3.20	23,725	100.00		22,180	2.87	22,180	100.00	
Bad debt provision made by portfolio	718,796	96.80	105,396	14.66	613,400	750,611	97.13	89,717	11.95	660,894
Including:										
Related party payment	78,146	10.52	2,823	3.61	75,323	54,839	7.10	2,154	3.93	52,685
Non-related party payment	640,650	86.28	102,573	16.01	538,077	695,772	90.03	87,563	12.59	608,209
Total	742,521	/	129,121	/	613,400	772,791	/	111,897	/	660,894

Bad debt provision made individually:

Applicable N/A



Unit: RMB'0000 Currency: RMB

Name	Closing balance			Reason for accrual
	Book value	Provision for bad debt	Proportion of accrual (%)	
Provision made separately for bad debts which are not significant in an individual amount	23,725	23,725	100.00	Receivables that are difficult to recover and are likely to become bad debts
Total	23,725	23,725	100.00	/

Description of bad debt provision made individually:

 Applicable N/A

Bad debt provision made by portfolio:

 Applicable N/A

Item subject to provision made by portfolio: Related party payment

Unit: RMB'0000 Currency: RMB

Name	Closing balance		
	Accounts receivable	Provision for bad debt	Proportion of accrual (%)
Within one year	57,986	419	0.72
One to two years	10,037	379	3.78
Two to three years	4,877	400	8.20
Three to five years	5,071	1,450	28.59
More than five years	175	175	100.00
Total	78,146	2,823	3.61

Description of bad debt provision made by portfolio:

 Applicable N/A

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	420,398	9,857	2.34
One to two years	95,379	21,053	22.07
Two to three years	81,082	30,791	37.98
Three to five years	25,166	22,247	88.40
More than five years	18,625	18,625	100.00
Total	640,650	102,573	16.01

Description of bad debt provision made by portfolio:

Applicable N/A

Bad debt provision made according to the general model of expected credit loss

Applicable N/A

Description of significant change in the book balance of accounts receivable with a change in loss provision during the current period:

Applicable N/A

(3). Information on provision for bad 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	22,180	1,694		149	23,725
Bad debt provision made by portfolio	89,717	15,699		326	105,396
Including:					
Related party payment	2,154	669			2,823
Non-related party payment	87,563	15,030		326	102,573
Total	111,897	17,393		475	129,121

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	475

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	25,514		25,514	2.65	9,752
Top 2	23,010		23,010	2.39	14
Top 3	18,293		18,293	1.90	31
Top 4	8,942	6,518	15,460	1.60	44
Top 5	9,672	2,104	11,776	1.22	20
Total	85,431	8,622	94,053	9.76	9,861

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	221,893	18,513	203,380	262,762	17,444	245,318
Total	221,893	18,513	203,380	262,762	17,444	245,318

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

Applicable N/A

(3). *Disclosure by methods of bad debt provision*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debt			Book 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	12,782	5.76	12,782	100.00		12,788	4.87	12,788	100.00	
Bad debt provision made by portfolio	209,111	94.24	5,731	2.74	203,380	249,974	95.13	4,656	1.86	245,318
Including										
Energy engineering	209,111	94.24	5,731	2.74	203,380	249,974	95.13	4,656	1.86	245,318
Total	221,893	/	18,513	/	203,380	262,762	/	17,444	/	245,318

Bad debt provision made individually:

Applicable N/A

Unit: RMB'0000 Currency: RMB

Name	Closing balance			Reason for accrual
	Book value	Provision for bad debt	Proportion of accrual (%)	
Provision made separately for bad debts which are not significant in an individual amount	12,782	12,782	100	Receivables that are difficult to recover and are likely to become bad debts
Total	12,782	12,782	100	/

Description of bad debt provision made individually:

Applicable N/A

Bad debt provision made by portfolio:

Applicable N/A

Item subject to provision made by portfolio: Energy engineering

Unit: RMB'0000 Currency: RMB

Name	Closing balance		
	Contract assets	Provision for bad debt	Proportion of accrual (%)
Within 3 months	100,010	470	0.47
4 – 6 months	25,883	1,022	3.95
7 – 9 months	18,889	370	1.96
10 – 12 months	12,463	295	2.37
1 – 2 years	28,167	1,311	4.65
2 – 3 years	17,122	930	5.43
More than 3 years	6,577	1,333	20.27
Total	209,111	5,731	/

Description of bad debt provision made by portfolio

Applicable N/A

Bad debt provision made according to the general model of expected credit loss

Applicable N/A

Description of significant change in the book balance of contract assets with a change in loss provision during the current period:

Applicable N/A

(4). Bad debt provision for contract assets during the current period

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Current accrual	Current recovery or reversal	Current charge-off/write-off
Bad debt provision made individually	-6		
Bad debt provision made by portfolio	1,075		
Total	1,069		

Bad debt provisions with significant reserved or recovered amount:

Applicable N/A

(5). *Contract assets actually written-off for the current period*

Applicable N/A

Write-off of significant contract assets

Applicable N/A

Write-off of contract assets:

Applicable N/A

Other information:

Applicable N/A

8. **Receivables financing**

(1). *Presentation by classification of receivables financing*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Notes receivable measured at fair value through other comprehensive income	87,228	102,821
Total	87,228	102,821

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

Applicable N/A

(3). *Receivables financing which are not matured as at the balance sheet date but have been endorsed or discounted at the end of the period*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptance notes	70,369	
Total	70,369	



(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

Description of significant change in the book balance of receivables financing with a change in loss provision during the current period:

Applicable N/A

(5). Information on provision for bad 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). Presentation of prepayments by aging

Applicable N/A

Unit: RMB'0000 Currency: RMB

Aging	Closing balance		Opening balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within one year	312,825	93.74	508,282	96.15
One to two years	12,596	3.77	11,362	2.15
Two to three years	3,741	1.12	5,309	1.00
More than three years	4,589	1.37	3,687	0.70
Total	333,751	/	528,640	/

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

Applicable N/A

Unit: RMB'0000 Currency: RMB

Name of entity	Closing balance	Proportion in total closing balance of advances to suppliers (%)
Top 1	80,698	24.18
Top 2	16,506	4.95
Top 3	16,146	4.84
Top 4	14,145	4.24
Top 5	10,034	3.01
Total	137,529	41.22

Other information

Applicable N/A

The prepayments at the end of current period decreased by 36.87% from the amount at the end of previous period mainly due to the decrease in prepayments for natural gas business of the Company during the Reporting Period.

10. Loans and advances

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Corporate loans	2,900	3,697
Total loans and advances to customers	2,900	3,697
Less: provision for loan loss	58	74
Book value of loans and advances to customers	2,842	3,623

11. Other receivables

Presentation of items

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Interests receivable		
Dividends receivable	28,561	14,701
Other receivables	140,413	113,051
Total	168,974	127,752

Other information:

Applicable N/A

The other receivables at the end of current period increased by 32.27% from the amount at the end of previous period mainly due to the increase in dividends receivable 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

(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

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.	1,866	4,356
Shantou Huarun ENN Gas Co., Ltd.	240	240
Luquan Fuxin Gas Co., Ltd.	2,007	2,007
Ningbo ENN Gas Co., Ltd.	1,960	1,960
Xinxiang Hope Thermal Energy Co., Ltd.	878	878
Shandong Luxin Natural Gas Co., Ltd.	367	120
Shenzhen ENN Shipping Co., Ltd.		259
Yantai ENN Gas Development Co., Ltd.	3,956	4,250
Hunan Yiwei Power Distribution Co., Ltd.		90
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	46	
Hebei PetroChina Kunlun Natural Gas Co., Ltd.	2,248	
Sinopec Marketing Co., Ltd.	7,557	
Huzhou Nanxun Xin'ao Gas Co., Ltd.	4,157	
Huzhou Nanxun Xin'ao Gas Development Co., Ltd.	2,738	
Total	28,561	14,701

(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

(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 dividends receivable at the end of current period increased by 94.28% from the amount at the end of previous period mainly due to the dividends of joint and associated ventures 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	65,523	42,489
Sub-item due within one year	65,523	42,489
One to two years	22,616	13,903
Two to three years	11,327	18,713
Three to five years	33,222	28,795
More than five years	21,692	20,485
Total	154,380	124,385

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

Applicable N/A

Unit: RMB'0000 Currency: RMB

Nature of payment	Closing book value	Opening book value
Settled but unpaid derivative contracts	15,622	269
Performance bond or deposit	66,395	52,342
Current account	47,526	45,159
Asset disposal proceeds	8,371	13,538
Employee borrowings and reserves	3,809	3,074
Others	12,657	10,003
Total	154,380	124,385

(3). *Accrual of 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 2024	2,073		9,261	11,334
In the current period, the balance on 1 January 2024				
— Transfer to the second stage				
— Transfer to the third stage				
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period	440		2,299	2,739
Reversal in current period				
Charge-off in current period				
Write-off in current period	8		98	106
Other changes				
Balance on 30 June 2024	2,505		11,462	13,967

Description of significant change in the book balance of other receivable with a change in loss provision during the current period:

Applicable N/A

Amount of provision made for bad debts and the basis adopted to evaluate whether the credit risk of financial instruments have increased significantly in current period:

Applicable N/A

(4). *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	11,334	2,739		106	13,967
Total	11,334	2,739		106	13,967

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	106

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	8,573	5.55	Current account	Within one year, 1-2 years, 2-3 years, 3-5 years	274
Top 2	8,003	5.18	Current account, performance bond or deposit	Within one year, 3-5 years	157
Top 3	7,321	4.74	Current account	1-2 years, 2-3 years, 3-5 years, more than 5 years	37
Top 4	7,319	4.74	Performance bond or deposit	Within one year, 1-2 years, 2-3 years	73
Top 5	3,800	2.46	Current account	3-5 years	
Total	35,016	22.67	/	/	541

(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	103,388		103,388	108,492		108,492
Products in process	4,898		4,898	5,386		5,386
Finished goods	134,163		134,163	101,531		101,531
Goods shipped	12		12	737		737
Materials for consigned processing	144		144	497		497
Other	23		23	14		14
Total	242,628		242,628	216,657		216,657

(2). *Data resources recognized as inventories* Applicable N/A(3). *Provision for decline in value of inventories and impairment provision for contract performance cost* Applicable N/A

Reason for reversal or charge-off of provision for decline in value of inventories during the current period

 Applicable N/A

Provision for decline in value of inventories by portfolio

 Applicable N/A

Criteria for provision for decline in value of inventories by portfolio

 Applicable N/A(4). *Capitalized amount of borrowing costs included in inventory closing balance and its calculation standard and basis* Applicable N/A

(5). Description of amortization amount of contract performance cost in the current period

Applicable N/A

Other information:

Applicable N/A

13. Held-for-sale assets

Applicable N/A

14. Non-current assets due within one year

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Debt investment due within one year	527	528
Loans and advances due within one year	490	980
Long-term receivables due within one year		277
Total	1,017	1,785

Debt investment due within one year

Applicable N/A

(1). Information on debt investment due within one year

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Debt investment due within one year	538	11	527	539	11	528
Total	538	11	527	539	11	528

Change in the impairment provision for debt investment due within one year during the current period

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Increase for current period	Decrease for current period	Closing balance
Impairment provision for debt investment due within one year	11			11
Total	11			11

(2). *Debt investment due within one year which is significant at the end of the period*

Applicable N/A

(3). *Accrual of Impairment provision*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	
Balance on 1 January 2024	11			11
In the current period, the balance on 1 January 2024				
— Transfer to the second stage				
— Transfer to the third stage				
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period				
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 30 June 2024	11			11

Description of significant change in the book balance with a change in loss provision during the current period:

Applicable N/A

Amount of impairment provision and the basis adopted to evaluate whether the credit risk of financial instruments have increased significantly in current period

Applicable N/A

(4). *Debt investment due within one year actually written-off during the current period*

Applicable N/A

Write-off of debt investment due within one year which is significant

Applicable N/A

Description of write-off of debt investment due within one year:

Applicable N/A

Other information

Applicable N/A

Other debt investments due within one year

Applicable N/A

Loans and advances due within one year

(1). *Loans and advances due within one year*

Unit: RMB'0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Loans and advances due within one year	500	10	490	1,300	320	980
Total	500	10	490	1,300	320	980

Change in the impairment provision for loans and advances due within one year during the current period

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Increase for current period	Decrease for current period	Closing balance
Impairment provision for loans and advances due within one year	320		310	10
Total	320		310	10

(2). *Accrual of impairment provision*

Unit: RMB'0000 Currency: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	
Balance on 1 January 2024	20		300	320
In the current period, the balance on 1 January 2024				
— Transfer to the second stage				
— Transfer to the third stage				
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period	-10		-300	-310
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 30 June 2024	10			10

Long-term receivables due within one year(1). *Long-term receivables due within one year*

Unit: RMB'0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Long-term receivables due within one year	1,986	1,986		2,266	1,989	277
Total	1,986	1,986		2,266	1,989	277

Change in the impairment provision for long-term receivables due within one year during the current period

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Increase for current period	Decrease for current period	Closing balance
Impairment provision for long-term receivables due within one year	1,989		3	1,986
Total	1,989		3	1,986

(2). Accrual of impairment provision

Unit: RMB'0000 Currency: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	
Balance on 1 January 2024	3		1,986	1,989
In the current period, the balance on 1 January 2024				
— Transfer to the second stage				
— Transfer to the third stage				
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period	-3			-3
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 30 June 2024			1,986	1,986

Other information:

The non-current assets due within one year at the end of current period decreased by 43.03% from the amount at the end of previous period mainly due to the recovery of matured loans, advances and finance lease by the Company's subsidiaries during the Reporting Period.

15. Other current assets

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Value added tax to be deducted, certified or prepaid	216,476	209,349
Prepaid corporate income tax	37,246	38,213
Prepaid business tax	3,181	3,383
Prepaid social security and provident fund	314	326
Entrusted loan	1,072	1,465
Factoring receivable	21,135	14,867
Other	916	848
Total	280,340	268,451



Accrual of 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 2024	1,150			1,150
In the current period, the balance on 1 January 2024				
— Transfer to the second stage				
— Transfer to the third stage				
— Reversal to the second stage				
— Reversal to the first stage				
Provision in current period	113			113
Reversal in current period				
Charge-off in current period				
Write-off in current period				
Other changes				
Balance on 30 June 2024	1,263			1,263

16. Debt investment

(1). Information on debt investment

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Factoring receivable				260	6	254
Total				260	6	254

Change in the impairment provision for debt investments during the current period

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Increase for current period	Decrease for current period	Closing balance
Impairment provision for debt investments	6		6	
Total	6		6	

(2). Significant debt investments at the end of the period

Applicable N/A

(3). Accrual of impairment provision

Applicable N/A

Unit: RMB'0000 Currency: RMB

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 2024	6			6
In the current period, the balance on 1 January 2024				
— 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 30 June 2024				

Description of significant change in the book balance of debt investments with a change in loss provision during the current period:

Applicable N/A

Amount of impairment provision and the basis adopted to evaluate whether the credit risk of financial instruments have increased significantly in current period:

Applicable N/A

(4). Debt investments actually written-off during the current period

Applicable N/A

Write-off of debt investments which are significant

Applicable N/A



Write-off of debt investments:

Applicable N/A

17. Other debt investments

(1). Information on other debt investments

Applicable N/A

Change in the impairment provision for other debt investments during the current period

Applicable N/A

(2). Other debt investments which are significant at the end of the period

Applicable N/A

(3). Accrual of impairment provision

Applicable N/A

(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	6,000	60	5,940	5.00%
Including: Unrealized financing income	616		616	1,088		1,088	
Total	6,000	60	5,940	6,000	60	5,940	/

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

Applicable N/A

Unit: RMB'0000 Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debt			Book balance		Provision for bad debt		
	Amount	Proportion (%)	Amount	Proportion of accrual (%)	Book value	Amount	Proportion (%)	Amount	Proportion of accrual (%)	Book value
Bad debt provision made individually										
Bad debt provision made by portfolio	6,000		60		5,940	6,000		60		5,940
Including										
Financing lease receivable	6,000	100.00	60	1.00	5,940	6,000	100.00	60	1.00	5,940
Total	6,000	/	60	/	5,940	6,000	/	60	/	5,940

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

Item subject to provision made by portfolio: Financing lease receivable

Unit: RMB'0000 Currency: RMB

Name	Closing balance		
	Long term receivables	Provision for bad debt	Proportion of accrual (%)
Financing lease receivable	6,000	60	1.00
Total	6,000	60	/

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

(3). Provision for bad debts

Applicable N/A

Investee	Increase or decrease for the current period											Closing balance of impairment provision
	Opening balance	Additional investment	Reduced investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Changes in other equity	Declare to issue cash dividends or profit	Impairment provision withdrawal	Other	Closing balance		
Yantai ENN Gas Development Co., Ltd.	58,301			950							59,251	
Kaifeng ENN Yin Hai Automobile Gas Co., Ltd.				114							114	
Yunnan Yuntou Xin'ao Gas Co., Ltd.	9,157			153							9,310	
Tangshan ENN Yongshun Clean Energy Co., Ltd.	2,539			-119							2,420	
Hebei PetroChina Kunlun Natural Gas Co., Ltd.	31,613			2,178			2,248				31,543	
Henan Jingbao ENN New Energy Co., Ltd.	6,754			366			1,960				5,160	
Hangzhou Xiaoshan Huanneng Industrial Co., Ltd.	93			4							97	
Quzhou ENN Sinopec Automobile Gas Co., Ltd.	1,087			73			135				1,025	
Jiaying Sinopec ENN Gas Co., Ltd.	312			113							425	
Langfang ENN Longyu Clean Energy Co., Ltd.				87							87	
Jinhua Sinopec ENN Automobile Natural Gas Co., Ltd.	270			184							454	
Liaocheng Shihua Natural Gas Co., Ltd.	11,695			1,355							13,050	
Guangxi Xijiang ENN Clean Energy Co., Ltd.				279							279	
Anhui Wanneng ENN Natural Gas Co., Ltd.	7,712			855			823				7,744	
Xuzhou Guotou ENN Energy Co., Ltd.	2,003			-122							1,881	
Qingdao International Airport New Energy Development Co., Ltd.	6,650			236							6,886	
Jiangxi Poyang Lake LNG Co., Ltd.	3,606			-43							3,563	
Dongguan Haofeng ENN Energy Co., Ltd.	2,826			328							3,154	
Yunnan Natural Gas Xuanwei ENN Gas Co., Ltd.	4,318			59							4,377	
Chenzhou Sanxiang ENN Clean Energy Co., Ltd.	847			-412			139				296	
Wulian Run'ao Energy Development Co., Ltd.	1,345			-1							1,344	
Xuancheng Hezhong Natural Gas Pipeline Network Co., Ltd.	3,162			553			350				3,365	
Dongguan Zhongdian ENN Heating Co., Ltd.	4,790			354							5,144	
Zhuzhou Tai'ao Energy Co., Ltd.	272			34							306	
Shanghai Kunlun ENN Clean Energy Co., Ltd.	18,048			89							18,137	
Lianyungang Chengxin Gas Co., Ltd.	7,416			679							8,095	
Bengbu ENN PetroChina Sales Co., Ltd.	675			79			112				642	
Sinopec Yuexi Pipeline Network Co., Ltd.	8,106			-1,838							6,268	
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	729			58			46				741	
Henan Zhongyuan Natural Gas Development Co., Ltd.	53,100			2,288			3,300				52,088	

Investee	Increase or decrease for the current period											Closing balance of impairment provision
	Opening balance	Additional investment	Reduced investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Changes in other equity	Declare to issue cash dividends or profit	Impairment provision withdrawal	Other	Closing balance		
Shijiazhuang Blue Sky ENN Natural Gas Pipeline Network Co., Ltd.	4,798			45							4,843	
Zhoushan Lanyan Gas Co., Ltd.	54,642			241							54,883	
Hunan Yiwei Power Distribution Co., Ltd.	3,126			33							3,159	
Guangxi Daren Energy Co., Ltd.	3,818			93			179				3,732	
Luoyang Natural Gas Storage and Transportation Co., Ltd.	2,954			-389							2,565	
Huzhou Gas Co., Ltd.	37,062			152			1,816				35,398	
Huzhou Nanxun Xin'ao Gas Co., Ltd.	22,055			1,221			2,341				20,935	
Huzhou Nanxun Xin'ao Gas Development Co., Ltd.	6,283			1,387			2,738				4,932	
Shandong Airport Intelligent Energy Development Co., Ltd.	480			13							493	
Bengbu Ruiyuan Power Distribution Co., Ltd.	540										540	
Lianyungang Zhongxin Gas Co., Ltd.	16,347			224							16,571	
Ningbo ENN Xinrui Energy Development Co., Ltd.	2,666			-62							2,604	
Shandong Luxin Natural Gas Co., Ltd.	1,941			110			247				1,804	
Jinhua Gaoya Natural Gas Co., Ltd.	1,767			39							1,806	
Changzhou Zhongwu Power Distribution Co., Ltd.	377			4			2				379	
Changshu China Petroleum Kunlun Natural Gas Development Co., Ltd.	315			-9							306	
Danjiangkou ENN Energy Development Co., Ltd.	37		26	-11								
Xuyi Guolian ENN Natural Gas Pipeline Network Co., Ltd.	5,379			-17							5,362	
Minshang (Guangdong) Investment Partnership (Limited Partnership)	4,758			-4,758								
Beijing Shanjing Huisheng Pipeline Technology Development Co., Ltd.	574		574									
Changzhou Gas Storage Co., Ltd.	1,226			-16							1,210	
Chizhou Qianjiang Gas Co., Ltd.	2,543			-12							2,531	
Xinsheng Natural Gas Sales Co., Ltd.	841			-5							836	
Yancheng National Investment Natural Gas Pipeline Network Co., Ltd.	21,724			406							22,130	
Hai'an Huihai Natural Gas Pipeline Network Co., Ltd.	3,457			-11							3,446	

Investee	Increase or decrease for the current period										Closing balance of impairment provision	
	Opening balance	Additional investment	Reduced investment	Investment gains or losses			Changes in other equity	Declare to issue cash dividends or profit	Impairment provision withdrawal	Other		
				recognized under the equity method	Adjustment to other comprehensive income							
Qinzhou PetroChina Kunlun Gas Co., Ltd.	3,218			537							3,755	
Shijiazhuang ENN City Gas Development Co., Ltd.	6,412			148							6,560	
Suqian Heating Pipe Network Co., Ltd.	2,406			-31							2,375	
Guanyun PetroChina Kunlun Gas Co., Ltd.	12,124			1,492							13,616	
Changsha ENN Gas Co., Ltd.	117,451			7,373							124,824	
Huai'an PetroChina Kunlun Gas Co., Ltd.		5,000		-47							4,953	
Subtotal	458,277	5,000	642	14,264				7,613			469,286	1,563
Total	739,750	6,650	642	26,485				16,819			755,424	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	Increase/decrease for the 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
	Opening balance	Additional investment	Reduced investment	Gains included in other comprehensive income for current period	Losses included in other comprehensive income for current period	Other	Closing balance			
Jiaxing Gas Group Co., Ltd.	8,022				-90		7,932	286	3,819	Strategic investment
Shanghai Zhongyou Baihe Petroleum Gas Co., Ltd.	1,138						1,138		688	Strategic investment
Shanghai Petroleum and Gas Exchange Co., Ltd.	4,398						4,398		198	Strategic investment
Chongqing Petroleum and Gas Exchange Co., Ltd.	5,554						5,554		305	Strategic investment
Xiangtan Desheng Energy Distribution Co., Ltd.	152	138					290		-8	Strategic investment
Sanmenxia Swan Power Co., Ltd.	980						980		-521	Strategic investment

Item	Increase/decrease for the 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
	Opening balance	Additional investment	Reduced investment	Gains included in other comprehensive income for current period	Losses included in other comprehensive income for current period	Other					
Nanjing Jiangbei New District Power Distribution Co., Ltd.	471						471	9	21		Strategic investment
Heilongjiang Electric Power Trading Center Co., Ltd.	356						356				Strategic investment
Jibei Electric Power Trading Center Co., Ltd.	290						290			-1	Strategic investment
Zhejiang Hesen Energy Co., Ltd.	137						137			-103	Strategic investment
Guangxi Power Exchange Center Co., Ltd.	267						267		7		Strategic investment
Langfang Youqi Business Planning Co., Ltd.	183						183			-39	Strategic investment
Shenzhen Dapeng Liquefied Natural Gas Sales Co., Ltd.	582						582		457		Strategic investment
Dongguan Fengneng LNG Co., Ltd.	25						25				Strategic investment
Dongguan Fengneng LNG Terminal Co., Ltd.	25						25				Strategic investment
Deneb ocean transport company		391					391				
Altair ocean transport company		391					391				
Vega ocean transport company		391					391				
Total	22,580	1,311	-	-	-90	-	23,801	295	5,495	-672	/

(2). Description of derecognition for current period

Applicable N/A

Other information:

Applicable N/A

21. Other non-current financial assets

Applicable N/A



Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Derivative financial assets included in other non-current financial assets included in	7,779	18,788
Non-hedging derivatives	1,069	2,861
Including: Commodity derivative contracts	1,069	2,861
Foreign exchange derivative contracts		
Hedging derivatives	6,710	15,927
Including: Commodity derivative contracts	3,290	12,130
Foreign exchange derivative contracts	3,420	3,797
Financial assets measured at fair through current profit or loss	432,343	433,414
Total	440,122	452,202

The details of financial assets measured at fair value through current profit or loss are listed as follows:

Unit: RMB'0000 Currency: RMB

Name of investee	Closing balance	Opening balance
Sinopec Marketing Co., Ltd.	417,000	417,000
Shanghai Dazhong Public Utilities (Group) Co., Ltd.	13,685	14,760
Guokai Siyuan (Beijing) Investment Fund Co., Ltd.	1,621	1,621
Hunan Silver Co., Ltd.	37	33
Total	432,343	433,414

Other information:

- Please refer to "Note VII-4. Derivative financial assets" for the foreign exchange derivative contracts and commodity derivative contracts.
- The Company holds 1.13% equity stake in the non-listed company Sinopec Marketing Co., Ltd. The Company holds 4.38% shares in the listed company Shanghai Dazhong Public Utilities (Group) Co., Ltd. The Company holds 0.01% shares in the listed company Hunan Silver Co., Ltd.

22. Investment real estate

Measurement model of investment real estate

(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	26,814			26,814
II. Changes in the current period	-690			-690
Add: Outsourcing				
Transfer from inventories/fixed assets/construction in process				
Increase in business combinations				
Less: Disposal				
Other transfer out	-690			-690
Changes in fair value				
III. Balance at the end of the period	26,124			26,124

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

Applicable N/A

(3). *Description of conversion into investment real estate and adoption of fair value measurement model*

Applicable N/A

Other information

Applicable N/A

(4). *Impairment test for investment real estate under cost measurement model*

Applicable N/A

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	6,215,425	6,132,633
Disposal of fixed assets		
Total	6,215,425	6,132,633



Fixed assets

(1). Information on fixed assets

✓ Applicable □ N/A

Unit: RMB'0000 Currency: RMB

Item	Houses and buildings	Machinery & equipment	Office & electronic communication equipment	Means of transportation	Gas pipeline	Total
I. Original book value:						
1. Opening balance	1,346,780	1,516,099	264,028	45,065	5,077,304	8,249,276
2. Current increase	12,578	90,123	14,645	2,241	148,521	268,108
(1) Purchase	424	36,109	1,577	2,241	18,578	58,929
(2) Transferred from construction in progress	11,464	54,014	13,068		129,943	208,489
(3) Increase in business combinations						
(4) Transferred from investment real estate	690					690
3. Current decrease	4,378	16,205	2,664	3,153	8,844	35,244
(1) Disposal or scrap	4,058	11,892	2,643	2,232	7,598	28,423
(2) Decrease in business combinations	320	4,313	21	921	1,246	6,821
4. Closing balance	1,354,980	1,590,017	276,009	44,153	5,216,981	8,482,140
II. Accumulated depreciation						
1. Opening balance	221,908	512,657	169,728	27,097	974,545	1,905,935
2. Current increase	16,572	51,839	11,708	2,491	79,949	162,559
(1) Provision	16,572	51,839	11,708	2,491	79,949	162,559
3. Current decrease	1,139	9,607	2,756	2,675	3,434	19,611
(1) Disposal or scrap	1,131	6,965	2,747	1,861	2,612	15,316
(2) Decrease in business combinations	8	2,642	9	814	822	4,295
4. Closing balance	237,341	554,889	178,680	26,913	1,051,060	2,048,883
III. Impairment provision						
1. Opening balance	28,485	171,487	187	569	9,980	210,708
2. Current increase	2,126	3,807			3,456	9,389
(1) Provision	2,126	3,807			3,456	9,389
3. Current decrease		2,265				2,265
(1) Disposal or scrap		2,265				2,265
(2) Decrease in business combinations						
4. Closing balance	30,611	173,029	187	569	13,436	217,832
IV. Book value						
1. Closing book value	1,087,028	862,099	97,142	16,671	4,152,485	6,215,425
2. Opening book value	1,096,387	831,955	94,113	17,399	4,092,779	6,132,633

(2). *Temporarily idle fixed assets*

Applicable N/A

(3). *Fixed assets rent through financing lease*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing book value
Leased out through operating leases	6,511

(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	105,274	The Company is communicating with the local government departments on this matter

(5). *Impairment test on fixed assets*

Applicable N/A

Determination of net recoverable amount at fair value less disposal costs

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Book value	Recoverable amount	Impairment amount	Determination method of fair value and disposal cost	Key parameter	Determination basis of key parameter
Gas station	1,602		1,602	Cost method	Disposal value of assets	Residual value of assets
Integrated energy investment	5,236		5,236	Cost method	Disposal value of assets	Residual value of assets
Gas business assets	2,551		2,551	Cost method	Disposal value of assets	Residual value of assets
Total	9,389		9,389	/	/	/

Determination of recoverable amount at present value of future projected cash flow

Applicable N/A



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

Applicable N/A

Reasons for the obvious difference between the information adopted for impairment tests in previous years and the actual situation in current year

Applicable N/A

Other information:

Applicable N/A

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	563,867	479,891
Project materials	15,562	18,481
Total	579,429	498,372

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	86,688	66	86,622	99,209	66	99,143
Gas engineering	341,890		341,890	284,737		284,737
Zhoushan project phase III	90,308		90,308	60,528		60,528
Environmental protection technology reform for water system	9,608	1,488	8,120	9,610	1,488	8,122
Other projects	37,729	802	36,927	28,369	1,008	27,361
Total	566,223	2,356	563,867	482,453	2,562	479,891

(2). Current changes in major construction in progress

✓ Applicable N/A

Unit: RMB'0000 Currency: RMB

Name of project	Budget	Opening balance	Current increase	Amount transferred to fixed assets in the current period	Other current decreases	Closing balance	Accumulated investment as a percentage of budget (%)	Project progress	Accumulated capitalized amount of interest	Including:		Sources of funding
										Capitalized amount of interest in current period	Capitalization rate of interest in current period (%)	
Longping High-Tech Project	17,695	2,740				2,740	89.21	99.85%				Self-financing
Phase III LNG Storage Tank and Supporting Facilities for Zhejiang Zhousha LNG Receiving Terminal and Filling Station	292,096	60,528	29,780			90,308	31.14	59.75%	27	9	3.00	Self-financing and loan
ENN Science Park R&D Workshop	32,395	11,104	3,312			14,416	44.50	80.00%				Self-financing
Natural Gas Supply Pipeline Works for Ningzhou Gas and Electricity Project	121,014	2,176	5,295	4,869		2,602	98.82	98.16%	1,405	342	4.50	Self-financing and loan
Dongguang High-pressure Natural Gas Pipeline Network Project along North Ring Road and Zhonghong Branch	33,600	24,219	3,083	2		27,300	82.61	90.00%				Self-financing
Dongguang High-pressure Natural Gas Pipeline Network Project along Sangcha Express Way and Eastern Extension Line	17,160	98	26			124	0.72	1.00%				Self-financing
ENN Research Institute Project (1#)	80,984	1,532	1,374			2,906	3.59	8.00%				Self-financing
ENN Research Institute Project (2#)	65,614	3,768	1,119			4,887	7.45	15.00%				Self-financing



Name of project	Budget	Opening balance	Current increase	Amount transferred to fixed assets in		Closing balance	Accumulated investment as a percentage of budget (%)	Project progress	Accumulated capitalized amount of interest	Including: Capitalized amount of interest		Sources of funding
				the current period	Other current decreases					in current period	in current period (%)	
High-pressure Natural Gas Pipeline Project from China-Russia Eastern Route Xinghuamen Station to Zhuhongmen Station	16,220	4,622	4,741			9,363	57.72	90.00%				Self-financing
Relocation and Reconstruction of Dongguan High-pressure Natural Gas Pipeline Network Project (Changhua Expressway – Chang'an Pressure Regulation Station)	12,912		108			108	0.84	1.00%				Self-financing
Total	689,690	110,787	48,838	4,871		154,754	/	/	1,432	351	/ /	

(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	
Equipment and supporting facilities for stable light hydrocarbon	176			176	
Integrated equipment and related assets of methanol	2,320		206	2,114	
Total	2,562		206	2,356	/

(4). Impairment tests on construction in progress

Applicable N/A

Other information

Applicable N/A

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	15,562		15,562	18,481		18,481
Total	15,562		15,562	18,481		18,481

25. Productive biological assets

(1). Productive biological assets using cost measurement model

Applicable N/A

(2). Impairment tests on productive biological assets using cost measurement model

Applicable N/A

(3). Productive biological assets using fair value measurement model

Applicable N/A

Other information

Applicable N/A

26. Oil and gas assets

(1). Information on oil and gas assets

Applicable N/A

(2). Impairment tests on oil and gas assets

Applicable N/A

27. Right-of-use assets

(1). Information on right-of-use assets

Applicable N/A



Unit: RMB'0000 Currency: RMB

Item	Land	Houses and buildings	Equipment	Means of transportation	Other	Total
I. Original book value						
1. Opening balance	22,981	66,129	858	589	1,102	91,659
2. Current increase	660	8,592	20	71	3	9,346
3. Current decrease	509	457				966
4. Closing balance	23,132	74,264	878	660	1,105	100,039
II. Accumulated depreciation						
1. Opening balance	8,766	29,273	499	582	318	39,438
2. Current increase	1,425	7,132	53	7	122	8,739
(1) Provision	1,425	7,132	53	7	122	8,739
3. Current decrease						
(1) Disposal						
4. Closing balance	10,191	36,405	552	589	440	48,177
III. Impairment provision						
1. Opening balance						
2. Current increase						
(1) Provision						
3. Current decrease						
(1) Disposal						
4. Closing balance						
IV. Book value						
1. Closing book value	12,941	37,859	326	71	665	51,862
2. Opening book value	14,215	36,856	359	7	784	52,221

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

Applicable N/A

28. Intangible assets

(1). Information on intangible assets

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Land use right	Patent right	Software	Right of management	Others	Total
I. Original book value						
1. Opening balance	328,506	26,998	167,855	572,335	26,618	1,122,312
2. Current increase	7,807	224	19,544	19,837	3,618	51,030
(1) Purchase	7,807	224	7,310	19,837	3,618	38,796
(2) Increase in business combinations						
(3) Transferred from development expenditure			12,234			12,234
3. Current decrease	4,663	229	150		1,748	6,790
(1) Disposal	1,280	229	150		1,748	3,407
(2) Decrease in business combinations	3,383					3,383
4. Closing balance	331,650	26,993	187,249	592,172	28,488	1,166,552
II. Accumulated amortization						
1. Opening balance	60,445	15,348	81,544	182,180	13,769	353,286
2. Current increase	5,164	1,233	12,500	12,676	1,081	32,654
(1) Provision	5,164	1,233	12,500	12,676	1,081	32,654
(2) Increase in business combinations						
3. Current decrease	382	149	242		2	775
(1) Disposal	271	149	242		2	664
(2) Decrease in business combinations	111					111
4. Closing balance	65,227	16,432	93,802	194,856	14,848	385,165
III. Impairment provision						
1. Opening balance			1,623	4,950		6,573
2. Current increase				2,627		2,627
(1) Provision				2,627		2,627
(2) Increase in business combinations						
3. Current decrease						
(1) Disposal						
4. Closing balance			1,623	7,577		9,200
IV. Book value						
1. Closing book value	266,423	10,561	91,824	389,739	13,640	772,187
2. Opening book value	268,061	11,650	84,688	385,205	12,849	762,453

At the end of the period, intangible assets formed through internal R&D accounted for 1.76% of the balance of intangible assets of the Company.

(2). *Data resources recognized as intangible assets*

Applicable N/A



(3). *Land use right with property right certificate uncompleted*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Book value	Reason for uncompleted property right certificate
Land use right	9,862	In progress

(4). *Impairment tests on intangible assets*

Applicable N/A

Determination of net recoverable amount at fair value less disposal costs

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Book value	Recoverable amount	Impairment amount	Determination method of fair value and disposal cost	Key parameter	Determination basis of key parameter
Right of management	1,736	0	1,736	Cost method	Disposal value of assets	Residual value of assets
Total	1,736	0	1,736	/	/	/

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	3,594	2,703	891	5 years	Unit price, sales volume	Discount rate	Industry average return on investment
Total	3,594	2,703	891	/	/	/	/

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

Applicable N/A

Reasons for the obvious difference between the information adopted for impairment tests in previous years and the actual situation in current year

Applicable N/A

Other information:

Applicable N/A

29. Development expenditure

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Current increase		Current decrease		Closing balance
		Internal development expenditure	Other	Recognized as intangible assets	Included in current profit or loss	
Digital-intelligent safety project	2,731		1,324	457		3,598
Digital-intelligent management project	28,007		2,536	2,023		28,520
GreatGas ecological platform project	12,184	4,965	53	9,281		7,921
Digital-intelligent integrated energy project	509		986			1,495
Intelligent customer service platform project	1,904	2,247	2,562	473		6,240
Other projects	4,524	357	72		6	4,947
Total	49,859	7,569	7,533	12,234	6	52,721

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



Name of investee or events forming goodwill	Opening balance	Current increase	Current decrease	Closing balance
		Resulted from business combination	Disposal	
Xin'an ENN Gas Co., Ltd.	135			135
Anhui Anran Gas Co., Ltd.	3,363			3,363
Liaocheng Jin'ao Gas Development Co., Ltd.	2,440			2,440
Xuancheng ENN Gas Co., Ltd.	10,024			10,024
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
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
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



Name	Composition and basis of asset group portfolio	Business division and basis	Consistence with previous years
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
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	Wholesale of natural gas	Yes

Name	Composition and basis of asset group portfolio	Business division and basis	Consistence with previous years
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 business	Yes

Change in asset group or asset group portfolio

Applicable N/A

Other information

Applicable N/A

(4). Specific determination method of recoverable amount

Determination of net recoverable amount at fair value less disposal costs

Applicable N/A

Determination of recoverable amount at present value of future projected cash flow

Applicable N/A

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 prepaid 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	8,661	2,036	2,290	110	8,297
Road construction	794		21		773
Compensation for demolition and ecological environment restoration	106		3		103
Maintenance and renovation expenses	4,484	1,067	1,250		4,301
Costs for periodic tests and inspection	7,468	2,365	1,702		8,131
Power supply route project	928		18		910
Others	8,349	348	1,207	7	7,483
Total	30,790	5,816	6,491	117	29,998

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	150,663	35,911	130,354	29,968
Unrealized profits from internal transactions	467,992	98,992	460,783	97,383
Deferred income	420,269	103,687	417,393	103,726
Long-term account current	25,076	3,813	25,076	3,813
Trial run revenue from construction in progress	6,099	915	6,096	914
Lease liabilities	48,359	11,943	49,275	12,259
Changes in fair value of financial assets	3,732	616		
Total	1,122,190	255,877	1,088,977	248,063

(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	283,533	70,883	294,469	73,617
Effect on one-time pretax deduction of fixed assets	754,361	187,992	742,614	185,005
Right-of-sue assets	51,141	12,646	51,830	12,900
Capitalized interest	112,788	28,197	110,101	27,525
Tax on dividends	96,000	4,800	127,455	6,373
Changes in fair value of financial assets	7,824	1,764	30,933	5,570
Others	13,530	2,907	13,830	2,953
Total	1,319,177	309,189	1,371,232	313,943

(3). *Deferred income tax assets or liabilities presented at net value after offset*

Applicable N/A

(4). *Details of unrecognized deferred income tax assets*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Deductible losses	1,083,620	1,036,655
Provision for assets impairment	245,280	235,345
Total	1,328,900	1,272,000

(5). *Unrecognized deductible losses on deferred income tax assets will mature in the following years*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Year	Closing balance	Opening balance	Remark
2024	45,377	57,269	
2025	67,885	72,994	
2026	121,866	130,250	
2027	338,021	362,263	
2028	364,342	413,879	
2029	146,129		
Total	1,083,620	1,036,655	/



Other information:

Applicable N/A

33. Other non-current assets

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Margins paid on fixed assets and land use rights	2,015		2,015	1,379		1,379
Prepayment for equipment works				10,106		10,106
Value-added tax to be deducted, certified or prepaid	13,700		13,700	13,700		13,700
Others	50		50	50		50
Total	15,765		15,765	25,235		25,235

Other information:

The other non-current assets at the end of current period decreased by 37.53% from the amount at the end of previous period mainly due to the transfer of prepayments for equipment projects of subsidiaries of the Company into fixed assets during the Reporting Period.

34. Restricted ownership or right-of-use assets

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	End of period				Beginning of period			
	Book balance	Book value	Type of restriction	Details of restriction	Book balance	Book value	Type of restriction	Details of restriction
Monetary fund	105,120	105,120	Other	Margin and statutory reserve	119,118	119,118	Other	Margin and statutory reserve
Notes payable					12	12	Pledge	Bill pledge
Receivables financing					5,272	5,272	Pledge	Bill pledge
Fixed assets	7,261	7,261	Mortgage	Loan mortgage	9,948	9,948	Mortgage	Loan mortgage
Intangible assets	2,816	2,816	Other	Loan mortgage and freezing due to litigation	469	469	Mortgage	Loan mortgage
Total	115,197	115,197	/	/	134,819	134,819	/	/

Other information:

1. The restricted monetary fund is mainly represented by reserves and margins of the Company in various financial institutions, primarily including the statutory reserves amounting to RMB391 million and bank acceptance margins amounting to RMB233 million deposited in the central bank.
2. The gas charging right of some subsidiaries was pledged by the Company as security for obtaining credit facilities from banks.

35. Short-term borrowings

(1). Classification of short-term borrowings

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Loan on credit	213,754	607,643
Guaranteed loan	190,948	89,408
Pledged loan	282,504	257,381
Mortgage loan	1,000	1,000
Pledged and guaranteed loans	20,000	
Total	708,206	955,432

Description of the classification of short-term borrowings:

1. Guaranteed loan: The loan of RMB272.8 million was guaranteed by Changzhou Xin'ao Gas Engineering Co., Ltd.; the loan of RMB80 million was guaranteed by Dongguan Xin'ao Gas Co., Ltd.; the loan of RMB216 million was guaranteed by Xin'ao (China) Gas Investment Co., Ltd.; the loan of RMB1,000.68 million was guaranteed by ENN Xinneng (Zhejiang) Energy Trading Co., Ltd.; the loan of RMB100 million was guaranteed by Xinxiang Xin'ao Clean Energy Co., Ltd.; the loan of RMB100 million was guaranteed by Xinxiang Xin'ao Gas Engineering Co., Ltd.; the loan of RMB100 million was guaranteed by Zhuzhou Xin'ao Gas Co., Ltd.; the loan of RMB30 million was guaranteed by Changzhou Xin'ao Gas Development Co., Ltd.; and the loan of RMB10 million was guaranteed by Wen'an ENN Mingshun Gas Co., Ltd.
2. Pledged loan: The loan of RMB858.2 million was obtained by the subsidiaries, Dongguan Xin'ao 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; RMB1,966.84 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.
4. Pledged and guaranteed loans: The loan of RMB200 million was guaranteed by Shijiazhuang Xin'ao Energy Development Co., Ltd., Shijiazhuang Luquan District ENN Gas Co., Ltd. and Zhengding Xin'ao Gas Co., Ltd. and obtained with the gas charging right of Shijiazhuang Xin'ao Gas Co., Ltd. pledged.



(2). *Overdue and outstanding short-term borrowings*

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	33,524	20,019
Including: Commodity derivative contracts	28,742	20,019
Foreign exchange derivative contracts	4,782	
Derivatives designated as hedging instrument	6,621	9,421
Including: Commodity derivative contracts	6,621	6,893
Foreign exchange derivative contracts		2,528
Total	40,145	29,440

Other information:

See "Notes VII-4. Derivative financial assets" for details.

38. Notes payable

Applicable N/A

Unit: RMB'0000 Currency: RMB

Type	Closing balance	Opening balance
Commercial acceptance bills		4,000
Bank acceptance bills	54,930	74,148
Total	54,930	78,148

The total amount of notes payable due and outstanding at the end of the current period is RMB0.

39. Accounts payable

(1). *Presentation of accounts payable*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Accounts payable	935,338	1,070,281
Total	935,338	1,070,281

(2). *Significant account payable aging over one year or overdue*

Applicable N/A

Other information:

Applicable N/A

40. Advances from customers

(1). *Presentation of advances from customers*

Applicable N/A

(2). *Significant advances from customers aging over one year*

Applicable N/A

(3). *Amount 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	23,962	23,971
Sale of natural gas	1,126,722	1,256,215
Payment received on settled but uncompleted project	171,383	215,052
Total	1,322,067	1,495,238

(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. Deposits from customers and interbank

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Current deposit	11,525	14,435
– The Company	11,525	14,435
Fixed term deposit	3,253	3,229
– The Company	3,253	3,229
Other deposits	250	
Total	15,028	17,664

43. Payroll payable

(1). Presentation of payroll payable

 Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
I. Short-term salary	118,227	301,292	340,753	78,766
II. Post-employment benefits – defined contribution plan	1,665	32,165	32,063	1,767
III. Dismissal benefits		1,925	1,925	
IV. Other benefits due within one year				
Total	119,892	335,382	374,741	80,533

(2). *Presentation of short-term salary*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
I. Wages, bonuses, allowances and subsidies	105,327	231,654	282,043	54,938
II. Employee welfare		21,061	13,327	7,734
III. Social insurance	461	14,408	14,356	513
Including: Medical insurance	411	13,137	13,127	421
Industry injury insurance	32	1,023	983	72
Maternity insurance	18	248	246	20
IV. Housing provident fund	3,080	26,704	26,674	3,110
V. Union fund and staff education fund	9,359	7,445	4,333	12,471
VI. Short-term paid absence				
VII. Short-term profit-sharing scheme				
VIII. Others		20	20	
Total	118,227	301,292	340,753	78,766

(3). *Presentation of defined contribution plan*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
1. Basic endowment insurance	1,473	30,853	30,754	1,572
2. Unemployment insurance	185	1,308	1,309	184
3. Enterprise annuity contribution	7	4		11
Total	1,665	32,165	32,063	1,767

Other information:

Applicable N/A

The payroll payable at the end of current period decreased by 32.83% from the amount at the end of previous period mainly due to the payment of performance incentives accrued in the previous year by the Company and its subsidiaries during the Reporting Period.

44. **Taxes payable**

Applicable N/A



Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Value added tax (VAT)	27,346	32,379
Business tax	631	642
Corporate income tax	173,347	224,504
Individual income tax	1,172	1,199
Urban maintenance and construction tax	124	194
Education surcharge	40	101
Property tax	36	112
Stamp duty	123	155
Environmental protection tax		30
Others	396	1,193
Total	203,215	260,509

45. Other payables

(1). Presentation of items

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Interests payable		
Dividends payable	457,104	16,354
Other payables	148,480	182,176
Total	605,584	198,530

Other information:

The other payables at the end of current period increased by 205.03% from the amount at the end of previous period mainly due to the increase in dividends payable during the Reporting Period.

(2). Interests payable

Applicable N/A

Dividends payable

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Ordinary stock dividends	456,702	16,354
Dividends on preferred stock/perpetual bond classified as equity instruments		
Dividends payable – dividends on restricted stock	402	
Total	457,104	16,354

Other information:

The dividends payable at the end of current period increased by 2,695.06% from the amount at the end of previous period mainly due to the increase in dividends payable as a result of declaration of dividend distribution by the Company and its subsidiaries

Other payables

(1). *Presentation of other payables by nature*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Current accounts	52,283	75,993
Margin and deposit	36,237	26,653
Equity transfer payment	26,711	33,342
Payment collected and deducted for other party	7,737	7,151
Restricted share repurchase obligation	2,733	6,063
Settled but outstanding derivative contracts	868	11,731
Other	21,911	21,243
Total	148,480	182,176

(2). *Other payables which are significant aging over one year*

Applicable N/A



Unit: RMB'0000 Currency: RMB

Item	Closing balance	Reason for failure of repayment or carry-over
Top 1	17,594	Payment terms unsatisfied
Top 2	5,575	Payment terms unsatisfied
Top 3	5,314	Payment terms unsatisfied
Top 4	3,751	Payment terms unsatisfied
Top 5	3,360	Payment terms unsatisfied
Total	35,594	/

Other information:

 Applicable N/A

46. Liabilities held for sales

 Applicable N/A

47. Non-current liabilities due within one year

 Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Long-term borrowings due within one year	213,077	229,329
Long-term payables due within one year		122
Lease liabilities due within one year	13,939	13,381
Total	227,016	242,832

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

- Guaranteed loan: The loan of RMB512 million was guaranteed by ENN-NG; the loan of RMB11.46 million was guaranteed by the subsidiaries ENN Gas Development Co., Ltd. (60%) and Zhejiang Rongsheng Holding Group Co., Ltd. (40%); the loan of RMB204.94 million was guaranteed by the subsidiary Xin'ao (China) Gas Investment Co., Ltd.; the loan of RMB4.5 million was guaranteed by the subsidiary Xiangtan ENN Gas Development Co., Ltd.; and the loan of 6.25 million was guaranteed by the subsidiary Bengbu Xin'ao Gas Development Co., Ltd.
- Pledged loan: The loan of RMB63.21 million was obtained by the subsidiaries Dongguan Xin'ao Gas Co., Ltd. and Dingzhou Fuyuan Natural Gas Co., Ltd. with gas charging rights pledged.
- Mortgage loan: The loan of RMB200,000 was obtained by the subsidiary Binzhou ENN Gas Engineering Co., Ltd. with its equipment mortgaged and mortgage of lands and equipment from Zouping ENN Gas Co., Ltd.
- Mortgage and pledged loans: The loan of RMB32 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 RMB31 million was guaranteed by the subsidiary Rui'an Natural Gas Co., Ltd. and obtained with the gas charging right of the subsidiary Rui'an ENN Gas Co., Ltd. pledged; the loan of RMB2.68 million was guaranteed by Hebei ENN Energy Development Co., Ltd. and obtained with the gas charging right of the subsidiary Xian County ENN Gas Co., Ltd. pledged; the loan of 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 the gas charging right of Shijiazhuang Xin'ao Gas Co., Ltd. pledged.
6. Mortgage and guaranteed loans: The loan of RMB5.8 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.

48. Other current liabilities

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Output tax to be carried forward	113,585	135,259
Total	113,585	135,259

Increase/decrease in short-term bonds payable:

Applicable N/A

Other information:

Applicable N/A

49. Long-term borrowings

(1). Classification of long-term borrowings

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Loan on credit	507,650	392,166
Guaranteed loan	190,623	380,720
Pledged loan	14,384	18,328
Mortgage loan	949	959
Mortgage and pledged loans		3,000
Pledged and guaranteed loans	72,648	29,400
Mortgage and guaranteed loans	97,800	50,018
Total	884,054	874,591



Information on classification of long-term borrowings:

1. Guaranteed loan: The loan of RMB26 million was guaranteed by ENN-NG; the loan of RMB62.88 million was guaranteed by ENN Gas Development Co., Ltd. (60%) and Zhejiang Rongsheng Holding Group Co., Ltd. (40%); the loan of RMB1,558.2 million was guaranteed by Xin'ao (China) Gas Investment Co., Ltd.; the loan of RMB23.4 million was guaranteed by Xiangtan ENN Gas Development Co., Ltd.; the loan of RMB192 million was jointly guaranteed by ENN Natural Gas Co., Ltd. and ENN (Tianjin) Energy Investment Co., Ltd.; and the loan of 43.75 million was guaranteed by Bengbu Xin'ao Gas Development Co., Ltd.
2. Pledged loan: The loan of RMB143.84 million was obtained by the subsidiaries Dongguan Xin'ao Gas Co., Ltd. and Dingzhou Fuyuan Natural Gas Co., Ltd. with their gas charging rights pledged.
3. Mortgage loan: The loan of RMB9.49 million was obtained by the subsidiary Binzhou ENN Gas Engineering Co., Ltd. with its equipment mortgaged and mortgage of lands and equipment from Zouping ENN Gas Co., Ltd.
4. Pledged and guaranteed loans: The loan of RMB277 million was guaranteed by Shijiazhuang Luquan District ENN Gas Co., Ltd., Zhengding Xin'ao Gas Co., Ltd. and Shijiazhuang Xin'ao Energy Development Co., Ltd. and obtained with the gas charging right of Shijiazhuang Xin'ao Gas Co., Ltd. pledged; the loan of RMB433.5 million was guaranteed by Rui'an Natural Gas Co., Ltd. and obtained with the gas charging right of the subsidiary Rui'an ENN Gas Co., Ltd. pledged; the loan of RMB15.98 million was guaranteed by Hebei ENN Energy Development Co., Ltd. and obtained with the gas charging right of the subsidiary Xian County ENN Gas Co., Ltd. pledged.
5. Mortgage and guaranteed loans: The loan of RMB978 million was obtained by the subsidiary ENN (Zhoushan) LNG Co., Ltd. with its Phase III Project assets (upon completion) mortgaged, and guaranteed by ENN Natural Gas Co., Ltd. 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

50. Bonds payable

(1). Bonds payable

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Mid-term notes	150,735	51,030
Bonds issued overseas	1,129,443	1,233,204
Total	1,280,178	1,284,234

(2). Specific information on bonds payable: (excluding other financial instruments such as preferred share and perpetual bonds classified as financial liabilities)

✓ Applicable N/A

Unit: RMB'0000 Currency: RMB

Name of bond	Face value (RMB)	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	RMB 100	3.300	2023/4/25	3 years	RMB 500 million	51,030		825	20		50,225	No
24 ENN-NG GN001	RMB 100	2.650	2024/3/21	3 years	RMB 1,000 million		100,000	729	-219		100,510	No
VEYONG 3.375% 2026	USD 100	3.375	2021/5/12	5 years	USD 800 million	455,259		6,464	3,922	59,043	399,495	No
2030 Senior Notes	USD 100	2.625	2020/9/17	10 years	USD 750 million	388,635		4,924	3,162	53,468	337,917	No
2027 Senior Notes	USD 100	4.625	2022/5/17	5 years	USD 550 million	389,310		8,975	2,758		392,031	No
Total	/	/	/	/	USD 2,100 million, RMB1500 million	1,284,234	100,000	21,917	9,643	112,511	1,280,178	/

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. 24 ENN-NG GN001

As approved by the *Registration Acceptance Notice* (Zhong Shi Xie Zhu [2022] No. GN28) issued by the National Association of Financial Market Institutional Investors, the registered limit of the Company's Green Mid-term Notes amounted to 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 Industrial Bank Co., Ltd., Savings Bank of China Co., Ltd., Bank of Beijing Co., Ltd., China Everbright Bank Co., Ltd, China Merchants Bank Co., Ltd. and China CITIC Bank Corp. Ltd. as the co-lead underwriters to issue the three-year Green Mid-term Notes (24 ENN-NG GN01) with a face value of RMB1,000 million and payment of interest by instalments and repayment of principal upon maturity on 21 March 2024 at a coupon rate of 2.65% and issue price of RMB100/hundred.



3. 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 USD83.108 million (equivalent to RMB590 million) at the open market during the Reporting Period, and canceled the bonds repurchased in February.

4. 2030 Senior Notes

On 17 September 2020, ENN Energy Holdings Limited, a subsidiary of the Company, issued senior notes with a total face value of 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 USD75.024 million (equivalent to RMB535 million) at the open market.

5. 2027 Senior Notes

On 17 May 2022, ENN Energy Holdings Limited, a subsidiary of the Company, issued senior notes with a face value of 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 as financial liabilities

Basic information on other outstanding financial instruments such as preferred share and perpetual bond at the end of the period

Applicable N/A

Statement of changes in outstanding financial instruments such as preferred share and perpetual bond at the end of the period

Applicable N/A

Basis for classification of other financial instruments as financial liabilities

Applicable N/A

Other information:

Applicable N/A

51. Lease liabilities

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Lease liabilities	35,021	36,206
Total	35,021	36,206

52. Long-term payables

Presentation of items

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Long-term payables		275
Total		275

Long-term payables

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Installment payable for M&A consulting fee		275
Total		275



Special payables

Applicable N/A

53. Long-term payroll payable

Applicable N/A

54. Anticipation liabilities

Applicable N/A

55. Deferred income

Information on deferred income

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Other change	Closing balance	Reason
Government subsidies	122,329	9,026	2,550	-20,497	108,308	Asset-related and income-related government subsidies
Total	122,329	9,026	2,550	-20,497	108,308	/

Other information:

Applicable N/A

56. Other non-current liabilities

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
Derivative financial liabilities included in other non-current liabilities:	24,037	1,380
Non-hedging derivatives	5,078	
Including: Foreign exchange derivative contracts	3,021	
Commodity derivative contracts	2,057	
Derivatives designated as hedging instrument	18,959	1,380
Including: Foreign exchange derivative contracts	6,243	619
Commodity derivative contracts	12,716	761
Contract liabilities included in other non-current liabilities	288,880	272,030
Others	88,431	95,472
Total	401,348	368,882

57. Share capital

Applicable N/A

Unit: RMB'0000 Currency: RMB

	Current increase or decrease (+, -)					Closing balance
	Opening balance	Issue of new shares	Share donation	Reserved fund converted into share capital	Other	
Total number of shares	309,840				-78	309,762

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.
- 782,500 shares repurchased and canceled by the Company subject to first grant and reserved grant under the 2021 Restricted Stock Incentive Plan were examined and verified by ZhongXi CPAs (Special General Partnership) on 30 May 2024, which issued the Capital Verification Report (2024Y00023). The cancellation was completed on 12 July 2024.

58. Other equity instruments

(1). Basic information on other outstanding financial instruments such as preferred share and perpetual bond at the end of the period

Applicable N/A

(2). Statement of changes in outstanding financial instruments such as preferred share and perpetual bond at the end of the period

Applicable N/A

Increase or decrease in other equity instruments, reason for such changes change and relevant accounting treatment basis:

Applicable N/A

Other information:

Applicable N/A

59. Capital reserve

Applicable N/A



Unit: RMB'0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Capital premium (share capital premium)		3,603	3,603	
Other capital reserves	15,160	610	12,673	3,097
Total	15,160	4,213	16,276	3,097

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

1. The current increase in capital premium (share capital premium) was mainly attributable to the transfer of stock incentive included in other capital reserves to the capital premium resulted from the satisfaction of conditions for removal of restrictions on sale during the third Unrestricted Period for the first grant and the reserved grant under the 2021 Restricted Stock Incentive Plan.
2. The current decrease in capital premium (share capital premium) was mainly attributable to offset of capital reserve with the difference between the repurchase price for the repurchase of shares repurchased by ENN Energy, a subsidiary of the Company during the Reporting Period, and the share of net assets corresponding to the treasury shares repurchased on the repurchase date.
3. The current increase in other capital reserves was mainly attributable to the expenses for restricted shares allocated and recognized by the Company during the Reporting Period.
4. The current decrease in other capital reserves was mainly attributable to the offset of capital reserve with the difference between the long-term equity investment newly acquired with purchase of minority interest by a subsidiary of the Company and the share of net assets to which the subsidiary was entitled continuously calculated at the new shareholding ratio from the purchase date.

60. Treasury shares

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Treasury shares	15,755	17,221	3,116	29,860
Total	15,755	17,221	3,116	29,860

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

1. The current increase in treasury shares was mainly attributable to the repurchase of the Company's shares by the Company through centralized competitive pricing during the Reporting Period.
2. The current decrease in treasury shares was mainly attributable to the offset of the repurchase obligation recognized upon the satisfaction of conditions for removal of restrictions on sale during the third Unrestricted Period under the 2021 Restricted Stock Incentive Plan during the Reporting Period.

61. Other comprehensive income

✓ Applicable □ N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in current period							Closing balance
	Opening balance	Amount incurred before current income tax	Less: Comprehensive income transferred to profit or loss which previously recognized as other comprehensive income	Less: Recorded in other comprehensive income in previous periods and transferred into retained earnings in current period	Less: Income tax expenses	Amount attributable to parent company, net of tax	Amount attributable to minority shareholders, net of tax	
I. Other comprehensive income that cannot be reclassified into profit or losses	1,075	-90			-14	-26	-50	1,049
Including: Re-measurement of the amount of changes in the defined benefit plans								
Other comprehensive income that cannot be transferred to profit or loss under the equity method								
Changes in fair value of other equity instruments	1,075	-90			-14	-26	-50	1,049
Changes in fair value of enterprise's own credit risk								
II. Other comprehensive income reclassified into profits or losses	132,648	-21,361	76,841		-10,187	-82,925	-5,090	49,723
Including: Other comprehensive income that can be included in profit or loss under equity method								
Changes in the fair value of other debt investments								
Amount of financial assets reclassified into other comprehensive income								
Provision for credit impairment of other debt investments								
Cash flow hedging reserve	80,423	-29,727	76,841		-10,187	-88,808	-7,573	-8,385
Conversion difference of foreign currency financial statements	51,390	8,366				5,883	2,483	57,273
Others	835							835
Total other comprehensive income	133,723	-21,451	76,841	-	-10,201	-82,951	-5,140	50,772

Other information including the adjustment to the effective part of the cash flow hedge gain or loss converted into the amount initially recognized for the hedged item:



The other comprehensive income at the end of current period decreased by 62.03% from the amount at the end of previous period mainly due to the offset of cash flow hedging reserves by derivative financial instruments which were included in the cash flow hedging reserves in the previous year and matured and settled at the end of the current period.

62. Special reserve

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Work safety costs	4,771	3,903	3,098	5,576
Total	4,771	3,903	3,098	5,576

63. Surplus reserve

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
Statutory surplus reserve	51,590		3,482	48,108
Total	51,590		3,482	48,108

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

The current decrease in surplus reserve was mainly attributable to offset of the surplus reserve since the capital reserve was insufficient to offset the difference between the repurchase price for repurchase of shares by ENN Energy, a subsidiary of the Company during the Reporting Period, and the share of net assets corresponding to the treasury shares repurchased on the repurchase date.

64. General risk provision

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Current increase	Current decrease	Closing balance
General risk provision	18,852			18,852
Total	18,852			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.

65. Undistributed profit

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Current period	Previous year
Undistributed profit at the end of last period before adjustment	1,847,301	1,344,725
Total undistributed profits at the beginning of the adjustment period (+ for increase, - for decrease)		-178
Undistributed profit at the beginning of the period after adjustment	1,847,301	1,344,547
Plus: Net profit attributable to owners of parent company during the current period	252,959	709,111
Less: Appropriation of statutory surplus reserve		48,622
Appropriation of discretionary surplus reserve		
Provision for general risk		13
Payable dividends on ordinary shares	281,354	157,722
Dividends on ordinary shares transferred to share capital		
Others		
Undistributed profit at the end of the period	1,818,906	1,847,301

66. Operating income and operating cost

(1). Information on operating income and operating cost

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Primary business	6,645,985	5,698,757	6,642,104	5,696,134
Other business	51,567	41,028	74,859	47,900
Total	6,697,552	5,739,785	6,716,963	5,744,034

(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	3,280,507	2,877,801	3,280,507	2,877,801
Wholesale of natural gas	1,166,463	1,163,361	1,166,463	1,163,361
Direct gas sale by platform	622,987	476,667	622,987	476,667
Construction and installation	287,166	184,748	287,166	184,748
Sale and services of integrated energy	839,549	725,767	839,549	725,767
Smart home business	217,007	71,385	217,007	71,385
Energy production	214,169	193,351	214,169	193,351
Infrastructure operation	18,137	5,677	18,137	5,677
Total	6,645,985	5,698,757	6,645,985	5,698,757

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	<ol style="list-style-type: none"> Customers with a smart IC card: By advances received 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	<ol style="list-style-type: none"> Domestic sale: The payment for natural gas is received by advances as agreed in the contract Foreign sale: The customer requests a L/C under the contract prior to the agreed window phase, and then makes payment at the time as provided in the contract upon receipt of invoice. 	Natural gas	Yes	0	N/A
Direct gas sale by platform	The natural gas has been delivered to the customer at a specified location	<ol style="list-style-type: none"> Domestic sale: The payment for natural gas is received in advance as agreed in the contract Foreign sale: 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

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
Construction and installation	Revenue is recognized within the contract term for the performance obligation to be performed during a certain period of time based on the performance progress	The customer pays by installments as per the schedule provided in the contract	Construction and installation	Yes	0	Guaranteed warranty with warranty obligation fulfilled according to the national regulations
Sale and services of integrated energy	<ol style="list-style-type: none"> Energy products: The energy has been delivered to the customer and consumed by the customer 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 	<ol style="list-style-type: none"> Energy products: The payment for energy is received in advance as agreed in the contract Energy services: The customer pays by installments as per the schedule provided in the contract 	Integrated energy	Yes	0	Energy services: Guaranteed warranty with warranty obligation fulfilled according to the national regulations
Smart home business	<ol style="list-style-type: none"> Smart home products: The customer has obtained the control over goods Smart home services: The time when the customer accepts the service 	Pay as agreed in the contract	Various smart home services	Yes	0	Smart home products: Guaranteed warranty with warranty obligation fulfilled according to the national regulations
Energy production	The control over goods has been transferred to the purchaser	The goods are shipped upon receipt of payment; upon signing of the contract, the customer shall make full payments in installments before pickup of goods	Methanol, etc.	Yes	0	N/A
Infrastructure operation	The service has been provided and confirmed by the customer	The customer pays in full within the period as provided in the contract upon receipt of monthly payment notice or other payment notices	Operation services for natural gas terminals	Yes	0	N/A
Total	/	/	/	/	/	/

(4). Information on apportionment to the remaining performance obligations

Applicable N/A

At the end of the Reporting Period, the revenue attributable to the performance obligations that have been contracted for but not yet performed or have not been performed in full was RMB8,010.85 million.

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

Applicable N/A



67. Interest revenue and interest expense

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest revenue	3,867	4,337
Including: Loan interest revenue	101	99
Discount interest revenue	1,658	1,574
Revenue from interests on transactions among financial institutions	152	383
Lease interest revenue	1,956	2,281
Factoring interest revenue	443	736
Interest expense	3,867	4,337

68. Handling fee and commission expenses

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Handling fee and commission expenses	108	144

69. Taxes and surcharges

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Urban maintenance and construction tax	3,963	4,761
Education surcharge	3,029	3,637
Resources tax		7,346
Property tax	2,648	2,848
Land use tax	2,326	2,672
Stamp duty	6,635	6,359
Charges collected by the local government	663	654
Environmental protection tax	17	42
Water resources tax	4	141
Consumption tax		1,164
Others	352	873
Total	19,637	30,497

Other information:

The year-on-year decrease of taxes and surcharges by 35.61% was mainly attributable to the disposal of Xinneng Mining Industry, a subsidiary of the Company, and no resource tax needed to be paid in the Reporting Period.

70. Selling expenses

✓ Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	48,989	46,114
Travel expense	1,055	925
Advertising, publicity and promotion fees	761	742
Entertainment expense	512	323
Tenancy expense	996	887
Maintenance fee	5,347	8,952
Depreciation expense	11,473	10,569
Commission fee for products commissioned to sell	136	279
Communication expense	129	229
Other	3,243	4,751
Total	72,641	73,771

71. Administrative expenses

✓ Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	127,853	127,207
Repair cost	4,451	4,676
Depreciation and amortization	31,690	34,308
Office & travel expenses	7,464	8,667
Entertainment expense	10,013	12,375
Vehicle cost	3,903	2,812
Fees for intermediaries	6,763	5,106
Water and electricity expenses	1,381	1,344
Property insurance premium	884	949
Tenancy expense	3,381	761
Share-based payment	606	2,857
Others	6,449	8,328
Total	204,838	209,390



72. Research and development expense

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	16,352	18,133
Depreciation expense	4,580	5,942
Materials	12,005	10,441
Experiment and test fee	25	111
Water and electricity expenses	1,396	1,282
Consultation expense	60	169
Outsourced processing charges	96	
Others	433	1,397
Total	34,947	37,475

73. Financing expense

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest expense	56,168	66,740
Plus: Interest revenue	-23,184	-7,909
Exchange loss (or gain)	11,561	56,899
Bank charges	5,204	3,644
Others	493	155
Total	50,242	119,529

Other information:

- The year-on-year decrease in financing expense by 57.97% was mainly attributable to the year-on-year decrease in exchange gain or loss as a result of the year-on-year decline in the scale of US dollar debts in the subsidiaries of the Company, and year-on-year decrease of change in exchange rate.
- The year-on-year increase in financing expense – interest income by 193.13% was mainly attributable to the increased bank interest income as a result of the year-on-year rise in USD deposits for the subsidiaries of the Company during the Reporting Period, and year-on-year increase in the deposit interest rate.

74. Other income

Applicable N/A

Unit: RMB'0000 Currency: RMB

Classification by nature	Amount incurred in the current period	Amount incurred in the previous period	Related to assets/income
I. Government subsidies included in other income	25,445	32,768	
Including: Government subsidies related to deferred income	2,550	4,497	Related to assets/income
Value added tax refund	1,656	2,348	Related to income
Government subsidies directly included in current profit or loss	21,239	25,923	Related to income
II. Item relating to other day-to-day activities and included in other income	5,022	1,554	
Total	30,467	34,322	/

75. Investment income

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Income from long-term equity investment calculated by equity method	26,485	8,598
Investment income from disposal of long-term equity investments	3,705	130
Investment income from other transaction financial assets during the holding period	1,923	
Dividend revenue from other equity instrument investments during the holding period	295	143
Investment income from disposal of transaction financial assets	3,003	1,971
Settlement gains and losses arising from derivative financial instruments	39,239	179,241
Gain or loss from re-measurement of previously held equity		968
Gain or loss from debt restructuring	8,993	3,310
Investment income from other non-current financial assets during the holding period	7,557	7,238
Total	91,200	201,599

Other information:

The year-on-year decrease in investment income by 54.76% was mainly attributable to less income realized from derivatives of subsidiaries of the Company during the Reporting Period.

76. Exchange gain

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Exchange gain	-4	-24



77. Net exposure hedging income

Applicable N/A

78. Income from changes in fair values

Applicable N/A

Unit: RMB'0000 Currency: RMB

Sources of income from changes in fair values	Amount incurred in the current period	Amount incurred in the previous period
Income from changes in fair value of financial assets measured at fair value	-24,581	-87,908
Unrealized gains on ineffective portion of cash flow hedge	-1,997	-2,519
Income from changes in fair value arising from cash-settled share-based payment in liabilities	-272	-185
Total	-26,850	-90,612

Other information:

The income from changes in fair value increased by RMB638 million year-on-year mainly due to the settlement upon maturity in the current period of floating income from derivative financial instruments not mature at the end of last year, and the amount of write-off of the income from changes in fair value was reduced compared with the same period of last year.

79. Credit impairment loss

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Bad debt loss on notes receivable	5	12
Bad debt loss on accounts receivable	-17,393	-13,653
Bad debt loss on other receivables	-2,739	-2,344
Impairment loss on debt investments	6	-6
Bad debt loss on loans and advances	16	-20
Bad debt loss on long-term receivables		2
Bad debt loss on other current assets	-113	-215
Bad debt loss on non-current assets due within one year	313	63
Total	-19,905	-16,161

80. Assets impairment loss

✓ Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Impairment loss on contract assets	-1,069	12,234
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	-9,389	-3,274
VI. Impairment loss on project materials		
VII. Impairment loss on construction in progress		
VIII. Impairment loss on productive biological assets		
IX. Impairment loss on oil and gas assets		
X. Impairment loss on intangible assets	-2,627	-3,184
XI. Impairment loss on goodwill		
XII. Others		
Total	-13,085	5,776

Other information:

The year-on-year increase in assets impairment loss by RMB189 million was mainly caused by the increased fixed asset impairment of subsidiaries of the Company during the Reporting Period, and reversal of impairment of contract assets made by the subsidiaries of the Company during the same period of last year.

81. Gains on disposal of assets

✓ Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Gain on the disposal of fixed assets	-4,959	-127
Gain on the disposal of intangible assets	276	362
Total	-4,683	235

Other information:

✓ Applicable N/A

The income from disposal of assets decreased by RMB49 million year-on-year mainly due to the increased losses from disposal of fixed assets of subsidiaries of the Company during the Reporting Period.



82. 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	15	385	15
Income from default	443	374	443
Unpayable accounts payable	1,241	1,052	1,241
Gain on disposal of waste and old materials	447	557	447
Compensation income	1,283	3,746	1,283
Others	444	4,222	444
Total	3,873	10,336	3,873

Other information:

Applicable N/A

Non-operating income decreased by 62.53% year-on-year mainly due to the decreased compensation received by subsidiaries of the Company during the Reporting Period over the same period of last year.

83. Non-operating expense

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in current non-recurring gain or loss
Total losses on disposal of non-current assets	1,166	1,383	1,166
Including: Loss on disposal of fixed assets	1,166	1,176	1,166
Loss on disposal of intangible assets		207	
Loss on non-monetary assets exchange			
External donations	1,659	2,344	1,659
Penalty expense	524	355	524
Loss on disposal of waste and old materials	320	848	320
Compensation expense	531	876	531
Others	1,884	885	1,884
Total	6,084	6,691	6084

84. Income tax expenses

(1). Schedule of income tax expenses

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Current income tax expense	151,254	164,106
Deferred income tax expense	-12,289	516
Total	138,965	164,622

(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	633,707
Income tax expense calculated at statutory/applicable tax rate	158,427
Effect from the application of different tax rates by subsidiaries	-33,916
Effect from adjustment to the income tax of previous periods	-2,935
Effect from non-taxable income	-9,224
Effect from non-deductible costs, expenses and losses	4,458
Effect from use of deductible losses of deferred income tax assets not recognized in the previous period	-12,812
Effect from deductible temporary differences or deductible losses of deferred income tax assets not recognized during the current period	36,541
Others	-1,574
Income tax expense	138,965

Other information:

 Applicable N/A

85. Other comprehensive income

 Applicable N/A

See the "Note VII-61 Other comprehensive income" for details.

86. Items in cash flow statement

(1). Cash relating to operating activities

Other cash received relating to operating activities

 Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest income from bank deposits	22,507	7,832
Government subsidy income	30,930	31,113
Performance bond and deposit received	10,319	5,144
Total	63,756	44,089

Information on other cash paid relating to operating activities:

Other cash received relating to operating activities increased by 44.61% year-on-year mainly due to the increased interest income from bank deposits received by subsidiaries of the Company during the Reporting Period.

Other cash paid relating to operating activities

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Administration expenses paid in cash	48,399	45,018
Selling expenses paid in cash	12,179	17,087
Research and development expenses paid in cash	14,016	13,400
Charges from financial institutions	5,204	3,644
Performance bond and deposit paid in cash	11,725	6,711
Total	91,523	85,860

(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 finance products	1,528,601	417,359
Derivative contract	30,438	36,966
Total	1,559,039	454,325

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	1,698,601	430,342
Total	1,698,601	430,342

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	3,282	5,309
Third party entity repayments		1,984
Option premium	9,281	
Decrease in restricted bank deposits	29,707	49,562
Others		579
Total	42,270	57,434

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	29,340	33,749
Advances paid for third-party entities		286
Increase in restricted bank deposits	15,710	30,191
Others		1
Total	45,050	64,227

(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	7,621	15,805
Received bill discounts, bills maturity acceptance, bank acceptance bill deposit	196,749	71,728
Others		1,185
Total	204,370	88,718

Information on other cash received relating to financing activities:

Other cash received relating to financing activities increased by 130.36% year-on-year mainly due to the increase in discounted notes received by the Company and its subsidiaries during the Reporting Period.

Other cash paid relating to financing activities

✓ Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Cash paid to affiliates relating to financing	29,308	18,710
Share repurchase	38,761	185
Principal, rental interest and charges from financial lease	5,841	6,377
Payment of bank acceptance bill due	193,961	
Others		3,021
Total	267,871	28,293

Information on other cash paid relating to financing activities:

Other cash paid relating to financing activities increased by 846.77% year-on-year mainly due to the increase in the notes due and payable by the Company and its subsidiaries during the Reporting Period.

Changes in various liabilities generated from financing activities

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Opening balance	Current increase		Current decrease		Closing balance
		Cash change	Non-cash change	Cash change	Non-cash change	
Short-term borrowings	955,432	1,142,517	185	1,389,928		708,206
Non-current liabilities due within one year	242,832		131,667	147,232	251	227,016
Long-term borrowings	874,591	482,150		342,796	129,891	884,054
Bonds payable	1,284,234	99,760	30,778	125,761	8,833	1,280,178
Lease liabilities	36,206	6,216		4,891	2,510	35,021
Long-term payables	275			275		
Total	3,393,570	1,730,643	162,630	2,010,883	141,485	3,134,475

(4). Information on cash flow presented at net amount

Applicable N/A

(5). Significant activities and financial influence that do not involve current cash receipts and payments but affect the financial conditions or may affect the future cash flow of the Company

Applicable N/A



87. Supplementary information on cash flow statement

(1). Supplementary information on cash flow statement

✓ Applicable □ N/A

Unit: RMB'0000 Currency: RMB

Supplementary information	Amount incurred in the current period	Amount incurred in the previous period
1. Adjusting the net profit to cash flow from operating activities:		
Net profit	494,742	479,882
Plus: Assets impairment provision	13,085	-5,776
Credit impairment loss	19,905	16,161
Depreciation of fixed assets, loss of oil and gas assets, depreciation of productive biological assets	162,559	172,800
Amortization of right-of-use assets	8,739	6,251
Amortization of intangible assets	32,654	33,860
Amortization of long-term prepaid expenses	6,491	7,995
Loss on disposal of fixed assets, intangible assets and other long-term assets (gain expressed with "-")	4,683	-235
Loss on scrapping of fixed assets (gain expressed with "-")	1,039	1,675
Loss on changes in fair value (gain expressed with "-")	26,850	90,612
Financing expense (gain expressed with in "-")	67,729	123,639
Investment loss (gain expressed with "-")	-91,200	-201,599
Decrease in deferred income tax assets (increase expressed with "-")	-7,814	-12,028
Increase in deferred income tax liabilities (decrease expressed with "-")	-4,754	-11,040
Decrease in inventories (increase expressed with "-")	-25,971	-20,114
Decrease in operating receivables items (increase expressed with "-")	207,608	257,664
Increase in operating payables items (decrease expressed with "-")	-434,614	-308,639
Others		
Net amount of cash flow from operating activities	481,731	631,108
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		

Supplementary information	Amount incurred in the current period	Amount incurred in the previous period
3. Net change in cash and cash equivalents:		
Closing balance of cash	1,488,262	1,414,493
Less: Opening balance of cash	1,877,676	1,095,554
Plus: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-389,414	318,939

(2). Net cash paid to acquire subsidiaries in current period

Applicable N/A

Unit: RMB'0000 Currency: RMB

	Amount
Cash or cash equivalents paid in current period for business combination incurred in current period	
Less: Cash and cash equivalents held by subsidiaries on the date of purchase	
Plus: Cash or cash equivalents paid in current period for business combinations incurred in previous periods	7,675
Longchang Zhong'ou Oil and Gas Energy Co., Ltd.	6,700
Shandong Xinfeng Engineering Design Co., Ltd.	975
Net cash paid to acquire subsidiaries	7,675

(3). Net cash received from disposal of subsidiaries in the current period

Applicable N/A

Unit: RMB'0000 Currency: RMB

	Amount
Cash or cash equivalents received in current period from disposal of subsidiaries in current period	5,378
Beijing ENN Anjie Technology Co., Ltd.	382
Guangxi Beihai Shunli Clean Energy Co., Ltd.	4,000
Ningbo ENN Logistics Co., Ltd.	917
Xuancheng Anjie Natural Gas Transportation Co., Ltd.	79
Less: Cash and cash equivalents held by subsidiaries on the date of losing control	516
Beijing ENN Anjie Technology Co., Ltd.	38
Guangxi Beihai Shunli Clean Energy Co., Ltd.	3
Ningbo ENN Logistics Co., Ltd.	465
Xuancheng Anjie Natural Gas Transportation Co., Ltd.	10
Plus: Cash or cash equivalents received in current period from disposal of subsidiaries in previous periods	
Net cash received from disposal of subsidiaries	4,862



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

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance	Opening balance
I. Cash	1,488,262	1,877,676
Including: Cash on hand	141	142
Bank deposits readily available for payment	1,184,600	1,520,189
Other Monetary fund readily available for payment	11,169	27,896
Deposits with the central bank available for payment		
Inter-bank deposits		
Inter-bank offers	292,352	329,449
II. Cash equivalents		
Including: Bond investment due within three months		
III. Closing balance of cash and cash equivalents	1,488,262	1,877,676
Including: Restricted cash and cash equivalents used by the parent company or subsidiaries within the group		

(5). *Items with limited range of use but presented as cash and cash equivalents*

Applicable N/A

(6). *Monetary fund other than cash and cash equivalents*

Applicable N/A

Other information:

Applicable N/A

88. Notes to the items in the statement of changes in owners' equity

Name and amount of "others" item for which adjustment have been made to the balance at the end of previous year:

Applicable N/A

89. Monetary items in foreign currency

(1). *Monetary items in foreign currency*

Applicable N/A

Unit: RMB'0000

Item	Closing balance in foreign currency	Exchange rate for conversion	Closing balance converted to RMB
Monetary fund			
Including: USD	67,612	7.1268	481,857
HKD	8,832	0.9127	8,061
EUR	40	7.6617	306
AUD	19	4.7650	91
CAD	1	5.2274	5
GBP	2	9.0430	18
SGD	2,687	5.2790	14,185
Accounts receivable			
Including: USD	3,229	7.1268	23,012
Other receivables			
Including: USD	1,976	7.1268	14,083
Accounts payable			
Including: USD	5,136	7.1268	36,603
Other payables			
Including: USD	156	7.1268	1,112
Bonds payable			
Including: USD	158,478	7.1268	1,129,441

(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
Jiapin Holdings Co., Ltd.	Hong Kong	RMB
ENN Gas Investment Group Co., Ltd.	Hong Kong	RMB
ENN Energy China Investment Co., Ltd.	Hong Kong	RMB
ENN LNG Trading Company Limited	Hong Kong	USD
ENN Energy Holdings Limited	Hong Kong	RMB
ENN LNG (SINGAPORE) PTE LTD	Singapore	USD
ENN Global Trading Pte. Ltd.	Singapore	USD

90. Lease

(1) As a lessee

Applicable N/A



Variable lease payments not included in the measurement of lease liabilities

Applicable N/A

The amount of the variable lease payments incurred in current period and not included in the measurement of lease liabilities was RMB7.6 million.

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

Applicable N/A

The amount of the rental expenses incurred in current period for short-term lease and lease of low-value assets in a simplified treatment was RMB33.81 million.

Leaseback transaction and judging criteria

Applicable N/A

The total amount of cash outflow related to lease was 11,081 (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	1,892	
Machinery and equipment	851	
Land	268	
Gas pipelines	675	675
Means of transportation	389	389
Total	4,075	1,064

Financing lease as a lessor

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Income related to variable lease payments not included in net of lease investment	
	Sales profit and loss	Financing income
Machinery and equipment		151
Total		151

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	3,015	2,839
Second year	2,374	1,629
Third year	1,985	1,555
Forth year	1,902	1,417
Fifth year	1,770	1,319
Total amount of undiscounted lease receipts after five years	11,028	6,224

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

Applicable N/A

91. Data resources

Applicable N/A

92. Others

Applicable N/A



VIII. Research and development expenditure

(1). Presentation by nature of expenses

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	23,792	19,704
Depreciation expense	4,726	6,034
Materials	11,940	10,399
Experiment and test fee	25	111
Water and electricity expenses	1,392	1,280
Consultation expense	67	174
Outsourced processing charges	7,629	17,572
Others	472	1,415
Total	50,043	56,689
Including: Expensed research and development expenditure	34,947	37,475
Capitalized research and development expenditure	15,096	19,214

(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	2,731		1,324	457		3,598
Digital-intelligent management project	28,007		2,536	2,023		28,520
GreatGas ecological platform project	12,184	4,965	53	9,281		7,921
Digital-intelligent integrated energy project	509		986			1,495
Intelligent customer service platform project	1,904	2,247	2,562	473		6,240
Other projects	4,524	357	72		6	4,947
Total	49,859	7,569	7,533	12,234	6	52,721

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	December 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

2. Business combination under common control

Applicable N/A

3. Reverse purchase

Applicable N/A

4. Disposal of subsidiaries

Whether there were transactions or events where the Company lost its control over subsidiaries during current period

Applicable N/A

Unit: RMB'0000 Currency: RMB

Name of subsidiary	Time of losing control	Disposal cost at the time of losing control	Disposal ratio at the time of losing control (%)	Way of disposal at the time of losing control	Judging criteria at the time of losing control	Difference in share of the subsidiary's net assets at the consolidated financial statement level corresponding to the disposal price and investment separately	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 that is transferred to investment income or retained earnings
Ningbo ENN Logistics Co., Ltd.	19 January 2024	917	100	Transfer of equity	Complete registration of equity change	118					
Beijing ENN Anjie Technology Co., Ltd.	12 March 2024	382	100	Transfer of equity	Complete registration of equity change	456					
Xuancheng Anjie Natural Gas Transportation Co., Ltd.	22 March 2024	79	100	Transfer of equity	Complete registration of equity change	57					
Guangxi Beihei Shunli Clean Energy Co., Ltd.	19 April 2024	4,700	100	Transfer of equity	Complete registration of equity change	3,001					

Other information:

Applicable N/A

1. ENN Gas Development Co., Ltd., a subsidiary of the Company, entered into the *Agreement on Transfer of Equity Interests in Ningbo ENN Logistics Co., Ltd. between ENN Gas Development Co., Ltd. and Gu Qingbao*, selling 100% of equity interests in Ningbo ENN Logistics Co., Ltd. at a transaction price of RMB9.17 million. Ningbo ENN Logistics Co., Ltd. completed the industrial and commercial change registration on 19 January 2024, and the Company received the equity transfer price of RMB9.17 million paid by the counterparty. The Company no longer held the equity interests in Ningbo ENN Logistics Co., Ltd., and no longer included Ningbo ENN Logistics Co., Ltd. within the scope of consolidated statements of the Company.
2. ENN Gas Development Co., Ltd., a subsidiary of the Company, entered into the *Agreement on Transfer of Equity Interests in Beijing ENN Anjie Technology Co., Ltd. between ENN Gas Development Co., Ltd. and Zhao Liying*, selling 100% of equity interests in Beijing Anjie Technology Co., Ltd. at a transaction price of RMB3.82 million. Beijing ENN Anjie Technology Co., Ltd. completed the industrial and commercial change registration on 12 March 2024, and the Company received the equity transfer price of RMB3.82 million paid by the counterparty. The Company no longer held the equity interests in Beijing ENN Anjie Technology Co., Ltd., and no longer included Beijing ENN Anjie Technology Co., Ltd. within the scope of consolidated statements of the Company.
3. Xuancheng ENN Gas Co., Ltd., a subsidiary of the Company, entered into the *Agreement on Transfer of Equity Interests in Xuancheng Anjie Natural Gas Transportation Co., Ltd. between Xuancheng ENN Gas Co., Ltd. and Anhui Jiedian Logistics Co., Ltd.*, selling 100% of equity interests in Xuancheng Anjie Natural Gas Transportation Co., Ltd. at a transaction price of RMB0.79 million. Xuancheng Anjie Natural Gas Transportation Co., Ltd. completed the industrial and commercial change registration on 22 March 2024, and the Company received the equity transfer price of RMB0.79 million paid by the counterparty. The Company no longer held the equity interests in Xuancheng Anjie Natural Gas Transportation Co., Ltd., and no longer included Xuancheng Anjie Natural Gas Transportation Co., Ltd. within the scope of consolidated statements of the Company.
4. ENN Gas Development Co., Ltd., a subsidiary of the Company, entered into the *Equity Transfer Agreement of Guangxi Beihai Shunli Clean Energy Co., Ltd. with Zhejiang Jiyao Trading Co., Ltd.*, selling 100% of the equity of Guangxi Beihai Shunli Clean Energy Co., Ltd. at a transaction price of RMB47 million. Guangxi Beihai Shunli Clean Energy Co., Ltd. completed the industrial and commercial change registration on 19 April 2024. The Company no longer held the equity interests in Guangxi Beihai Shunli Clean Energy Co., Ltd., and no longer included Guangxi Beihai Shunli Clean Energy Co., Ltd. within the scope of consolidated statements of the Company.

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*

Guangxi Beihai ENN Clean Energy Co., Ltd.	Huojia County Xinrui Energy Development Co., Ltd.
Changsha Xinrui New Energy Co., Ltd.	Shangrao Xinrui Photovoltaic Energy Co., Ltd.
Guangxi Wuzhou Xinrui Photovoltaic Technology Co., Ltd.	Heyuan Lighthouse Basin ENN Clean Energy Co., Ltd.
Huaihua Xinrui New Energy Co., Ltd.	Luoyang Xinyunrui Energy Development Co., Ltd.
Tongliao Xinrui Energy Co., Ltd.	Chongqing ENN Fan'ou Energy Co., Ltd.
Langfang Xinrui Energy Development Co., Ltd.	Wuji Xinrui Energy Development Co., Ltd.
Shanghai Xinrui Shineng Photovoltaic Technology Co., Ltd.	Hunan Xiangjiangwan ENN Energy Development Co., Ltd.
Quanzhou ENN Smart City Technology Co., Ltd.	Mianyang ENN Energy Co., Ltd.
Gongyi ENN Yicheng Energy Co., Ltd.	Cangzhou ENN Gas Development Co., Ltd.
Tangshan Hangu Administrative Zone Xinrun Energy Development Co., Ltd.	Nantong ENN Xinrui Photovoltaic Energy Co., Ltd.
Huludao Xinrui Clean Energy Development Co., Ltd.	

(2) *Subsidiaries canceled during the year*

Yantai ENN New Energy Technology Co., Ltd.	Quanjiao ENN Energy Development Co., Ltd.
Youxian County ENN Gas Co., Ltd.	Jinta ENN Jinneng Energy Power Development Co., Ltd.
Fusui Integrated Energy Enterprise Management Service Partnership (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	24,894	154,641	2,101
ENN (China) Gas Investment Co., Ltd.	66.02	31,472		1,096,560

Description of situation where the minority shareholders of subsidiaries enjoy voting rights different from their shareholding ratio:

Applicable N/A

Other information:

Applicable N/A



(3). Major financial information of important non-wholly-owned subsidiaries

Applicable N/A

Unit: RMB'0000 Currency: RMB

Name of subsidiary	Closing balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
ENN Energy Holdings Limited	162,071	1,315,731	1,477,802	723,311	751,308	1,474,619	183,702	1,339,336	1,523,038	512,442	777,944	1,290,386
ENN (China) Gas Investment Co., Ltd.	1,799,139	2,003,169	3,802,308	1,718,918	422,439	2,141,357	1,548,787	2,056,232	3,605,019	1,405,741	586,057	1,991,798

Name of subsidiary	Amount incurred in current period				Amount incurred in previous period			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
ENN Energy Holdings Limited		37,707	27,452	2,868		461,064	455,520	-675
ENN (China) Gas Investment Co., Ltd.	33,082	47,671	47,671	-13,108	31,861	28,726	28,726	4,956

(4). Major restrictions on the use of enterprise group assets and on the repayment of enterprise group:

Applicable N/A

(5). Financial or other supports provided to structured entities included in the scope of consolidated financial statements:

Applicable N/A

Other information:

Applicable N/A

2. Transactions that led to significant change in the share of owner's equity in a subsidiary but still takes control of the subsidiary

Applicable N/A

(1). Description of changes in the share of the owners' equity in the subsidiary

Applicable N/A

No.	Corporate Name	Original shareholding (%)		Current shareholding (%)		Reason for change
		Direct	Indirect	Direct	Indirect	
1	Xinneng Energy Co., Ltd.		80.10	90.10		Acquisition of shares held by minority shareholders
2	ENN Xinneng (Beijing) Technology Co., Ltd.		80.00	100.00		Acquisition of shares held by minority shareholders

(2). *Effect of the transaction on minority interest and equity attributable to the parent company*

Applicable N/A

Unit: RMB'0000 Currency: RMB

	Xinneng Energy Co., Ltd.	ENN Xinneng (Beijing) Technology Co., Ltd.
Purchase cost/disposal consideration		
— Cash		
— Fair value of non-cash assets		
Total purchase cost/disposal consideration		
Less: Share of net assets of the subsidiary calculated according to acquired/disposed equity ratio	-5,956	-3,236
Difference	5,956	3,236
Including: Adjusted capital reserve	5,956	3,236
Adjusted surplus reserve		
Adjusted undistributed profit		

Other information

Applicable N/A

3. **Rights and interests in joint ventures or associates**

Applicable N/A

(1). *Significant joint venture or associate*

Applicable N/A

(2). *Major financial information of significant joint ventures*

Applicable N/A

(3). *Major financial information of significant associates*

Applicable N/A

(4). *Summarized financial information of insignificant joint ventures and associates*

Applicable N/A



Unit: RMB'0000 Currency: RMB

	Closing balance/ amount incurred in current period	Opening balance/ amount incurred in previous period
Associates:		
Total book value of investments	286,138	281,473
The sum of the following items according to share proportion		
— Net profit	12,221	415
— Other comprehensive income		
— Total comprehensive income	12,221	415
Joint ventures:		
Total book value of investments	469,286	458,277
The sum of the following items according to share proportion		
— Net profit	14,264	8,183
— Other comprehensive income		
— Total comprehensive income	14,264	8,183

(5). *Description of restrictions for the joint ventures or associates to transfer financial resources to the Company*

Applicable N/A

(6). *Excess losses incurred in joint ventures or associates*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Name of joint venture or associate	Accumulated unrecognized losses accumulated in the early periods	Unrecognized losses for the current period (or net profit shared in the current period)	Accumulated unrecognized losses at the end of the current period
Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.	140	-139	1
Luoyang Tongyu ENN CBM Transmission and Distribution Co., Ltd.	1,942		1,942
Yancheng Guoneng ENN Energy Development Co., Ltd.	1,121	96	1,217
Xinxiang Hope Thermal Energy Co., Ltd.		326	326
Zhejiang Xinyongzhou Logistics Co., Ltd.		411	411
Total	3,203	694	3,897

(7). *Unrecognized commitments related to investment of joint ventures*

Applicable N/A

(8). *Contingent liabilities related to the investment of a joint venture or an associate*

Applicable N/A

4. Significant joint operations

Applicable N/A

5. Equity in structured entities that is not included in the consolidated financial statements

Description of structured entities that are not included in the scope of consolidated financial statements:

Applicable N/A

6. Others

Applicable N/A

XI. Government subsidies

1. Government subsidies recognized at the amount receivable at the end of the Reporting Period

Applicable N/A

The closing balance of accounts receivable was RMB2,454 (Unit: RMB'0000 Currency: RMB)

Reason for failure to receive government subsidiaries in expected amount at the expected time

Applicable N/A

2. Liability items involving government subsidies

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item of financial statements	Opening balance	Amount of new subsidies in current period	Amount included in non-operating income	Current transfer to other income	Other current changes	Closing balance	Related to assets/income
Refund on land	2,158			27		2,131	Related to assets
Government subsidies on induced draft fan and integral electric bag hybrid dust removing device	190			15		175	Related to assets
Special subsidies on power demand side	11			5		6	Related to assets
Water pollution prevention and treatment fund	56			18		38	Related to assets
Industrial internet innovation and development demonstration project	8			2		6	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
Subsidies on replacing coal with gas	26,996	337		421	-4,854	22,058	Related to assets
Subsidies on pipeline network demolition and construction	5,941			132		5,809	Related to assets
Subsidies on emergency gas storage facilities	9,507			62		9,445	Related to assets
Subsidies on pipeline modification	22,345	-		182	-10,720	11,443	Related to assets
Subsidies on land	115			1		114	Related to assets
Subsidies on distributed energy project of natural gas	665			37		628	Related to assets
Energy station projects	548			70		478	Related to assets
Xinchaoyang integrated microenergy network demonstration project	899			21		878	Related to assets
Subsidies on new passenger station project	481			60		421	Related to assets
Subsidies on phasing out coal-fired heating boilers	3,071			59		3,012	Related to assets
Renovation of old urban residential communities	19,944	6,971		646	-565	25,704	Related to assets
Subsidies for change from bottle to pipe	5,948	1,565		97	-208	7,208	Related to assets
SOFC co-generation project	479			5		474	Related to assets
Investment incentive on natural gas terminals	2,250			59		2,191	Related to assets
Others	20,717	153		631	-4,150	16,089	Related to assets
Total	122,329	9,026		2,550	-20,497	108,308	/

3. Government subsidiaries included in current profit and loss

Applicable N/A

Unit: RMB'0000 Currency: RMB

Type	Type	Amount incurred in current period	Amount incurred in previous period	Item presented
Related to income	Value added tax refund	1,656	2,348	Other income
Related to income	Government subsidiaries directly included in current profit and loss	21,239	25,923	Other income
Related to income	Government interest subsidy	163	201	Financing expense
Related to income	Rebate of value-added tax on imports	24,329	20,184	Operating cost
Related to income	Subsidies on guaranteed supply, etc.	19,556	23,660	Operating cost
Related to assets	Amortization of deferred income	2,550	4,497	Other income
Related to income	Renovation of old pipe network	669		Administrative expense
Related to income	Renovation of old pipe network	118		Selling expense
Total		70,280	76,813	/

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, cash and cash equivalents 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 payable.

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 profit and loss	678,262	607,286
Financial assets measured at fair value through other comprehensive income	111,029	125,401
Financial assets measured at amortized value	2,437,168	2,859,938
Financial liabilities		
Financial liabilities measured at fair value through profit and loss	64,182	30,821
Other financial liabilities	4,696,396	4,708,606

The main risks that the Company's financial instruments cause are credit risk, liquidity risk and market risk.

1. Credit risk

Credit risk refers to the risk that one party of a financial instrument fails to perform its obligations and causes financial losses to the other. The Company's credit risk mainly comes from cash and cash equivalents, 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 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 cash and cash equivalents of the Company includes cash on hand, bank deposits and other cash equivalents. The Company's credit risk management policy requires that cash and cash equivalents to be deposited primarily in international and domestic banks with high credit ratings. As of 30 June 2024, the Company's management believes that the credit risk to which the cash and cash equivalents is 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 to pay the full due amount 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 30 June 2024, senior notes, unsecured bonds, receivables, payables, and some bank deposits were valued in foreign currency.

For details of foreign currency financial assets and foreign currency financial liabilities held by the Company as at 30 June 2024, see the disclosure of the "Note VII-89 Foreign currency monetary items".

To reduce its foreign exchange exposure, the Company has signed several foreign currency derivative products contracts with a number of financial institutions. The Company pays attention to the risk of exchange rate fluctuation in time, and will decide whether to adopt hedging measures to reduce

exchange rate risk according to the trend of exchange rate fluctuation, and try to match foreign currency income with foreign currency expenditure so as to reduce foreign exchange risk.

(2) *Interest rate risk*

Interest rate risk refers to the risk that the fair value or the future cash flow of a financial instrument fluctuates due to changes in market interest rates. The net profit of the 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 "take or pay" 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 price risk of natural gas transaction, the Company locks the price of natural gas to manage the risk exposure of natural gas price by financial derivative transactions.	The Company uses the financial derivatives linked to the price of natural gas and crude oil to hedge the price of natural gas in the expected purchase and sales in future. The Company adopts the strategy of dynamic hedging of commodity price risk exposure and adjust the positions of derivative contracts at a certain proportion of expected sales and purchase price exposure. The exposure* hedging proportion is basically consistent with the quantity of commodity represented by the derivative positions.	The Company mainly hedges the price of natural gas 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 <i>Commodity Hedging System</i> . 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 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 conducts exchange rate and interest rate hedging on a certain proportion of the nominal amount based on the scale of debts.	The Company mainly hedges against the risks of repayment of principal and payment of interest of US dollar debts 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 <i>Administrative System for Foreign Exchange Hedging</i> to ensure that the risks exposure is managed effectively.	By purchase of foreign exchange derivative contracts, the Company hedges against the risks from exchange rate and interest rate fluctuation in repayment of principal and payment of interest of US dollar debts of the Company to allow for effective management on the risk exposure of sharp fluctuation in cash flow brought about by such business as the US dollar debts and reduce the impact of exchange rate and interest rate fluctuation on the operation of the Company.

Other information

 Applicable N/A

(2) Eligible hedging operations and application of hedging accounting by the Company

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Book value related to hedged item and hedging instrument	Adjustment to hedging against accumulated fair value of hedged item included in the recognized book value of hedged item	Hedging effectiveness and sources of invalid portion of hedging	Influence of hedging accounting on the Company's financial statements
Type of hedging risk				
Commodity price risk	844	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 on hedging instrument.	72,595
Exchange rate risk	-1,702	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.	3,325

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

Unit: RMB'0000 Currency: RMB

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.	15,259

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) Financial assets held for trading	13,722	55,919	608,621	678,262
1. Financial assets measured at fair value through profit and loss		55,919	190,000	245,919
(1) Debt instrument investment			190,000	190,000
(2) Equity instrument investment				
(3) Derivative financial assets		55,919		55,919
2. Financial assets that are designated to be measured at fair value through profit and loss	13,722		418,621	432,343
(1) Debt instrument investment				
(2) Equity instrument investment	13,722		418,621	432,343
Including: Shanghai Dazhong Public Utilities (Group) Co., Ltd.	13,685			13,685
Sinopec Sales Co., Ltd.			417,000	417,000
Hunan Silver Co., Ltd.	37			37
Other non-listed equity investments – at fair value through profit and loss			1,621	1,621
(II) Other debt investments				

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	
(III) Other equity instrument investments	7,932		15,869	23,801
Jiaxing Gas Group Co., Ltd.	7,932			7,932
Other non-listed equity investments – at fair value through other comprehensive income			15,869	15,869
(IV) Accounts receivable financing			87,228	87,228
(V) Investment real estate			26,124	26,124
1. Land use right for rent				
2. Buildings for rent			26,124	26,124
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	21,654	55,919	737,842	815,415
(VII) Financial liabilities held for trading	6	64,176		64,182
1. Financial liabilities measured at fair value through profit and loss	6	64,176		64,182
Including: Tradable bonds issued				
Derivative financial liabilities	6	40,139		40,145
Other				
Derivative financial liabilities that are included in other non-current liabilities		24,037		24,037
2. Financial liabilities designated to be measured at fair value through current profit or loss				
Total liabilities continued to be measured at fair value	6	64,176		64,182
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
Hunan Silver Co., Ltd.	Fair value is determined on the basis of stock market quotes
Derivative financial assets – futures	Fair value is determined on the basis of future market quotes
Derivative financial liabilities – futures	Fair value is determined on the basis of future 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	<p>(1) The discounted cash flow method is adopted to value swaps: Future cash flows are estimated on the basis of forward commodity prices, 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.</p> <p>(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.</p>
Other derivative financial assets	<p>(1) The discounted cash flow method is adopted to value swaps: Future cash flows are estimated on the basis of forward commodity prices, 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.</p> <p>(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.</p>

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 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 short 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 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 short 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	30 June 2024		31 December 2023	
	Book value	Fair value	Book value	Fair value
Fixed rate bank loans and other loans	624,088	607,088	672,686	652,699
Senior notes	729,948	676,991	777,944	720,002
Unsecured bonds	399,495	381,769	455,260	427,109
Mid-term notes	150,735	152,251	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 Zhongyou Petroleum 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
Guangzhou Ganghua Gas Co., Ltd.	Associate
Hebei PetroChina Kunlun Natural Gas Co., Ltd.	Joint venture

Name of joint venture or associate	Relationship with the enterprise
Henan Jingbao ENN New Energy Co., Ltd.	Joint venture
Henan Zhongyuan Natural Gas Development Co., Ltd.	Joint venture
Huzhou Nanxun Xin'ao Gas Co., Ltd.	Associate
Huzhou Gas Co., Ltd.	Associate
Huai'an PetroChina Kunlun Gas Co., Ltd.	Associate
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	Joint venture
Jiangxi Poyang Lake LNG 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
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 Sunshine Jiuhan 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
Weihui Zhongyuan Natural Gas Development Co., Ltd.	Joint venture
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
Yancheng Guoneng ENN Energy Development Co., Ltd.	Associate
Yancheng Guotou Natural Gas Pipeline Network Co., Ltd.	Associate
Yancheng ENN Compressed Natural Gas Co., Ltd.	Joint venture
Yunnan Yuntou Xin'ao Gas Co., Ltd.	Joint venture
Changsha ENN Gas Development Co., Ltd.	Associate



Name of joint venture or associate	Relationship with the enterprise
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
Sinopec Yuexi Pipeline Network Co., Ltd.	Joint Venture
Chongqing Longran Energy Technology Co., Ltd.	Associate
Chongqing Changdian Fuxin Gas Co., Ltd.	Associate
Zhoushan North Lanyan Island Gas Co., Ltd.	Associate
Zhoushan Lanyan Gas Co., Ltd.	Associate
Zhoushan Zhiqi Smart Home Technology Services Co., Ltd.	Associate

Other information

Applicable N/A

4. Other related parties

Applicable N/A

Name	Relationship between other related parties and the enterprise
Beijing Yongxin Environmental Protection Co., Ltd.	Same actual controller
Bokang Intelligent Information Technology Co., Ltd.	Same actual controller
Guangdong ENN Shuneng Technology Co., Ltd.	Same actual controller
Kaixin Real Estate Development and Operation Co., Ltd.	Same actual controller
Langfang Aili Fengshe Property Service Co., Ltd.	Same actual controller
Langfang 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
Shijiazhuang ENN Environmental Protection Technology Co., Ltd.	Same actual controller
Tianjin Xinzhi Sensing Technology Co., Ltd.	Same actual controller
ENN Bawei Technology Co., Ltd.	Same actual controller
ENN Gaoke Industry Co., Ltd.	Same actual controller
ENN Juneng Technology (Langfang) Co., Ltd.	Same actual controller
ENN Science and Technology Development Co., Ltd.	Same actual controller
ENN Investment Holdings Co., Ltd.	Same actual controller
ENN Shuneng Technology Co., Ltd.	Same actual controller
Xin'ao Cultural Industry Development Co., Ltd.	Same actual controller
Xin'ao Xinzhi Technology Co., Ltd.	Same actual controller

Name	Relationship between other related parties and the enterprise
Xindi (Langfang) Landscaping Engineering Co., Ltd.	Same actual controller
Ennova Seven-Cultivations Hotel Management Co., Ltd.	Same actual controller
Xinyi Zhiye (Beihai) Co., Ltd.	Same actual controller
Xinzhi Cognitive Data Services Co., Ltd.	Same actual controller
Xinzhi Cloud Data Service Co., Ltd.	Same actual controller
Hebei Financial Leasing Co., Ltd.	Other related party
Shanghai 3040 Technology Co., Ltd.	Other related party
ENN Public Charity Foundation	Other related party

5. Related-party transactions

(1). Related-party transactions of purchasing and selling products, providing and receiving services

Statement of purchasing products/receiving services

Applicable N/A

Unit: RMB'0000 Currency: RMB

Related party	Content of related-party transactions	Amount incurred in the current period	Amount limit of transaction approved (if applicable)	Excess of the transaction amount limit (if applicable)	Amount incurred in the previous period
Anhui Wanneng ENN Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	2,081	N/A	N/A	
Baoding ENN Gas Co., Ltd.	Purchase of equipment, materials and natural gas	648	N/A	N/A	1,802
Guanyun PetroChina Kunlun Gas Co., Ltd.	Purchase of equipment, materials and natural gas	9,122	N/A	N/A	
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Purchase of equipment, materials and natural gas	367	N/A	N/A	4,665
Guangzhou Ganghua Gas Co., Ltd.	Purchase of equipment, materials and natural gas	1,501	N/A	N/A	
Haining Xinxin Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas		N/A	N/A	34,889
Hebei PetroChina Kunlun Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	73,757	N/A	N/A	69,128
Henan Jingbao ENN New Energy Co., Ltd.	Purchase of equipment, materials and natural gas	3,532	N/A	N/A	5,386
Huai'an PetroChina Kunlun Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	3,977	N/A	N/A	
Lianyungang Zhongxin Gas Co., Ltd.	Purchase of equipment, materials and natural gas	53,317	N/A	N/A	21,792
Liaocheng Shihua Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	10,764	N/A	N/A	18,428



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)	
Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	Purchase of equipment, materials and natural gas	1,081	N/A	N/A	3,565
Shandong Luxin Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	1,645	N/A	N/A	1,539
Shanxi Hengjing Energy Co., Ltd.	Purchase of equipment, materials and natural gas	9,102	N/A	N/A	24,988
Shijiazhuang Kunlun Xin'ao Gas Co., Ltd.	Purchase of equipment, materials and natural gas	18,407	N/A	N/A	18,636
Shijiazhuang Luquan District Kunlun ENN Gas Co., Ltd.	Purchase of equipment, materials and natural gas	3,405	N/A	N/A	134
Taizhou City Natural Gas Co., Ltd.	Purchase of equipment, materials and natural gas	10,008	N/A	N/A	9,773
Changsha ENN Great Wall Energy Co., Ltd.	Purchase of equipment, materials and natural gas	12,446	N/A	N/A	3,782
Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.	Purchase of equipment, materials and natural gas	3,187	N/A	N/A	
Zhoushan Lanyan Gas Co., Ltd.	Purchase of equipment, materials and natural gas	1,171	N/A	N/A	1,558
Shanghai 3040 Technology Co., Ltd.	Purchase of equipment, materials and natural gas	2,029	15,000	No	5,268
Subsidiary controlled by the Company's actual controller	Purchase of equipment, materials and natural gas	4,539	21,400	No	3,699
Subsidiary controlled by the Company's actual controller	Acceptance of engineering construction	1,404	5,700	No	218
Anhui Wanneng ENN Natural Gas Co., Ltd.	Acceptance of technology and comprehensive service	635	N/A	N/A	2,933
Shenzhen ENN Shipping Co., Ltd.	Acceptance of technology and comprehensive service	2,571	N/A	N/A	2,119
Zhenjiang Xinyongzhou Logistics Co., Ltd.	Acceptance of technology and comprehensive service	67	N/A	N/A	1,442
Chongqing Changdian Fuxin Gas Co., Ltd.	Acceptance of technology and comprehensive service	13,033	N/A	N/A	
Shanghai Petroleum and Gas Exchange Co., Ltd.	Acceptance of technology and comprehensive service			No	4
Subsidiary controlled by the Company's actual controller	Acceptance of technology and comprehensive service	24,510	79,247	No	21,905
Others – Amount of transactions of which detail items are not listed		6,017	N/A	N/A	7,152

Fact sheet of sales of goods/provision of services

✓ Applicable □ N/A

Unit: RMB'0000 Currency: RMB

Related party	Content of related-party transactions	Amount incurred in the current period	Amount incurred in the previous period
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Design, construction and sale of materials and supplies	789	2,345
Huzhou Nanxun Xin'ao Gas Co., Ltd.	Design, construction and sale of materials and supplies		1,535
Lianyungang Chengxin Gas Co., Ltd.	Design, construction and sale of materials and supplies	1,893	338
Changsha ENN Gas Co., Ltd.	Design, construction and sale of materials and supplies	1,961	
Zhoushan Lanyan Gas Co., Ltd.	Design, construction and sale of materials and supplies	2,261	175
Subsidiary controlled by the Company's actual controller	Design, construction and sale of materials and supplies	2,184	664
Subsidiary controlled by the Company's actual controller	Provision of technology and comprehensive services	9,046	9,011
Baoding ENN Gas Co., Ltd.	Sale of gas and other goods	6,691	8,955
Dingzhou Kunlun ENN Energy Development Co., Ltd.	Sale of gas and other goods	2,089	1,027
Dongguan Haofeng ENN Energy Co., Ltd.	Sale of gas and other goods	1,381	4,317
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Sale of gas and other goods	2,662	1,047
Haining Xinxin Natural Gas Co., Ltd.	Sale of gas and other goods		1,624
Henan Zhongyuan Natural Gas Development Co., Ltd.	Sale of gas and other goods	3,756	1
Huzhou Nanxun Xin'ao Gas Co., Ltd.	Sale of gas and other goods	44,735	23,478
Huzhou Gas Co., Ltd.	Sale of gas and other goods	5,311	57
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	Sale of gas and other goods	6,660	8,399
Jiangxi Poyang Lake LNG Co., Ltd.	Sale of gas and other goods	2,965	3,134
Lianyungang Chengxin Gas Co., Ltd.	Sale of gas and other goods	3,737	2,092
Lianyungang Zhongxin Gas Co., Ltd.	Sale of gas and other goods	52,090	21,029
Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	Sale of gas and other goods	2,177	1,158
Shanxi Hengjing Energy Co., Ltd.	Sale of gas and other goods		23,102
Shantou Huarun ENN Gas Co., Ltd.	Sale of gas and other goods	2,273	3,668
Shijiazhuang Kunlun ENN Gas Co., Ltd.	Sale of gas and other goods	12,104	17,683
Shijiazhuang Gaocheng District Zhongran Xiangke Gas Co., Ltd.	Sale of gas and other goods	177	2,944
Shijiazhuang Luquan District Kunlun ENN Gas Co., Ltd.	Sale of gas and other goods	3,565	299
Shijiazhuang ENN Zhonghong Gas Co., Ltd.	Sale of gas and other goods	1,000	1,711
Taizhou City Natural Gas Co., Ltd.	Sale of gas and other goods	9,558	
Weihui Zhongyuan Natural Gas Development Co., Ltd.	Sale of gas and other goods	2,397	130



Related party	Content of related-party transactions	Amount incurred in the current period	Amount incurred in the previous period
Wenshan Yuntou ENN Gas Co., Ltd.	Sale of gas and other goods	1,696	1,690
Yantai ENN Gas Development Co., Ltd.	Sale of gas and other goods	11,720	8,130
Yunnan Yuntou Xin'ao Gas Co., Ltd.	Sale of gas and other goods	2,765	2,057
Changsha ENN Gas Development Co., Ltd.	Sale of gas and other goods	1,479	
Changsha ENN Gas Co., Ltd.	Sale of gas and other goods	2,732	
Chongqing Longran Energy Technology Co., Ltd.	Sale of gas and other goods		938
Zhoushan North Lanyan Island Gas Co., Ltd.	Sale of gas and other goods	11,058	13,685
Zhoushan Zhiqi Smart Home Technology Services Co., Ltd.	Sale of gas and other goods		5,180
Zhoushan Lanyan Gas Co., Ltd.	Sale of gas and other goods	1,251	1,147
Subsidiary controlled by the Company's actual controller	Sale of gas and other goods	860	1,874
Others – Amount of transactions of which detail items are not listed		12,057	9,679

Description of related-party transactions related to the purchase and sale of products, and the provision and acceptance of services

Applicable N/A

(2). *Information on related trusteeship/contracting and entrusted management/outsourcing*

Statement of trusteeship/contracting of the Company:

Applicable N/A

Description of related trusteeship/contracting

Applicable N/A

Statement of entrusted management/outsourcing of the Company:

Applicable N/A

Unit: RMB'0000 Currency: RMB

Name of principal/outsourcer	Name of trustee/outsourcer	Type of entrusted/outsourced assets	Starting date of trusteeship/outsourcing	End date of trusteeship/outsourcing	Basis for determining trustee fee/outsourcing fee	Trustee fee/outsourcing fee recognized in the current period
Xinneng Energy Co., Ltd.	Beijing Yongxin Environmental Protection Co., Ltd.	Other trusted assets	2024/1/1	2024/5/10	Trusteeship contract	1,335

Information on related management/outsourcing

Applicable N/A

(3). Information on related-party lease

The Company as a lessor:

Applicable N/A

Unit: RMB'0000 Currency: RMB

Name of lessee	Type of leasing asset	Rental revenue recognized in current period	Rental revenue recognized in previous period
Bengbu ENN PetroChina Sales Co., Ltd.	Equipment	13	
Chizhou Qianjiang Gas Co., Ltd.	Houses		1
Huai'an Zhongyou Tianhuai Gas Co., Ltd.	Houses	9	
Quzhou ENN Sinopec Automobile Gas Co., Ltd.	Houses	17	33
Changsha ENN Great Wall Energy Co., Ltd.	Houses		2
PetroChina Yuexi Pipeline Network Co., Ltd.	Houses	17	
Subsidiary controlled by the Company's actual controller	Houses	218	198

The Company as a lessee:

Applicable N/A

Unit: RMB'0000 Currency: RMB

Name of lessor	Type of asset for lease	Rental expenses for short-term lease and lease of low-value assets in a simplified treatment (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Rent paid		Assumed interest expense for lease liabilities		Increased right-of-use assets	
		Amount incurred in current period	Amount incurred in previous period	Amount incurred in current period	Amount incurred in previous period	Amount incurred in current period	Amount incurred in previous period	Amount incurred in current period	Amount incurred in previous period	Amount incurred in current period	Amount incurred in previous period
		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
Subsidiaries actually controlled by the Company	Houses	423	261			232		3			
Henan Zhongyuan Natural Gas Development Co., Ltd.	Houses		19								
Lianyungang Zhongxin Gas Co., Ltd.	Equipment		92								
Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	Houses		1								

Information on related-party lease

Applicable N/A

(4). Information on related-party guarantee

The Company as a guarantor

Applicable N/A

Unit: RMB'0000 Currency: RMB

Guaranteed party	Contract amount	Amount of guarantee	Starting date of guarantee	Expiration date of guarantee	Whether the guarantee has been fulfilled
Chongqing Fuling Energy Industry Group Co., Ltd.	4,200	1,101	2021/3/8	2025/12/31	No
Chongqing Fuling Energy Industry Group Co., Ltd.	1,120	1,118	2024/6/12	2024/12/31	No
Jinhua City Gaoya Natural Gas Co., Ltd.	700	700	2023/12/22	2024/12/21	No

Chongqing Longran Energy Technology Co., Ltd., a participating company of the Company, applied for financing and loan to the bank for which its controlling shareholder Chongqing Fuling Energy Industry Group Co., Ltd. provided a joint and several liability guarantee in full. The Company provided a counter guarantee of joint and several liability in proportion to the equity interest in Chongqing Fuling Energy Industry Group Co., Ltd.

The Company as a guaranteed party

Applicable N/A

Unit: RMB'0000 Currency: RMB

Guarantor	Contract amount	Amount of guarantee	Starting date of guarantee	Expiration date of guarantee	Whether the guarantee has been fulfilled
Mr. Wang Yusuo and his wife	40,000	166	2020/9/27	2024/9/18	No

Information on related-party guarantee

Applicable N/A

(5). Related-party borrowings

Applicable N/A

Unit: RMB'0000 Currency: RMB

Related party	Amount borrowed	Starting date	Due date	Description
Borrowing				
Xin'ao Xinzhi Technology Co., Ltd.	2,901	2024/3/29	2026/3/29	

Related party	Amount lent	Starting date	Due date	Description
Lending				
Shanghai Zhuoxiao Energy Technology Co., Ltd.	1,000	2024/3/14	2025/3/13	
Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.	1	2024/3/24	2025/3/23	
Lianyungang Chengxin Gas Co., Ltd.	400	2024/5/30	2030/12/31	
Yancheng Guoneng ENN Energy Development Co., Ltd.	800	2024/3/10	2025/3/10	

(6). *Assets transfer and debt restructuring with related parties*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Related party	Content of related-party transactions	Amount incurred in current period	Amount incurred in previous period
Xin'ao Xinzhi Technology Co., Ltd.	Acquisition of 43% equity interests in Langfang Xinzhi Digital-intelligent Future Smart City Co., Ltd.	782	
ENN Juneng Technology (Langfang) Co., Ltd.	Acquisition of 12% equity interests in Langfang Xinzhi Digital-intelligent Future Smart City Co., Ltd.	218	
Xin'ao Xinzhi Technology Co., Ltd.	Sale of 49% equity interest in GreatGas E-commerce Co., Ltd. held by ENN (China) Gas Investment Co., Ltd.		49

(7). *Remuneration of key managers*

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in current period	Amount incurred in previous period
Remuneration of key managers	1,395	1,004

(8). *Other related-party transactions*

Applicable N/A

① Information on the provision of financing lease and commercial factoring

Unit: RMB'0000 Currency: RMB

Related party	Content of transaction	Amount incurred in current period	Amount incurred in previous period
Guangdong ENN Shuneng Technology Co., Ltd.	Provision of commercial factoring	37	
Kaixin Real Estate Development and Operation Co., Ltd.	Provision of commercial factoring		39



Related party	Content of transaction	Amount incurred in current period	Amount incurred in previous period
Langfang Aili Fengshe Logistics Services Co., Ltd.	Provision of commercial factoring	30	
Langfang ENN Real Estate Development Co., Ltd.	Provision of commercial factoring	77	311
Langfang ENN Construction and Installation Engineering Co., Ltd.	Provision of commercial factoring	60	288
Langfang Yitongcheng Business Services Limited	Provision of commercial factoring		35
Shanghai 3040 Technology Co., Ltd.	Provision of commercial factoring	74	1,854
Shijiazhuang ENN Environmental Protection Technology Co., Ltd.	Provision of commercial factoring		370
ENN Bowei Technology Co., Ltd.	Provision of commercial factoring	102	
ENN Science and Technology Development Co., Ltd.	Provision of commercial factoring	233	133
ENN Shuneng Technology Co., Ltd.	Provision of commercial factoring	105	15
Xindi (Langfang) Landscaping Engineering Co., Ltd.	Provision of commercial factoring	71	257
Xinyi Zhiye (Beihai) Co., Ltd.	Provision of commercial factoring		227
ENN Science and Technology Development Co., Ltd.	Provision of financing lease	155	

② Information on donations

Unit: RMB'0000 Currency: RMB

Related party	Content of transaction	Amount incurred in current period	Amount incurred in previous period
ENN Public Charity Foundation	Donation	1,659	

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.	18,154	406	16,179	257
Receivables	Dingzhou Kunlun ENN Energy Development Co., Ltd.	1,303	13	158	6
Receivables	Dongguan Haofeng ENN Energy Co., Ltd.	806	300	1,794	308
Receivables	Guanyun PetroChina Kunlun Gas Co., Ltd.	567	1	961	
Receivables	Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	5,883	27	1,188	13

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Receivables	Hebei PetroChina Kunlun Natural Gas Co., Ltd.	3,176	3	22,118	
Receivables	Jinhua Gaoya Natural Gas Co., Ltd.	746	34	863	
Receivables	Kaixin Real Estate Development and Operation Co., Ltd.	738	60	535	74
Receivables	Langfang Development Zone Jingyu Real Estate Development Co., Ltd.	1,151	10	540	
Receivables	Langfang ENN Real Estate Development Co., Ltd.	1,633	100	1,579	68
Receivables	Langfang ENN Construction and Installation Engineering Co., Ltd.	1,025	38	1,025	9
Receivables	Lianyungang Chengxin Gas Co., Ltd.	8,983	63	3,556	26
Receivables	Lianyungang Zhongxin Gas Co., Ltd.	900	18	422	10
Receivables	Liaocheng Shihua Natural Gas Co., Ltd.	4,063	36	3,317	
Receivables	Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	191	1	670	10
Receivables	Luoyang Hongxin Gas Co., Ltd.	808	802	808	800
Receivables	Ningxiang ENN Gas Co., Ltd.	919	11	1,346	15
Receivables	Qinzhou PetroChina Kunlun Gas Co., Ltd.	3,225	80	3,225	64
Receivables	Shanxi Hengjing Energy Co., Ltd.	46		1,677	
Receivables	Shanghai Zhuoxiao Energy Technology Co., Ltd.	1,000	20	1,000	20
Receivables	Shijiazhuang Airport Gas Co., Ltd.	895	142	875	137
Receivables	Shijiazhuang Kunlun ENN Gas Co., Ltd.	5,920	215	10,893	86
Receivables	Tianjin Xinzhi Sensing Technology Co., Ltd.	1,755	16	3,667	33
Receivables	Weihui Zhongyuan Natural Gas Development Co., Ltd.	711	4	169	1
Receivables	Wenshan Yuntou ENN Gas Co., Ltd.	1,986	87	2,126	118
Receivables	ENN Science and Technology Development Co., Ltd.	7,406	66	6,760	64
Receivables	Xin'ao Cultural Industry Development Co., Ltd.	3,245	564	3,244	286
Receivables	Xinsheng Natural Gas Sales Co., Ltd.	850	9	2,214	16
Receivables	Ennova Seven-Cultivations Hotel Management Co., Ltd.	1,144	34	859	17
Receivables	Yantai ENN Gas Development Co., Ltd.	1,326	12	759	41
Receivables	Yancheng Guoneng ENN Energy Development Co., Ltd.	1,822	63	1,809	59
Receivables	Changsha ENN Gas Development Co., Ltd.	1,194	13	1,398	16
Receivables	Changsha ENN Gas Co., Ltd.	14,611	325	12,672	306



Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Receivables	Changsha ENN Great Wall Energy Co., Ltd.	1,317	11	46	
Receivables	Changsha ENN Changran Energy Development Co., Ltd.	630	22	630	22
Receivables	Changsha Xingsha ENN Gas Co., Ltd.	1,159	10	1,076	9
Total of other related parties that are not listed separately		15,405	804	12,389	838

(2). *Items payable*

✓ Applicable N/A

Unit: RMB'0000 Currency: RMB

Name of item	Related party	Closing book balance	Opening book balance
Payables	Bengbu ENN Zhongyou Petroleum Sales Co., Ltd.	723	923
Payables	Baoding ENN Gas Co., Ltd.	1,759	1,411
Payables	Beijing Yongxin Environmental Protection Co., Ltd.	2,181	4,494
Payables	Bokang Intelligent Information Technology Co., Ltd.	11,770	4,766
Payables	Chenzhou Sanxiang ENN Clean Energy Co., Ltd.	700	700
Payables	Guangxi Beibu Gulf ENN Gas Development Co., Ltd.	2,167	21,054
Payables	Guangxi Yilongyuan Electricity Distribution Co., Ltd.	12	1,118
Payables	Hebei Financing Lease Co., Ltd.	577	
Payables	Huzhou Nanxun Xin'ao Gas Co., Ltd.	238	2,744
Payables	Huzhou Gas Co., Ltd.		1,062
Payables	Huai'an Zhongyou Tianhuai Gas Co., Ltd.	609	112
Payables	Langfang ENN Longyu Clean Energy Co., Ltd.	867	1,097
Payables	Lianyungang Chengxin Gas Co., Ltd.	255	1,983
Payables	Lianyungang Zhongxin Gas Co., Ltd.	1,368	2,129
Payables	Linyi Zhongfu Natural Gas Development and Utilization Co., Ltd.	3,224	3,310
Payables	Ningxiang ENN Gas Co., Ltd.	645	560
Payables	Shangxi Hengjing Energy Co., Ltd.	2,332	3,807
Payables	Shantou Huarun ENN Gas Co., Ltd.	650	626
Payables	Shanghai 3040 Technology Co., Ltd.	2,536	3,199
Payables	Shanghai Sunshine Jiuquan Energy Development Co., Ltd.	9	1,804
Payables	Shenzhen ENN Shipping Co., Ltd.		2,053
Payables	Shijiazhuang Kunlun ENN Gas Co., Ltd.	2,957	3,061
Payables	Shijiazhuang Blue Sky ENN Natural Gas Pipeline Network Co., Ltd.	3,425	3,486
Payables	Taizhou City Natural Gas Co., Ltd.	1,623	2,223

Name of item	Related party	Closing book balance	Opening book balance
Payables	Tianjin Xinzhi Sensing Technology Co., Ltd.	5,835	5,156
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.	8,521	8,132
Payables	Xin'ao Xinzhi Technology Co., Ltd.	4,862	2,321
Payables	Xinzhi Cognitive Data Services Co., Ltd.	1,538	1,432
Payables	Xinzhi Cloud Data Services Co., Ltd.	8,441	5,088
Payables	Xuyi Guolian ENN Natural Gas Pipeline Network Co., Ltd.	3,751	5,271
Payables	Yantai ENN Gas Development Co., Ltd.	9	880
Payables	Yancheng Guotou Natural Gas Pipeline Network Co., Ltd.	19,001	17,594
Payables	Yancheng ENN Compressed Natural Gas Co., Ltd.	1,018	1,018
Payables	Changsha ENN Gas Development Co., Ltd.	2	5,084
Payables	Changsha ENN Gas Co., Ltd.	712	700
Payables	Zhaoqing PetroChina Kunlun ENN Gas Co., Ltd.		1,167
Payables	Zhoushan Lanyan Gas Co., Ltd.	359	1,085
Total of other related parties that are not listed separately		6,855	9,076

(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			2,900	11	3,725,000	3,732	502,500	536
Total			2,900	11	3,725,000	3,732	502,500	536



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	RMB6.84	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 6,725,050 share options had been exercised, 4,594,715 share options had been annulled and 680,235 share options had not been exercised.

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 award 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 shares had been exercised under the cash-settled share award plan and 676,000 shares 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, expectation 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 rights 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	17,738

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, expectation and historical exercise behaviors
Accumulated amount of liabilities arising from the payment of liabilities in cash-settled shares	1,050

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	655	272
Total	655	272

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	30 June 2024	31 December 2023
Contracted but unrecognized in the financial statements		
– Commitment on acquisition and construction of long-term assets	68,102	69,559
– Commitment on external investments	93,533	92,383
Including: Unrecognized commitments relating to investments in joint ventures and associates	93,373	92,223
Total	161,635	161,942

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

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

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, construction and installation, sale and services of integrated energy, 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	3,280,507	1,166,463	622,987	287,166	839,549	217,007	214,169	18,137		6,645,985
Primary operation income from inter-division transactions	2,253,264	1,640,119	1,080,465	166,042	18,241	317,252	40,066	123,533	5,638,982	
Primary operation income of reporting division	5,533,771	2,806,582	1,703,452	453,208	857,790	534,259	254,235	141,670	5,638,982	6,645,985
Subtotal of primary operation cost from external transactions	2,877,801	1,163,361	476,667	184,748	725,767	71,385	193,351	5,677		5,698,757
Primary operation cost from inter-division transactions	2,302,167	1,613,098	1,113,685	157,648	24,343	307,568	40,192	86,906	5,645,607	
Primary operation cost of reporting division	5,179,968	2,776,459	1,590,352	342,396	750,110	378,953	233,543	92,583	5,645,607	5,698,757
Gross profit of reporting division	353,803	30,123	113,100	110,812	107,680	155,306	20,692	49,087	-6,625	947,228
Gross profit from external transactions	402,706	3,102	146,320	102,418	113,782	145,622	20,818	12,460		947,228
Classified assets	4,690,708	378,694	1,021,063	2,182,411	1,124,021	524,175	477,642	874,400	828,079	10,445,035
Classified liabilities	1,806,561	20,320	171,050	1,799,077	280,690	283,969	517,258	433,160	151,874	5,160,211

(3). Specify the reason if the Company has no reporting divisions, or it is unable to disclose the total assets and total liabilities of each reporting division

Applicable N/A

(4). Other information

Applicable N/A

7. Other important transactions and events that have impact on decision-making by investors

Applicable N/A

The Company has derived an evaluated profit of RMB2,699.2 million for the first half of 2024 based on the calculation of the valuation profit under the 2021 Restricted Stock Incentive Plan announced on 21 January 2021 by deducting a total of RMB169.61 million of effects from gain or loss on foreign currency assets and liabilities, changes in fair value of hedge products, provision for assets impairment and amortization of stock incentive cost on the net profit attributable to parent company from the net profit attributable to parent company of RMB2,529.59 million generated from operating activities.



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	2,362	2,299
Subtotal of items due within one year	2,362	2,299
More than five years	39	39
Total	2,401	2,338

(2). Disclosure by methods of bad debt provision

Applicable N/A

Unit: RMB'0000 Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion (%)	Amount	Proportion of accrual (%)		Amount	Proportion (%)	Amount	Proportion of accrual (%)	
Bad debt provision made individually										
Bad debt provision made by portfolio	2,401	100	39	1.62	2,362	2,338	100.00	39	1.67	2,299
Including										
Related party payment	2,299	95.75			2,299	2,299	98.33			2,299
Other payments	102	4.25	39	38.24	63	39	1.67	39	100.00	
Total	2,401	/	39	/	2,362	2,338	/	39	/	2,299

Bad debt provision made individually:

Applicable N/A

Bad debt provision made by portfolio:

Applicable N/A

Item subject to provision made by portfolio: Related party payment

Unit: RMB'0000 Currency: RMB

Name	Closing balance		
	Accounts receivable	Provision for bad debt	Proportion of accrual (%)
Within one year	2,299		
Total	2,299		/

Description of bad debt provision made by portfolio:

Applicable N/A

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 (%)
Within one year	63		
More than five years	39	39	100
Total	102	39	/

Description of bad debt provision made by portfolio:

Applicable N/A

Bad debt provision made according to the general model of expected credit loss

Applicable N/A

Description of significant change in the book balance of accounts receivable with a change in loss provision during the current period:

Applicable N/A

(3). Information on provision for bad 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	51.73	
Top 2	855		855	35.61	
Top 3	108		108	4.50	
Top 4	63		63	2.62	
Top 5	52		52	2.17	
Total	2,320		2,320	96.63	

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	392,323	88,911
Other receivables	1,377,966	1,014,864
Total	1,770,289	1,103,775

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

(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
ENN (Hong Kong) Energy Investment Co., Ltd.	313,237	9,825
ENN (Tianjin) Energy Investment Co., Ltd.	79,086	79,086
Total	392,323	88,911

(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
Top 1	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

(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 balance
Within one year		
Including: Sub-item due within one year		
Within one year	1,279,639	664,731
Including: Subtotal of items due within one year	1,279,639	664,731
One to two years	41,822	253,130
Two to three years	56,505	97,003
Total	1,377,966	1,014,864

(2). *Classification by the nature of payments*
 Applicable N/A

Unit: RMB'0000 Currency: RMB

Nature of payment	Closing book balance	Opening book balance
Current account	1,377,742	1,014,711
Others	224	153
Total	1,377,966	1,014,864

(3). *Accrual of provision for bad debts*
 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	762,757	55.35	Current account	Within one year	
Top 2	196,540	14.26	Current account	RMB1,030 million due within one year, RMB415 million due within 1 - 2 years, and RMB520 million due within 2 - 3 years	
Top 3	130,000	9.43	Current account	Within one year	
Top 4	118,931	8.63	Current account	Within one year	
Top 5	72,000	5.23	Current account	Within one year	
Total	1,280,228	92.90	/	/	

(7). Other receivables presented due to centralized fund management

Applicable N/A

Other information:

Applicable N/A

3. Long-term equity investment

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Closing balance		Opening balance			
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Investment in subsidiaries	1,112,686		1,112,686	1,112,686		1,112,686
Investment in associates and joint ventures	2,623		2,623	3,001		3,001
Total	1,115,309		1,115,309	1,115,687		1,115,687



(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
ENN (Tianjin) Energy Investment Co., Ltd.	603,123			603,123		
Shanghai International Engineering Consulting Company	871			871		
Xinneng (Hong Kong) Energy Investment Co., Ltd.	498,182			498,182		
ENN (Langfang Airport FTZ) Natural Gas Sales Co., Ltd.	10,000			10,000		
Chongqing Xin'ao Longxin Clean Energy Co., Ltd.	510			510		
Total	1,112,686			1,112,686		

(2). Investment in associates and joint ventures

✓ Applicable N/A

Unit: RMB'0000 Currency: RMB

Investee	Opening balance	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	50			-16						34
Chongqing Longran Energy Technology Co., Ltd.	2,951			-362						2,589
Subtotal	3,001			-378						2,623
Total	3,001			-378						2,623

(3). Impairment test on long-term equity investment

Applicable N/A

Other information:

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	58		64	2
Total	58		64	2

(2). Breakdown of operating income and operating cost

Applicable N/A

Other information

Applicable N/A

(3). Information on performance obligations

Applicable N/A

(4). Information on apportionment to the remaining performance obligations

Applicable N/A

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

Applicable N/A



5. Investment income

Applicable N/A

Unit: RMB'0000 Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Income from long-term equity investment calculated by cost method	313,237	242,745
Income from long-term equity investment calculated by equity method	-378	-394
Investment income from disposal of long-term equity investment	7,041	
Investment income from financial assets held for trading during the holding period	553	
Total	320,453	242,351

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	-976	
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	30,467	
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	17,587	
Gains or losses from external entrusted loans	204	
Reversal of the provision for impairment on receivables and contract assets which were tested individually for impairment	1,067	
Gains or losses on debt restructuring	8,993	
Gains or losses arising from changes in fair value of employee benefits payable after the vesting date for cash settled share-based payment	-272	
Other non-operating income and expenses other than above items	-2,211	
Less: Effect of income tax	7,012	
Effect of minority equity (after tax)	-5,812	
Total	53,659	

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	10.37	0.82	0.82
Net profit attributable to common shareholders of the Company after deducting non-recurring gains and losses	8.17	0.65	0.65

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: August 23, 2024

Revision Information

Applicable N/A