



## **ENN Energy Releases 2023 Annual Results**

**Revenue up 3.5% to RMB 113.9 billion**

**Profit to owners of the Company up 16.2% to RMB 6.82 billion**

**Core profit of domestic basic business up 8.2% year-on-year to RMB 6.09 billion**

**Annual dividend of HK\$2.95 per share**

(Hong Kong, 22 March, 2024) – ENN Energy Holding Limited (Stock code: 2688.HK, “ENN Energy” or “the Group” or “the Company”), one of the largest clean energy distributors in China, announced its annual results for the year ended 31 December 2023 (“the year”). During the year, the Group’s main business operated smoothly with total revenue of RMB113.9 billion and profit attributable to shareholders increased by 16.2% to RMB6.82 billion, core profit of domestic basic business increased by 8.2% year-on-year to RMB6.09 billion. With solid performance and excellent financial management, the Group continued to generate positive free cash flow RMB2.13 billion. The board has recommended an annual dividend of HK\$2.31 per share. Together with the interim dividend HK\$0.64 per share paid, total dividends for 2023 amounts to HK\$2.95 per share.

**Mr. Wang Yusuo, Chairman of ENN Energy, stated,** “2023 was an extraordinary and challenging year for ENN. Amidst such complexities and severities, ENN Energy uses intelligence to continuously innovate natural gas products and service models, implements energy-carbon integrated solutions on a large scale, continuously expands family quality life services, and has consistently generated sustainable long-term value for our shareholders.”

### **Ensured Intrinsic Safety and Built a Safety Brand**

Safety is paramount to ENN Energy to fulfill its social responsibilities and manage the development of the Company. The Company consistently strive to enhance safety foundation throughout the entire energy operation scenario by adopting new technologies and innovative models for safety intelligence. Continuously promoting intelligent coverage across various scenarios and the entire value chain, the Company elevate safety to a new level characterised by visibility, focus, and effective management. These efforts further enhance the Company’s leading position in safety branding.

### **Focused on Core Business and Maintained Rapid Growth in Integrated Energy Business**

ENN Energy actively deploys distributed photovoltaics, new energy storage, power network distribution and other power consumption-related services and products. ENN Energy supports customers in creating low-carbon factories and low-carbon buildings by using “Load-Source-Grid-Storage” as a critical measure. Additionally, the Company seize the window of opportunity presented by industrial upgrading and

the emergence of new industrial parks to expand our competitive advantage and concentrate efforts on scaling up the integrated energy micro-grids.

During the year, 86 integrated energy projects were completed and put into operation, which lifted the number of total projects in operation to 296, generating sales of a total of 34,700 million kWh of integrated energy including cooling, heating, electricity and steam, up 56.0% year-on-year. During the year, revenue from integrated energy business surged 32.5% to RMB14,513 million, and gross profit also increased by 22.6% to RMB1,907 million.

### **Stabilized Natural Gas Business Fundamentals**

In 2023, economic recovery supports the continuous rebound of the natural gas market. However, issues such as weak exports and a sluggish real estate sector have structurally suppressed the demand for natural gas. In terms of prices, the decline in corporate profits has directly led to an increased sensitivity to costs, the enthusiasm of downstream gas consumption is weak, and the market demand for incremental gas is very limited. By the end of 2023, the Group's total gas sales volume reached 33,621 million cubic meters, a year-on-year slight increase of 2.8%. Among this total, retail gas sales volume decreased by 3.1% year-on-year to 25,144 million cubic meters, total volume of natural gas sold to C/I customers reached 19,486 million cubic meters, representing a year-on-year decrease of 4.4%; total volume of natural gas sold to residential households increased by 3.8% to 5,348 million cubic meters.

### **Diversifying Product Models, Achieving Scalable Growth**

The Group currently provides gas supply to over 29.77 million residential household customers and 243 thousand commercial and industrial customers. It focuses on various scenarios such as safety, kitchen, and community, and addresses multidimensional customer demands. By combining online sales with offline service experiences, the Group accelerates the implementation of innovative value-added business models to increase business output scale.

As at 31 December 2023, the Group's revenue from the value-added business amounted to RMB3,702 million, representing an increase of 18.9%, and the gross profit increased by 21.1% to RMB2,517 million. Revenue from the value-added business per customer reached RMB124, representing an increase of 5.1% compared to last year.

### **Sustainable Development**

The Group has always adhered to the concept of sustainable development and integrated ESG with daily operation management.

The Company has received MSCI's AA rating for two consecutive years, which is currently the highest rating for companies among peers in the Greater China region. The Company's rating in the 2023 S&P

Global Corporate Sustainability Assessment (CSA) has also shown significant improvement, with the score increasing from 56 points to 63 points. This places the Company at a leading level within the industry.

**Mr. Wang Yusuo concluded,** “2024 is the first year of application of generative AI technology, which will effectively promote the intelligent transformation of all walks of life and promote high-quality development. ENN Energy will further explore customer demands, use intelligence to expand the gas business rapidly, simultaneously expanding integrated energy business, and deepen our presence in the value-added business, so as to promote the sustainable growth and cross-cycle development of the enterprise.”

### **About ENN Energy Holdings Limited**

ENN Energy is one of the largest clean energy distributors in China. The principal business of the Group is the investment in, and the construction, operation and management of gas pipeline infrastructure, the sales and distribution of piped gas, LNG and other multi-energy products. The Group also provides customers with digital and intelligent services related to low-carbon integrated solutions and develops diversified value-added business based on customer needs. As of 31 December 2023, the Group has managed 259 city-gas projects locating in 20 provinces, municipalities and autonomous regions in China, including Anhui, Beijing, Fujian, Guangdong, Guangxi, Hebei, Henan, Hunan, Inner Mongolia, Heilongjiang, Jiangsu, Jiangxi, Liaoning, Sichuan, Shandong, Yunnan, Zhejiang, Shaanxi, Shanghai and Tianjin. The Group also develops integrated energy projects in key regions across China, and has successfully operated 296 such projects to date.

ENN Energy is a constituent of the Hang Seng Index, the Hang Seng China Enterprises Index, the Hang Seng Composite Large Cap Index, the Hang Seng ESG 50 Index, the Hang Seng Corporate Sustainability Benchmark Index, the MSCI China Large Cap Index and the Hang Seng Stock Connect Hydrogen Energy Index. For more information, please visit the Group’s website at <http://ir.ennenergy.com/>

#### **IR Enquiry**

ENN Energy Holdings Limited  
Karen Liu/ Chelsea Sun/Martin Ding  
Tel: (852) 2528 5666  
Email: [ir@enn.cn](mailto:ir@enn.cn)

#### **Media Enquiry**

Hill And Knowlton Asia Limited  
Lynn Zhang / Jelly Qi  
Tel: (852) 9794 5751 / (852) 9416 0657  
Email: [ENN.Energy@hkstrategies.com](mailto:ENN.Energy@hkstrategies.com)

(As of 31 December)	2023	2022	+/-
<b>Business Development</b>			
No. of city-gas projects in China	259	254	5
Connectable urban population coverage ( '000)	137,097	133,196	2.9%
Piped gas penetration rate	65.2%	62.9%	2.3pppts
Accumulated number of IE projects in operation	296	210	86
<b>Revenue Analysis (RMB million)</b>			
Retail gas sales business	60,611	60,082	0.9%
Integrated energy business	14,513	10,951	32.5%
Wholesale of gas	29,695	29,954	-0.9%
Construction and Installation	5,337	5,950	-10.3%
Value-added business	3,702	3,114	18.9%
<b>Percentage of Segment Revenue (%)</b>			
Retail gas sales business	53.2	54.6	-1.4pppts
Integrated energy business	12.7	10.0	2.7pppts
Wholesale of gas	26.1	27.2	-1.1pppts
Construction and Installation	4.7	5.4	-0.7pppts
Value-added business	3.3	2.8	0.5pppts
<b>New Natural Gas Customer Development</b>			
Residential households ( '000)	1,854	2,086	-11.1%
C/I customers (sites)	18,706	22,003	-15.0%
Installed designed daily capacity ( '000 m <sup>3</sup> )	17,564	20,504	-14.3%
<b>Sales of Gas (million m<sup>3</sup>)</b>			
Total natural gas sales	33,621	32,697	2.8%
-Residential customers	5,348	5,151	3.8%
-C/I customers	19,486	20,375	-4.4%
-Wholesale of gas	8,477	6,756	25.5%
- Vehicle gas refuelling stations	311	415	-25.1%
<b>Sales of Integrated Energy</b>			
Sales vol of cooling, heating, electricity, and steam (million kWh)	34,700	22,239	56.0%