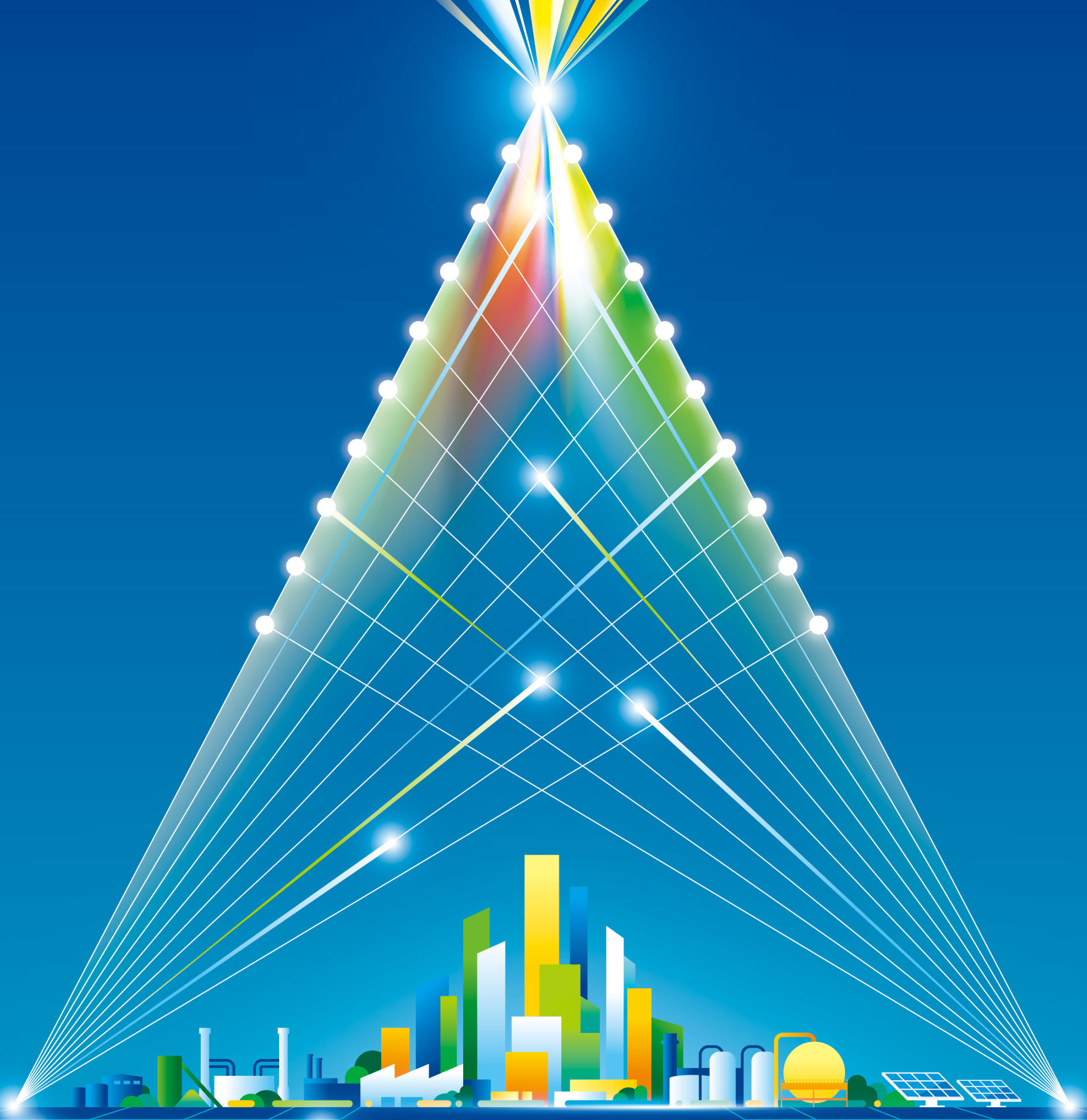
新奧能源控股有限公司
ENN Energy Holdings Limited
(Stock code 股份代號: 2688)



SCALING TO NEW HEIGHTS
聚能創越新高峰

INTERIM REPORT 2026
二零二六年中期業績報告

CONTENTS

CORPORATE INFORMATION

Board of Directors

Executive Directors

Wang Yusuo (Chairman)
Zhang Yuying (Chief Executive Officer)
Gong Luojian (President)
Wang Dongzhi (Chief Financial Officer)
Zhang Jin
Su Li

Non-executive Director

Wang Zizheng

Independent Non-executive Directors

Ma Zhixiang
Yuen Po Kwong
Law Yee Kwan, Quinn *FCPA*
Wong Lai, Sarah *FCCA*

Company Secretary

Leung Mui Yin

Authorised Representatives

Wang Dongzhi
Zhang Jin

Members of the Audit Committee

Wong Lai, Sarah* *FCCA*
Ma Zhixiang
Yuen Po Kwong
Law Yee Kwan, Quinn *FCPA*

Members of the Remuneration Committee

Ma Zhixiang*
Yuen Po Kwong
Law Yee Kwan, Quinn *FCPA*
Wong Lai, Sarah *FCCA*

Members of the Nomination Committee

Wang Yusuo*
Zhang Jin
Ma Zhixiang
Yuen Po Kwong
Law Yee Kwan, Quinn *FCPA*
Wong Lai, Sarah *FCCA*

Members of the Risk Management Committee

Zhang Yuying*
Gong Luojian
Wang Dongzhi
Su Li
Ma Zhixiang
Yuen Po Kwong
Law Yee Kwan, Quinn *FCPA*
Wong Lai, Sarah *FCCA*

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Hebei Province
The PRC

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Hong Kong Branch Share Registrar and Transfer Office

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Stock Exchange Listing

The Stock Exchange of Hong Kong
Limited

Stock Code

2688

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Bank of China
Bank of Communications
China Merchants Bank
Citibank
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* Chairperson of the relevant Board committees

FINANCIAL AND OPERATIONAL HIGHLIGHTS

Business Review

In the first half of 2026, facing an increasing complex and severe domestic and international environment, China precisely and effectively implemented more proactive and promising macroeconomic policies, and developed new quality productive forces tailored to local conditions. The domestic economy withstood the pressure, moved forward steadily, and effectively coped with various external shocks and internal difficulties, demonstrating a development trend of new driving forces and optimised structures.

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's customer base continued to expand, with residential households reaching 33.26 million and C/I customers reaching 328,000. Underpinned by its ever-expanding customer base, the Group fully leveraged its advantages in natural gas resources and operations to effectively withstand market volatility, demonstrating sound operational resilience. At the same time, the Group continued to elevate its smart home product and service capabilities and developed its electricity-focused integrated energy business, thereby unlocking higher earnings quality. Meanwhile, the Group strengthened cash flow management, with operating cash flow reaching RMB3,078 million for the period, representing a year-on-year increase of 16.4%. The borrowings structure also continued to optimise, with the net gearing ratio at 19.1% as of the end of the period, ensuring the overall leverage ratio was maintained at a sustainable level. A solid operating foundation, ample cash flow and a healthy borrowings structure provided strong support for the Group to effectively hedge against fluctuations in the external market environment and to build momentum for sustainable 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		Increased/
	2026 (unaudited)	2025 (unaudited)	(Decreased) by
Key financial data			
Revenue (RMB million)	**57,021**	55,673	2.4%
Gross profit (RMB million)	**6,655**	6,457	3.1%
Profit attributable to owners of the Company (RMB million)	**2,667**	2,429	9.8%
Core profit△ (RMB million)	**3,175**	3,223	(1.5%)
Basic earnings per share (RMB)	**2.40**	2.19	9.6%
Interim dividend per share (HK$)	**0.68**	0.65	4.6%

△ Profit attributable to owners of the Company but stripping out other gains and losses (excluding net settlement amount realised from commodity derivative financial instruments and net compensation income), and relevant tax expense arose from net unrealised (loss) gain of commodity derivative financial instruments.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

	Six months ended 30 June		Increased/
	2026	2025	(Decreased) by
	(unaudited)	(unaudited)	
Key operational data#			
Number of city-gas projects in China	**264**	263	1
Connectable urban population coverage (thousand)	**148,747**	144,825	2.7%
New natural gas customers developed during the period:			
– residential households (thousand)	**502**	692	(27.5%)
– C/I customers (sites)	**12,533**	22,198	(43.5%)
– installed designed daily capacity for C/I customers (thousand m^3)	**6,398**	6,286	1.8%
Accumulated number of customers:			
– residential households (thousand)	**33,265**	32,070	3.7%
– C/I customers (sites)	**328,040**	293,141	11.9%
– installed designed daily capacity for C/I customers (thousand m^3)	**235,801**	222,248	6.1%
Piped gas penetration rate	**67.1%**	66.4%	0.7 ppt
Retail gas sales volume (million m^3)	**13,054**	12,953	0.8%
Sales volume of integrated energy (million kWh)	**18,440**	19,764	(6.7%)

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

MANAGEMENT DISCUSSION AND ANALYSIS

Operational Highlights

Natural Gas Business: Scale-driven profitability and an optimised resource mix to consolidate the foundation of the natural gas business

In the first half of 2026, international natural gas prices experienced notable periodic volatility amid geopolitical disruptions. Fluctuations in external gas supply, coupled with changes in the market environment, further heightened customers' demands for stable gas supply and lower gas costs. In response to the prevailing supply-demand landscape and evolving customer needs, the Group adhered to its scale-driven profitability strategy, with continued focus on expanding its customer base, optimising its resource structure and enhancing operational capabilities, thereby achieving steady growth in both gas sales volume and returns.

During the period, the Group implemented precise measures targeting the differentiated gas consumption needs of various customer segments, steadily expanding its gas customer base. For industrial customers, the Group deeply integrated into our customers' production processes to lower their energy costs. Key accounts were provided with exclusive services from dedicated account managers, optimising gas supply structures and implementing flexible pricing policies, with newly added industrial customers contributing a designed daily capacity of 5.30 million cubic meters in the first half of the year. For commercial customers, the Group focused on their needs for stable and safe gas usage and, leveraging its intelligence-enabled capabilities in customer insight, solution design and rapid development, achieved newly installed designed daily capacity of 1.10 million cubic meters from commercial customers in the first half of the year. For residential households, the Group further tapped the potential of the existing market and completed connections for 175,000 residential households during the period. This effectively mitigated the impact of the property market downturn, bringing the total number of residential users to 502,000 households. Driven by the active promotion of residential price pass-through, the cumulative volume of residential gas that has successfully implemented the price adjustments since the end of last year has reached 74.8% as of the date of this report.

On the resource procurement side, the Group capitalised on its growing customer base to optimise its supply structure in close alignment with market demand. Through the consolidation of its primary gas sources, the Group further reinforced supply security. By dynamically securing market resources, the Group effectively improved its overall supply capability. At the same time, the Group adopted a risk control model combining physical contracts with derivative hedging to mitigate price volatility and enhance earnings stability. In the face of an increasingly complex international oil and gas market, the Group will continue to adhere to the principles of cost leadership and risk control, increase the proportion of cost-controllable gas sources and optimise its supply portfolio. This will help strengthen procurement cost management, lock in cost baseline, and mitigate the impact of price fluctuations, while anchoring downstream price transmission and enhancing synergy between resource coordination and end-user pricing.

On the operations side, the Group leveraged intelligent technologies to accelerate the accumulation of industry expertise, implementing digital and intelligent applications such as intelligent equipment fault diagnosis, automated odorisation and smart truck unloading, and steadily advancing the upgrade of stations towards minimal-staffing and unmanned operations. In collaboration with Tsinghua University, the Group developed a model for predicting the performance degradation of pressure regulators, enabling full life-cycle online monitoring of the operating condition of pressure-regulating equipment across all regions and a reasonable reduction in the frequency of tertiary preventive maintenance, thereby improving operational efficiency and lowering maintenance costs while safeguarding safe operations.

For the six months ended 30 June 2026, the Group's retail gas sales volume reached 13,054 million cubic meters, representing a year-on-year increase of 0.8%. Revenue increased by 2.9% year-on-year to RMB31,320 million and gross profit increased by 10.4% year-on-year to RMB3,415 million. The wholesale of gas business plays a vital role in optimising the overall natural gas value chain, while enhancing supply reliability and expanding market coverage. During the period, revenue from the wholesale of gas business maintained a steady growth trend, up by 12.8% year-on-year to RMB16,313 million, while its gross profit increased by RMB473 million year-on-year. The construction and installation business continued to be affected by the downward pressure in the real estate sector, with revenue and gross profit declining by 26.7% and 31.8% year-on-year to RMB1,253 million and RMB559 million, respectively.

Integrated Energy Business: Focusing on electricity to scale up the integrated energy business

In the first half of 2026, market-oriented power reforms advanced further, while compliance management in the national carbon market became increasingly institutionalised. The State intensively introduced a series of policies covering the development of a unified national electricity market, the direct connection of green electricity, and the expansion of trading in the national carbon market. It also coordinated supporting measures such as capacity price compensation for energy storage, virtual power plants market participation, and industrial energy conservation and carbon reduction initiatives, resulting in continuous optimisation of institutional environment for a green and low-carbon transition. Meanwhile, the European Union's Carbon Border Adjustment Mechanism (CBAM) formally entered into its charging phase, significantly increasing low-carbon energy demand among export-oriented manufacturers. Seizing these policy opportunities and leveraging our integrated energy philosophy, the Group steadily expanded its integrated energy business with electricity at the core, focusing on three types of target customers: industrial parks, factories and buildings.

The Group remained customer-centric, tailoring differentiated energy solutions across sectors. For industrial customers, the Group analysed specific production process characteristics to deploy load-solar-storage coordination, intelligent production scheduling and integrated power consumption and procurement, effectively lowering customers' overall energy costs. For building-sector customers, the Group met multifaceted needs for operational comfort, energy cost reduction and green certification by coordinating flexible loads with distributed energy resources, overlaid with diversified market-oriented power purchasing strategies. For industrial park customers, the Group synchronised multi-energy loads and resources to support the development of national-level zero-carbon parks. In the first half of the year, the Group continued to expand its electricity business — driven by customer needs, powered by intelligent technology, and anchored in value-driven trading — thereby solidifying its foundation for demand connectivity and ecosystem integration. Through customer expansion, ecosystem aggregation and resource integration, the Group drove the large-scale expansion of its electricity business, adding 430MW of new installed capacity during the period. This included 189MW of newly grid-connected photovoltaic capacity and 68MWh of newly grid-connected energy storage capacity. In the first half of the year, electricity sales volume reached 1,006 million kWh, representing a year-on-year increase of 40.5%.

During the period, the Group accelerated the commissioning of new projects, bringing its cumulative operational installed capacity to 14.7GW. Affected by factors such as the macroeconomic environment and changes in customer loads, sales volume of integrated energy amounted to 18,440 million kWh, representing a year-on-year decrease of 6.7%. Together with factors such as the optimisation of the customer settlement model, revenue amounted to RMB6,312 million, representing a year-on-year decrease of 8.6%, and gross profit amounted to RMB948 million, representing a year-on-year decrease of 13.0%.

Smart Home Business: Continuously upgrading products and services to optimise the structure of the smart home business

In the first half of 2026, household consumption continued to shift towards high-quality living, driving a steady rise in demand for home improvements such as whole-home smart retrofitting and residential environment renewal. The "Notice on the Implementation of Large-scale Equipment Upgrades and Consumer Goods Trade-in Programmes in 2026" provided dedicated subsidies for home furnishings, appliances, and overall residential renovations, strongly accelerating the replacement of ageing household equipment. Concurrently, the "Implementation Opinions on Accelerating the Development of 'Artificial Intelligence + Consumption'" promoted the integration of AI technologies into daily household scenarios, creating a favourable policy environment for the innovative implementation of whole-home smart controls and digital home supporting services. Leveraging its base of 33.26 million residential customers, the Group focused on family quality needs and continued to pioneer diversified and differentiated products and services to accelerate the growth of its smart home business.

Regarding core products and services, the Group focused on elevating residential living quality, consistently enriching its product matrix around key scenarios such as "household safety, smart kitchens and residential environment". In the first half of the year, the Group leveraged intelligent tools such as home safety inspection to gain deep insights into genuine customer needs, proactively capturing opportunities in the smart kitchen segment. By deploying an integrated "product + service" model, the Group enhanced customer experience, expanded the market influence of its proprietary brands, and successfully unlocked greater value within kitchen scenarios. Sales volume of its self-owned brand gas appliances reached 250,000 units, representing a year-on-year increase of 37.6%, while kitchen renovation services covered 68,000 households, representing a year-on-year increase of 23.6%. In terms of intelligent products and services, the Group focused on residential customers' demands for safety and convenience, iteratively optimising its intelligent product packages based on proven market experience to replicate and promote them at scale. In the first half of the year, the contracted amount of intelligent products reached RMB570 million, representing a year-on-year increase of 3.4%. With the growing deployment of intelligent products and continuous growth of recurring service renewals, a sustainable, long-tail revenue operating model is steadily taking shape. Regarding premium products and services, the Group expanded into diversified scenarios, including advanced kitchen renovations, household water purification and at-home services, while developing integrated solutions and elevating its service system to better satisfy customers' needs for quality living.

For the six months ended 30 June 2026, the Group's smart home business recorded revenue and gross profit of RMB1,823 million and RMB1,275 million respectively. Affected by the downturn in the real estate sector, smart home revenue from newly added customers declined, resulting in decreases of 15.4% and 13.3% in the overall revenue and gross profit of the smart home business, respectively. Existing customers accounted for 52% of its revenue, reflecting the continuous optimisation of the value contribution structure within the smart home business.

Lapse of the Proposal

Reference is made to 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, together with subsequent update and extension announcements, in relation to the proposed privatisation (the "Proposal"). The Proposal lapsed on 12 June 2026 and the offer period had accordingly ended. For details, please refer to the joint announcement issued by the Company and the Offeror dated 12 June 2026.

The Company will continue to maintain its listing status on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and will steadfastly pursue its core strategies, implementing its strategic positioning of "leveraging intelligent innovation services to become a multi-value service provider anchored in natural gas operations".

Financial Performance

For the six months ended 30 June 2026, the Group's revenue reached RMB57,021 million, representing a year-on-year increase of 2.4%, primarily driven by the broad-based growth of natural gas business. However, this growth momentum was partially offset by volatility in energy markets, shifting customer loads and prolonged sluggishness in the real estate sector. These macro headwinds resulted in weaker performance across front-end connections, energy demand and smart home products and services. During the period, the Group actively promoted the implementation of price pass-through, which effectively eased cost pressure, and gross profit increased by 3.1% year-on-year to RMB6,655 million, with the gross profit margin also increasing slightly to 11.7%.

During the period, the Group continued to implement cost control and efficiency enhancement initiatives, with selling and administrative expenses as a percentage of revenue decreasing to 4.6%. At the same time, benefiting from a decline in the average interest rate of bank loans and an optimised borrowings structure, net interest expenses decreased by 15.5% year-on-year, resulting in cost savings of approximately RMB37 million. As at 30 June 2026, the RMB appreciated against the USD as compared with the end of last year, resulting in an unrealised exchange gain of RMB224 million arising from the translation into RMB of the Group's outstanding USD-denominated debts at the end of the reporting period. On the other hand, impacted by the macroeconomic environment, financial assets recorded a decrease of approximately RMB140 million in fair value. Notably, the aforementioned unrealised exchange gains and fair value changes were non-cash items and had no material impact on the Group's cash flow.

Taking into account the above factors, profit attributable to owners of the Company and basic earnings per share amounted to RMB2,667 million and RMB2.40 respectively, representing year-on-year increases of 9.8% and 9.6%. Stripping out the aggregate impact of RMB508 million in respect of other gains and losses (excluding net settlement amount realised from commodity derivative financial instruments and net compensation income) and the relevant tax expense arising from unrealised loss on commodity derivative financial instruments, core profit decreased by 1.5% year-on-year to RMB3,175 million.

Financial Resources Review

As at 30 June 2026, the cash, current and non-current debts of the Group are as follows:

	30 June 2026 RMB million (unaudited)	31 December 2025 RMB million	Increased/ (Decreased) by RMB million
Bank balances and cash (excluding restricted bank deposits)	**8,554**	8,064	490
Long-term debts (including bonds)	**5,743**	10,356	(4,613)
Short-term debts (including bonds)	**13,201**	8,785	4,416
Total debts	**18,944**	19,141	(197)
Net debts[1]	**10,390**	11,077	(687)
Total equity	**54,409**	54,075	334
Net gearing ratio[2]	**19.1%**	20.5%	(1.4 ppt)
Net current liabilities	**17,575**	12,939	4,636

[1] Net debts = Total debts – Bank balances and cash (excluding restricted bank deposits)

[2] Net gearing ratio = Net debts / Total equity

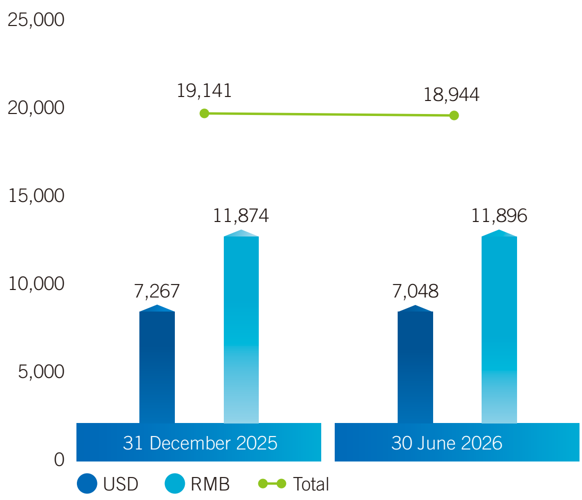
Working Capital Management

During the period, the Group implemented a prudent financial strategy, flexibly managing the pace of expenditures. For the six months ended 30 June 2026, the turnover days for receivables, payables and inventory were 13 days, 21 days and 5 days respectively, remaining stable compared to the end of last year, thereby ensuring cash flow stability and efficient fund utilisation.

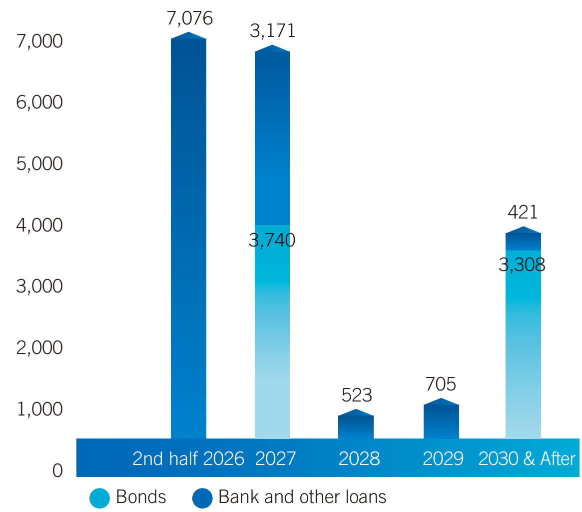
Borrowings Structure

As at 30 June 2026, the Group's total borrowings decreased by RMB197 million from the end of last year to approximately RMB18,944 million. Approximately 74.0% (31 December 2025: 73.7%) of total debts carry a fixed interest rate. Among this, Renminbi debts accounted for 62.8% of the total borrowing, constituting the mainstay of the Group's borrowings structure. Given that the Group's principal revenues and expenditures are settled in Renminbi, the Group closely monitors and manages the risks associated with exchange rates and repayment windows arising from foreign currency debts. Benefiting from prudent capital management, the Group's net gearing ratio further declined from 20.5% at the end of last year to 19.1%, maintaining the leverage at a low level and leaving ample buffer for future funding requirements.

Borrowings Structure
(RMB Million)



Debts Repayment Schedule
(RMB Million)



Net Current Liabilities

As of 30 June 2026, the Group recorded net current liabilities of approximately RMB17,575 million, representing an increase of RMB4,636 million compared to the end of last year. This was primarily due to a USD-denominated bond valued at RMB3,740 million maturing in the first half of 2027, which was reclassified as current liabilities at the end of the period, thereby driving up total current liabilities. The Group will closely monitor market trends, comprehensively consider onshore and offshore financing costs as well as borrowings structure, and utilise timely financing with well-matched long- and short-term maturities for repayment to smooth out the debts repayment schedule. Backed by stable operational cash flows, high-quality liquid assets, and strong credit ratings, together with cash on hand and available banking facilities, the Group possesses ample capacity to support its operational needs and future capital expenditures.

Charge on Assets

As at 30 June 2026, the Group pledged certain assets as securities for bank and other loans, bill facilities and contracts granted to the Group, in the ordinary course of business, details are set out in Note 20 to the condensed consolidated financial statements.

Significant Investments, Acquisitions and Disposals

The Group did not have any material investments held, nor material acquisition and disposal of subsidiaries, associates and affiliated companies during the period.

As at the date of this report, the Group has no plans for other material investments or additions of capital assets apart from those disclosed in Note 26 to the condensed consolidated financial statements which will be financed by internal resources.

Material Events After the Reporting Date or Contingent Liabilities

There were no material events which cast material impact on the Group since the end of the reporting period, and the Group has no material contingent liabilities as at 30 June 2026.

Sustainable Development

Safety as the Foundation: Deepening digital and intelligent applications to cement intrinsic safety

In the first half of 2026, safety supervision in the energy industry continued to tighten, the policy and regulatory framework for work safety was refined at a faster pace, and routine supervision and standardised law enforcement were advanced in depth. The Group comprehensively consolidated its intrinsic safety management system, guided by our safety work requirements of “Understand Safety, Identify Risks, Eliminate Hazards, and Form a Closed-loop Management”.

In terms of risk prevention and control, the Group took its intelligent safety risk map as the key tool, continued to deepen digital and intelligent safety development and solidified the foundation of safe operations. In the first half of the year, the Group focused on building capabilities in intelligent hazard identification and the intelligent management of third-party cross-construction activities. It applied AI technologies to achieve intelligent hazard identification, assisting frontline staff in accurately identifying safety hazards and effectively improving the efficiency of safety inspections; and it built joint prevention and protection capabilities for third-party construction through measures such as ecosystem QR codes and 7x24-hour video monitoring, preventing the risk of pipeline network damage at source. In terms of hazard management, the Group further intensified hazard inspection and rectification, completing the inspection and rectification of 170,000 hazards of various types in the first half of the year, with notable results in closed-loop hazard management. In terms of emergency response capability building, the Group organised a cumulative total of 1,345 emergency drills. At the same time, the Group strengthened the building of safety performance capabilities for key personnel, completing the competency framework and rule alignment for 21 categories of critical safety roles, including the principal person-in-charge. This has solidly advanced safety risk prevention and control, safeguarding the Group's operational safety.

Customer-centricity: Delivering intelligent and efficient services to enhance customer experience

The Group has consistently adhered to its service philosophy of "customer satisfaction", leveraging intelligent technologies to empower full life-cycle customer operations. In the first half of the year, the Group optimised its complaint management through omni-channel closed-loop handling of customer complaints, customer experience data dashboards and the promotion of its service culture, responding to customer requests in a timely manner and enhancing customer satisfaction. The Group also continued to improve its intelligent service system, rolling out its omni-channel digital companion services at scale. These services have now covered 6.19 million users with cumulative visits of 24.9 million and an average of 82,000 intelligent interactions per day, effectively relieving pressure on offline operations, significantly boosting service processing efficiency and continuously enhancing the overall customer service experience.

Intelligence as the Engine: Applying intelligence to empower all business scenarios and enhance service and operational capabilities

The Group continued to promote the deep integration of digital and intelligent technologies with its core business scenarios, consolidating the foundation for the industrial digital and intelligent upgrades. Focusing on business scenarios, the Company developed intelligent capabilities such as an intelligent model for identifying abnormal gas consumption, intelligent automated cost settlement model, intelligent sales assistant, intelligent policy interpretation assistant and intelligent inspection of pipeline networks, effectively validating the practical value of AI in reducing costs, improving efficiency and preventing risks. This demonstrates the Group's technological accumulation in vertical large models and provides a data and practical foundation for the large-scale rollout of intelligent capabilities.

While promoting intelligent applications, the Group has placed cybersecurity and data intelligence at the forefront. In the first half of the year, the Company anchored its efforts on endpoint security, data protection, access control and dedicated AI security governance, driving a transition from reactive defense to proactive, intelligent security operations. Through this two-pronged strategy of "application innovation" and "security governance", the Group has ensured both the effective deployment of smart capabilities and a steady, controllable path for its digital transformation.

Continuous ESG Improvement: Deepening ESG and sustainable development

In the first half of 2026, the Group continued to deepen its ESG governance and promote capability building among its member enterprises, supporting high-quality development through systematic management. At the same time, the Group actively implemented climate risk management, improved its response mechanisms and steadily advanced its green and low-carbon transition, continuously strengthening its long-term development resilience.

In its sustainable development practices, the Group received a number of external recognitions. It was selected for S&P Global's *Sustainability Yearbook 2026* as an "Industry Mover" and was included in the yearbook's China edition, receiving the distinctions of "Top 1% S&P Global CSA Score 2025 — China Companies". Furthermore, the Group was listed on the 2026 *Fortune* China ESG Impact List, nominated for the "Technology Innovation Award" at the 2026 Sedex Supply Chain Awards, and successfully obtained third-party assurance for both its *2025 ESG Report* and *2025 Green Bond Report*. These achievements fully reflect the strong recognition of the Group's ESG performance by authoritative institutions and mark the Group's steady progress on its sustainable development journey, injecting continuous momentum into its future development.

Ratings and Capital Market Recognition

During the period, the rating agencies Standard & Poor's, Moody's and Fitch maintained the Company's ratings at "BBB+", "Baa1" and "BBB+" respectively, all with a "stable" outlook, fully demonstrating the Group's solid business foundation and robust financial strength.

The Group was awarded "Best Investor Relations Innovation" at the "12th Investor Relations Awards 2026" hosted by the Hong Kong Investor Relations Association. In the Hong Kong SAR category of *FinanceAsia's* "Asia's Best Companies 2026" poll, the Group clinched the bronze award for "Best Managed Company" in energy sector, the bronze award for "Best CEO" and the silver award for "Female Leader". Additionally, the Group achieved outstanding results in the "2026 Asia (excluding Japan, Australia and New Zealand) Executive Team" rankings published by the internationally renowned financial magazine *Extel* (formerly known as *Institutional Investor*). The Group was recognised as a "Most Honoured Company" and placed among the top tier within the utilities and alternative energy sector, capturing prestigious individual and programme honours including "Best CEO", "Best CFO", "Best ESG Program", "Best Investor Relations Team" and "Best IR Professional". These honours fully attest to the Group's outstanding performance in investor relations and in environmental, social and governance aspects, and to the high recognition it enjoys in the capital markets.

Human Resources

The Group had over 32,439 employees as at 30 June 2026 (30 June 2025: 35,111) based mainly in mainland China. The Group determines remuneration based on individual performance, job nature and responsibilities involved. The Group provides on-the-job training as well as optimal benefits packages for the employees, including medical welfare, retirement plans, year-end bonuses and other incentives. The Group has established share-based compensation schemes designed to motivate and reward selected employees achieve the Group's business performance targets. The Group has no material change on the above employee compensation arrangement and remuneration during the period. The Group also encourages employees to work and rest in an orderly manner, and adopt a work-life balance.

Outlook

In the second half of 2026, amid an uncertain external environment, China will implement proactive fiscal policies and moderately ample monetary policies while stepping up counter-cyclical adjustments. The nation will intensify efforts to expand domestic demand and optimise supply, thereby promoting sustained, high quality economic development and laying a solid foundation for the "15th Five-Year Plan". Supported by these policies, consumer market vitality is steadily rebounding, the green and low-carbon energy transition continues to accelerate, and artificial intelligence is increasingly empowering the real economy, unlocking opportunities for business transformation and upgrading.

In response to evolving customer needs, the Group will continue to enhance its capabilities and drive the intelligent upgrade of its business models, ensuring sustained and healthy development. In the natural gas business, the Group will apply intelligence to coordinate demand, resources and facilities, pursue scale-driven profitability, continue to expand its customer base, optimise its resource structure and enhance operational capabilities, thereby consolidating the foundation of the natural gas business. Centred on electricity, the integrated energy business will aggregate customer loads, cultivate smart capabilities, and scale up its electricity business. This approach will fully unlock the value of both customers and assets, leveraging scale-driven development to drive the overall optimisation of business structure. Based on the demand side, the smart home business is fully committed to building a household consumption intelligence platform centred on customer demand analysis. By leveraging smart household consumption to guide precise corporate production, the Group effectively instils sovereignty and promotes sustainable development.

DIVIDEND

2026 Interim Dividend and Closure of Register of Members

The Board announces the payment of an interim dividend of HK$0.68 (equivalent to approximately RMB0.59) per share (30 June 2025: HK$0.65 (equivalent to approximately RMB0.59) per share). The interim dividend will be payable to shareholders of the Company whose names appear on the register of members on Tuesday, 3 November 2026 (the "Record Date"). Representing a payout ratio of approximately 21% of the Group's core profits for the period, the dividend is expected to be paid to the shareholders on or before Friday, 27 November 2026.

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, 3 November 2026 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, 2 November 2026.

b. Withholding and Payment of Enterprise Income Tax for Non-Resident Enterprises in respect of the 2026 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 Enterprise Income Tax Law of the People's Republic of China (the "EIT Law") and its Detailed Rules for the Implementation, the Hebei Provincial Tax Service of the State Administration of Taxation of the People's Republic of China ("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 2026 interim dividend to non-resident enterprise shareholders, it shall withhold and pay 10% 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 2026 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 2026 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, 2 November 2026. 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 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. 27 November 2026), 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.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company is committed to high-quality corporate governance practices, while the Board and the management of the Company have been continuously reviewing and enhancing the corporate governance practices with reference to local and international standards. Since its listing on the Stock Exchange, the Company has adopted the Code of Corporate Governance (the "CG Code") as contained in the relevant appendix to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as its main guidelines for corporate governance practices. The Company also continues to monitor developments in the area of corporate governance from external sources to ensure the suitability and robustness of its corporate governance framework in light of the rapidly changing business environment and to meet the expectations of stakeholders. The Company values shareholders' opinion, the Chairman of the Board (the "Chairman") and chairpersons of the Board committees also attended the Company's Annual General Meeting (the "AGM") held on 27 May 2026 to answer the questions raised by shareholders.

To the knowledge of the Board, the Company has complied with the Code Provisions set out in the CG Code as contained in Appendix C1 to the Listing Rules during the six months ended 30 June 2026.

Environmental, Social and Governance Responsibilities

The Group has always adopted a proactive approach to Environmental, Social and Governance ("ESG") responsibilities, and it has established an ESG Committee in 2019 which is currently comprising six directors to regularly review, formulate and update the Group's ESG policies and practices so as to achieve the Company's long-term ESG goals. The Company is committed to improving the management of ESG, actively responding to the topics concerned by the capital market, and constantly integrating ESG culture and strategies into its daily operation. During the period, Morgan Stanley Capital International (MSCI), a prestige ESG rating agency, continued to maintain the Company's ESG rating at AAA grade. In addition, the Group also formulated a policy in 2021 stating that unless there is a special reason or the low attendance rate is due to a small number of meetings, the attendance rate of the directors in the Board meetings and committee meetings of the Company should not be less than 75%, which is to ensure that the directors devote sufficient time to the Company's affairs. For the six months ended 30 June 2026, the attendance rate of each director of the Company met the requirements of the policy.

Audit Committee

The Company had established an Audit Committee in accordance with requirements under the Listing Rules, to review together with the management of the Company the accounting principles and practices adopted by the Group and to discuss auditing, internal control, risk management and financial reporting matters. The Audit Committee also maintains an appropriate relationship with the Company's independent auditor and provides advice and comments to the Board.

Deloitte Touche Tohmatsu, the Company's independent auditor, has carried out a review of the unaudited interim financial report of the Group for the six months ended 30 June 2026 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. The Company's Audit Committee meeting was held on 26 August 2026 to review the Group's unaudited interim results and interim financial report for the six months ended 30 June 2026.

The re-appointment of Deloitte Touche Tohmatsu as the Company's independent auditor for the financial year ending 31 December 2026 was approved by shareholders at the AGM.

Board of Directors

As at 30 June 2026, the composition of the Board is set out below:

Executive Directors	Non-executive Director	Independent Non-executive Directors
Mr. Wang Yusuo (Chairman)	Mr. Wang Zizheng	Mr. Ma Zhixiang
Mr. Zhang Yuying (Chief Executive Officer)		Mr. Yuen Po Kwong
Mr. Gong Luojian (President)		Mr. Law Yee Kwan, Quinn
Mr. Wang Dongzhi (Chief Financial Officer)		Ms. Wong Lai, Sarah
Ms. Zhang Jin		
Ms. Su Li		

The directors of the Company subject to re-election at the 2026 AGM, namely Mr. Zhang Yuying, Mr. Wang Zizheng, Mr. Law Yee Kwan, Quinn and Ms. Wong Lai, Sarah all had majority votes for their re-election as directors in the AGM.

Changes in Information of Directors

No changes in information of the directors of the Company that is required to be disclosed under Rule 13.51B(1) of the Listing Rules since the date of the Company's 2025 Annual Report.

Compliance with the Model Code

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") set out in Appendix C3 to the Listing Rules as the code of conduct for securities transactions by the directors of the Company. In response to a specific enquiry by the Company, all directors of the Company confirmed that they have complied with the required standards set out in the Model Code and its code of conduct during the six months ended 30 June 2026.

Senior management and staff who, because of their office in the Company, are likely to be in possession of inside information (which term shall bear the same meaning as in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO")) of the Company, have also been requested to comply with the provisions of the Model Code.

* For identification purpose only

Disclosure of the Directors' Interests

Directors' interests and short positions in shares, underlying shares and debentures

As at 30 June 2026, the interests and short positions of each director and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of Part XV of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as contained in Appendix C3 to the Listing Rules, were as follows:

(a) The shares of the Company

Name of Director	Capacity	Personal interests	Corporate interests	Interests in share options	Interest in Awarded Shares (Note 2)	Total interests	Approximate percentage of the Company's total issued share capital
Wang Yusuo ("Mr. Wang")	Interest of controlled corporation	–	393,106,634 (Note 1)	–	–	393,106,634	34.73%
Zhang Yuying	Beneficial owner	10,000	–	–	80,000	90,000	0.01%
Wang Dongzhi	Beneficial owner	25,800	–	–	–	25,800	0.00%
Su Li	Beneficial owner	6,000	–	–	–	6,000	0.00%
Ma Zhixiang	Beneficial owner	–	–	60,000	–	60,000	0.01%
Yuen Po Kwong	Beneficial owner	–	–	60,000	–	60,000	0.01%
Law Yee Kwan, Quinn	Beneficial owner	–	–	44,000	–	44,000	0.00%

Notes:

1. Such shares are beneficially owned by Mr. Wang and Ms. Zhao Baoju ("Ms. Zhao"), the spouse of Mr. Wang through their controlled corporations, including ENN Yingchuang Technology Co., Ltd. ("EYCT"), Langfang City Natural Gas Company Limited ("LCNG"), ENN Capital Management Co., Ltd. ("ECM"), ENN Investment Holdings Company Limited ("EIH"), ENN Group International Investment Limited ("EGII"), ENN Natural Gas Co., Ltd. ("ENN-NG") and Xinneng (Hong Kong) Energy Investment Limited ("Xinneng HK").

2. Awarded Shares refer to shares of the Company granted under Share Award Scheme adopted by the Company on 30 November 2018.

3. As at 30 June 2026, the Company had 1,131,839,264 shares in issue.

Details of the directors' interests in share options and Awarded Shares granted by the Company are set out under the heading "Share-based Compensation Scheme" in this report.

Disclosure of the Directors' Interests *(continued)*

Directors' interests and short positions in shares, underlying shares and debentures *(continued)*

(b) The shares of the associated corporation

Company Name	Name of Director	Capacity	Number of shares	Subscribed share capital RMB	Percentage of share capital
EYCT*	Mr. Wang	Beneficial owner (Note 1)	–	50 million	100%
LCNG*	Mr. Wang	Beneficial owner and interest of controlled corporation (Note 1)	–	123 million	100%
ECM*	Mr. Wang	Interest of controlled corporation	–	1,200 million	100%
EIH*	Mr. Wang	Beneficial owner and interest of controlled corporation (Note 1)	8,000,000,000	–	100%
EGII	Mr. Wang	Interest of controlled corporation	1,000	–	100%
ENN-NG	Mr. Wang	Beneficial owner and interest of controlled corporation	2,243,499,808	–	72.47%
Xinneng HK	Mr. Wang	Interest of controlled corporation	2,132,377,984	–	72.47%
Beijing Xinyi Aite Culture and Technology Company Limited*	Mr. Wang	Beneficial owner and interest of controlled corporation	–	800 million	80%
Xinyi Theater (Langfang) Culture Development Company Limited*	Mr. Wang	Beneficial owner and interest of controlled corporation	–	10 million	100%
ENN Group Co., Ltd.*	Mr. Wang	Beneficial owner and interest of controlled corporation	7,476,603,935	–	99.69%
Yicheng Yijia Internet Technology Company Limited*	Wang Zizheng	Beneficiary of a trust	–	6.93 million	1%

* For identification purpose only

Disclosure of the Directors' Interests *(continued)*

Directors' interests and short positions in shares, underlying shares and debentures *(continued)*

(b) The shares of the associated corporation (continued)

Company Name	Name of Director	Capacity	Number of shares	Subscribed share capital RMB	Percentage of share capital
Xin'ao Data IT Company Limited*	Wang Zizheng	Beneficial owner and interest of controlled corporation	–	500 million	8%
ENN-NG	Zhang Yuying	Beneficial owner (Note 2)	1,750,000	–	0.06%
ENN-NG	Gong Luojian	Beneficial owner (Note 2)	897,500	–	0.03%
ENN-NG	Wang Dongzhi	Beneficial owner (Note 2)	300,000	–	0.01%
ENN-NG	Zhang Jin	Beneficial owner (Note 2)	682,500	–	0.02%
ENN-NG	Su Li	Beneficial owner (Note 2)	1,145,000	–	0.04%

Notes:

1. Such shares are beneficially owned by Mr. Wang and Ms. Zhao.

2. Such interests refer to the restricted shares of ENN-NG granted and to be issued to them pursuant to the restricted share award scheme adopted by the company on (1) 26 March 2021; and (2) 18 February 2025. These restricted shares are subject to the restrictions on sale of the scheme and shall be lifted in batches according to the relevant terms after meeting the conditions for lifting the restrictions. Details of the scheme are set out in the announcements of ENN-NG (stock code: 600803.SH) dated (1) 21 January 2021, 9 February 2021 and 26 March 2021; and (2) 22 January 2025, 6 February 2025, 18 February 2025 and 18 October 2025, respectively.

(c) The debenture of the Company

Name of the Debenture	Name of Director	Capacity	Capital USD
2.625% Green Senior Notes Due 2030 (Stock Code: 40383)	Mr. Wang	Interest of controlled corporation (Note)	30,024,000

Note: Such debentures are beneficially owned by Mr. Wang, through his controlled corporations, including EYCT, LCNG, ECM, EIH, EGII, ENN-NG and Xinneng HK.

* For identification purpose only

Disclosure of the Directors' Interests *(continued)*

Directors' interests and short positions in shares, underlying shares and debentures *(continued)*

(c) The debenture of the Company (continued)

Save as disclosed above, as at 30 June 2026, there were no other interests or short positions of the directors and chief executives in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) in the register maintained by the Company pursuant to section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as contained in Appendix C3 to the Listing Rules.

Share-based Compensation Scheme

The Company operates share option schemes ("Share Option Schemes") and share award scheme ("Share Award Scheme") for the purpose of attracting, retaining and incentivising core employees. The eligible persons for the schemes are employees (including directors) and business consultants who contributed to the success of the Group. The Company has also formulated Shares and Options Management Regulations as the Company's management guidelines for granting share options and Awarded Shares. The purpose of this management regulations refers to the implementation of the Company's concept of value sharing, co-creation and sharing, aligning the interests of selected persons and shareholders, focusing on the Company's medium and long-term business, and promoting the long-term sustainable development of the group. The Board may, depending on the circumstances, impose any conditions, restrictions or limitations it may at its absolute discretion think fit when making an offer. With regard to the Share Option Schemes, grantees have a period of 28 days from the proposed grant date to accept the share options. Upon acceptance, grantees are required to pay HK$1 to the Company. Grantees who intend to accept the Awarded Shares from the Company submit the acceptance form within 5 business days from the proposed grant date.

The number of share options granted to employees (including directors) and business consultants under the Share Option Schemes depends on their roles. Three to four years as a cycle, and the granted share options would be vested equally in three or four years. If the roles of the employees (including directors) and business consultants granted during the cycle are adjusted or their evaluation results exceed expectations or there are newly selected participants, the Company may grant them Awarded Shares as a supplement, the vesting conditions and mechanisms will be consistent with the Share Option Schemes. The Chairman and non-executive directors of the Company do not have performance targets, but they must be remained employed by the company by the time of vesting. Moreover, other directors and employees are subject to performance targets. The performance targets cover both financial indicators and non-financial indicators, among them, financial indicators mainly include sales revenue, net profit, and per capita profit, while non-financial indicators include sales volume, capacity building, industrial coordination, risk management and control. Those performance targets are formulated and allocated based on the Group's long-term development goals, annual guidance and prioritised works. The performance target is set at the beginning of each year and strictly appraised at the beginning of the following year. In case of failure to meet the performance targets, unless in the discretion of the Board, the share options would be lapsed.

The Company's Shares and Options Management Regulations has a return/withdrawal mechanism. The regulations state that if the grantee makes mistakes, errors, omissions, breaks rules or commits frauds during the performance of his duties, depending to the extent of loss brought to the Company and the seriousness, to decide whether to take action to return/withdraw current year's or unvested share options and/or Awarded Shares. In addition, the share options and/or Awarded Shares may be lapsed for other reasons such as resignation, dismissal and job re-designation.

Share-based Compensation Scheme *(continued)*

Share Option Scheme

2012 Scheme

The Company has adopted the "2012 Scheme" of the Share Option Scheme pursuant to an ordinary resolution passed at an AGM of the Company held on 26 June 2012. Pursuant to the 2012 Scheme, the Company granted 12,000,000 share options ("2012 Scheme – Batch 1") and 12,328,000 share options ("2012 Scheme – Batch 2") on 9 December 2015 and 28 March 2019 respectively to employees (including directors) and business consultants who contributed to the success of the Group.

The 2012 scheme was early terminated by passing an ordinary resolution at the AGM held on 18 May 2022. Thereunder, no further options will be granted under the 2012 Scheme. Accordingly, the number of share options that may be granted under the 2012 Scheme as at 1 January 2026 and 30 June 2026 was nil; however, the rules of the 2012 Scheme will remain in full force and effect to the extent necessary to give effect to the exercise of options granted prior to its termination or otherwise as may be required in accordance with the rules of the 2012 Scheme. Therefore, the termination of the 2012 Scheme will not in any event affect the terms of the grant of such outstanding options that has already been granted under the 2012 Scheme and the below outstanding options granted under the 2012 Scheme shall continue to be subject to the provisions of the 2012 Scheme.

The following table discloses details of the Company's share options held by the employees (including directors), business consultants and other eligible participants and their movement in such holdings under the 2012 Scheme during the period:

Scheme/Grantee	Date of grant	Exercise period (Note 1)	Exercise price (HK$)	Outstanding as at 1 January 2026	Exercised during the period (Note 5)	Lapsed during the period	Cancelled during the period	Outstanding as at 30 June 2026 (Note 4)
2012 Scheme – Batch 2								
Director(s)	28.3.2019	01.04.2021–27.03.2029	76.36	44,000	–	–	–	44,000
	28.3.2019	01.04.2022–27.03.2029	76.36	60,000	–	–	–	60,000
	28.3.2019	01.04.2023–27.03.2029	76.36	60,000	–	–	–	60,000
Other eligible participant(s)	28.3.2019	01.04.2020–27.03.2029	76.36	15,000	–	–	–	15,000
(Note 3)	28.3.2019	01.04.2021–27.03.2029	76.36	15,000	–	–	–	15,000
	28.3.2019	01.04.2022–27.03.2029	76.36	15,000	–	–	–	15,000
	28.3.2019	01.04.2023–27.03.2029	76.36	15,000	–	–	–	15,000
Total				224,000	–	–	–	224,000

Share-based Compensation Scheme *(continued)*

Share Option Scheme *(continued)*

2012 Scheme (continued)

Notes:

1. The vesting period of the share options is from the date of the grant until the commencement of the exercise period.
2. "Period" refers to the period from 1 January 2026 to 30 June 2026.
3. As at 30 June 2026, the share options were held by a resigned former employee who also served as directors, such share options had their expiry date extended to 27 March 2029 at the Board's discretion.
4. As at 30 June 2026, a total number of 224,000 shares, representing 0.02% of the weighted average number of the Company's issued shares, are available for issue under the 2012 Scheme. Except the Chairman and the independent non-executive directors, the vesting of certain part of the share options is subject to the fulfilment of performance target.
5. During the period, no share options granted by the Company were exercised by the grantees.

Further details of the 2012 Scheme are set out in Note 23 to the condensed consolidated financial statements.

2022 Scheme

The Company has adopted the "2022 Scheme" of the Share Option Schemes pursuant to an ordinary resolution passed at an AGM of the Company held on 18 May 2022. The 2022 Scheme will remain in force for 10 years. As at 30 June 2026, the remaining life of the 2022 Scheme is approximately 5.8 years. The Company may grant up to 56,507,503 share options, representing 5% of the number of shares of the Company, in issue as at the date the 2022 Scheme was approved. The maximum entitlement of share options each participant under 2022 Scheme, within any 12-month period up to and including the date of grant, would result in the aggregated number of Shares issued and to be issued upon exercise of the share options already granted and to be granted to such participant not exceeding 1% or 0.1% (depending on the participant) of the Shares in issue for the time being. Otherwise, any further grant of share options must be approved by the Shareholders in general meeting. Since the date of adoption of the 2022 Scheme and up to the date of this report, no share options have been granted by the Company under the 2022 Scheme. As at 1 January 2026 and 30 June 2026, the number of share options could be granted by the Company under the 2022 Scheme was 56,507,503, representing approximately 5% of the total issued shares of the Company as at the reporting date. No sublimit for service providers was set under the 2022 Scheme.

For further details of the 2022 Scheme, including a summary of the principal terms of the share option scheme, please refer to the circular issued by the Company on 6 April 2022.

Share-based Compensation Scheme *(continued)*

Directors' rights to acquire share

Pursuant to the above Share Option Scheme, the Company has granted rights to subscribe for the Company's ordinary shares in favour of certain directors of the Company. The interest of each director and chief executive in the share options of the Company as at 30 June 2026 were as follows:

Name of director	Date of grant	Exercise period (Note 1)	Exercise price (HK$)	Outstanding as at 1 January 2026	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding as at 30 June 2026
Ma Zhixiang	28.03.2019	01.04.2021–27.03.2029	76.36	20,000	–	–	–	20,000
	28.03.2019	01.04.2022–27.03.2029	76.36	20,000	–	–	–	20,000
	28.03.2019	01.04.2023–27.03.2029	76.36	20,000	–	–	–	20,000
Yuen Po Kwong	28.03.2019	01.04.2021–27.03.2029	76.36	20,000	–	–	–	20,000
	28.03.2019	01.04.2022–27.03.2029	76.36	20,000	–	–	–	20,000
	28.03.2019	01.04.2023–27.03.2029	76.36	20,000	–	–	–	20,000
Law Yee Kwan, Quinn	28.03.2019	01.04.2021–27.03.2029	76.36	4,000	–	–	–	4,000
	28.03.2019	01.04.2022–27.03.2029	76.36	20,000	–	–	–	20,000
	28.03.2019	01.04.2023–27.03.2029	76.36	20,000	–	–	–	20,000
Total				164,000	–	–	–	164,000

Notes:

1. The vesting period of the share options is from the date of grant until the commencement of the exercise period.
2. "Period" refers to the period from 1 January 2026 to 30 June 2026.
3. The vesting of share options is subject to the fulfilment of performance target.

Save as disclosed above, no share option was granted, vested, exercised, lapsed and/or cancelled, and no share option granted was in excess of 1% or 0.1% individual limit (depending on the participant) under the 2012 Scheme during the Period.

Share-based Compensation Scheme *(continued)*

Share Award Scheme

On 30 November 2018, the Company adopted the Share Award Scheme under which the shares of the Company may be granted to selected employees (including but not limited to, any executive directors and non-executive directors) of any members of the Group (the "Selected Employee(s)") pursuant to the terms of the Share Award Scheme and the trust deed of the Share Award Scheme. As discussed above, the Share Award Scheme is mainly used as a supplement to the Share Option Schemes. The Share Award Scheme became effective on the adoption date and, unless otherwise terminated or amended, will remain in force for 10 years from the date. As at 30 June 2026, the remaining life of the Share Award Scheme is approximately 2.3 years.

The aggregate number of Awarded Shares permitted to be granted under the Share Award Scheme is limited to 5% of the issued share capital of the Company from time to time. The maximum number of Awarded Share which may be awarded to each Selected Employee shall not in aggregate over 1% of the issued share capital of the Company from time to time.

When a Selected Employee has satisfied all vesting conditions, which might include service and/or performance conditions, specified by the Board at the time of making the award and become entitled to the shares of the Company forming the subject of the award, the trustee of the Company's Share Award Scheme (the "Trustee") shall transfer the relevant Awarded Shares to that employee at once.

As at 30 June 2026, there were 19,984,600 shares of the Company held in the trust under the Share Award Scheme, approximately 1.77% of the issued share capital of the Company. As at 30 June 2026, the Company has cumulatively granted notional gain of 928,600 Awarded Shares to certain outperformed employees under the scheme to reflect their changes in roles and commitment subsequent to the grant of share options to them under the 2012 Scheme. The Award Prices were also HK$76.36, and the vesting of the notional gains (if any) were subject to the fulfillment of their respective performance targets. These notional gains will not be converted to shares of the Company. As at 30 June 2026, notional gains of 259,000 Awarded Shares remain deferred and outstanding.

Share-based Compensation Scheme *(continued)*

Share Award Scheme *(continued)*

The following table discloses details of the Company's Awarded Shares held by the Selected Employees (including directors) and other eligible participants and their movement in such holdings during the period:

Grantee	Financial year to which the performance targets relate (Note 1)	Exercise Period (Note 3)	Award price (HK$) (Note 2)	Outstanding as at 1 January 2026	Granted during the period	Vested during the period (Note 4)	Lapsed during the period	Cancelled during the period	Outstanding as at 30 June 2026
Director(s)	2021	01.04.2022–27.03.2029	76.36	40,000	–	–	–	–	40,000
	2022	01.04.2023–27.03.2029	76.36	40,000	–	–	–	–	40,000
Employee(s)	2020	01.04.2021–27.03.2029	76.36	59,500	–	–	–	–	59,500
	2021	01.04.2022–27.03.2029	76.36	54,500	–	–	–	–	54,500
	2022	01.04.2023–27.03.2029	76.36	65,000	–	–	–	–	65,000
Total				259,000	–	–	–	–	259,000

Notes:

1. Such Awarded Shares were granted during the period from 2 September 2020 to 5 March 2021 to employees (including directors of the Company), which were intended to recognise the role changes and/or outstanding performance of existing grantees under the 2012 Scheme – Batch 2, as well as to include newly selected participants during that grant cycle. As Awarded Shares act as a supplement to Share Option Schemes, multiple grants may occur during the financial year, however the financial year to which the performance targets relate is consistent with respect to the Share Option Schemes.

2. The award price is the exercise price for the vesting of Awarded Shares by the Selected Employees, and it is consistent with the exercise price of share options granted under the 2012 Scheme – Batch 2.

3. Notional gains of the Awarded Shares can be vested to the grantees as early as on 1 April in the year following the financial year to which the respective performance conditions relate, or they can opt for deferral of vesting of the notional gains which should not be later than 27 March 2029. Hence, the vesting periods of these Awarded Shares are from the date of grant to the respective vesting dates.

4. Notional gains vested during the period were paid out of the funds in the designated account under the Share Award Scheme.

5. "Period" refers to the period from 1 January 2026 to 30 June 2026.

6. No Award Shares were cancelled, and no Awarded Shares were granted or vested by the Company under the Scheme during the period.

Share-based Compensation Scheme *(continued)*

Share Award Scheme *(continued)*

The interest of each director and chief executive in the Awarded Shares of the Company as at 30 June 2026 were as follows:

Grantee	Financial year to which the performance targets relate	Exercise period (Note 3)	Award price (HK$)	Outstanding as at 1 January 2026	Granted during the period	Vested during the period	Lapsed during the period	Cancelled during the period	Outstanding as at 30 June 2026
Zhang Yuying	2021	01.04.2022–27.03.2029	76.36	40,000	–	–	–	–	40,000
(Note 2)	2022	01.04.2023–27.03.2029	76.36	40,000	–	–	–	–	40,000
Total				80,000	–	–	–	–	80,000

Notes:

1. "Period" refers to the period from 1 January 2026 to 30 June 2026.
2. The vesting of Awarded Shares is subject to the fulfilment of performance targets.
3. The exercise period of their Awarded Shares is aligned with 2012 Scheme – Batch 2.

Save as disclosed above, at no time during the period was the Company or its subsidiaries a party to any arrangements to enable the directors or the chief executives or any of their spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in, underlying shares or debentures of, the Company or any other body corporate.

Since the adoption of the Share Award Scheme in 2018, the Company had not cancelled any awarded shares granted. Save as disclosed above, during the period, no Awarded Shares were lapsed and/or forfeited under the Share Award Scheme. Also, the Company had not granted any Award Shares in excess of 1% of the total number of issued shares.

Disclosure of the Substantial Shareholders' Interests

As at 30 June 2026, the interests and short positions of every person, other than directors of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of Part XV of the SFO were as follows:

Name of shareholder	Capacity	Corporate interests	Total aggregate interests in shares and underlying shares (Note 7)	Approximate percentage of the Company's total issued share capital
Mr. Wang	Interest of controlled corporation	393,106,634 (Notes 1, 2, 3, 4 & 5)	393,106,634 (L)	34.73%
Ms. Zhao	Interest of controlled corporation	393,106,634 (Notes 1, 2, 3, 4 & 5)	393,106,634 (L)	34.73%
EYCT*	Interest of controlled corporation	393,106,634 (Notes 1, 2, 3 & 4)	393,106,634 (L)	34.73%
LCNG*	Interest of controlled corporation	393,106,634 (Notes 1, 2 & 3)	393,106,634 (L)	34.73%
ECM*	Interest of controlled corporation	393,106,634 (Notes 1, 2 & 3)	393,106,634 (L)	34.73%
EIH*	Interest of controlled corporation	393,106,634 (Notes 1 & 2)	393,106,634 (L)	34.73%
EGII	Interest of controlled corporation	393,106,634 (Note 1)	393,106,634 (L)	34.73%
ENN-NG	Interest of controlled corporation	393,106,634 (Note 1)	393,106,634 (L)	34.73%
Xinneng HK	Beneficial owner	393,106,634 (Note 1)	393,106,634 (L)	34.73%
BlackRock, Inc.	Interest of controlled corporation	133,784,291	133,784,291(L) (including 27,600(S)) (Note 6)	11.82%
Wellington Management Group LLP	Investment manager	68,154,536	68,154,536(L) (Note 7)	6.02%

* For identification purpose only

Disclosure of the Substantial Shareholders' Interests *(continued)*

Notes:

1. EGII holds 44.27% interests in ENN-NG. Therefore, EGII holds 34.73% of the shares of the Company through Xinneng HK, a wholly-owned subsidiary of ENN-NG. EGII is beneficially owned as to 50% by Mr. Wang and 50% by Ms. Zhao, the spouse of Mr. Wang.
2. On 30 November 2018, Mr. Wang and Ms. Zhao entered into an equity entrustment agreement with EIH, pursuant to which each of Mr. Wang and Ms. Zhao entrusts EIH to manage their respective shareholding of 50% in EGII till 31 December 2040. Pursuant to the agreement, EGII is controlled by EIH. Accordingly, EIH is deemed to be interested in the shares in which EGII is interested in (1) above. In addition, EIH directly and indirectly holds 14.98% interests of ENN-NG.
3. EIH is 100% owned by Mr. Wang, Ms. Zhao and ECM in total, and ECM is a wholly-owned subsidiary of LCNG, LCNG hence is deemed to be interested in the shares in which EIH is interested in (1) and (2) above. In addition, ECM and LCNG indirectly hold 3.18% and 9.98% interests in ENN-NG respectively.
4. LCNG is 100% owned by Mr. Wang, Ms. Zhao and EYCT (beneficially owned as to 50% by Mr. Wang and 50% by Ms. Zhao) in total, hence they are deemed to be interested in the shares in which LCNG is interested in (1), (2) and (3) above.
5. As Mr. Wang's spouse, Ms. Zhao is deemed as holding Mr. Wang's interests in shares.
6. It included an aggregate interest in 21,222,200 underlying shares among which 21,194,600 shares (L) and 27,600 shares (S) are cash settled unlisted derivatives.
7. It included an aggregate interest in 134,752 underlying shares and such shares (L) are physically settled unlisted derivatives.
8. (L) represents Long Position; (S) represents Short Position; (P) represents Lending Pool.
9. As at 30 June 2026, the Company had 1,131,839,264 shares in issue.

Save for the shareholders as disclosed herein, the directors are not aware of any persons who, as at 30 June 2026, were entitled to exercise or control the exercise of 5% or more of the voting power at general meetings of the Company and were also, as a practicable matter, able to direct or influence the management of the Company.

Save as disclosed above, as at 30 June 2026 the Company had not been notified of any other person who had interest or short position in the shares or underlying shares of the Company, which are required to be recorded in the register maintained by the Company pursuant to Section 336 of Part XV of the SFO and the Listing Rules.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2026. As at 30 June 2026, the trustee responsible for administering the Company's share award scheme held 19,984,600 awarded shares of the Company, which represented approximately 1.77% of the issued share capital of the Company.

Public Float

Based on the information that is publicly available to the Company and within the knowledge of the directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

Loan Agreements Imposing Specific Performance Obligations on Controlling Shareholders

The Company issued 10-year Green Senior Notes on 17 September 2020 and 5-year Green Senior Notes on 17 May 2022 (collectively, the "Green Senior Notes") with principal amounts of USD750 million (equivalent to RMB5,137 million) and USD550 million (equivalent to RMB3,612 million) respectively. The terms and conditions of the Green Senior Notes require Mr. Wang, Ms. Zhao and any affiliate of any of them, controlling shareholders of the Company, collectively to retain their interests in the Company of at least 20% of the total issued share capital of the Company throughout the terms of the relevant notes. As at 30 June 2026, the outstanding principal amount of the Green Senior Notes are USD489 million (equivalent to RMB3,330 million) and USD550 million (equivalent to RMB3,746 million) respectively.

By order of the Board
Chairman
WANG Yusuo

Hong Kong, 28 August 2026

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF ENN ENERGY HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the condensed consolidated financial statements of ENN Energy Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 33 to 70, which comprise the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong

28 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 RMB million (unaudited)	2025 RMB million (unaudited)
Revenue	3	**57,021**	55,673
Cost of sales		**(50,366)**	(49,216)
Gross profit		**6,655**	6,457
Other income	4	**263**	343
Other gains and losses	5	**(399)**	(577)
Distribution and selling expenses		**(674)**	(683)
Administrative expenses		**(1,975)**	(1,938)
Share of results of associates		**251**	210
Share of results of joint ventures		**203**	260
Finance costs	6	**(247)**	(287)
Profit before tax	7	**4,077**	3,785
Income tax expense	8	**(968)**	(893)
Profit for the period		**3,109**	2,892
Other comprehensive income			
Items that will not be reclassified subsequently 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")		**(1)**	(3)
Income tax relating to items that will not be reclassified subsequently to profit or loss		**12**	1
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(35)**	1
Fair value change of derivative financial instruments under hedge accounting		**(105)**	(125)
Income tax relating to items that may be reclassified subsequently to profit or loss		**(1)**	5
Other comprehensive expense for the period		**(130)**	(120)
Total comprehensive income for the period		**2,979**	2,772
Profit for the period attributable to:			
Owners of the Company		**2,667**	2,429
Non-controlling interests		**442**	463
		3,109	2,892
Total comprehensive income for the period attributable to:			
Owners of the Company		**2,537**	2,309
Non-controlling interests		**442**	463
		2,979	2,772

		RMB	RMB
Earnings per share	10		
Basic		**2.40**	2.19
Diluted		**2.40**	2.19

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	**At 30 June 2026 RMB million (unaudited)**	At 31 December 2025 RMB million
Non-current Assets			
Property, plant and equipment	11	**55,893**	55,722
Right-of-use assets	11	**2,392**	2,488
Investment properties		**245**	231
Goodwill		**2,486**	2,486
Intangible assets	11	**4,063**	4,320
Interests in associates		**5,412**	5,261
Interests in joint ventures		**5,671**	5,490
Other receivables	14	**17**	16
Derivative financial instruments	12	**15**	4
Amounts due from joint ventures	17	**143**	137
Financial assets at fair value through profit or loss ("FVTPL")	13	**3,761**	3,908
Equity instruments at FVTOCI		**151**	232
Deferred tax assets		**1,609**	1,607
Other non-current assets		**1,090**	901
Restricted bank deposits	15	**585**	582
		83,533	83,385
Current Assets			
Inventories		**898**	1,590
Trade and other receivables	14	**9,089**	9,040
Contract assets		**895**	912
Derivative financial instruments	12	**291**	38
Amounts due from associates	16	**544**	599
Amounts due from joint ventures	17	**1,302**	1,268
Amounts due from related companies	18	**365**	620
Financial assets at FVTPL	13	**84**	–
Restricted bank deposits	15	**200**	442
Cash and cash equivalents		**8,554**	8,064
		22,222	22,573
Assets classified as held for sale		**–**	60
		22,222	22,633

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	**At 30 June 2026 RMB million (unaudited)**	At 31 December 2025 RMB million
Current Liabilities			
Trade and other payables	19	**7,683**	8,576
Contract liabilities		**10,937**	12,695
Deferred income		**57**	88
Amounts due to associates	16	**1,009**	974
Amounts due to joint ventures	17	**1,541**	1,442
Amounts due to related companies	18	**1,457**	1,642
Taxation payables		**851**	1,007
Dividend payable	9	**2,277**	–
Lease liabilities		**110**	109
Derivative financial instruments	12	**649**	224
Bank and other loans	20	**9,461**	8,785
Senior notes	21	**3,740**	–
Share-based payment liabilities	23	**–**	3
Financial guarantee liabilities	27	**25**	27
		39,797	35,572
Net Current Liabilities		**(17,575)**	(12,939)
Total Assets less Current Liabilities		**65,958**	70,446
Capital and Reserves			
Share capital	22	**117**	117
Reserves		**47,980**	47,708
Equity attributable to owners of the Company		**48,097**	47,825
Non-controlling interests		**6,312**	6,250
Total Equity		**54,409**	54,075
Non-current Liabilities			
Contract liabilities		**2,174**	2,267
Deferred income		**821**	933
Lease liabilities		**463**	488
Bank and other loans	20	**2,435**	3,089
Senior Notes	21	**3,308**	7,267
Derivative financial instruments	12	**185**	72
Deferred tax liabilities		**2,163**	2,255
		11,549	16,371
		65,958	70,446

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

Six months ended 30 June 2026 (unaudited)

	Equity attributable to owners of the Company													
	Share capital RMB million (Note 22)	Shares held under Share Award Scheme RMB million (Note 23)	Share premium RMB million	Special reserve RMB million (note a)	Revaluation reserve RMB million	Share options reserve RMB million	Exchange reserve RMB million	Hedging reserve RMB million (Note 24)	Surplus reserve fund RMB million (note b)	Designated safety fund RMB million (note c)	Retained earnings RMB million	Total RMB million	Non-controlling interests RMB million	Total equity RMB million
At 1 January 2026	117	(1,062)	161	(121)	75	4	188	(102)	6,288	92	42,185	47,825	6,250	54,075
Profit for the period	–	–	–	–	–	–	–	–	–	–	2,667	2,667	442	3,109
Other comprehensive expense for the period	–	–	–	–	11	–	(35)	(106)	–	–	–	(130)	–	(130)
Total comprehensive income for the period	–	–	–	–	11	–	(35)	(106)	–	–	2,667	2,537	442	2,979
Cumulative loss transferred to initial carrying amount of hedged items (note 24)	–	–	–	–	–	–	–	25	–	–	–	25	–	25
Disposal of a subsidiary	–	–	–	–	–	–	–	–	–	–	–	–	(3)	(3)
Deregistration of subsidiaries	–	–	–	–	–	–	–	–	–	–	–	–	7	7
Disposal of equity instruments at FVTOCI	–	–	–	–	(41)	–	–	–	–	–	41	–	–	–
Acquisition of additional interests in subsidiaries	–	–	–	(13)	–	–	–	–	–	–	–	(13)	10	(3)
Capital contribution from non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	–	15	15
Dividends appropriation (note 9)	–	–	–	–	–	–	–	–	–	–	(2,277)	(2,277)	–	(2,277)
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	–	(409)	(409)
Transfer to surplus reserve fund	–	–	–	–	–	–	–	–	187	–	(187)	–	–	–
At 30 June 2026	117	(1,062)	161	(134)	45	4	153	(183)	6,475	92	42,429	48,097	6,312	54,409

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

Six months ended 30 June 2025 (unaudited)

	Equity attributable to owners of the Company													
	Share capital RMB million (Note 22)	Shares held under Share Award Scheme RMB million (Note 23)	Share premium RMB million	Special reserve RMB million (note a)	Revaluation reserve RMB million	Share options reserve RMB million	Exchange reserve RMB million	Hedging reserve RMB million (Note 24)	Surplus reserve fund RMB million (note b)	Designated safety fund RMB million (note c)	Retained earnings RMB million	Total RMB million	Non-controlling interests RMB million	Total equity RMB million
At 1 January 2025	117	(1,062)	–	(115)	69	142	208	22	5,748	90	39,882	45,101	5,975	51,076
Profit for the period	–	–	–	–	–	–	–	–	–	–	2,429	2,429	463	2,892
Other comprehensive expense for the period	–	–	–	–	(1)	–	1	(120)	–	–	–	(120)	–	(120)
Total comprehensive income for the period	–	–	–	–	(1)	–	1	(120)	–	–	2,429	2,309	463	2,772
Cumulative gain transferred to initial carrying amount of hedged items (note 24)	–	–	–	–	–	–	–	(33)	–	–	–	(33)	–	(33)
Issue of ordinary shares on exercise of share options (note 23)	–	–	1	–	–	–	–	–	–	–	–	1	–	1
Acquisition of additional interests in subsidiaries	–	–	–	–	–	–	–	–	–	–	–	–	(2)	(2)
Capital contribution from non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	–	11	11
Dividends appropriation (note 9)	–	–	–	–	–	–	–	–	–	–	(2,399)	(2,399)	–	(2,399)
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	–	(390)	(390)
Transfer to designated safety fund	–	–	–	–	–	–	–	–	–	3	(3)	–	–	–
Transfer to surplus reserve fund	–	–	–	–	–	–	–	–	371	–	(371)	–	–	–
At 30 June 2025	117	(1,062)	1	(115)	68	142	209	(131)	6,119	93	39,538	44,979	6,057	51,036

Notes:

a. The balance represents the difference between the fair values of consideration paid and the carrying values of net assets attributable to the additional interests of subsidiaries acquired or disposal of with no change in control.

b. In accordance with the People's Republic of China ("PRC") regulations, the surplus reserve fund retained by subsidiaries in the PRC is non-distributable.

c. Pursuant to relevant PRC regulations, the Group is required to transfer 1.5% on revenue generated from construction and installation, transportation of gas or other dangerous chemical into a designated fund. The fund will be used for installation and repair and maintenance of safety facilities. The movement during the period represents the difference between the amount provided based on the relevant PRC regulations and the amount utilised during the period.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB million	RMB million
	(unaudited)	(unaudited)
Net cash generated from operating activities	**3,078**	2,645
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment and other non-current assets	**(2,454)**	(3,132)
Acquisition of intangible assets	**(46)**	(144)
Disposal of property, plant and equipment and right-of-use assets	**244**	91
Disposal of assets classified as held for sale	**41**	–
Investments in wealth management products	**(5,352)**	(5,907)
Redemptions of wealth management products	**5,275**	5,907
Additions of restricted bank deposits	**(131)**	(193)
Release of restricted bank deposits	**370**	220
Net cash outflow on acquisition of businesses	**(10)**	(47)
Net cash inflow on disposal of businesses	**–**	2
Investments in associates	**–**	(20)
Investments in joint ventures	**(1)**	(20)
Interest received	**46**	49
Gross cash outflow from derivative financial instruments	**(233)**	(52)
Gross cash inflow from derivative financial instruments	**340**	277
Proceeds from disposal of equity instruments of FVTOCI	**80**	–
Dividends received from associates	**39**	39
Dividends received from joint ventures	**144**	84
Advances to joint ventures	**(209)**	(73)
Amounts repaid by joint ventures	**165**	8
Advances to associates	**(63)**	(4)
Amounts repaid by associates	**92**	14
Advances to third parties	**(777)**	(1,624)
Amounts repaid by third parties	**817**	1,922
Advances to related parties	**(7)**	(15)
Amounts repaid by related parties	**54**	4
Other investing activities	**(6)**	6
Net cash used in investing activities	**(1,582)**	(2,608)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB million	RMB million
	(unaudited)	(unaudited)
FINANCING ACTIVITIES		
New bank loans raised	**5,241**	5,050
Repayment of bank loans	**(5,219)**	(5,818)
Advances from banks and other financial institutions	**–**	800
Amounts repaid to banks and other financial institutions	**–**	(800)
Net proceeds from ordinary shares issued on exercise of share options	**–**	1
Payment of lease liabilities	**(62)**	(107)
Dividends paid to non-controlling shareholders	**(454)**	(390)
Capital contribution from non-controlling shareholders	**9**	11
Cash outflow on acquisition of additional interest in subsidiaries	**(2)**	(2)
Interest paid	**(305)**	(296)
Advances from joint ventures	**9**	90
Amounts repaid to joint ventures	**(71)**	(14)
Advances from associates	**100**	96
Amounts repaid to associates	**(21)**	(44)
Advances from related companies	**7**	44
Amounts repaid to related companies	**(206)**	(8)
Net cash used in financing activities	**(974)**	(1,387)
Net increase (decrease) in cash and cash equivalents	**522**	(1,350)
Effect of foreign exchange rate changes	**(32)**	(4)
Cash and cash equivalents at beginning of the period	**8,064**	7,693
Cash and cash equivalents at end of the period	**8,554**	6,339

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. Basis of Preparation

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

In preparing the condensed consolidated financial statements for the six months ended 30 June 2026, the directors of the Company (the "Directors") have given careful consideration of the Group's net current liabilities of approximately RMB17,575 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 operation in the foreseeable future. Accordingly, the condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared on a going concern basis.

2. 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 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standards

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 Group's annual periods beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

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.

3. Segment Information

Information reported to the chief operating decision maker (the "CODM") of the Company, for the purposes of resource allocation and performance assessment among segments focuses specifically on different type of goods and services.

Segment profit (loss) represents the profit (loss) earned by each segment without allocation of administrative expenses, distribution and selling expenses, share of results of associates and joint ventures, other income, other gains and losses and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

Disaggregation of revenue from contracts with customers

	Six months ended 30 June 2026			Six months ended 30 June 2025		
	Sales of goods RMB million (unaudited)	**Provision of services RMB million (unaudited)**	**Total RMB million (unaudited)**	Sales of goods RMB million (unaudited)	Provision of services RMB million (unaudited)	Total RMB million (unaudited)
Types of goods or services						
Retail gas sales business	**31,320**	**–**	**31,320**	30,432	–	30,432
Integrated energy business	**6,051**	**261**	**6,312**	6,579	329	6,908
Wholesale of gas	**16,313**	**–**	**16,313**	14,467	–	14,467
Construction and installation	**–**	**1,253**	**1,253**	–	1,710	1,710
Smart home business	**991**	**832**	**1,823**	1,202	954	2,156
Total	**54,675**	**2,346**	**57,021**	52,680	2,993	55,673

CODM makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

3. Segment Information *(continued)*

The following is an analysis of the Group's revenue and results by reportable segments which are also the operating segments for the periods under review:

Six months ended 30 June 2026

	Retail gas sales business RMB million (unaudited)	Integrated energy business RMB million (unaudited)	Wholesale of gas RMB million (unaudited)	Construction and installation RMB million (unaudited)	Smart home business RMB million (unaudited)	Total RMB million (unaudited)
Segment revenue	**34,786**	**6,347**	**24,612**	**1,632**	**3,338**	**70,715**
Inter-segment sales	**(3,466)**	**(35)**	**(8,299)**	**(379)**	**(1,515)**	**(13,694)**
Revenue from external customers	**31,320**	**6,312**	**16,313**	**1,253**	**1,823**	**57,021**
Segment profit before depreciation and amortisation	**4,374**	**1,247**	**459**	**841**	**1,277**	**8,198**
Depreciation and amortisation	**(959)**	**(299)**	**(1)**	**(282)**	**(2)**	**(1,543)**
Segment/gross profit	**3,415**	**948**	**458**	**559**	**1,275**	**6,655**

Six months ended 30 June 2025

	Retail gas sales business RMB million (unaudited)	Integrated energy business RMB million (unaudited)	Wholesale of gas RMB million (unaudited)	Construction and installation RMB million (unaudited)	Smart home business RMB million (unaudited)	Total RMB million (unaudited)
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

The following is an analysis of the Group's revenue and results by location:

	Six months ended 30 June			
	Mainland China		**Overseas**	
	2026 RMB million (unaudited)	2025 RMB million (unaudited)	**2026 RMB million (unaudited)**	2025 RMB million (unaudited)
Revenue	**55,967**	55,554	**1,054**	119
Segment/gross profit	**6,323**	6,446	**332**	11

Substantially all of the Group's revenue and segment profit are from the Mainland China. During the six months ended 30 June 2026, the revenues and gross profits generated from overseas in the wholesale gas sales segment were RMB929 million (six months ended 30 June 2025: nil) and RMB327 million (six months ended 30 June 2025: nil), respectively.

4. Other Income

	Six months ended 30 June	
	2026	2025
	RMB million	RMB million
	(unaudited)	(unaudited)
Other income mainly includes:		
Incentive subsidies (note)	**104**	141
Dividends income from financial assets at FVTPL	**69**	84
Interest income on bank deposits	**21**	18
Interest income on loan receivables	**25**	31
Rental income from equipment	**26**	24
Rental income from investment properties	**6**	7

Note: The amount mainly represents refunds of various taxes as incentives and other incentives related to the Group's operation by the government authorities in various cities of the PRC.

5. Other Gains and Losses

	Six months ended 30 June	
	2026	2025
	RMB million	RMB million
	(unaudited)	(unaudited)
Net fair value (loss) gain of:		
– Derivative financial instruments (Note 12)	**(25)**	201
– Financial assets at FVTPL (Note 13)	**(140)**	(281)
– Investment properties	**–**	(3)
Gain (loss) on foreign exchange, net (note)	**153**	(23)
Impairment loss under expected credit loss model, net of reversal:		
– Trade and other receivables	**(41)**	(229)
– Contract assets	**(22)**	(8)
– Amounts due from associates/joint ventures/related companies	**(23)**	(97)
Impairment loss recognised in respect of:		
– Property, plant and equipment	**(161)**	(108)
– Intangible assets	**(34)**	(18)
– Goodwill	**–**	(18)
Net (loss) gain on disposal of:		
– Property, plant and equipment	**(124)**	(52)
– Right-of-use assets	**8**	2
– Investments in a subsidiary	**(8)**	3
– Investments in associates	**–**	(2)
– Assets classified as held for sale	**16**	–
Net compensation income	**11**	44
Others	**(9)**	12
	(399)	(577)

Note: Included in the amount for the six months ended 30 June 2026 is an exchange gain of approximately RMB224 million (six months ended 30 June 2025: gain of RMB30 million) arising from the translation of senior notes denominated in United States Dollar ("USD").

6. Finance Costs

	Six months ended 30 June 2026 RMB million (unaudited)	2025 RMB million (unaudited)
Interest on:		
Bank and other loans	**147**	177
Senior notes	**151**	157
Lease liabilities	**12**	19
	310	353
Less: Amount capitalised under properties under construction	**(31)**	(44)
	279	309
Fair value gain on foreign currency derivatives designated as cash flow hedges for USD debts	**(32)**	(22)
	247	287

7. Profit Before Tax

	Six months ended 30 June 2026 RMB million (unaudited)	2025 RMB million (unaudited)
Profit before tax has been arrived at after charging:		
Depreciation and amortisation:		
– Property, plant and equipment	**1,512**	1,335
– Intangible assets	**268**	227
– Right-of-use assets	**96**	139
– Other non-current assets	**21**	–
Total depreciation and amortisation (note)	**1,897**	1,701

Note: The amount of total depreciation and amortisation included in cost of sales, administrative expenses, distribution and selling expenses are as follows:

	Six months ended 30 June 2026 RMB million (unaudited)	2025 RMB million (unaudited)
Depreciation and amortisation included in:		
Cost of sales	**1,543**	1,358
Administrative expenses	**262**	261
Distribution and selling expenses	**92**	82
	1,897	1,701

8. Income Tax Expense

	Six months ended 30 June	
	2026	2025
	RMB million	RMB million
	(unaudited)	(unaudited)
Current tax	**1,051**	1,004
Deferred tax	**(83)**	(111)
	968	893

As the major operating income of the Group are derived from 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 tax rate applicable for the PRC entities of the Group is 25%.

Certain PRC subsidiaries of the Company are qualified as "High and New Technology Enterprises", which are subject to PRC EIT 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 the subsidiaries are eligible to apply the tax concession again upon expiry of the three-year period.

Hong Kong and Singapore Profits Tax is calculated at 16.5% and 17% of the estimated assessable profit for both periods respectively.

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 has not made relevant disclosures of qualitative and quantitative information about the Group's exposure to the Pillar Two income taxes.

9. Dividend

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

	Six months ended 30 June	
	2026	2025
	RMB million	RMB million
	(unaudited)	(unaudited)
Interim dividend of HK$0.68 (equivalent to approximately RMB0.59) per share (2025: HK$0.65 (equivalent to approximately RMB0.59) per share)	**667**	663

The interim dividend proposed after the end of the reporting period has not been recognised as a liability in the condensed consolidated financial statements.

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

	Six months ended 30 June	
	2026	2025
	RMB million	RMB million
	(unaudited)	(unaudited)
Final dividend of HK$2.35 (equivalent to approximately RMB2.12) per share (2025: HK$2.35 (equivalent to approximately RMB2.19) per share)	**2,318**	2,442
Less: Dividend for shares held under the Share Award Scheme	**(41)**	(43)
	2,277	2,399

The final dividend for the year ended 31 December 2025 of the Company was declared on 27 March 2026, approved by the Company's shareholders on 27 May 2026 and paid on 31 July 2026.

10. 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	
	2026	2025
	RMB million	RMB million
	(unaudited)	(unaudited)
Earnings		
Earnings for the purpose of basic and diluted earnings per share	**2,667**	2,429

	Six months ended 30 June	
	2026	2025
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,111,855**	1,111,245
Effect of dilutive potential ordinary shares – share options	**–**	191
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**1,111,855**	1,111,436

Diluted earnings per share for the six months ended 30 June 2026 and 2025 are calculated assuming all dilutive potential ordinary shares were converted.

The weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share have taken into account the accumulated impact of awarded shares purchased by the Trustee under the Company's Share Award Scheme as detailed in Note 23.

For the six months ended 30 June 2026, the potential ordinary shares from share options were not included in the calculation of diluted earnings per share, as the inclusion would be anti-dilutive. Accordingly, diluted earnings per share for the six months ended 30 June 2026 was the same as basic earnings per share of the respective period.

11. Property, Plant and Equipment, Intangible Assets and Right-of-Use Assets

During the six months ended 30 June 2026, the Group acquired property, plant and equipment, intangible assets and right-of-use assets amounting to approximately RMB2,190 million, RMB46 million and RMB51 million (six months ended 30 June 2025: RMB2,912 million, RMB162 million and RMB96 million), respectively.

During the six months ended 30 June 2026, the Group entered into several new lease agreements with lease terms from 1 year to 20 years. On lease commencement, the Group recognised right-of-use assets and corresponding lease liabilities of RMB41 million (six months ended 30 June 2025: RMB51 million).

Impairment assessment

The management of the Group concluded there was an indication of impairment when the financial performance of the relevant subsidiaries was not in accordance with expectation. As a result, impairment assessments based on certain cash-generating units within the integrated energy business and the sales of piped gas business segments were conducted respectively.

The results of the assessments indicated that the Group recognised an impairment loss of RMB195 million (six months ended 30 June 2025: RMB126 million) that is related to property, plant and equipment and intangible assets during the current interim period.

12. Derivative Financial Instruments

	At 30 June 2026 RMB million (unaudited)	At 31 December 2025 RMB million
Derivative financial assets		
Derivatives designated as cash flow hedges:		
Foreign currency derivative contracts (note a)	**1**	4
Derivatives not designated in hedge accounting:		
Commodity derivative contracts (note b)	**305**	38
	306	42
Derivative financial liabilities		
Derivatives designated as cash flow hedges:		
Foreign currency derivative contracts (note a)	**213**	84
Commodity derivative contracts (note b)	**–**	10
Derivatives not designated in hedge accounting:		
Foreign currency derivative contracts (note a)	**6**	5
Commodity derivative contracts (note b)	**615**	197
	834	296
Analysed for reporting purpose as:		
Assets		
Current portion	**291**	38
Non-current portion	**15**	4
Liabilities		
Current portion	**649**	224
Non-current portion	**185**	72

12. Derivative Financial Instruments *(continued)*

For the six months ended 30 June 2026 (unaudited)

	Commodity Derivatives RMB million	**Foreign Currency Derivatives RMB million**	**Total RMB million**
Net unrealised fair value (loss) gain included in other gains and losses			
Derivatives designated as cash flow hedges – ineffective portion	**(2)**	**22**	**20**
Derivatives not designated in hedge accounting	**(168)**	**(2)**	**(170)**
	(170)	**20**	**(150)**
Net realised fair value gain (loss) included in other gains and losses			
Derivatives not designated in hedge accounting	**127**	**(2)**	**125**
	(43)	**18**	**(25)**

For the six months ended 30 June 2025 (unaudited)

	Commodity Derivatives RMB million	Foreign Currency Derivatives RMB million	Total RMB million
Net unrealised fair value gain (loss) included in other gains and losses			
Derivatives designated as cash flow hedges – ineffective portion	–	(62)	(62)
Derivatives not designated in hedge accounting	172	(64)	108
	172	(126)	46
Net realised fair value gain included in other gains and losses			
Derivatives not designated in hedge accounting	145	10	155
	317	(116)	201

12. Derivative Financial Instruments *(continued)*

Notes:

a. The Group is exposed to exchange rate risk mainly arising from various bonds and liquefied natural gas ("LNG") purchases from international suppliers denominated in USD. To manage and mitigate the foreign exchange exposure, the Group entered into various foreign currency derivative contracts (the "Foreign Currency Derivatives") with certain financial institutions. As at 30 June 2026, the Foreign Currency Derivatives have a total notional amount of USD693 million (2025: USD623 million), of which the maturity dates match to the maturity dates of certain debts and transaction dates of certain highly probable LNG purchases denominated in USD, of which USD659 million (2025: USD572 million) are accounted for under hedge accounting. The Foreign Currency Derivatives will enable the Group to buy USD at the predetermined RMB/USD exchange rates on maturity dates.

b. The Group's regular operations include two international long-term LNG sale and purchase agreements and certain domestic long-term natural gas procurement contracts. The pricing of these agreements are mainly linked to international crude oil or natural gas price indices, and fluctuations in these indices may bring risk exposure to the Group. The Group manages significant portion of such price exposure through entering into various commodity derivative contracts (the "Commodity Derivatives") with certain financial institutions. These contracts have been classified as derivative under HKFRS 9 Financial Instruments and are required to be measured at FVTPL, in which, certain Commodity Derivatives are designated as hedging instruments and accounted for under hedge accounting.

13. Financial Assets at FVTPL

	At 30 June 2026 RMB million (unaudited)	At 31 December 2025 RMB million
Unlisted equity interest in Sinopec Marketing Co., Ltd ("Sinopec Marketing") (note a)	**3,760**	3,900
Unlisted equity securities (note b)	**1**	1
Unlisted wealth management products	**84**	7
	3,845	3,908
Analysed for reporting purpose as:		
Assets		
Current portion	**84**	–
Non-current portion	**3,761**	3,908
	3,845	3,908

13. Financial Assets at FVTPL *(continued)*

	Six months ended 30 June	
	2026	2025
	RMB million	RMB million
	(unaudited)	(unaudited)
Net unrealised fair value loss included in other gains and losses		
Listed equity interest in Shanghai Utilities	**–**	(11)
Unlisted equity interest in Sinopec Marketing (note a)	**(140)**	(270)
	(140)	(281)

Notes:

a. The above investment represents 1.13% unlisted equity interest in Sinopec Marketing. During the current period, the Group recognised a dividend income of approximately RMB69 million (six months ended 30 June 2025: RMB84 million) from Sinopec Marketing.

b. The unlisted investments represent investments in unlisted equity securities issued by private entities incorporated in the PRC.

14. 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 2026	At 31 December 2025
	RMB million	RMB million
	(unaudited)	
0 to 3 months	**1,571**	1,303
4 to 6 months	**231**	203
7 to 9 months	**118**	180
10 to 12 months	**109**	135
More than one year	**574**	707
Total trade receivables	**2,603**	2,528
Bills receivables (note)	**1,112**	1,084
Other receivables	**959**	703
Loan receivables	**40**	76
Less: Allowance for credit losses	**(130)**	(130)
	1,981	1,733
Deductible input value added tax and prepayment of other taxes and charges	**1,902**	1,952
Advances to suppliers and prepayments	**2,620**	2,843
Total trade and other receivables	**9,106**	9,056
Analysed for reporting purpose as:		
Current portion	**9,089**	9,040
Non-current portion	**17**	16

Note: The bills receivables were endorsed by PRC banks for guarantee payments and the default risk is considered to be minimal.

15. Restricted Bank Deposits

The restricted bank deposits carry fixed interest rate ranging from 0.02% to 2.45% (31 December 2025: 0.02% to 2.45%) per annum. Except for the mandatory reserves in the People's Bank of China ("PBOC"), other restricted bank deposits will be released upon the settlement of bank loans, the expiry of purchase contracts or operation rights. The mandatory reserves in the PBOC classified as non-current assets were deposits placed by the Group's finance company, and the reserves amount is subject to change with respect to the savings accepted by the Group's finance company and the PBOC reserve rate is adjusted from time to time.

16. Amounts Due from/to Associates

Included in the amounts due from/to associates are trade receivables, amounting to RMB252 million (31 December 2025: RMB271 million) and trade payables amounting to RMB107 million (31 December 2025: RMB90 million). At the end of reporting period, the aged analysis based on invoice date is as follows:

	At 30 June 2026 RMB million (unaudited)	At 31 December 2025 RMB million
Trade receivables		
0 to 3 months	**99**	141
4 to 6 months	**15**	22
7 to 9 months	**40**	29
10 to 12 months	**6**	11
More than one year	**92**	68
	252	271
Trade payables		
0 to 3 months	**43**	47
4 to 6 months	**17**	15
7 to 9 months	**15**	10
10 to 12 months	**9**	1
More than one year	**23**	17
	107	90

17. Amounts Due from/to Joint Ventures

Included in the amounts due from/to joint ventures are trade receivables, amounting to RMB986 million (31 December 2025: RMB729 million) and trade payables amounting to RMB746 million (31 December 2025: RMB703 million). At the end of the reporting period, the aged analysis based on invoice date is as follows:

	At 30 June 2026 RMB million (unaudited)	At 31 December 2025 RMB million
Trade receivables		
0 to 3 months	**253**	368
4 to 6 months	**339**	94
7 to 9 months	**153**	85
10 to 12 months	**67**	48
More than one year	**174**	134
	986	729
Trade payables		
0 to 3 months	**459**	474
4 to 6 months	**199**	105
7 to 9 months	**26**	48
10 to 12 months	**19**	41
More than one year	**43**	35
	746	703

18. Amounts Due from/to Related Companies

Included in the amounts due from/to related companies are trade receivables, amounting to RMB185 million (31 December 2025: RMB157 million) and trade payables amounting to RMB1,288 million (31 December 2025: RMB1,259 million). At the end of the reporting period, the aged analysis based on invoice date is as follows:

	At 30 June 2026 RMB million (unaudited)	At 31 December 2025 RMB million
Trade receivables		
0 to 3 months	**61**	79
4 to 6 months	**22**	18
7 to 9 months	**37**	11
10 to 12 months	**14**	10
More than one year	**51**	39
	185	157
Trade payables		
0 to 3 months	**546**	572
4 to 6 months	**216**	248
7 to 9 months	**130**	94
10 to 12 months	**89**	51
More than one year	**307**	294
	1,288	1,259

The related companies are controlled by Mr. Wang Yusuo ("Mr. Wang"), who is a director of the Company with significant influence.

19. Trade and Other Payables

At the end of reporting period, the aged analysis of trade payables, presented based on invoice date is as follows:

	At 30 June 2026 RMB million (unaudited)	At 31 December 2025 RMB million
0 to 3 months	**3,021**	3,571
4 to 6 months	**881**	713
7 to 9 months	**292**	333
10 to 12 months	**144**	232
More than one year	**1,203**	1,224
Total trade payables	**5,541**	6,073
Bills payables	**412**	472
Accrued staff cost	**508**	724
Other tax payables	**276**	253
Accrued charges and other payables	**946**	1,054
	7,683	8,576

20. Bank and Other Loans

During the six months ended 30 June 2026, the Group obtained new bank and other loans of RMB5,241 million (six months ended 30 June 2025: RMB5,050 million) and made repayments of RMB5,219 million (six months ended 30 June 2025: RMB5,818 million). The loans bear interest at the rates ranging from 1.45% to 4.34% (31 December 2025: 1.48% to 4.34%) per annum. These proceeds were used to finance the capital expenditure and general working capital of the Group.

At 30 June 2026, certain assets of the Group with aggregate carrying value of RMB400 million (31 December 2025: RMB479 million) were pledged as security for bank and other loans, bills facilities and contracts granted to the Group.

In addition, the Group has also pledged its rights to receive construction and installation and gas supply fee income of certain subsidiaries in favour of banks to secure banking facilities amounting to RMB927 million (31 December 2025: RMB902 million) granted to the Group, of which RMB406 million of them (31 December 2025: RMB412 million) has been utilised up to 30 June 2026 (31 December 2025).

At 30 June 2026, bank loans related to bills receivable discounted to the banks are amounting to RMB31 million (31 December 2025: RMB52 million).

21. Senior Notes

a. 2020 Green Senior Notes

On 17 September 2020, the Company issued 2.625% green senior notes with an aggregated nominal value of USD750 million (equivalent to approximately RMB5,137 million) (the "2020 Green Senior Notes") at face value. The net proceeds, after deducting the issuance costs, amounted to USD739 million (equivalent to approximately RMB5,065 million). The 2020 Green Senior Notes will be matured on 17 September 2030. The 2020 Green Senior Notes are listed on the Stock Exchange and dealt in over-the-counter market through a financial institution as the principal agent.

As at 30 June 2026 and 31 December 2025, the Company has early redeemed a total of principal amount of USD261 million (approximately RMB1,853 million) of the 2020 Green Senior Notes.

b. 2022 Green Senior Notes

On 17 May 2022, the Company issued 4.625% green senior notes with an aggregated nominal value of USD550 million (equivalent to approximately RMB3,612 million) (the "2022 Green Senior Notes") at face value. The net proceeds, after deducting the issuance costs, amounted to USD545 million (equivalent to approximately RMB3,579 million). The 2022 Green Senior Notes will be matured on 17 May 2027. The 2022 Green Senior Notes are listed on the Stock Exchange and dealt in over-the-counter market through a financial institution as the principal agent.

22. Share Capital

During the six months ended 30 June 2026, no shares were issued (six months ended 30 June 2025: 28,000 shares were issued at the exercise price of HK$40.34 per ordinary share) under the share option scheme, in relation to the exercise of outstanding share options as set out in Note 23. These shares rank pari passu with the existing shares in all respects.

Save as disclosed above and in Note 23, none of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities up to 30 June 2026.

23. Share Based Payments Transactions

The Company has adopted a share option scheme pursuant to an ordinary resolution passed at an annual general meeting of the Company held on 26 June 2012 (the "Scheme 2012").

The Company has adopted a share award scheme pursuant to the board resolution of the Company dated 30 November 2018 (the "Share Award Scheme") as a supplement to the Scheme 2012.

All the shares in the Scheme 2012 and Share Award Scheme were vested, there was no share-based payment expense recorded during the reporting periods.

a. Scheme 2012

On 9 December 2015, the Company granted share options to the Directors and certain employees (the "2015 Grantees") to subscribe for a total of 12,000,000 ordinary shares of the Company under the Scheme 2012. All of the outstanding share options granted were either lapsed or cancelled in full as at 31 December 2025 as all the share options for 2015 Grantees were expired.

On 28 March 2019, the Company granted share options to Directors and certain employees of the Company, and business consultants who contribute to the success of the Company (the "2019 Grantees") to subscribe for a total of 12,328,000 ordinary shares of the Company under the Scheme 2012. Among the share options granted above, 2,480,000 share options were granted to the Directors and the remaining were granted to certain employees of the Group and business consultants. Vesting of the share options is conditional upon the fulfilment of certain vesting conditions as set out in the respective offer letters of the 2019 Grantees, which may involve fulfilment of performance targets.

The 2019 Grantees should satisfy stipulated minimum service periods and performance targets for the attainment of the designated vesting conditions and periods. The vesting period of the share options is from the date of the grant until the commencement of the exercisable period.

The following table discloses details of the Company's share options held by the grantees and movements in such holdings under the share option scheme during the current period:

				Number of options				
	Date of grant	Exercisable period	Exercise price	Outstanding at 1.1.2026	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding at 30.06.2026
Scheme 2012 – batch 2								
Directors	28.3.2019	1.4.2021 to 27.3.2029	HK$76.36	44,000	–	–	–	44,000
	28.3.2019	1.4.2022 to 27.3.2029	HK$76.36	60,000	–	–	–	60,000
	28.3.2019	1.4.2023 to 27.3.2029	HK$76.36	60,000	–	–	–	60,000
Other eligible Participants	28.3.2019	1.4.2020 to 27.3.2029	HK$76.36	15,000	–	–	–	15,000
	28.3.2019	1.4.2021 to 27.3.2029	HK$76.36	15,000	–	–	–	15,000
	28.3.2019	1.4.2022 to 27.3.2029	HK$76.36	15,000	–	–	–	15,000
	28.3.2019	1.4.2023 to 27.3.2029	HK$76.36	15,000	–	–	–	15,000
Exercisable at the end of the period				224,000	–	–	–	224,000
Weighted average exercise price				HK$76.36				HK$76.36

None of the share options were granted in both periods presented. None (six months ended 30 June 2025: 28,000) of the share options were exercised, none (six months ended 30 June 2025: 135,000) of the share options were lapsed and none (six months ended 30 June 2025: 519,900) of the share options were cancelled during the period. As at 30 June 2026, the number of outstanding share options is 224,000 (31 December 2025: 224,000).

23. Share Based Payments Transactions *(continued)*

b. Share Award Scheme

Pursuant to the Share Award Scheme, the Company may from time to time at its absolute discretion grant shares of the Company (the "Awarded Shares") to selected employees of any members of the Group. Vesting of the Awarded Shares granted is conditional upon the fulfilment of vesting conditions as specified in the grant notice issued to each grantee.

On 12 March 2019, pursuant to the terms of the Share Award Scheme and the trust deed, the Company established a trust (the "Trust") and appointed a trustee (the "Trustee") to administer the Share Award Scheme. During the effective period of the Share Award Scheme, the board of Directors may from time to time contribute funds to the Trust and instruct the Trustee to purchase shares of the Company on the Stock Exchange or in off-market transactions. Shares held under the Trustee are non-transferrable prior to vesting and have no voting rights.

During the six months ended 30 June 2026 and 2025, the trustee did not purchase any shares. As at 30 June 2026 and 31 December 2025, 19,984,600 share were held by the Trustee and the cost of the shares purchased was recognised in equity as shares held under the Share Award Scheme.

During the six months ended 30 June 2026 and 2025, no shares had been nominally granted. Vesting of such shares is subject to satisfying relevant performance conditions and a service condition requiring continuous service until the respective vesting dates, and can occur as early as on 1 April in the year following the financial year to which the corresponding performance conditions related. Hence, the vesting period of these shares is from the date of the grant to the respective vesting dates.

During the exercise period from the relevant vesting dates to the expiry date, i.e. 27 March 2029, the grantees may exercise the right to receive in cash the notional gain (if any) of the vested Awarded Shares, which is the excess of the fair value of such shares on the exercise date over the award price.

The following table discloses details of the Awarded Shares held by the grantees and movements in such holdings during the current period:

				Number of awarded shares				
	Financial year to which the performance conditions relate	Exercise Period	Award price (HK$)	Outstanding at 1.1.2026	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding at 30.06.2026
Directors	2021	01.04.2022 to 27.03.2029	76.36	**40,000**	–	–	–	**40,000**
	2022	01.04.2023 to 27.03.2029	76.36	**40,000**	–	–	–	**40,000**
Employees	2020	01.04.2021 to 27.03.2029	76.36	**59,500**	–	–	–	**59,500**
	2021	01.04.2022 to 27.03.2029	76.36	**54,500**	–	–	–	**54,500**
	2022	01.04.2023 to 27.03.2029	76.36	**65,000**	–	–	–	**65,000**
Total				**259,000**	–	–	–	**259,000**
Exercisable at the end of the period								**259,000**

The fair values for these Awarded Shares granted as at 30 June 2026 were nil and were calculated using the Binomial Option Pricing Model.

23. Share Based Payments Transactions *(continued)*

b. Share Award Scheme *(continued)*

The following assumptions were used to calculate the fair values of awarded shares as at 30 June 2026:

	Directors	Employees
Spot price	HK$40.46	HK$40.46
Award price	HK$76.36	HK$76.36
Expected life	2.74 years	2.74 years
Expected volatility	35.45%	35.45%
Expected dividend yield	5.36%	5.36%
Risk-free interest rate	2.9%	2.9%
Early exercise behaviour	280% of the exercise price	220% of the exercise price

The variables and assumptions used in computing the fair value of the Awarded Shares are based on the Directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the Awarded Shares. The expected volatility was determined by referencing to the historical volatility of the Company's share price over the previous 2.74 years.

24. Hedging Reserve

The hedging reserve includes cash flow hedge reserve and cost of hedging reserve. The following table provides a reconciliation of the hedging reserve in respect of foreign exchange risk and commodity price risk during the period.

	Foreign exchange risk RMB million (unaudited)	Commodity price risk RMB million (unaudited)	Total RMB million (unaudited)
Cash flow hedge reserve			
At 1 January 2026	(273)	(13)	(286)
Changes in fair value of hedging instruments	(155)	16	(139)
Reclassified to profit or loss – hedged items has affected profit or loss	101	–	101
Cumulative loss (gain) transferred to initial carrying amount of hedged items	26	(1)	25
Income tax relating to items that may be reclassified subsequently	–	(2)	(2)
At 30 June 2026	(301)	–	(301)
Of which:			
Balance related to continuing cash flow hedges	(301)		
Balance related to discontinuing cash flow hedges	–		

24. Hedging Reserve *(continued)*

	Foreign exchange risk RMB million (unaudited)	Commodity price risk RMB million (unaudited)	Total RMB million (unaudited)
Cost of hedging reserve			
At 1 January 2026	174	10	184
Changes in fair value of time value/foreign currency basis components of time period related hedged items	(22)	–	(22)
Changes in the fair value in relation to transaction related hedged items	–	(11)	(11)
Amortisation to profit or loss of changes in fair value in relation to time period related hedged items	(34)	–	(34)
Income tax relating to items that may be reclassified subsequently	–	1	1
At 30 June 2026	118	–	118
	(183)	–	(183)

The cash flow hedging reserve represents the cumulative effective portion of gains and losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain and loss arising from changes in fair value of the hedging instrument that are recognized and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss when the hedged transaction affects the profit or loss or when the hedged forecast transaction is no longer expected to occur. When the hedged forecast transaction results in the recognition of a non-financial item, the cumulative gain or loss is included in the initial measurement of the cost of such item.

The cost of hedging reserve represents the changes in fair value of the time value of options and foreign currency basis spread of hedging instruments and will be reclassified to profit or loss only when the hedged transaction affects profit or loss, or included as a basis adjustment to the non-financial hedged item.

24. Hedging Reserve *(continued)*

The following table provides a reconciliation of the hedging reserve in respect of foreign exchange risk and commodity price risk during the prior period.

	Foreign exchange risk RMB million (unaudited)	Commodity price risk RMB million (unaudited)	Total RMB million (unaudited)
Cash flow hedge reserve			
At 1 January 2025	41	(3)	38
Changes in fair value of hedging instruments	(327)	(27)	(354)
Reclassified to profit or loss – hedged items has affected profit or loss	44	–	44
Cumulative gain transferred to initial carrying amount of hedged items	(32)	(1)	(33)
Income tax relating to items that may be reclassified subsequently	–	4	4
At 30 June 2025	(274)	(27)	(301)
Of which:			
Balance related to continuing cash flow hedges	(301)		
Balance related to discontinuing cash flow hedges	–		

	Foreign exchange risk RMB million (unaudited)	Commodity price risk RMB million (unaudited)	Total RMB million (unaudited)
Cost of hedging reserve			
At 1 January 2025	(9)	(7)	(16)
Changes in fair value of time value/foreign currency basis components of time period related hedged items	229	–	229
Changes in the fair value in relation to transaction related hedged items	–	(5)	(5)
Amortisation to profit or loss of changes in fair value in relation to time period related hedged items	(39)	–	(39)
Income tax relating to items that may be reclassified subsequently	–	1	1
At 30 June 2025	181	(11)	170
	(93)	(38)	(131)

25. Fair Value Measurement of Financial Instruments

In estimating the fair value, the Group uses market-observable data to the extent it is available. For instruments with significant unobservable inputs under Level 3, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified valuers to establish the appropriate valuation techniques and inputs to the model.

The fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (level 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include the lowest level inputs which are significant to the fair value measurement for the asset or liability that are not based on observable market data (significant unobservable inputs).

25. Fair Value Measurement of Financial Instruments *(continued)*

The Group measures its derivative financial instruments, financial assets at FVTPL and equity instruments at FVTOCI at the end of each reporting period on a recurring basis:

	Fair value as at 30 June 2026 RMB million	Fair value as at 31 December 2025 RMB million	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial assets				
Derivative financial Instruments	**306**	42	Level 2	Discounted cash flow for swaps and forwards Present value of estimated future cash flows are based on forward rates and contract rates, discounted at a rate that reflects the credit risk of the relevant counterparty or own credit risk, when applicable Black-Scholes Model for options Fair value estimated based on strike price, commodity price, time to expiration, volatility and risk-free interest rate
Unlisted wealth management products	**84**	7	Level 3	Discounted cash flow Future cash flows are estimated based on the recoverable amount expected, discounted at a rate that reflects the credit risk of the counterparty
1.13% equity interest in Sinopec Marketing – FVTPL	**3,760**	3,900	Level 3	Fair value estimated based on the P/B ratio of comparable listed companies and a liquidity discount rate
Other unlisted equity securities – FVTPL	**1**	1	Level 3	Fair values are derived from price multiples of similar assets that have been traded in the market
Listed equity securities – FVTOCI	**–**	85	Level 1	Fair values are derived from quoted bid prices in an active market
Unlisted equity securities – FVTOCI	**151**	147	Level 3	Fair values are derived from the fair values of the underlying assets and liabilities held by the investee

25. Fair Value Measurement of Financial Instruments *(continued)*

	Fair value as at 30 June 2026 RMB million	Fair value as at 31 December 2025 RMB million	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial liabilities				
Derivative financial instruments	**834**	296	Level 2	Discounted cash flow for swaps and forwards Present value of estimated future cash flows are based on forward rates and contract rates, discounted at a rate that reflects the credit risk of the relevant counterparty or own credit risk, when applicable Black-Scholes Model for options Fair value estimated based on strike price, commodity price, time to expiration, volatility and risk-free interest rate

The Group's 1.13% equity interest in Sinopec Marketing which is classified as financial assets at FVTPL under Level 3 hierarchy amounted to RMB3,760 million as at 30 June 2026 under HKFRS 9 Financial Instruments. During the six months ended 30 June 2026, loss of RMB140 million on FVTPL under Level 3 hierarchy were noted (the six months ended 30 June 2025: RMB270 million). The significant unobservable input is the liquidity discount rate. The higher liquidity discount rate, the lower fair value of the financial assets at fair value will be. A 5% increase/decrease in the liquidity discount rate, holding all other variables constant, the fair value of the investment would (decrease)/increase by RMB76 million as at 30 June 2026.

Except for the said investment above, the reconciliation of level 3 fair value measurements of financial assets:

	RMB million
At 1 January 2026 (audited)	**155**
Gains recognised in other comprehensive income	**4**
Addition of unlisted wealth management products	**5,352**
Disposal of unlisted wealth management products	**(5,275)**
At 30 June 2026 (unaudited)	**236**

There were no transfers between Level 1, 2 and 3 during the period.

25. Fair Value Measurement of Financial Instruments *(continued)*

Except as detailed in the following table, the Directors consider that the carrying amounts of financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximated their fair values:

	At 30 June 2026		At 31 December 2025	
	Carrying amount RMB million	**Fair value RMB million**	Carrying amount RMB million	Fair value RMB million
Financial liabilities:				
Fixed-rate bank and other loans	**6,978**	**6,711**	6,843	6,637
Senior notes	**7,048**	**6,795**	7,267	7,163

In the above table, other than the fair values of bank and other loans disclosed which are under the fair value hierarchy of Level 3, the rest of the fair values disclosed are under the fair value hierarchy of Level 2. The fair values of the senior notes are derived from the quoted prices in an over-the-counter market. The fair values of the rest of the financial liabilities at amortised cost are derived from discount cash flow technique by reference to the market interest rate of the loans with comparable maturity and credit risk of the respective group entities at the end of the reporting period.

26. Commitments

a. Capital commitments

	At 30 June 2026 RMB million (unaudited)	At 31 December 2025 RMB million
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of		
– acquisition of property, plant and equipment	**200**	220
– investments in joint ventures	**452**	447
– investments in associates	**416**	416
– other equity investments	**2**	2

b. Other commitments

At 30 June 2026, the Group has two long-term sale and purchase agreements to acquire LNG from international suppliers. The Group is obliged to make "take-or-pay" payment to suppliers for the quantity contracted but not delivered.

In the opinion of the Directors, such agreements are entered into and continued to be held in accordance with the Group's expected LNG purchase requirements to meet the domestic gas demands of its customers. Accordingly, these agreements qualify for own use exemption, and hence are not considered as derivative financial instruments within the scope of financial instruments standards since initial recognition.

The LNG pricing under these agreements are linked to certain oil and gas price indexes and are denominated in USD, which are common in international practice. The Directors assessed the economic characteristics and risks of the embedded derivatives and concluded that they are closely related to the economic characteristics and risks of the relevant host contracts. Accordingly, the embedded derivatives are not split from these arrangements and not separately recognised as derivative financial instruments in the condensed consolidated financial statements.

27. Related Party Transactions

Saved as disclosed in Notes 16, 17, 18, the Group had the following transactions with certain related parties:

	Six months ended 30 June	
	2026	2025
	RMB million	RMB million
	(unaudited)	(unaudited)
Nature of transaction		
Associates		
– Sales of gas to	**773**	700
– Sales of materials to	**73**	83
– Purchase of gas from	**633**	679
– Purchase of equipment from	**1**	–
– Provision of gas transportation services to	**15**	14
– Loan interest received from	**–**	2
– Loan interest paid to	**–**	1
– Deposit interest paid to	**1**	1
– Provision of gas transportation services by	**54**	11
– Provision of construction and installation services to	**49**	69
– Provision of supporting services to	**14**	7
– Provision of supporting services by	**11**	4
Joint ventures		
– Sales of gas to	**1,794**	1,781
– Sales of materials to	**145**	177
– Purchase of gas from	**1,864**	2,617
– Provision of gas transportation services to	**27**	18
– Loan interest received from	**4**	9
– Loan interest paid to	**–**	2
– Provision of supporting services to	**45**	42
– Provision of supporting services by	**56**	64
– Provision of construction services by	**8**	5
– Provision of construction and installation services to	**41**	61
– Purchase of equipment from	**23**	27
– Provision of transportation services by	**9**	12
– Provision of energy efficiency technical services to	**2**	2
– Lease of premises to	**3**	3
– Provision of administrative services by	**32**	29

27. Related Party Transactions *(continued)*

	Six months ended 30 June	
	2026	2025
	RMB million	RMB million
	(unaudited)	(unaudited)
Nature of transaction *(continued)*		
Companies controlled by Mr. Wang		
Transactions exempt from shareholders' approval:		
– Provision of construction services by	**349**	469
– Purchase of equipment from	**104**	147
– Provision of information technology services by	**19**	102
– Purchase of natural gas from	**800**	779
– Provision of LNG terminal usage services by	**379**	313
– Provision of risk prevention services to	**45**	46
Transactions fully exempt from shareholders' approval, annual review and all disclosure requirement:		
– Sales of gas, gasoline and diesel to	**4**	3
– Provision of construction and installation services to	**1**	44
– Provision of property management services by	**5**	8
– Provision of property management services to	**–**	1
– Provision of outsourcing services by	**10**	10
– Lease of premises from	**4**	4
– Lease of premises to	**5**	4
– Sales of materials to	**9**	24
– Provision of administrative services by	**16**	14
– Provision of supporting services to	**8**	8
– Provision of technology services to	**43**	39
– Provision of electronic business services by	**23**	25
– Loan interest received from	**1**	2
– Provision of energy efficiency technical services to	**6**	8
– Provision of logistic services to	**4**	14

At 1 January 2024, the Company entered into a back-to-back agency agreement with a significant shareholder of the Company, pursuant to which the significant shareholder agreed to procure natural gas on behalf of the Company at market price without charging any agency fees or commission. Through such agency agreement, the Company purchased approximately RMB2,326 million (six months ended 30 June 2025: RMB2,384 million) of natural gas from an independent third-party supplier during the period.

Except for the transactions above, a subsidiary of the Group has entered into a leasing agreement with a joint venture for the use of LNG Supply Vessel for a period of 10 years which will be matured in 2032 for a daily charge of RMB150,000 payable monthly. At 30 June 2026, a right-of-use asset and lease liability of RMB269 million and RMB284 million was recognised (31 December 2025: RMB290 million and RMB304 million).

27. Related Party Transactions *(continued)*

The Company issued senior notes on 17 May 2022 and 17 September 2020. The terms and conditions of these debts require Mr. Wang and any affiliate of him to retain certain percentage of shareholding over the Company, failing which the Company would be required to repay or repurchase all outstanding debts at predetermined prices.

Financial guarantee contracts

As at 30 June 2026, the guaranteed facilities amount utilised by the joint ventures and associates were approximately RMB587 million (31 December 2025: RMB584 million).

As at 30 June 2026, the carrying amount of financial guarantee contracts of the Group is RMB25 million (31 December 2025: RMB27 million).

Compensation of key management personnel

The compensation to key management personnel during the period is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Short-term employee benefits	**7,635**	8,021
Post-employment benefits	**526**	510
	8,161	8,531

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