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ENN 新奧

新奧能源控股有限公司
ENN Energy Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2688)

Interim Results Announcement
For The Six Months Ended 30 June 2025

Results Summary:

	Six Months Ended 30 June 2025 *(unaudited)*	2024 *(unaudited)*	Increased/ (Decreased) by
Retail gas sales volume# *(million m^3)*	12,953	12,710	1.9%
Sales volume of integrated energy# *(million kWh)*	19,764	19,740	0.1%
Revenue *(RMB million)*	55,673	54,587	2.0%
Profit attributable to owners of the Company *(RMB million)*	2,429	2,573	(5.6%)
Core profit from domestic businesses△* *(RMB million)*	3,102	3,080	0.7%
Basic earnings per share *(RMB)*	2.19	2.29	(4.4%)
Interim dividend per share *(HK$)*	0.65	0.65	-

The Group's operational data disclosed in the announcement included the data of its subsidiaries, joint ventures and associates.

△ Profit attributable to owners of the Company but stripping out related after-tax profits from wholesale of gas (overseas sales)*, other gains and losses (excluding net settlement amount realised from commodity derivative financial instruments, net compensation income and gain on repurchase of senior notes), and relevant deferred tax arose from net unrealised gain (loss) of commodity derivative financial instruments.

* The related after-tax profits from wholesale of gas (overseas sales) (including the net settlement amount realised from commodity derivative financial instruments) amounted to RMB121 million (2024: RMB183 million).

The Board of Directors (the "**Board**") of ENN Energy Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to announce the unaudited interim results of the Group for the six months ended 30 June 2025 together with the comparative unaudited figures for the corresponding period in 2024.

BUSINESS REVIEW

In the first half of 2025, amid a complex and volatile international landscape, proactive and effective domestic macro policies supported the economy in navigating external pressures and maintaining a steady, positive trajectory. The comprehensive rollout of key policies such as the implementation of major national strategies and the enhancement of security capacity in key areas, and the introduction of equipment upgrades and consumer goods trade-in programs, along with the deepening of reforms in the energy sector, have fostered a favourable environment for the Group's business expansion and enhancement of competitiveness.

In the first half of the year, the Group actively pursued its strategic positioning of "leveraging intelligent innovation services to become a multi-value service provider anchored in natural gas operations". The Group continued to expand customer base and integrate high-quality resources to strengthen the foundation of its natural gas operations. Retail gas sales volume reached 12,953 million cubic meters, representing a year-on-year increase of 1.9%. Seizing opportunities brought by power sector reforms, the Group's integrated energy business achieved a steady growth, with its gross profit up by 2.1% year-on-year. Through product innovation and service upgrades, smart home business recorded an increase of 4.9% in gross profit. The Group continuously advanced business transformation, gross profit contribution from the integrated energy and smart home businesses increased by 1.4% to 39.6%. Core profit from domestic businesses continued to grow steadily. Meanwhile, the Group continued to optimise its domestic and overseas debt structure, bringing interest-bearing liabilities down to RMB18,739 million. Overall financing cost further decreased, providing stronger financial support for business development.

The key financial data and operational data of the Group for the period together with the comparative figures for the corresponding period in last year are as follows:

	Six months ended 30 June		
	2025 *(unaudited)*	**2024** *(unaudited)*	**Increased/ (Decreased) by**
Key financial data			
Revenue *(RMB million)*	55,673	54,587	2.0%
Gross profit *(RMB million)*	6,457	6,465	(0.1%)
Profit attributable to owners of the Company *(RMB million)*	2,429	2,573	(5.6%)
Core profit from domestic businesses[△*] *(RMB million)*	3,102	3,080	0.7%
Basic earnings per share *(RMB)*	2.19	2.29	(4.4%)
Interim dividend per share *(HK$)*	0.65	0.65	-
Key operational data[#]			
Number of city-gas projects in China	263	260	3
Connectable urban population coverage *(thousand)*	144,825	139,960	3.5%
New natural gas customers developed during the period:			
– residential households *(thousand)*	692	775	(10.7%)
– C/I customers *(sites)*	22,198	9,544	132.6%
– installed designed daily capacity for C/I customers *(thousand m^3)*	6,286	7,262	(13.4%)
Accumulated number of customers:			
– residential households *(thousand)*	32,070	30,537	5.0%
– C/I customers *(sites)*	293,141	252,712	16.0%
– installed designed daily capacity for C/I customers *(thousand m^3)*	222,248	208,123	6.8%
Piped gas penetration rate	66.4%	65.5%	0.9 ppt
Retail gas sales volume *(million m^3)*	12,953	12,710	1.9%
Wholesale of gas volume *(million m^3)*	4,687	3,700	26.7%
Accumulated scalable integrated energy projects in operation	374	332	42
Scalable integrated energy projects under construction	60	72	(12)
Sales volume of integrated energy *(million kWh)*	19,764	19,740	0.1%

△ Profit attributable to owners of the Company but stripping out related after-tax profits from wholesale of gas (overseas sales)*, other gains and losses (excluding net settlement amount realised from commodity derivative financial instruments, net compensation income and gain on repurchase of senior notes), and relevant deferred tax arose from net unrealised gain (loss) of commodity derivative financial instruments.

* The related after-tax profits from wholesale of gas (overseas sales) (including the net settlement amount realised from commodity derivative financial instruments) amounted to RMB121 million (2024: RMB183 million).

The Group's operational data disclosed in the announcement included the data of its subsidiaries, joint ventures and associates.

OPERATIONAL HIGHLIGHTS

Natural Gas Business: Sustained growth through our commitment in scale-driven profit

In the first half of 2025, the natural gas market exhibited an overall surplus in supply. From January to June, China's apparent natural gas consumption reached 211.97 billion cubic meters, representing a year-on-year slight decline of 0.9%. In response to the current supply-demand dynamics, the Group adhered to a scale-driven profitability strategy, with continued focus on expanding its customer base, optimising resource allocation, and enhancing operational efficiency, thereby reinforcing the foundation of natural gas business.

During the period, the Group dynamically identified customer needs and implemented differentiated development strategies, driving continued growth in customer scale. For industrial customers, the focus remained on reducing costs and improving efficiency, as well as stabilising their gas demand. Energy-saving upgrades were promoted in the food processing and glass sectors, and through energy substitution—including steam, liquefied petroleum gas (LPG), biomass, electricity and other energy sources—newly added industrial customers contributed to a total designed daily capacity of 4.682 million cubic meters. For commercial customers, we addressed key pain points in gas safety by leveraging the government's "bottle-to-piped-gas conversion" policy. Utilising big data, we accurately identified business opportunities, with a strategic focus on penetrating high-potential scenarios such as street-facing storefronts. Through process optimisation, we ensured rapid delivery, resulting in newly added gas supply of a total designed daily capacity of 1.604 million cubic meters. For residential households, in response to national housing policy requirements, the Group implemented multiple initiatives to develop 174,000 existing households, effectively mitigating the impact of downturn in the new housing market, bringing a total of 692,000 newly installed households. At the same time, we actively promoted residential price alignment. Four enterprises successfully completed gas cost pass-through during the first half of the year, bringing the cumulative gas price adjustment rate to 64%.

Leveraging a large customer base and stable gas demand, the Group further advanced the optimisation of its resource structure. The Group reinforced its foundational resource bases from the three major oil companies, achieving a year-on-year increase of 1.3 billion cubic meters in contract volumes. Notably, long-term supply from Sinopec was secured for the first time, making a significant step forward in enhancing the Group's resource security. By coordinating resource allocation and optimisation, and substitution of high-cost resources, the Group effectively enhanced the overall structural efficiency. Amid rising correlation between upstream resources and oil and gas indices, a combined strategy of hedging and physical contracts was implemented to manage price volatility and stabilise the natural gas business profitability. Meanwhile, to further mitigate foreign exchange risks in procurement, the Group had signed forward foreign exchange contracts with several financial institutions to stabilise procurement costs. As of 30 June 2025, the Group had hedged a total of USD624 million. The hedging ratio against its trade exposure reached 25.6%.

Leveraging digital and intelligent technologies rooted in industry practices, the Company built an intelligent model to drive operational transformation. Intelligent station models enabled real-time monitoring, ensuring safe operations. The intelligent maintenance model enabled condition assessment of pressure-regulating facilities, facilitating a shift from traditional scheduled maintenance to predictive maintenance, thereby improving efficiency and reducing operational costs. The intelligent metering models accurately identified metering anomalies and gas leakage points, enabling simultaneous reduction in gas loss and a comprehensive enhancement of safety assurance.

For the six months ended 30 June 2025, the Group recorded retail gas volume of 12,953 million cubic meters, representing a year-on-year increase of 1.9%. Revenue increased by 1.2% year-on-year to RMB30,432 million, while gross profit decreased by 1.5% to RMB3,092 million. Wholesale of gas business helps to strengthen the overall natural gas value chain, enhance supply reliability, and improve market reach. During the period, revenue from the wholesale of gas business maintained a steady growth trend, up by 17.2% year-on-year to RMB14,467 million. The business scale continued to expand; however, due to ample supply and a sluggish macroeconomic environment, wholesale prices came under pressure, resulting in a decline in gross profit and a loss of RMB15 million. The construction and installation business continued to be affected by the downward pressure in the real estate sector, the revenue and gross profit declined by 7.9% and 0.5% year-on-year to RMB1,710 million and RMB820 million, respectively.

Integrated Energy Business: Steady growth in integrated energy by accelerating our electricity power business

In the first half of 2025, market-oriented reforms in the power sector accelerated, and the Emissions Trading System continued to improve. The National Development and Reform Commission and the National Energy Administration jointly issued key documents, including the "*Notice on Accelerating the Construction of the Power Spot Market*" and the "*Basic Rules for the Power Ancillary Services Market*", marking the initial establishment of a unified national regulatory framework for the electricity market. These developments injected strong momentum into China's green economic transformation and further expanded the scope of the carbon markets. Meanwhile, with the impending implementation of the European Union's new battery regulation and Carbon Border Adjustment Mechanism, customer demand for green, economical, and efficient energy-carbon solutions became increasingly urgent. The Group seized policy opportunities by leveraging its broad base of enterprise customers across its operating regions and accessible markets, guided by the proactive implementation of its integrated energy strategy. Through tailored solutions and the deployment of its comprehensive "Source-Grid-Load-Storage-Sales" model, the Group expanded services to customers in industrial parks, factories, and the building sector, achieving steady growth in its integrated energy business.

By continuously gaining insights into diverse needs and refining replicable business models, the Group accelerated scalable development. In the first half of 2025, in response to the low-carbon power demands of small and micro industrial parks comprising enterprises characterised by specialisation, refinement and innovation, the Group acquired customers through the "Source-Grid-Load-Storage-Sales" model. Newly connected photovoltaic capacity reached 324.46MW (with a cumulative operational capacity of 988.98MW). Newly connected energy storage capacity amounted to 45.75MWh (with a cumulative operational capacity of 140.75MWh). Focusing on the low-cost and clean energy needs of large-scale, high-energy-consuming industrial parks, the Group acquired customers through its "Grid" platform and implemented four new projects by substituting low-cost thermal energy sources. In response to energy efficiency upgrade demands from factory and construction customers, the Group introduced an innovative "equipment retrofit + intelligent control" model, resulting in newly commissioned capacity of 228.02MW for customers in sectors such as textile dyeing, food processing, pharmaceuticals, hotels and commercial complexes. At the same time, the Group enhanced the quality and efficiency of its integrated energy project delivery, achieving a total of 583.65MW in newly commissioned capacity.

During the period, the Group proactively optimised its project structure and expedited the delivery of new projects, bringing its cumulative operating installed capacity to reach 13.92GW. Nonetheless, impacted by factors such as the macroeconomic environment and fluctuations in customer demand, the Group recorded integrated energy sales of 19,764 million kWh, which remained flat year-on-year. Coupled with factors such as the decline in energy price and the optimisation of the customer settlement model, revenue from the integrated energy business amounted to RMB6,908 million, representing a 16.0% year-on-year decline. Despite facing the aforementioned challenges, the Group applied intelligent technologies to systematically enhance efficiency in areas such as photovoltaic and energy storage operations, thermal source optimisation, pipeline loss management, and precision metering, thereby driving gross profit margin up to 15.8%, and gross profit up by 2.1% year-on-year to RMB1,090 million.

Smart Home Business[§]: Upgrade products and services to unlock the full value of household customers

In the first half of 2025, the General Office of the State Council released the "*Special Action Plan for Boosting Consumption*", aiming to expand domestic demand through multiple measures such as increasing income, reducing burdens, improving supply quality, and optimising the consumption environment. This led to a real growth of 5.3% in per capita consumer spending nationwide. Leveraging a customer base of 32.07 million households, the Group accurately identified customer needs, strengthened supply capabilities, and innovated products and services to drive the development of its smart home business. As a result, the comprehensive customer penetration rate reached 10.4%, and the average transaction value rose to RMB649 per household.

In terms of basic products and services, the Group focused on quality demands to upgrade stove functionalities, and introduced service models such as "365-day replacement guarantee" and "4-hour service response", leading to a 60.0% increase in sales volume of self-owned brand, Gratle. For intelligent products and services, offerings such as the safety guardian have effectively integrated products with services. As a result, the contracted amount for safety guardian reached RMB553 million in the first half of the year, and the business begun to demonstrate early signs of achieving scaled growth. Regarding premium products and services, the Group leveraged AI-driven solution generation capabilities and external ecosystem partnership resources to expand diversified models such

§ The Company has amended the English translation to align with its Chinese business name.

as kitchen renovation and home services. It also accelerated the export of its smart home business model capabilities, achieving expansion into markets beyond its concession areas.

For the six months ended 30 June 2025, the Group's smart home business recorded revenue and gross profit of RMB2,156 million and RMB1,470 million, representing year-on-year increases of 3.7% and 4.9%, respectively. The Group will continue to upgrade its products and services to precisely respond to household customer needs, converting customer value into business growth.

SIGNIFICANT EVENTS DURING THE REPORTING PERIOD – THE PROPOSAL

As disclosed in the joint announcement (the "**Joint Announcement**") dated 26 March 2025 made by ENN Natural Gas Co., Ltd. ("**ENN-NG**", the controlling shareholder of the Company), Xinneng (Hong Kong) Energy Investment Limited (the "**Offeror**", and a wholly-owned subsidiary of ENN-NG) and the Company, on 18 March 2025, the Offeror has requested the Board to, subject to the satisfaction of certain pre-conditions, put forward the proposal (the "**Proposal**") to the registered holders of all the Shares in issue (other than those held by the Offeror) (the "**Scheme Shares**", and such holders, the "**Scheme Shareholders**") for the privatisation of the Company by way of a scheme of arrangement (the "**Scheme**") under section 86 of the Companies Act (2025 Revision) of the Cayman Islands. Upon the fulfilment of certain conditions and the Scheme becoming effective, all Scheme Shares will be cancelled and the Scheme Shareholders will be entitled to receive 2.9427 newly issued H shares of ENN-NG and a cash consideration of HK$24.50 to be paid by the Offeror for every cancelled Scheme Share, and the listing of the Shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") will be withdrawn.

Please refer to the Joint Announcement for the detailed terms and conditions and the reasons and benefits of the Proposal, and the announcements made by ENN-NG, the Offeror and/or the Company from time to time on the websites of the Stock Exchange and the Company for the progress of the Proposal. Subject to the satisfaction of the pre-conditions to the Proposal, a scheme document setting out (amongst others) further details in relation to the Proposal will also be despatched in due course, and Shareholders are also advised to carefully read the scheme document when published.

FINANCIAL PERFORMANCE

The Group continued to focus on its strategy of "leveraging intelligent innovation services to become a multi-value service provider anchored in natural gas operations". For the six months ended 30 June 2025, the Group's total revenue reached RMB55,673 million, recorded a year-on-year increase of 2.0%, primarily driven by the expansion of wholesale of gas volume. The wholesale of gas business experienced a gross loss during the period due to ample supply and price volatility, exerting mild short-term pressure on the overall gross profit margin. For the six months ended 30 June 2025, the Group recorded a total gross profit of RMB6,457 million and a gross profit margin of 11.6%, with the overall trend remaining stable.

During the period, the Group continued to exercise effective cost control, with selling and administrative expenses accounting for 4.7% of revenue, remaining stable compared to the previous year. Benefiting from a decline in average bank lending rates and an optimised loan structure, net interest expenses decreased by 5.9% year-on-year, resulting in cost savings of approximately RMB15 million. Due to macroeconomic conditions, the fair value of financial assets declined by approximately RMB281 million, which resulted in the Company's profit attributable to shareholders and basic earnings per share were RMB2,429 million and RMB2.19, representing year-on-year decreases of 5.6% and 4.4%, respectively. However, such fair change did not have impacts on cash flow. Stripping out the impact of the related after-tax profit from wholesale of gas (overseas sales), other gains and losses (excluding net settlement amount realised from commodity derivative financial instruments and net compensation income), and deferred tax related to unrealised gains on commodity derivative financial instruments totaling RMB673 million, core profit from domestic businesses recorded a modest year-on-year increase of 0.7% to RMB3,102 million.

FINANCIAL RESOURCES REVIEW

As at 30 June 2025, the cash, current and non-current debts of the Group are as follows:

	30 June 2025 *RMB million*	31 December 2024 *RMB million*	Increased/ (Decreased) by *RMB million*
Bank balances and cash (excluding restricted bank deposits)	6,339	7,693	(1,354)
Long-term debts (including bonds)	12,875	13,068	(193)
Short-term debts	5,864	6,464	(600)
Total debts	18,739	19,532	(793)
Net debts[1]	12,400	11,839	561
Total equity	51,036	51,076	(40)
Net gearing ratio[2]	24.3%	23.2%	1.1 ppt
Net current liabilities	12,056	10,318	1,738

Working Capital Management

During the period, the Group adopted a prudent financial strategy, flexibly adjusting the pace of expenditures based on available financial resources to ensure stable cash flow and efficient use of funds. For the six months ended 30 June 2025, the Company's receivables, payables and inventory turnover days were 14 days, 20 days and 5 days respectively, similar to the end of last year.

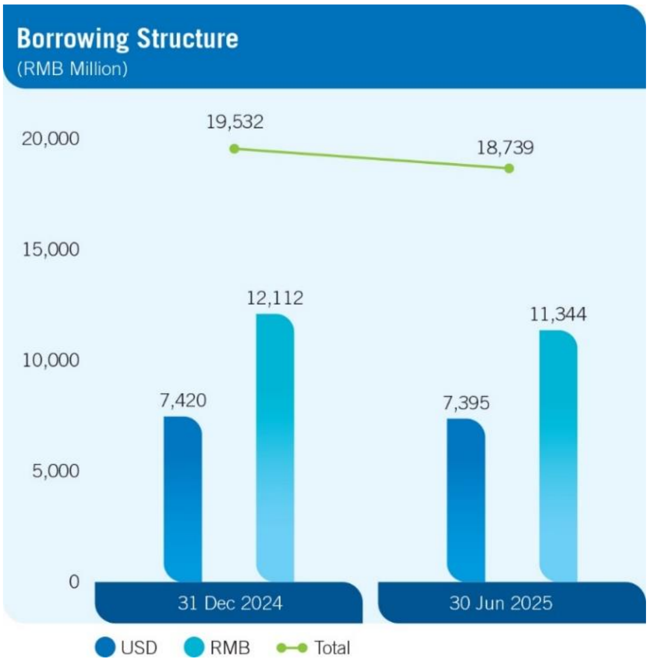
Borrowings Structure

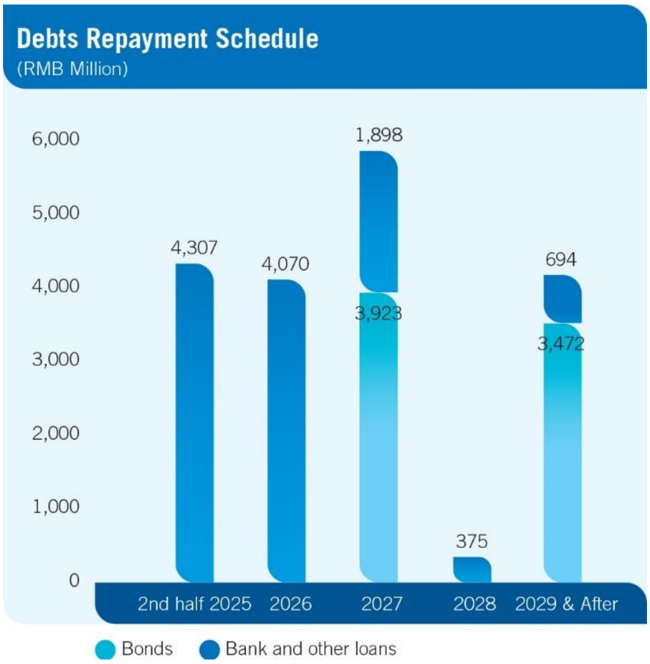
As at 30 June 2025, the Group's total borrowing amount decreased by RMB793 million from end of last year to approximately RMB18,739 million, primarily due to the utilisation of surplus funds during the period to repay part of its loans, thereby further reducing the Group's financing cost.

As at 30 June 2025, the Group's net debt ratio slightly increased by 1.1 percentage point to 24.3% compared to the end of last year. The overall debt structure remained highly robust.

Foreign exchange risk management

As of 30 June 2025, the foreign currency borrowings of the Group's amounted to USD1,039 million (31 December 2024: USD1,039 million), equivalent to approximately RMB7,395 million (31 December 2024: RMB7,420 million), accounting for approximately 39.5% (31 December 2024: 38.0%) of the total debts. There were no significant changes compared to the end of last year, and all borrowings were long-term US dollar bonds. In respect of the US dollar bonds, the Group had hedged principal amounts totaling USD560 million (31 December 2024: USD820 million), with a hedge ratio of 53.9% (31 December 2024: 78.9%). The Group will continue to closely monitor exchange rate





[1] Net debts = Total debts – Bank balances and cash (excluding restricted bank deposits)
[2] Net gearing ratio = Net debts / Total equity

fluctuations and dynamically adjust its hedging strategies in response to market conditions, in order to mitigate the impact of foreign exchange risks on its financial performance.

Net Current Liabilities

The Group's current liabilities mainly include a large amount of receipts in advance of gas fee, and construction and installation contracts. These funds are stable and will normally not be returned, therefore the Group had invested the funds in development of new projects and maintained a reasonable cash level, resulting in the Group's net current liabilities amounted to approximately RMB12,056 million as at 30 June 2025. As the Group has stable operating cash flow, high quality current assets and good credit ratings, plus sufficient cash on hand and unutilised banking facilities, the Group is able to meet its working capital requirements and future capital expenditure.

SUSTAINABLE DEVELOPMENT

Safety as the Foundation: Deepen digital-intelligent applications to cement the safety baseline

China attached high importance to the safe development of the gas industry and has introduced a series of enhanced regulatory policies. In the first half of 2025, the State Council's Work Safety Committee organised 22 joint investigation teams to carry out regular in-depth safety inspections within the gas sector and advance the special campaign for fundamentally strengthening workplace safety.

The Group fully implemented the guiding principle of "visible, prioritised, and well managed". Leveraging its safety intelligence map as a key tool, and through the integration of industrial operations and intelligent technologies, it developed 21 core safety capabilities, covering critical areas such as dynamic risk identification and executive-level safety accountability. In terms of hazard management, the Group continued to utilise intelligent systems to conduct safety inspections and drive the dynamic elimination of user-end risks, including stoves lacking flame failure protection, rubber hoses, and direct-discharge water heaters. For key risk prevention and control, the Group established real-time management across the entire process of hazardous operations to enable proactive prevention, refined traceability requirements to strengthen oversight of third-party construction activities, and conducted emergency drills in complex scenarios to enhance its emergency response capabilities. During the first half of the year, the Group accelerated the iteration of its safety intelligence capabilities, reinforced accountability, and advanced its long-term safety mechanisms to build a solid foundation for safe operations.

Customer-centricity: Driven by intelligence, delivering seamless service to create satisfaction

The Group has consistently adhered to its service philosophy of "customer satisfaction first", leveraging intelligent capabilities to build a comprehensive service system encompassing "all customers, all scenarios, all products, all touchpoints, and the entire customer journey". In the first half of 2025, the Group developed an intelligent predictive model for household gas services based on extensive gas usage data, enabling precise anticipation of user needs and proactive service delivery. This included sending 200 million SMS and making 1.45 million phone calls, which facilitated early warnings and timely resolution of potential safety risks. By deploying intelligent remote service robots and optimising smart dispatch algorithms, the Group significantly improved response times and on-site service punctuality. Furthermore, by integrating communication channels such as the 12345 hotline and WeChat mini-programs, the Group achieved comprehensive collection of customer feedback. This enabled the establishment of a closed-loop service supervision mechanism across all touchpoints, driving continuous enhancement of the customer service experience.

Intelligent Applications: Leveraging intelligent technologies to build and entrench industrial capabilities

In the first half of 2025, the rapid development of intelligent technologies, along with continuous improvements in model inference capabilities and multimodal technologies, facilitated the efficient and cost-effective accumulation of industry practices, thereby forming robust intelligent capabilities. The Group actively applied intelligent technologies to implement its "intelligent transformation" strategy, optimising the synergy between industrial and digital intelligence. Through collaboration between business partners and digital intelligence partners, the Group developed capabilities such as intelligent lead recommendation, customer intent analysis, customer fluctuation warning, and intelligent risk identification in the first half of the year. These intelligent capabilities have increasingly delivered value in areas such as customer acquisition, product innovation, cost reduction and efficiency enhancement, and safety assurance.

Meanwhile, the Company reinforced its information security infrastructure. In the first half of the year, the Company advanced its security defense system through a strategy of "promoting prevention through drills and driving improvement through evaluation", resulting in antivirus upgrades for 99.3% of employee terminals, the strengthening of the security of 103 key industrial control devices, and coordination with governments in 16 cities to conduct inspections and cybersecurity drills. The integration of the security system with business operations has further fortified the intelligent digitalised safety shield for operational security.

Continuous ESG Improvement: Enhancing ESG sustainability

In the first half of 2025, the Company was invited to attend the Methane Emissions Reduction Seminar in the oil and gas sector, as well as the Midstream Methane Action Group Meeting organised by the International Gas Union. These engagements highlighted the Company's strong sense of responsibility and growing influence in industry-wide emissions reduction and green, low-carbon development process. At the same time, the Company continued to reinforce its "G-R-E-A-T" strategic pillars, and advanced the implementation of its "4S" ESG strategy, which centred on "Innovation, Low Carbon, Intelligence, and Safety". Efforts were made to further enhance the ESG management framework and functional capabilities, systematically identify risk exposures across all business areas, and establish multi-tiered mitigation mechanisms. The Company completed the design of digitalised energy-carbon products, developed multi-dimensional intelligent safety models, and comprehensively consolidated ESG competitiveness through cultural integration and awareness initiatives.

The Group continued to deepen its commitment to sustainable development and received multiple key recognitions in the first half of 2025, including: a nomination for the 2025 Sedex Supply Chain Awards in the "Technology Innovation" category; a score of 3.3 in the FTSE Russell ESG Ratings; a successful third-party assurance for the 2024 Green Bond Report; and an active participation in the International Sustainability Standards Board (ISSB) "Early Adopter" Seminar. These achievements not only demonstrate the strong endorsement of the Group's outstanding ESG performance by authoritative external institutions, but also mark a solid step forward on its sustainable journey, injecting strong momentum into future deepened practices.

RATINGS AND CAPITAL MARKET RECOGNITION

During the period, the Company's credit rating from Standard & Poor's, Moody's and Fitch remained at "BBB+", "Baa1" and "BBB+" respectively, with a "stable" outlook. This reaffirms the Group's solid business foundation and robust financial position, showcasing its resilience.

The Group was recognised as the "Most Honoured Company" in the selection of "2025 Asia (excluding Japan, Australia, and New Zealand) Executive Team" rankings released by the internationally renowned financial publication Extel (formerly Institutional Investor). In addition, in the utilities and alternative energy category, the Group achieved top-tier rankings across multiple dimensions, receiving seven prestigious honours, namely "Best CEO", "Best CFO", "Best Company Board", "Best ESG Program", "Best Investor Relations Team", and "Best IR Professional", among others. These honours reaffirm the capital market's strong recognition of the Group's management team, investor relations performance, and its sustained efforts in environmental, social, and governance practices. Extel conducts annual evaluations of executive teams across Asia, aiming to honour outstanding companies and their leadership. The results were widely respected by the capital markets. This year's rankings included 1,669 participating companies across 18 industries, with votes cast by 4,943 buy-side investors and 951 sell-side analysts, collectively managing approximately USD2 trillion in equity assets across Asia (excluding Japan).

OUTLOOK

In the second half of 2025, amid a complex and ever-changing external environment, policy direction is expected to remain anchored in stability. Existing policies will continue to exert force to reinforce the economic foundation; coordinated measures across consumption, investment, and foreign trade—the three key growth drivers—will accelerate policy implementation; and the development of a unified national market will further facilitate supply-demand circulation and stimulate momentum for industrial upgrading.

Anchored in the dual-core strategy of "demand-driven and intelligence-powered," the Group will leverage its customer base of 32.07 million households, 290,000 enterprise customers, and potential growth segments to build sustainable growth capabilities. In the natural gas business, efforts will focus on deepening engagement with existing residential customers, expanding efforts with commercial customers, and developing customised solutions for large industrial users. At the same time, the Group will optimise its resource structure and enhance operational efficiency through intelligent empowerment, reinforcing the foundational strategy of “scale-driven profitability”. In the integrated energy business, the Group will seize opportunities arising from the energy-carbon transition, rapidly developing its electricity power segment through a holistic “Source-Grid-Load-Storage-Sales” model. In the smart home business, it will analyse layered customer needs to accelerate coverage of foundational products and upgrade quality services, cultivating a new engine for growth. The Group will continue to create customer value, enhance shareholder returns, and contribute to social well-being through intelligent upgrades.

FINANCIAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2025

		Six months ended 30 June	
		2025	**2024**
	Notes	*RMB million (unaudited)*	*RMB million (unaudited)*
Revenue	4	55,673	54,587
Cost of sales		(49,216)	(48,122)
Gross profit		6,457	6,465
Other income		343	543
Other gains and losses	5	(577)	(481)
Distribution and selling expenses		(683)	(619)
Administrative expenses		(1,938)	(1,961)
Share of results of associates		210	175
Share of results of joint ventures		260	248
Finance costs		(287)	(390)
Profit before tax		3,785	3,980
Income tax expense	6	(893)	(978)
Profit for the period		2,892	3,002
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Gain on revaluation of a property arising from the transfer to investment properties		1	-
Fair value change of equity instruments at fair value through other comprehensive income ("**FVTOCI**")		(3)	(1)
Income tax relating to items that will not be reclassified		1	-
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translating foreign operations		1	38
Fair value change of derivative financial instruments under hedge accounting		(125)	(82)
Income tax relating to items that may be reclassified subsequently		5	2
Other comprehensive expense for the period		(120)	(43)
Total comprehensive income for the period		2,772	2,959
Profit for the period attributable to:			
Owners of the Company		2,429	2,573
Non-controlling interests		463	429
		2,892	3,002
Total comprehensive income for the period attributable to:			
Owners of the Company		2,309	2,530
Non-controlling interests		463	429
		2,772	2,959
		RMB	*RMB*
Earnings per share	8		
Basic		2.19	2.29
Diluted		2.19	2.29

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2025

	Notes	At 30 June 2025 RMB million (unaudited)	At 31 December 2024 RMB million
Non-current Assets			
Property, plant and equipment		54,539	53,151
Right-of-use assets		2,697	2,753
Investment properties		236	246
Goodwill		2,486	2,504
Intangible assets		4,339	4,420
Interests in associates		5,072	4,943
Interests in joint ventures		5,512	5,433
Other receivables		3	3
Derivative financial instruments		37	139
Amounts due from joint ventures		126	-
Financial assets at fair value through profit or loss (“**FVTPL**”)		4,150	4,434
Equity instruments at FVTOCI		221	224
Deferred tax assets		1,566	1,518
Other non-current assets		876	688
Restricted bank deposits		525	580
		82,385	81,036
Current Assets			
Inventories		1,215	1,513
Trade and other receivables	9	10,211	9,828
Contract assets		884	848
Derivative financial instruments		91	196
Amounts due from associates		630	619
Amounts due from joint ventures		918	1,080
Amounts due from related companies		214	233
Restricted bank deposits		202	174
Cash and cash equivalents		6,339	7,693
		20,704	22,184
Assets classified as held for sale		60	-
		20,764	22,184
Current Liabilities			
Trade and other payables	10	8,270	8,203
Contract liabilities		11,323	12,943
Deferred income		56	73
Amounts due to associates		797	713
Amounts due to joint ventures		1,155	968
Amounts due to related companies		1,647	1,503
Taxation payables		877	1,059
Dividend payable		2,399	-
Lease liabilities		185	195
Derivative financial instruments		213	345
Bank and other loans		5,864	6,464
Share-based payment liabilities		4	4
Financial guarantee liabilities		30	32
		32,820	32,502
Net Current Liabilities		(12,056)	(10,318)
Total Assets less Current Liabilities		70,329	70,718

Capital and Reserves		
Share capital	117	117
Reserves	44,862	44,984
Equity attributable to owners of the Company	44,979	45,101
Non-controlling interests	6,057	5,975
Total Equity	51,036	51,076
Non-current Liabilities		
Contract liabilities	2,378	2,500
Deferred income	918	967
Lease liabilities	615	667
Bank and other loans	5,480	5,648
Senior notes	7,395	7,420
Derivative financial instruments	131	-
Deferred tax liabilities	2,376	2,440
	19,293	19,642
	70,329	70,718

Notes:

1. REVIEW OF THE INTERIM RESULTS

Deloitte Touche Tohmatsu, the Company's independent auditor, has carried out a review of the unaudited interim financial report for the six months ended 30 June 2025 in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). A meeting of the Audit Committee of the Company was held on 25 August 2025 to review and discuss with the management the Group's interim results and unaudited condensed consolidated financial statements for the six months ended 30 June 2025.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the HKICPA as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange.

In preparing the condensed consolidated financial statements for the six months ended 30 June 2025, the directors of the Company (the "**Directors**") have given careful consideration of the Group's net current liabilities of approximately RMB12,056 million on that date. Taking into account the continuity and availability of financial resources to the Group, among other things, the cash flows generated from its principal operations, availability of banking facilities and its expected future working capital requirements, the Directors are therefore satisfied that the Group will be able to meet in full its financial obligations when they fall due and continue its existing operations in the foreseeable future. Accordingly, the condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared on a going concern basis.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values, as appropriate.

Other than change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2024.

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the annual periods beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's consolidated financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. SEGMENT INFORMATION

The following is the information by reportable segments which are also the operating segments used by the chief operating decision maker of the Company for the purposes of resource allocation and performance assessment:

Six months ended 30 June 2025

	Retail gas sales business	**Integrated energy business**	**Wholesale of gas**	**Construction and installation**	**Smart home business**	**Total**
	RMB million	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*
Segment revenue	34,120	6,959	21,886	2,344	3,897	69,206
Inter-segment sales	(3,688)	(51)	(7,419)	(634)	(1,741)	(13,533)
Revenue from external customers	30,432	6,908	14,467	1,710	2,156	55,673
Segment profit before depreciation and amortisation	3,927	1,324	(14)	1,105	1,473	7,815
Depreciation and amortisation	(835)	(234)	(1)	(285)	(3)	(1,358)
Segment/gross profit (loss)	3,092	1,090	(15)	820	1,470	6,457

Six months ended 30 June 2024

	Retail gas sales business	**Integrated energy business**	**Wholesale of gas**	**Construction and installation**	**Smart home business**	**Total**
	RMB million	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*
Segment revenue	35,637	8,287	17,148	2,353	3,733	67,158
Inter-segment sales	(5,552)	(68)	(4,801)	(496)	(1,654)	(12,571)
Revenue from external customers	30,085	8,219	12,347	1,857	2,079	54,587
Segment profit before depreciation and amortisation	3,896	1,256	36	1,102	1,404	7,694
Depreciation and amortisation	(758)	(188)	(2)	(278)	(3)	(1,229)
Segment/gross profit	3,138	1,068	34	824	1,401	6,465

The above segment profit (loss) represents the profit (loss) earned by each segment without allocation of central administration expenses, distribution and selling expenses, share of results of associates and joint ventures, other income, other gains and losses and finance costs. Inter-segment sales are charged at prevailing market rates.

5. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2025	**2024**
	RMB million	*RMB million*
Net fair value loss of financial assets at FVTPL	(281)	(11)
Net fair value gain (loss) on derivative financial instruments (note a)	201	(137)
Loss on foreign exchange, net (note b)	(23)	(62)
Impairment loss under expected credit loss model, net of reversal	(334)	(176)
Impairment loss recognised in respect of property, plant and equipment, goodwill and intangible assets	(144)	(120)
Net compensation income	44	-
Others	(40)	25
	(577)	(481)

Notes:

a. Included in the amount for the period mainly are net realised gain of RMB145 million (six months ended 30 June 2024: RMB219 million) and net unrealised gain of RMB172 million (six months ended 30 June 2024: net loss of RMB273 million) recognised by the Group in relation to commodity financial instruments.

b. Included in the amount is an exchange gain of approximately RMB30 million (six months ended 30 June 2024: loss of RMB48 million) arising from the translation of senior notes denominated in USD to RMB.

6. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	**2024**
	RMB million	*RMB million*
Current tax	1,004	1,088
Deferred tax	(111)	(110)
	893	978

As the major operating income of the Group are derived from People's Republic of China (the "**PRC**"), the tax expenses arose principally from the PRC for both periods. Under the Enterprise Income Tax Law of the PRC (the "**EIT Law**") and Detailed Rules for the Implementation of the EIT Law (the "**Implementation Rules**"), the tax rate applicable for PRC entities is 25%.

Certain PRC subsidiaries of the Company are qualified as "High and New Tech Enterprise", which are subject to PRC EIT Law at the preferential rate of 15% on the estimated assessable profit as determined in accordance with relevant tax rules and regulations in the PRC. This preferential rate could be applied for three years and those subsidiaries are eligible to apply for the tax concession again upon expiry of the three-year period.

Hong Kong profits tax for both periods was computed at a rate of 16.5% on the assessable income.

The Group is operating in certain jurisdictions where the Global Anti-base Erosion Rules ("**GloBE Rules**") are effective on 1 January 2025. However, as the Group's estimated effective tax rates of all the jurisdictions in which the Group operates are higher than 15%, after taking into account the adjustments under the GloBE Rules based on management's best estimate, the management of the Group considered the Group is not liable to Pillar Two income taxes under the GloBE Rules.

7. DIVIDEND

a. Proposed interim dividend after the end of the reporting period

	Six months ended 30 June	
	2025	**2024**
	RMB million	*RMB million*
Interim dividend of HK$0.65 (equivalent to approximately RMB0.59) per share (2024: HK$0.65 (equivalent to approximately RMB0.59) per share)	663	671

The interim dividend proposed after the end of the reporting period has not been recognised as a liability as at the end of the reporting period.

b. Dividends of the previous financial year and recognised as a liability during the reporting period

	Six months ended 30 June	
	2025	**2024**
	RMB million	*RMB million*
Final dividend of HK$2.35 (equivalent to approximately RMB2.19) per share (2024: HK$2.31 (equivalent to approximately RMB2.09) per share)	2,442	2,376
Less: Dividend for shares held under the Share Award Scheme	(43)	(22)
	2,399	2,354

The Company's final dividend for the financial year 2024, declared on 26 March 2025, was approved by the Company's shareholders on 23 May 2025, and was paid on 25 July 2025.

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2025	**2024**
	RMB million	*RMB million*
Earnings		
Earnings for the purpose of basic and diluted earnings per share	2,429	2,573
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,111,245	1,122,905
Effect of dilutive potential ordinary shares – share options	191	254
Weighted average number of ordinary shares for the purpose of diluted earnings per share	1,111,436	1,123,159
Basic earnings per share (RMB)	2.19	2.29
Diluted earnings per share (RMB)	2.19	2.29

Diluted earnings per share are calculated assuming all dilutive potential ordinary shares were converted.

9. TRADE AND OTHER RECEIVABLES

The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on invoice date at the end of the reporting period:

	At 30 June 2025 *RMB million*	**At 31 December 2024** *RMB million*
0 to 3 months	1,460	1,718
4 to 6 months	323	211
7 to 9 months	374	252
10 to 12 months	155	164
More than one year	780	805
	3,092	3,150

10. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on invoice date at the end of the reporting period:

	At 30 June 2025 *RMB million*	**At 31 December 2024** *RMB million*
0 to 3 months	2,885	3,447
4 to 6 months	529	480
7 to 9 months	334	223
10 to 12 months	164	185
More than one year	1,185	1,201
	5,097	5,536

11. MATERIAL EVENTS AFTER THE REPORTING DATE AND CONTINGENT LIABILITIES

Except for those disclosed under the section "SIGNIFICANT EVENTS DURING THE REPORTING PERIOD – THE PROPOSAL" in this announcement, there were no material events which casted material impact on the Group since the end of the reporting period, and the Group has no material contingent liabilities as at 30 June 2025.

2025 INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board announces the payment of an interim dividend of HK$0.65 (equivalent to approximately RMB0.59) per share (30 June 2024: HK$0.65 (equivalent to approximately RMB0.59) per share) payable to shareholders of the Company whose names are on the register of members on Tuesday, 4 November 2025 (the "**Record Date**"), the payout ratio is approximately 21% of the Group's core profits[3] of RMB3,223 million for the period, and is expected to be paid to the shareholders on or before Friday, 28 November 2025.

a. *Closure of Register of Members*

For the determination of entitlement to the interim dividend of shareholders, the register of members of the Company will be closed on the day of Tuesday, 4 November 2025 and no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates should be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 3 November 2025.

b. *Withholding and Payment of Enterprise Income Tax for Non-Resident Enterprises in respect of the 2025 Interim Dividend*

According to the "Notice Regarding Matters on Determination of Tax Residence Status of Chinese-Controlled Offshore Incorporated Enterprises under Rules of Effective Management", the EIT Law and its Implementation Rules, the Hebei Provincial Tax Service of the State Administration of Taxation of the PRC issued an approval confirmed that the Company is treated as a Chinese resident enterprise, with effect from 2022. Accordingly, when the Company distributes the 2025 interim dividend to non-resident enterprise shareholders, it shall withhold and pay 10% of the enterprise income tax.

In respect of all shareholders whose names appear on the Company's register of members as at the Record Date who are not individuals (including HKSCC Nominees Limited ("**HKSCC**"), corporate nominees or trustees such as securities companies and banks, and other entities or organisations, which are all considered as non-resident enterprise shareholders), the Company will distribute the 2025 interim dividend after deducting an enterprise income tax of 10%. The Company will not withhold and pay the individual income tax in respect of the 2025 interim dividend payable to any natural person shareholders whose names appear on the Company's register of members as at the Record Date.

If any resident enterprise (as defined in the EIT Law) listed on the Company's register of members as at the Record Date does not desire to have the Company withholding and paying the said 10% enterprise income tax, it shall lodge with Computershare Hong Kong Investor Services Limited documents from its governing tax authority confirming that the Company is not required to withhold and pay the enterprise income tax in respect of the dividends that it is entitled to, not later than 4:30 p.m. on Monday, 3 November 2025. Reference is made to the circular issued by Hong Kong Securities Clearing Company Limited on 29 July 2009 regarding the withholding and payment of enterprise income tax for overseas non-resident enterprise shareholders by domestic enterprises of the PRC and Chinese-controlled offshore incorporated enterprises. If investor participants, who are individuals or resident enterprises (as defined in the EIT Law and the relevant policies and regulations; and as stated in the enterprises' relevant announcements), do not wish enterprise income tax to be withheld from the dividend payable to them, they may consider withdrawing their shares from HKSCC and transferring the legal title of the relevant shares into their own name by the latest registration date as stipulated by the relevant enterprises. If anyone would like to change the identity of the holders in the register of members, please enquire about the relevant procedures with the nominees or trustees.

As stated in the Company's announcement dated 30 June 2022 regarding the withholding and payment of enterprise income tax for non-resident enterprises. All investors who invest in the shares of the Company through the Shanghai Stock Exchange or the Shenzhen Stock Exchange (the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect investors), whether natural persons or enterprises, are investors who hold shares of the Company through HKSCC, and the Company will pay to HKSCC the dividend amount of the relevant year after withholding 10% enterprise income tax in accordance with the abovementioned

[3] Referred to core profits from domestic business plus the relevant after-tax profit from wholesale of gas (oversea sales).

requirements. If investors meet the criteria outlined in the "Notice on the Pilot Program of the Shanghai-Hong Kong Stock Market Connect Mechanism Regarding Tax Policies (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Caishui [2014] No. 81)", tax credit may be applied based on specific circumstances and in accordance with Article 1, item numbers (3) and (4) of the "Notice on the Tax Policies Related to the Pilot Program of Shenzhen-Hong Kong Stock Market (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Caishui [2016] No.127)". If investors do not wish for the dividend income they receive to be subject to withholding and payment of enterprise income tax, they should submit a shareholding balance certificate issued by China Securities Depository and Clearing Corporation Limited ("**CSDC**") to the Company within 10 days before the expected dividend payment date (i.e. 28 November 2025), and subsequently submit a dividend receipt certificate issued by CSDC after the dividend distribution, then, after the Company completes the declaration for withholding and payment of tax with the Hebei Provincial Tax Bureau of the State Administration of Taxation of China, the Company will arrange for a refund of the withheld enterprise income tax to the investor as soon as possible. Investors are required to file and pay taxes on their own initiative.

The Company will withhold and pay the enterprise income tax for its non-resident enterprise shareholders strictly in accordance with the relevant laws and requirements of the relevant government departments and adhere strictly to the information set out in the Company's register of members on the Record Date. The Company assumes no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the shareholders or any disputes over the mechanism of withholding and payment of enterprise income tax.

The address of Computershare Hong Kong Investor Services Limited is Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Reference is hereby made to the announcements of the Company dated 19 September 2023 and 23 September 2024, regarding the Board approved the utilisation of up to USD100 million equivalent in HKD and up to HK$300 million, for instructing the trustee (the "**Trustee**"), who is responsible for managing the share award scheme of the Company to purchase the Company's ordinary shares listed on the Main Board of the Stock Exchange for the purpose of the Share Award Scheme, and to utilise up to HK$300 million to buy-back Shares from the open market. As at 30 June 2025, the Trustee has cumulatively purchased and now holds 19,984,600 awarded shares of the Company under the Share Award Scheme, representing approximately 1.77% of the issued share capital of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 June 2025, the Company has complied all the Code Provisions set out in the Corporate Governance Code as contained in Appendix C1 to the Listing Rules during the period.

By order of the Board
ENN ENERGY HOLDINGS LIMITED
WANG Yusuo
Chairman

Hong Kong, 27 August 2025

As at the date of this announcement, the Board comprises six executive directors, namely Mr. WANG Yusuo (Chairman), Mr. ZHANG Yuying (Chief Executive Officer), Mr. GONG Luojian (President), Mr. WANG Dongzhi (Chief Financial Officer), Ms. ZHANG Jin and Ms. SU Li; one non-executive director, Mr. WANG Zizheng; and four independent non-executive directors, namely Mr. MA Zhixiang, Mr. YUEN Po Kwong, Mr. LAW Yee Kwan, Quinn and Ms. WONG Lai, Sarah.