

Stock Code: 600803

Stock Abbreviation: ENN-NG

ENN Natural Gas Co., Ltd.
Summary of the 2023 Annual Report

Section I Important Notice

- 1 This summary is extracted from the full text of the Annual Report. Investors who wish to know more about the results of operation, financial conditions and plans of future development of the Company are advised to read in details of the full text of the Annual Report which will be published on the website <http://www.sse.com.cn/>.**
- 2 The Board of Directors, the Board of Supervisors, the Directors, the Supervisors and senior managers of the Company ensure that the content of the annual report is true, accurate and complete without any false record, misleading statement or major omission, and bear individual and joint legal liabilities.**
- 3 All the Directors attend the meeting of the Board of Directors.**
- 4 Zhongxi CPAs (Special General Partnership) issued a standard unqualified audit report to the Company.**
- 5 Profit distribution proposal or proposal for capitalization of capital reserve approved by the board of directors during the reporting period.**

The 14th Meeting of the Tenth Board of Directors of the Company deliberated and approved the *2023 Profit Distribution Plan of ENN-NG*: the Company plans to distribute cash dividends to all shareholders at RMB 9.1 (tax included) per 10 shares based on 3,091,806,493 shares representing the Company's total share capital of 3,098,397,607 shares after deduction of 5,808,614 shares repurchased and 782,500 restricted shares to be repurchased and canceled not participating in profit distribution on December 31, 2023. The cash dividend of RMB 6.6 (tax included) per 10 shares is the Company's annual dividend for 2023, and the cash dividend of RMB 2.5 (tax included) per 10 shares is a special dividend in accordance with the *Special Dividend Plan for Shareholders in the Next Three Years (2023-2025) of ENN-NG*. In summary, the Company paid a total cash dividend of RMB 2,813,543,908.63 (tax included), with the retained undistributed profits to be accumulated in the next year. In this profit distribution, no capital reserve will be converted into share capital nor will bonus shares be given.

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

Section II Company Profile

1 Company Profile

Company Stock Profile				
Stock Class	Stock Exchange	Stock Abbreviation	Stock Code	Stock Abbreviation before Change
A-share	Shanghai Stock Exchange	ENN-NG	600803	/

Contact Person and Contact Detail	Secretary of the Board of Directors	Representative of Securities Affairs
Name	Liang Hongyu	Ling Yan
Office Address	Block B, 118 Huaxiang Road, Langfang, Hebei	Block B, 118 Huaxiang Road, Langfang, Hebei
Telephone	0316-2595599	0316-2597675
Email	enn-ng@enn.cn	enn-ng@enn.cn

2 Brief introduction of the company's main business during the reporting period

2.1 Examining Industries with Company Operations During the Reporting Period

(1) Natural gas

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

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

improved the free flow of natural gas resources and market competition, contributing to the high-quality development of the industry.

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

In April 2023, the National Energy Administration issued the “Opinions on Accelerating the Development of Digitalization and Intelligence in the Energy Sector” and proposed that in response to the development needs of digitization and intelligent transformation of the electric power, coal, oil and gas industries, it is necessary to promote the application of digitalization and intelligent technology throughout the entire supply chain and various sectors. This includes in the areas of coal and oil and gas production, supply, storage, and sales systems to improve overall industry efficiency, safety, and green and low-carbon levels.

In October, the National Data Administration was officially established to promote the deep integration of digital technology and the real economy. In response to various policy initiatives, the natural gas industry actively embraced the requirements of digitalization and intelligence. For example, the Chongqing Petroleum and Gas Exchange conducted product transactions in domestic pipeline natural gas, domestic and overseas liquefied natural gas, gas storage services, refined oil, and liquefied petroleum gas through various trading methods. The Tianjin International Oil and Gas Trading Center officially started trial operation at the end of 2023 and designed and completed the integrated and innovative trading mode of “capacity pre-sale + LNG order pass + warehouse receipt trading + spot listing/one-way bidding”, which filled the gap of the trading market in the northern region. Gas companies in various cities are also actively implementing digital transformation in the natural gas industry. For example, they are building an operational and management information system that integrates a gas GIS platform, a digital operation management platform, an intelligent station platform, and a safety digital management platform. They also establish energy research institutes, focusing on energy storage, hydrogen, photovoltaic and energy saving, energy digital intelligence and other fields, to promote the key technology research and development and industrial incubation.

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

(3) Infrastructure operation

In terms of pipeline network construction, China’s natural gas pipeline has maintained rapid development, and the construction of trunk pipelines and feeder pipeline networks has made great progress. PipeChina has been steadily promoting the construction of major projects, building a unified “national network” of natural gas led by strategic planning, accelerating the construction and commissioning of major national strategic projects, such as the southern section of the China-Russia Eastern Route, the middle section of the third line of the West-to-East Natural Gas Pipeline, the fourth

line of the West-to-East Natural Gas Pipeline, the second line of the Sichuan-to-East Natural Gas Pipeline and so on. It has actively guided and promoted the integration of provincial pipeline networks into the national pipeline network in a market-oriented manner, and has efficiently pushed forward the integration of provincial networks such as those in Hunan, Shandong and Sichuan, so that the “last kilometer” of the national network has been opened up in an orderly manner.

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

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

(4) Engineering construction and installation

a) Engineering construction

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

Hydrogen energy and biomass gas, which are vital areas of development for the Company, also grew rapidly. As of December 20, 2023, 55 new hydrogen refueling stations were built during the year, and a total of 397 hydrogen refueling stations were built in China. The number of hydrogen refueling stations under construction and in the bidding stage has reached 80, covering 29 provinces, ranking the first in the world in terms of quantity. Additionally, some demonstration stations that combine hydrogen production and refueling, as well as integrated stations that offer oil/electricity alongside hydrogen refueling are developing. Biomass natural gas, as a clean energy source, is also of strategic importance,

which can emit negative carbon, prevent agriculture non-point source pollution, recycle organic waste, produce organic fertilizer and develop rural industry. In the national strategic plans such as the “14th Five-Year Plan for Renewable Energy Development” and the “14th Five-Year Plan for Bio Economic Development,” China has proposed key action areas to accelerate the development of biomass natural gas. In September, the National Energy Administration’s “Notice on Organizing Pilot Demonstration of Renewable Energy Development” pointed out that the construction of biomass natural gas demonstration projects with an annual output of 10 million cubic meters should be carried out according to local conditions, so as to drive the establishment of a recycling industry system for the treatment of organic waste in rural areas, the production and consumption of organic fertilizers, and the use of clean gas.

b) Engineering installation

In 2023, China’s urbanization rate reached 66.16%, with room for progress compared to the level of about 80% in developed economies. People’s demand for improved housing is relatively urgent, while the three major projects including the construction of guaranteed housing, public infrastructure construction for “dual-use” (referring to an infrastructure system that is capable of both day-to-day operation and emergency response) and the transformation of urban villages are being pushed forward, forming an important driving force for the real estate market. In July, “The Notice on Solidly Promoting the Reconstruction of Old Urban Communities in 2023” and the “Guiding Opinions on Steadily Promoting Urban Village Revocation in Super-Large and Mega Cities” were released, requiring that all localities shall solidly promote the reconstruction of old urban communities and urban villages. By the end of 2023, the vast majority of the special loans amounting to RMB 350 billion for the pre-sold housing’s construction and delivery had been allocated, with an overall resumption rate of 99.9%. Commercial banks have also provided corresponding commercial financing to ensure the completion of the housing project. In December, the National Housing and Urban-Rural Construction Work Conference further clarified the implementation of housing guarantee policies, which will provide strong support for the Company’s engineering and installation business.

(5) Integrated energy business

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

In recent years, the national and local governments have introduced a series of policies to support and encourage the development of diversified, low-carbon, and smart energy systems. These policies have provided a more comprehensive policy framework and market environment for the development of the integrated energy service market. The policies can be broadly divided into three categories: the first

category is about restriction on traditional high energy consumption, with increasingly stringent policies on energy consumption, carbon emissions, energy conservation and environmental protection, and energy regulation. The second meeting of the Central Committee for Comprehensively Deepening Reform held in July 2023 considered and approved the Opinions on Promoting the Transformation of Energy Consumption Control to Carbon Emission Control, which shows that China's ecological civilization has entered a critical period focusing on carbon reduction. During this period, China would strengthen the regulation of the total amount and intensity of energy consumption and gradually shift to a dual-control system for the total amount and intensity of carbon emissions. The second category policies are those to encourage the development of new ways to accelerate the construction of digital China and develop the circular economy, user-side energy conservation, renewable energy utilisation, and green and low-carbon energy transformation. In April, the National Energy Administration issued the 2023 Guiding Opinions on Energy, which stated that it would vigorously promote the construction of distributed photovoltaic power generation projects. In July, the Central Commission for Comprehensively Deepening Reform reviewed and approved the “Guiding Opinions on Deepening Power System Reform and Accelerating the Construction of a New Power System.” This emphasized the need to deepen power system reform and accelerated the construction of a new power system that is clean, low-carbon, safe and abundant, economically efficient, flexible, intelligent, and synergistic between supply and demand. In September, the Notice by the National Development and Reform Commission and Other Departments of Issuing the Measures for Electricity Demand-Side Management (2023) aimed to enhance demand response capabilities. By 2025, each province will be expected to achieve a demand response capacity of 3% to 5% of its maximum electricity load. By 2030, the establishment of a scalable real-time demand response capability, coupled with the auxiliary service market and electricity trading, will enable the sharing and mutual support of demand-side resources within the region covered by the grid. The third category policies are focused on improving supporting mechanisms, including subsidy policies, financial mechanisms, carbon quotas, and carbon trading mechanisms. On August 17th, China Beijing Green Exchange issued the Notice on the Opening of Accounts in the National Greenhouse Gas Voluntary Emission Reduction Trading System and the Notice on the Arrangement of Transaction-related Services in the National Greenhouse Gas Voluntary Emission Reduction Trading System. The National Greenhouse Gas Voluntary Emission Reduction Trading System opened the account opening function and accepted applications from market participants to open registration accounts and trading accounts. In October, the Ministry of Ecology and Environment officially announced the “Measures for the Administration of Voluntary Greenhouse Gas Emission Reduction Trading (For Trial Implementation),” marking the official restart of the national certification of voluntary emission reductions (CCER).

(6) Value added business

2023 was the “Year of Consumption Boost”, supported by a series of policies to promote consumption, the total retail sales of consumer goods amounted to RMB 47,149.5 billion, an increase of 7.2% year-on-year, with the overall recovery on the upswing. The per capita disposable income of

residents nationwide for the same period was RMB 39,218, a nominal increase of 6.3% over the previous year. After adjusting for price factors, the real increase was 6.1%.

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

2.2 Company Engaged Business During the Reporting Period

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

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

(1) Natural gas sales

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



Company Natural Gas Plant Station

a) Direct gas sales by platform

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

We source most of the natural gas overseas, supplemented by domestic self-owned or entrusted

LNG liquid plants. Regarding international procurement, the Company purchase natural gas from global producers or traders through long-term agreements and spot contracts. In terms of domestic resources, the Company acquire coal-to-gas, coalbed methane, shale gas, scattered well gas and LNG liquid plant resources through equity investment, substitution processing and other methods.

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

b) Retail and wholesale of natural gas sales

As for natural gas retail business, we build pipeline networks in designated areas based on franchises and process and deliver natural gas to end users such as industrial businesses, residents, and transportation sectors.

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

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

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

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

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

the ecosystem and bringing them together in one place. It is committed to becoming the GPT of the industry and meeting customer demands intelligently, and driving the industry's efficient operation based on industry big data and knowledge base as well as general intelligence cap.

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



Homepage Illustration of greatgas.cn Industrial Intelligence Platform

(3) Infrastructure operations

ENN's Zhoushan LNG Terminal is the first large-scale LNG terminal approved by the National Energy Administration to be invested in by a private enterprise. The LNG receiving terminal is a facility for unloading, storing, re-gasifying and delivering LNG transported by ships. Its main function is to transport LNG in liquid or gaseous form to downstream users through tankers or pipelines and charge fees for providing natural gas unloading, transportation, and storage services to users.

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

The Company's gas storage facilities have a capacity of 560 million cubic meters and serve as important facilities for balancing the production, transportation, sales, and application of natural gas.

(4) Engineering construction and installation

The Company established an electric power planning and design institute, an engineering design and research institute, a cost center, an equipment integration company, a gas design institute, a chemical design institute as well as engineering companies with high qualifications. They carry out business in gas infrastructure planning, design and construction, chemical projects, power grid, hydrogen and integrated energy projects. The engineering construction and installation business consists of engineering construction and engineering installation.

a) Engineering construction

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

b) Engineering installation

We provide various construction and installation services relating to gas-use equipment for residential, commercial and industrial users, covering areas such as courtyard pipeline networks, indoor pipelines and facilities, and after-sales maintenance services. The installation services for residential users target newly-built commodity houses and old residential houses without pipeline gas and specifically include installing and constructing the courtyard pipeline network and equipment, indoor piping, and facilities within the red line of residential buildings with installation charges. The installation services for commercial and industrial users refer to the installation of pipeline gas projects for industrial, commercial, welfare units and other customers. For the engineering installation business, engineering contractors and material suppliers were selected mainly through bidding. In some regions, the pricing of engineering installation business was implemented per relevant policies and regulations of the provincial and municipal development and reform commissions for engineering installation fees. In contrast, other regions have adopted a market-based pricing mechanism.

(5) Integrated energy

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



Schematic of Integrated Energy Business

(6) Value-added business

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



Value-added Business Schematic

3 Key accounting data and financial indicators of the Company

3.1 Key accounting data and financial indicators in the past three years

Unit: RMB'0000 Currency: RMB

	2023	2022	Year-on-year increase or decrease (%)	2021
Total assets	13,457,350	13,619,744	-1.19	13,431,974
Net assets attributable to shareholders of listed companies	2,365,482	1,757,812	34.57	1,671,659
Operating income	14,375,398	15,404,417	-6.68	11,578,863
Net profit attributable to shareholders of listed companies	709,111	584,391	21.34	463,178
Net profit attributable to shareholders of listed companies after deducting nonrecurring gains or losses	245,925	467,089	-47.35	349,005
Net cash flow from operating activities	1,375,945	1,500,578	-8.31	1,416,504
The core profit attributable to shareholders of the listed companies	637,756	606,671	5.12	409,456
Weighted average return on equity (%)	34.39	33.43	Increase 0.96 ppt	31.09
Basic earnings per share (yuan/share)	2.30	1.90	21.05	1.51
Diluted earnings per share (yuan/share)	2.30	1.89	21.69	1.51

3.2 Key accounting data by quarters during the Reporting Period

Unit: RMB'0000 Currency: RMB

	First quarter (January to March)	Second quarter (April to June)	Third quarter (July to September)	Fourth quarter (October to December)
Operating income	3,435,091	3,281,872	2,874,168	4,784,267
Net profit attributable to shareholders of listed companies	145,632	74,721	89,952	398,806
Net profit attributable to shareholders of listed companies after deducting nonrecurring gains or losses	83,767	54,337	69,274	38,547
Net cash flow from operating activities	257,137	373,971	81,181	663,656

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

☐ Applicable ☒ N/A

4 Information on Shareholders

4.1 Total number of ordinary shareholders, preferred shareholders whose voting rights were restored and shareholders with special voting rights, and the top ten shareholders as at the end of the Reporting Period and at the end of last month before the discourse of the Annual Report

Unit: share

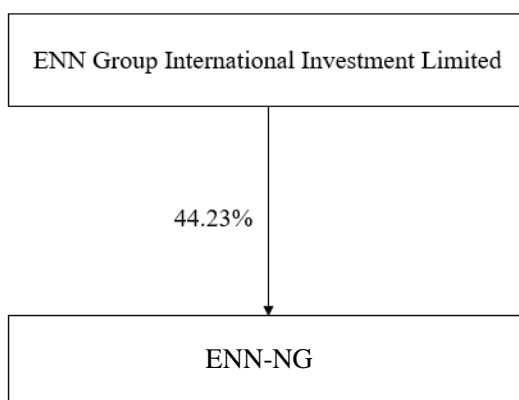
Total number of ordinary shareholders as at the end of the Reporting Period (households)	21,539
Total number of ordinary shareholders as at the end of last month before the discourse date of the Annual Report (households)	17,666
Total number of preferred shareholders whose voting rights were restored as at the end of the Reporting Period (households)	0
Total number of preferred shareholders whose voting rights were restored as at the end of last month before the discourse date of the annual report (households)	0
Shareholding of the Top Ten Shareholders	

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shareholders with voting rights restored and the number of shares held by them	
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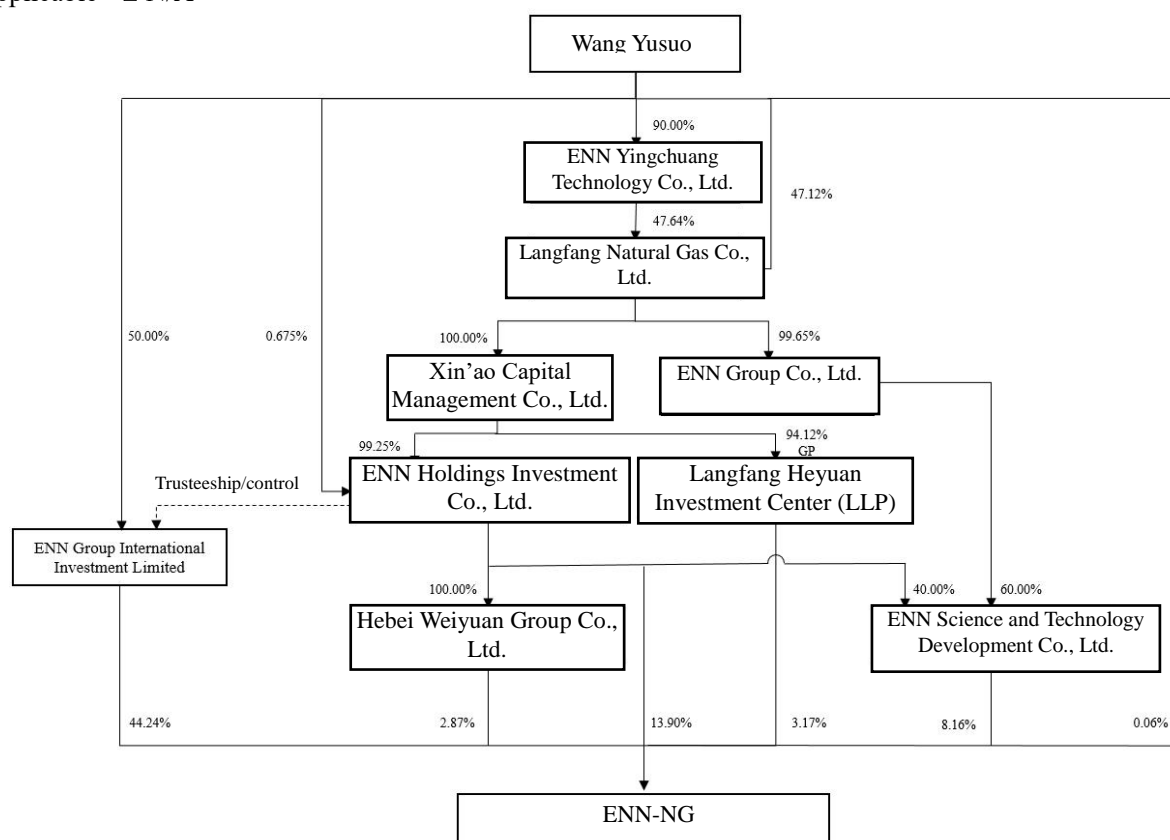
4.2 Block diagram of the ownership and control relationship between the company and its controlling shareholders

√ Applicable □ N/A



4.3 Block diagram of the ownership and control relationship between the company and the actual controller

√ Applicable □ N/A



4.4 Total number of preferred shareholders and information on the top ten shareholders as at the end of the Reporting Period

☐ Applicable ☒ N/A

5 Bonds of the Company

☒ Applicable ☐ N/A

5.1 Bonds subsisting as of the date on which the Annual Report is approved for disclosure

Unit: Yuan Currency: RMB

Name of bond	Abbreviation	Code	Maturity date	Bond balance	Interest rate (%)
2023 First Green Medium-term Note of ENN Natural Gas Co., Ltd.	23 ENN-NG GN001	132380028	2026-04-26	500,000,000	3.30
2024 First Green Medium-term Note of ENN Natural Gas Co., Ltd.	24 ENN-NG GN001	132480026	2027-03-22	1,000,000,000	2.65

5.2 Interest payment and redemption of bonds during the reporting period

☐ Applicable ☒ N/A

5.3 Adjustment of credit rating result made by credit rating agencies to companies or bonds during the reporting period

☐ Applicable ☒ N/A

5.4 Key accounting data and financial indicators in the past two years

☒ Applicable ☐ N/A

Unit: RMB'0000 Currency: RMB

Key indicator	2023	2022	Year-on-year increase or decrease (%)
Asset-liability ratio (%)	56.50	62.14	-9.08
Net profit after deducting nonrecurring gains and losses	245,925	467,089	-47.35
Ratio of EBITDA to total debt	0.64	0.56	14.29
Interest coverage ratio	11.26	11.16	0.90

Section III Major Events

1 In accordance with the principle of importance, the company is supposed to disclose 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 during the reporting period and are expected to have a significant impact in the future.

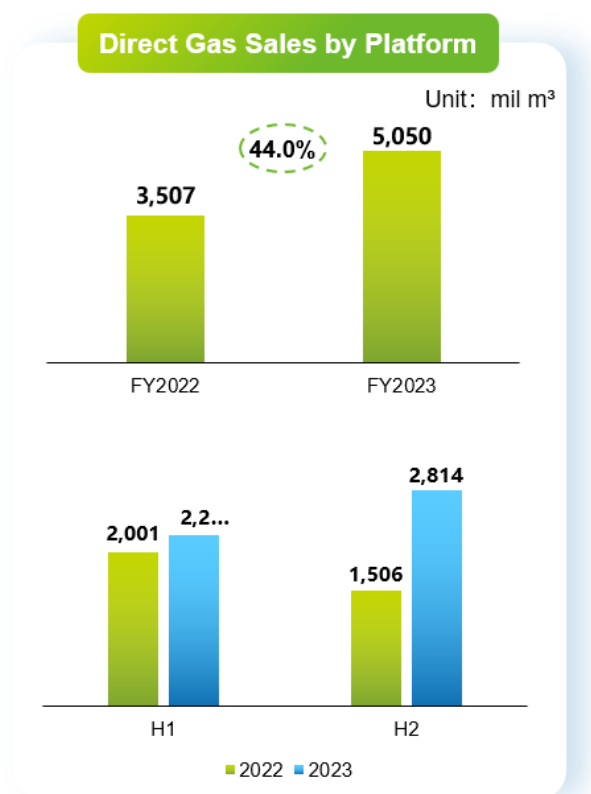
Operation analysis

(1) Natural gas sales business

a) Direct Gas Sales by Platform

As the dual carbon policies take hold, the government has prioritized green and low-carbon development, deepened prevention and control of air pollution, and accelerated green transformation in all sectors. Amid this backdrop, direct gas sales customers such as large domestic industrial enterprises,

power plants and chemical enterprises strongly demand cleaner natural gas, flexible gas supply and resource matches. The Company implemented a comprehensive upstream and downstream strategic approach while leveraging all-scenario natural gas services to create value through forward-looking planning and efficient coordination. During the Reporting Period, gas transactions conducted through the platform amounted to 5.05 billion cubic meters, an increase of 44.0% year-on-year, of which overseas gas transactions amounted to 1.937 billion cubic meters and domestic gas transactions amounted to 3.113 billion cubic meters, mainly covering the provinces of Zhejiang, Guangdong, Fujian, Chongqing, Shanxi and so on.

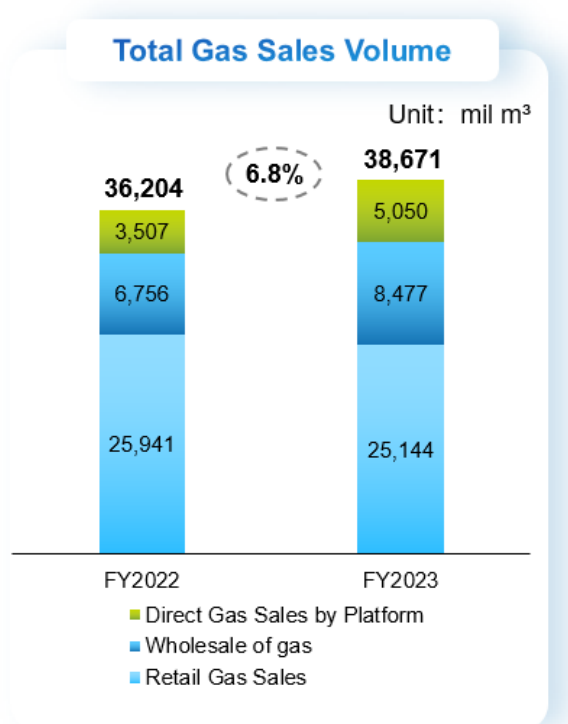


Sales volume of direct gas sales by platform for 2022-2023

b) Retail and wholesale of natural gas

The Company consolidated the development of the natural gas retail business and achieved steady growth by capitalizing on the industry consolidation opportunities with our keen market insights, excellent safety operation management and leading integrated energy concepts. At the end of 2023, the Company has 259 city-gas projects in China, covering 20 provinces and autonomous regions, including Anhui, Fujian, Guangdong, Guangxi, Hebei, Henan, Hunan, Jiangsu, Jiangxi, Liaoning, Shandong, Zhejiang, Shanghai, and Tianjin. During the Reporting Period, the retail sales volume of natural gas reached 25.144 billion cubic metres, with a year-on-year decrease of 3.1%. Among them, the retail gas sales volume to commercial and industrial users reached 19.486 billion cubic metres, accounting for 77.5% of the total retail sales volume of natural gas. The retail gas sales volume to residential users reached 5.348 billion cubic metres, accounting for 21.3% of the total retail sales volume of natural gas.

During the Reporting Period, the Company wholesaled 8.477 billion cubic metres of gas.



Total Gas Sales Volume for 2022-2023

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

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

Based on various industrial ecological business scenarios, such as end customers, city gas, traders, resource suppliers, and reception stations, etc., the Company continues to rapidly develop smart products including demand prediction, intelligent matching, intelligent trading and delivery, the greatgas.cn energy services client, reception station operation, and engineering services. The Company also defines the service and charging methods for the intelligent features across six specific scenarios: urban fuel distribution and pipeline network operations, piped gas commerce, LNG trade, receiving station management, trading platforms, and market intelligence analysis. This approach aims to enhance synergies within the natural gas industry's ecosystem.

In November, the Company successfully organized the second “Gas Festival” through multiple on-site interactions and live streaming. Through the sample – regional focus – national online operation mode, it drives a substantial exponential growth the platform customers and transaction scale. This year’s festival was the first to be synchronized across the country, with the participation of over 40 city gases in 11 provinces, involving more than 100 natural gas ecosystem participants. It hosted seven offline events, 363 online activities for traders, and ultimately engaged over 58,000 people in online sales interactions on the greatgas.cn platform. Industrial Intelligence Platform.

(3) Infrastructure operations

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



Four new tanks successfully launched in Zhoushan Terminal Phase III, marked by the operation of gas pressure lifting

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

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

(4) Engineering construction and gas installation

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

a) Engineering construction

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

During the Reporting Period, the Company accumulated a total of 9.146 billion in year-round signed orders through technological traction and ecological cooperation, with hydrogen energy projects accounting for 2.402 billion. It completed Huafeng integrated energy station benchmark hydrogen refueling project and signed the Guanghui green power and hydrogen integration project, which is the first wind and solar power generation and hydrogen production integration project. The comprehensive utilization of green hydrogen has a demonstration effect which lays the foundation for continuous market acquisition. The Company has signed the EPC project for the Angang Steel's 18,000 Nm³/h natural gas reforming and synthesis gas project. The project is the comprehensive utilization of solid waste resources in the tailings of Angang Steel Mining, which is the key project in Liaoning Province. It is also the first “large-scale natural gas hydrogen production + digital twin” project, pioneering the innovative business model of “green + digital intelligence” in traditional industries.

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



Huafeng Hydrogenation Integrated Energy Service Project



The Guanghui Green Power and Hydrogen Production and Integration Demonstration Project

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

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

b) Engineering Installation Business

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

(5) Integrated energy business

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

As of the end of the Reporting Period, the Company successfully completed and operated 296

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

An intelligent manufacturing industrial estate in Zhejiang is a typical case of integrated energy projects. From the government side, it needed to respond to the dual-carbon policy, achieve industrial upgrading and create a green and low-carbon park. The estate needed professional energy operation and service quality to ensure the quality of energy supply and help the park promote investment progress. Users needed a variety of energy supply to reduce the energy consumption of individual products and operating costs, and access to intelligent systems to improve the level of operation. The Company provided the integration of "Load, Source, Network and Storage" to expand the multi-product business, providing integrated solutions of photovoltaic, energy storage, power sales, green power trading, refrigeration, drinking water, energy-saving transformation, intelligent operation, etc., and supplied 8 million kWh of electricity, 3.5 million kWh of cooling and 1.22 million m³ of compressed air in the estate, which helped customers save RMB 520,000 of energy costs and achieve an annual reduction in carbon emissions of 745 tons. The company's internal rate of return was 12.6%.



An intelligent manufacturing industrial estate project in Zhejiang

(6) Value added business

The Company actively targets its natural gas business as an entry point to reach out to customers, exploring the integration of family recreation services and one-stop tourism service model by creating solutions for home service scenarios, continuously enhancing the convenient and beneficial services, and making significant progress in its business development supported by the digital intelligence technology.

Leveraging the eCity eHome smart shopping platform model, the Company creates a seamless end-to-end business cycle that encompasses product selection, quality assurance, warehousing, distribution logistics, sales operations, and service delivery. This model spans over ten family life

scenarios, such as safety, energy usage, water purification, smart home integration, health, environmental concerns, shopping, sports, and travel. By gradually implementing quality controls, trust mechanisms, and digital intelligence through IoT technology, the Company offers its platform customers a convenient, one-click smart shopping experience. Simultaneously, the Company has leveraged policy opportunities to venture into the community charging pile sector, swiftly penetrating the market with a “hardware + independent charging platform + operation service” model. This strategic move has enabled the rapid deployment and construction of 155 DC charging piles. In addition, the Company actively promotes the construction of LoRa-based IoT micro-network project. During the Reporting Period, the Company added 45 new base stations in Langfang ENN, expanded 18 categories of IoT terminal devices, and connected 12,000 devices to the IoT platform, including smart IoT gas meters, household regulating valves, smart water meters, smart smoke detectors, and IoT flooding, which provides customers with more convenient and personalized life services.

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

(7) Energy production

The Company achieved commercial coal sales of 2.469 million tons of coal and completed the sale of coal mining assets in the fourth quarter during the Reporting Period. On September 12, 2023, the Company obtained approval from the board of directors and signed an equity transfer agreement. On September 28, the Company obtained approval from the shareholders' meeting and completed the delivery of 100% equity of Xinneng Mining Industry Co., Ltd. on October 19, for a total consideration of RMB 10.505 billion.

The methanol business involves the production and sales of methanol. The Company currently has two sets of production units, with customers mainly concentrated in large and medium-sized terminal chemical enterprises. The Company has gradually expanded into emerging downstream customers in fine chemicals and methanol fuel. During the Reporting Period, the Company sold 1.549 million tons of methanol.

Financial performance analysis

1. Financial resources and liquidity

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

Cash and financing of the Company are analyzed as follows:

Unit: RMB '0000 Currency: RMB

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

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

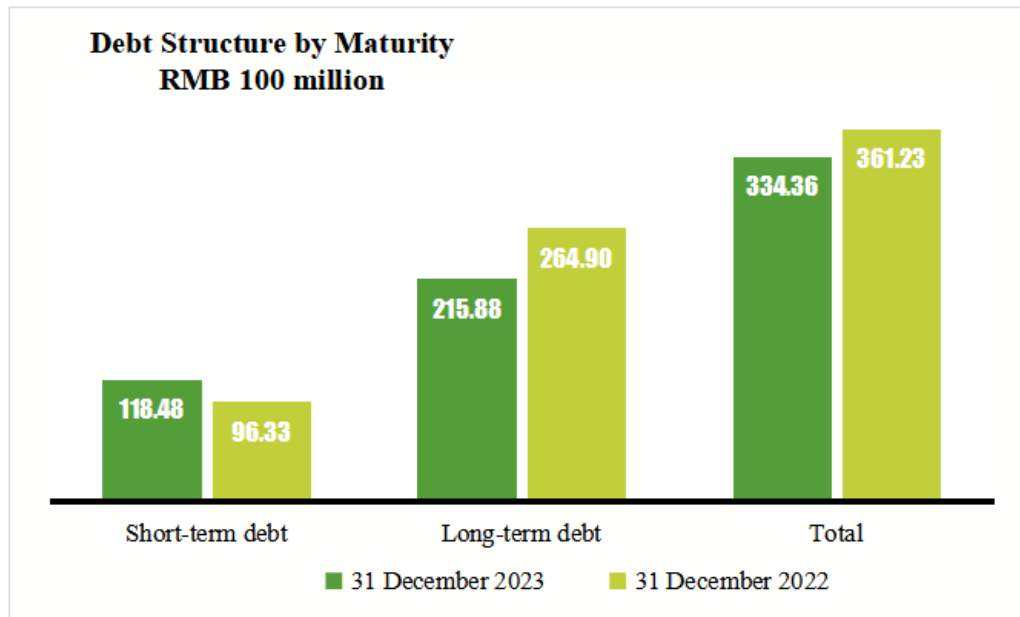
Note 2: The total debts exclude the portion of long-term payables and non-current liabilities due within one year that are not related to financing activities.

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

(1) Liquidity management

As of 31 December 2023, the Company's unrestricted monetary fund (including lending funds) totaled RMB 18.777 billion, an increase of RMB 7.821 billion from the beginning of the year, which was mainly from operating income and unutilized proceeds from share delivery of Xinneng Mining Industry. Meanwhile, the reserved unutilized bank facilities of RMB 42.767 billion met the Company's financing credit needs in all aspects.

The Company seeks to maintain continuous control over the debt level and strike a balance between duration of loan and cost of financing. The Company dynamically monitors and forecasts the monetary fund reserve, and appropriately increases the short-term debts to replace other high-interest debts based on the current situation of monetary fund increase and sustainable planning and expectation in order to reduce financing costs and save finance expenses. Therefore, the Company's short-term debts at the end of the period increased by RMB 2.215 billion from the beginning of the year. In 2024, the Company will continue to use its own funds and bank credit resources to repay the due debts, and sufficient capital and credit resource reserves as well as forward-looking repayment plans are available to support service of debt.



(2) Debt scale

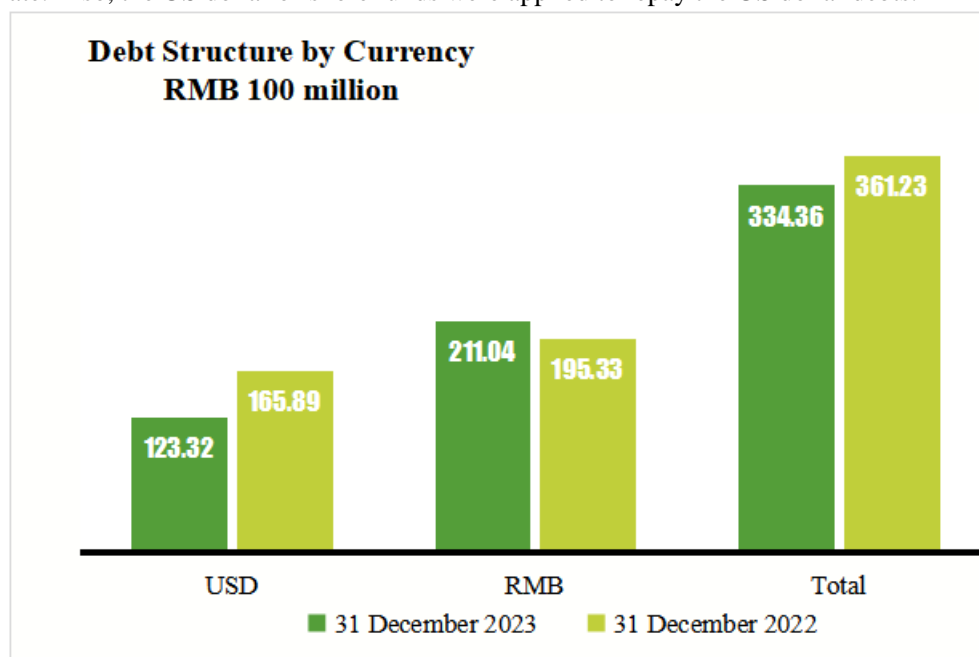
As of 31 December 2023, the Company's total debts amounted to RMB 33.436 billion, with a decrease of RMB 2.687 billion over that at the beginning of the year, and the net debts amounted to RMB 14.659 billion, with a decrease of RMB 10.508 billion over that at the beginning of the year, which was significant, reflecting the Company's good performance in debt scale control. During the Reporting Period, the Company completed the replacement of high-cost loans by taking various measures such as early repayment with self-owned funds, issue of domestic bonds and replacement with low-cost loans, thus effectively alleviating the debt scale and finance costs; the Company paid sustained attention to its offshore US dollar debts, and repaid the dollar debts of USD 644 million on net through loan replacement and dollar-denominated earnings, thus effectively controlled the scale and cost of its US dollar debts. The Company will continuously pay attention to market changes, avoid exchange rate and interest rate risks and maintain its debt scale at a reasonable level.

(3) Currency structure

As of 31 December 2023, the Company's financing amount denominated in foreign currency was USD 1.743 billion (USD 2.387 billion at the end of 2022), equivalent to RMB 12.332 billion (equivalent to RMB 16.589 billion at the end of 2022), of which long-term debts accounted for 100% (86.72% at the end of 2022).

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

appropriate. Also, the US dollar offshore funds were applied to repay the US dollar debts.



(4) Credit rating

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

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

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

2 Where there is a delisting risk warning or suspension of listing after the disclosure of the Company's Annual Report, the reasons leading to such delisting risk warning or suspension of listing should be disclosed.

☐Applicable ☒N/A

3 Financial Statements

Consolidated Balance Sheet

31 December, 2023

Prepared by: ENN Natural Gas Co., Ltd.

Unit: RMB '0000 Currency: RMB

Item	31 December 2023	31 December 2022
Current assets:		
Monetary fund	1,667,344	923,809
Settlement reserve		
Lending funds	329,449	285,117
Transaction financial assets	20,011	2,560
Derivative financial assets	135,073	289,663
Notes receivable	46,564	32,507
Accounts receivable	660,894	637,603
Receivables financing	102,821	91,663
Prepayments	528,640	498,758
Premiums receivable		
Loans and advances	3,623	4,410
Reinsured accounts receivable		
Reserves for reinsurance contract receivable		
Other receivables	127,752	326,770
Including: Interests receivable		
Dividends receivable	14,701	25,912
Buying back the sale of financial assets		
Inventories	216,657	241,660
Contract assets	245,318	302,998
Assets held for sale		
Non-current assets due within one year	1,785	8,417
Other current assets	268,451	232,383
Total current assets	4,354,382	3,878,318
Non-current assets:		
Loans and advances		
Debt investment	254	
Other debt investment		
Long-term receivables	5,940	439
Long-term equity investment	739,750	602,109
Investment in other equity instruments	22,580	25,498
Other non-current financial assets	452,202	432,722
Investment real estate	26,814	27,632
Fixed assets	6,132,633	6,612,822
Construction in progress	498,372	478,612
Productive biological assets		
Oil-gas assets		
Right-of-use assets	52,221	42,442
Intangible assets	762,453	1,106,248
Development expenditure	49,859	18,507
Goodwill	55,802	57,385
Long-term prepaid expenses	30,790	77,407
Deferred tax assets	248,063	225,454
Other non-current assets	25,235	34,149
Total non-current assets	9,102,968	9,741,426
Total assets	13,457,350	13,619,744
Current liabilities:		
Short-term borrowings	955,432	756,023
Borrowings from central bank		
Borrowing funds		
Transaction financial liabilities		

Derivative financial liabilities	29,440	101,916
Notes payable	78,148	85,737
Accounts payable	1,070,281	1,048,430
Advance receipts		
Contract liabilities	1,495,238	1,742,053
Financial assets sold for repurchase		36,519
Deposits from customers and interbank	17,664	23,684
Acting trading securities		
Acting underwriting securities		
Payroll payable	119,892	124,770
Taxes payable	260,509	288,649
Other payables	198,530	304,457
Including: Interests payable		
Dividends payable	16,354	26,304
Handling charges and commissions payable		
Cession insurance premiums payable		
Liabilities held for sales		
Non-current liabilities due within one year	242,832	194,933
Other current liabilities	135,259	159,635
Total current liabilities	4,603,225	4,866,806
Non-current liabilities:		
Reserve for insurance contract		
Long-term borrowings	874,591	1,211,218
Bonds payable	1,284,234	1,437,773
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	36,206	30,977
Long-term payables	275	157,114
Long-term payroll payable		
Anticipation liabilities		
Deferred income	122,329	111,884
Deferred tax liabilities	313,943	358,215
Other non-current liabilities	368,882	289,535
Total non-current liabilities	3,000,460	3,596,716
Total liabilities	7,603,685	8,463,522
Owners' equity (or shareholders' equity):		
Paid-in capital (share capital)	309,840	309,866
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	15,160	19,396
Less: Treasury shares	15,755	19,182
Other comprehensive income	133,723	45,835
Special reserve	4,771	5,222
Surplus reserve	51,590	33,111
General risk provisions	18,852	18,839
Undistributed profits	1,847,301	1,344,725
Total owners' equity (or shareholders' equity) attributable to the parent company	2,365,482	1,757,812
Minority interest	3,488,183	3,398,410
Total owners' equity (or shareholders' equity)	5,853,665	5,156,222
Total liabilities and owners' equity (or shareholders' equity)	13,457,350	13,619,744

Person in charge of the Company: Yu Jianchao Person in charge of accounting: Zong Bo
 Person in charge of accounting organization: Cheng Zhiyan

Balance Sheet of the Parent Company

31 December 2023

Prepared by: ENN Natural Gas Co., Ltd.

Unit: RMB '0000 Currency: RMB

Item	31 December 2023	31 December 2022
Current assets:		
Monetary fund	296,515	35,233
Transaction financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable	2,299	47
Receivables financing		
Prepayments	79	82
Other receivables	1,103,775	823,340
Including: Interests receivable		
Dividends receivable	88,911	170,586
Inventories		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	1,110	275
Total current assets	1,403,778	858,977
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables	51,404	
Long-term equity investment	1,115,687	1,371,630
Investment in other equity instruments		
Other non-current financial assets		
Investment real estate		
Fixed assets	194	235
Construction in progress		
Productive biological assets		
Oil-gas assets		
Right-of-use assets		200
Intangible assets	2,790	3,160
Development expenditure	1,940	688
Goodwill		
Long-term prepaid expenses		
Deferred tax assets		
Other non-current assets		
Total non-current assets	1,172,015	1,375,913
Total assets	2,575,793	2,234,890
Current liabilities:		
Short-term borrowings	59,531	60,020
Transaction financial liabilities		
Derivative financial liabilities		
Notes payable	117,500	14,100
Accounts payable	1,387	961

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

Person in charge of the Company: Yu Jianchao Person in charge of the accounting: Zong Bo
Person in charge of accounting organization: Cheng Zhiyan

Consolidated Income Statement

January - December 2023

Unit: RMB '0000 Currency: RMB

Item	2023	2022
I. Gross revenue	14,384,188	15,416,881
Including: Operating income	14,375,398	15,404,417
Interest revenue	8,790	12,454
Earned premium		

Handling charges and commissions income		10
II. Gross operating cost	13,250,627	14,127,096
Including: Operating cost	12,370,740	13,070,263
Interest expenses	962	2,135
Handling charges and commissions expense	246	311
Surrender value		
Net payments for insurance claims		
Net Deposit for Duty of Reinsurance		
Expenditures dividend policy		
Amortized Reinsurance expenses		
Taxes and surcharges	54,371	78,411
Selling expenses	142,868	148,501
Administrative expenses	420,250	412,141
Research and development expenditure	96,130	122,014
Financing expense	165,060	293,320
Including: Interest expense	140,341	137,166
Interest revenue	23,071	13,618
Plus: Other income	54,207	42,219
Investment income (losses as in "-")	792,202	84,651
Including: Investment incomes from associated ventures and joint ventures	23,348	13,268
Derecognized income of financial assets measured at amortized cost (losses as in "-")		
Exchange gains (losses as in "-")	-11	-41
Net exposure hedging gains (losses as in "-")		
Income from changes in fair values (losses as in "-")	-147,905	116,912
Credit impairment losses (loss as in "-")	-39,636	-30,829
Assets impairment losses (loss as in "-")	-206,885	-24,287
Assets disposal gains (losses as in "-")	-6,293	-7,944
III. Operating profit (losses as in "-")	1,579,240	1,470,466
Plus: Non-operating income	16,494	9,850
Less: Non-operating expenditure	19,115	12,637
IV. Total profit (total losses as in "-")	1,576,619	1,467,679
Less: Income tax expenses	323,606	360,272
V. Net profit (net loss as in "-")	1,253,013	1,107,407
(I) Classified by the continuity of operations		
1. Net profit of going concern (net losses as in "-")	827,302	973,885
2. Net profit of discontinuing operation (net losses as in "-")	425,711	133,522
(II) Classified by attribution of ownership		
1. Net profit attributable to shareholders of the parent company (net losses as in "-")	709,111	584,391
2. Minority shareholders' profits and losses (net losses as in "-")	543,902	523,016
VI. Net of tax from other comprehensive income	87,061	-13,664
(I) Net after-tax amount of other comprehensive income attributable to owners	87,888	17,265

of the parent company		
1. Other comprehensive income that can not be reclassified into profit or loss	-365	-603
(1) Re-measurement of the amount of changes in the defined benefit plans		
(2) Other other comprehensive income that cannot be transferred to profit or loss under the equity method		
(3) Changes in fair value of other equity instrument	-365	-603
(4) Changes in fair value of enterprise's own credit risk		
2. Other comprehensive income that will be reclassified into profit or loss	88,253	17,868
(1) Other comprehensive income of convertible profit or loss under equity method		
(2) Changes in the fair value of other creditor's rights investments		
(3) Amount of financial assets reclassified into other comprehensive income		
(4) Preparation for credit impairment of other creditor's rights investment		
(5) Cash flow hedge reserve	76,630	-4,097
(6) Conversion difference of foreign currency financial statements	11,613	21,888
(7) Others	10	77
(II) Net income of tax of other comprehensive income attributable to minority shareholders	-827	-30,929
VII. Total comprehensive incomes	1,340,074	1,093,743
(I) Total consolidated income attributable to the owner of the parent company	796,999	601,656
(II) Total aggregate income attributable to minority shareholders	543,075	492,087
VIII. Earnings per share:		
(I) Basic earnings per share (yuan/share)	2.30	1.90
(II) Diluted earnings per share (yuan/share)	2.30	1.89

Person in charge of the Company: Yu Jianchao Person in charge of the accounting: Zong Bo
Person in charge of accounting organization: Cheng Zhiyan

Income Statement of the Parent Company

January - December 2023

Unit: RMB '0000 Currency: RMB

Item	2023	2022
I. Operation income	2,359	1,859
Less: Operating cost	5	9
Taxes and surcharges	499	72
Selling expenses		
Administrative expenses	6,258	10,708
Research and development expenditure	498	
Financing Expense	15,835	15,272
Including: Interest expenses	15,236	15,340
Interest revenue	3,323	1,656
Plus: Other income	313	28

Investment income (losses as in "-")	534,480	131,206
Including: Investment incomes from associated ventures and joint ventures	-960	2,120
Derecognized income of financial assets measured at amortized cost (losses as in "-")		
Net exposure hedging gains (losses as in "-")		
Income from changes in fair values (losses as in "-")		
Credit impairment losses (loss as in "-")		
Assets impairment losses (loss as in "-")		
Assets disposal gains (losses as in "-")		-94
II. Operating profit (losses as in "-")	514,057	106,938
Plus: Non-operating income	7	15
Less: Non-operating expenditure	3,000	
III. Total profit (total losses as in "-")	511,064	106,953
Less: Income tax expenses	24,848	
IV. Net profit (net loss as in "-")	486,216	106,953
1. Net profit of going concern (net losses as in "-")	486,216	106,953
2. Net profit of discontinuing operation (net losses as in "-")		
V. Net of tax from other comprehensive income		-26
(I). Other comprehensive income that can not be reclassified into profit or loss		-26
1. Re-measurement of the amount of changes in the defined benefit plans		
2. Other other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of other equity instrument		-26
4. Changes in fair value of enterprise's own credit risk		
(II) Other comprehensive income can reclassified into gains and losses		
1. Other comprehensive income of convertible profit or loss under equity method		
2. Changes in the fair value of other creditor's rights investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Preparation for credit impairment of other creditor's rights investment		
5. Cash flow hedging reserve		
6. Conversion difference of foreign currency financial statements		
7. Others		
VI. Total comprehensive income	486,216	106,927
VII. Earnings per share:		
(I) Basic earnings per share yuan/share)		
(II) Diluted earnings per share (yuan/share)		

Person in charge of the Company: Yu Jianchao Person in charge of the accounting: Zong Bo
Person in charge of accounting organization: Cheng Zhiyan

Consolidated Cash Flow Statement

January - December 2023

Unit: RMB '0000 Currency: RMB

Item	2023	2022
I. Cash flow from operating activities:		
Cash received from selling goods and providing labor service	17,685,800	17,907,997
Net increase of customer's deposit and deposit from other banks		4,376
Net increase of borrowings from central bank		
Net increase of funds borrowed from other financial institutions		
Cash gained from the received premium of original contract		
Net cash received from reinsurance operations		
Net increase of the deposit of the insured and the investment funds		
Cash of the received interest, handling charges and commissions	7,582	10,019
Net increase of borrowing funds		
Net increase of the repurchased business capital		
Net decrease in customers' loans and advances		33,383
Net cash of receivings from vicariously traded securities		
Refund of taxes received	75,585	226,539
Other cash received related to operating activities	105,902	82,390
Subtotal cash inflow from operating activities	17,874,869	18,264,704
Cash paid for purchasing goods and accepting labor services	15,001,153	15,228,788
Net decrease of customer's deposit and deposit from other banks	6,020	
Net increase of customer lending and money advanced	7,185	
Net increase deposited in central bank and other banks		
Cash paid for compensated funds of the original insurance contract		
Net increase of lending funds		
Net decrease of the repurchase business funds	36,519	18,971
Cash paid for interest, handling charges and commissions		
Cash paid for policy dividends		
Cash payments to and on behalf of employees	608,190	597,407
Other taxes and dues	641,946	681,615
Other cash paid related to operating activities	197,911	237,345
Subtotal cash outflow for operating activities	16,498,924	16,764,126
Net cash flow from operating activities	1,375,945	1,500,578
II. Cash flow from investing activities:		
Cash received from investment recovery	972,645	1,073,761
Cash received from investment return	220,657	170,348
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	30,196	56,231
Net cash received from disposal of subsidiaries and other business units	655,979	7,962
Other cash received related to investment activities	386,709	42,941
Subtotal cash inflow of investment activities	2,266,186	1,351,243

Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets	925,866	871,924
Cash paid for investments	1,035,081	1,107,630
Net increase of pledged loans		
Net cash paid by subsidiaries and other business units	6,402	7,652
Other cash payments related to investment activities	65,715	52,146
Subtotal cash outflow for investment activities	2,033,064	2,039,352
Net cash flow from investing activities	233,122	-688,109
III. Cash flow from financing activities:		
Cash received from investment absorption	16,846	13,844
Including: Cash received from subsidiaries for investment by minority interest	14,749	9,070
Cash received from loan	2,050,187	2,443,775
Other cash received related to financing activities	227,614	79,286
Subtotal cash inflow from fund-raising activities	2,294,647	2,536,905
Cash paid for debt repayment	2,332,919	2,487,819
Cash paid for dividend distribution, profits distribution, or interests payment	607,716	497,839
Including: Dividends, profits paid to minority owners by the subsidiaries	303,325	261,699
Other cash payments related to financing activities	181,858	516,463
Subtotal cash outflow for fund-raising activities	3,122,493	3,502,121
Net cash flow from financing activities	-827,846	-965,216
IV. Impact of exchange rate movement on cash and cash equivalents	901	6,960
V. Net increase of cash and cash equivalents	782,122	-145,787
Plus: Beginning balance of cash and cash equivalents	1,095,554	1,241,341
VI. ending cash and cash equivalents balance	1,877,676	1,095,554

Person in charge of the Company: Yu Jianchao Person in charge of the accounting: Zong Bo
Person in charge of accounting organization: Cheng Zhiyan

Cash Flow Statement of the Parent Company

January - December 2023

Unit: RMB '0000 Currency: RMB

Item	2023	2022
I. Cash flow from operating activities:		
Cash received from selling goods and providing labor service	137	109
Refund of taxes received		
Other cash received related to operating activities	359,275	3,579
Subtotal cash inflow from operating activities	359,412	3,688
Cash paid for purchasing goods and accepting labor services		
Cash payments to and on behalf of employees	417	1,387
Other taxes and dues	493	426
Other cash paid related to operating activities	15,576	11,011
Subtotal cash outflow for operating activities	16,486	12,824
Net cash flow from operating activities	342,926	-9,136
II. Cash flow from investing activities:		
Cash received from investment recovery		
Cash received from investment return	325,314	90,835
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		85
Net cash received from disposal of subsidiaries and other business units	672,868	

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

Person in charge of the Company: Yu Jianchao

Person in charge of the accounting: Zong Bo

Person in charge of accounting organization: Cheng Zhiyan

January - December 2023

Unit: RMB'0000 Currency: RMB

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4. Carried forward retained earnings from changes in defined benefit plans															
5. Other comprehensive income carried forward to retained earnings															
6. Others															
(V) Appropriate reserve								-451					-451	-115	-566
1. Extraction of current period								20,798					20,798	2,278	23,076
2. Use of current period								21,249					21,249	2,393	23,642
(VI) Others															
IV. Ending balance of current period	309,840				15,160	15,755	133,723	4,771	51,590	18,852	1,847,301		2,365,482	3,488,183	5,853,665

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Early error correction															
Business combination under the Same Control					181,612						6,725		188,337	33,447	221,784
Others															
II. Beginning balance of current year	284,585				467,150	12,545	27,459	4,291	22,415	17,464	860,840		1,671,659	3,166,679	4,838,338
III. Increase or decrease of current period (decrease expressed with “-”)	25,281				-447,754	6,637	18,376	931	10,696	1,375	483,885		86,153	231,731	317,884
(I) Total Comprehensive income							17,265				584,391		601,656	492,087	1,093,743
(II) Capital invested and reduced by the owner	25,281				-447,754	6,637							-429,110	4,082	-425,028
1. Common stock invested by the owner	25,281				402,219								427,500	6,268	433,768
2. Capital invested by other interest tool holders															
3. Amount of share-based payment included in the owner's equity					6,254	-3,427							9,681		9,681
4. Others					-856,227	10,064							-866,291	-2,186	-868,477
(III) Profit distribution									10,696	1,375	-99,395		-87,324	-264,869	-352,193
1. Extraction of surplus reserve									10,696		-10,696				
2. Extraction of general risk reserve										1,375	-1,375				

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3. Amount of share-based payment included in the owner's equity					2,415	-3,247					5,662
4. Others											
(III) Profit distribution									48,622	-206,344	-157,722
1. Extraction of surplus reserve									48,622	-48,622	
2. Distribution of the owner (or shareholder)										-157,722	-157,722
3. Others											
(IV) Internal carry-over of ownership interests											
1. Capital reserve converted into capital (or share capital)											
2. Surplus reserve converted into capital (or share capital)											
3. Surplus reserve makes up for losses											
4. Carried forward retained earnings from changes in defined benefit plans											
5. Other comprehensive income carried forward to retained earnings											
6. Others											
(V) Appropriate reserve											
1. Extraction of current period											
2. Use of current period											
(VI) Others											
IV. Ending balance of current period	309,840				446,288	15,755			101,789	489,991	1,332,153

Item	2022										
	Paid-in capital (share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
I. Ending balance of last year	284,585				35,554	12,545	-1,085		42,471	202,297	551,277
Plus: Change in accounting policies											
Early error correction											
Others											
II. Beginning balance of current year	284,585				35,554	12,545	-1,085		42,471	202,297	551,277
III. Increase or decrease of current period (decrease expressed with “-”)	25,281				408,473	6,637	1,085		10,696	7,822	446,720
(I) Total comprehensive income							-26			106,953	106,927
(II) Capital invested and reduced by the owner	25,281				408,473	6,637					427,117
1. Common stock invested by the owner	25,281				402,219						427,500
2. Capital invested by other interest tool holders											
3. Amount of share-based payment included in the owner's equity					6,254	-3,427					9,681
4. Others						10,064					-10,064

(III) Profit distribution									10,696	-98,020	-87,324
1. Extraction of surplus reserve									10,696	-10,696	
2. Distribution of the owner (or shareholder)										-87,324	-87,324
3. Others											
(IV) Internal carry-over of ownership interests							1,111			-1,111	
1. Capital reserve converted into capital (or share capital)											
2. Surplus reserve converted into capital (or share capital)											
3. Surplus reserve makes up for losses											
4. Carried forward retained earnings from changes in defined benefit plans											
5. Other comprehensive income carried forward to retained earnings							1,111			-1,111	
6. Others											
(V) Appropriate reserve											
1. Extraction of current period											
2. Use of current period											
(VI) Others											
IV. Ending balance of current period	309,866				444,027	19,182			53,167	210,119	997,997

Person in charge of the Company: Yu Jianchao

Person in charge of the accounting: Zong Bo

Person in charge of accounting organization: Cheng Zhiyan