



ENN 新奥

ENN Energy Holdings Limited

3Q2024 Operational Data

Company Presentation

25 October 2024



1-3Q Operational Highlights



Retail gas sales volume increased by **4.8%** to **18,819 mil m³**, newly installed daily capacity was **11.13 mil m³**, expanding the scale of gas volume



Sales volume of IE increased by **21.4%** to **29,668 mil kWh**



Home service orders on the e-city platform increased by **8.6%**, with sales volume of range hood, boiler, cooking stove and heating furnace products surged by **23.4%**



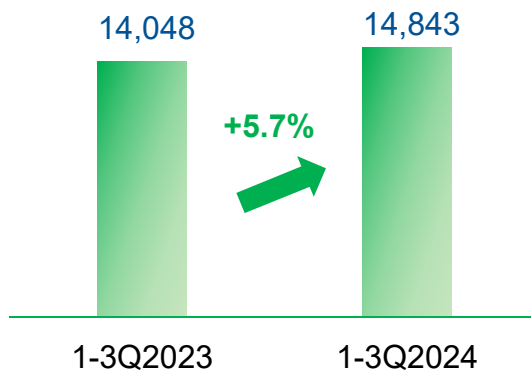
Acquired **53** new projects (**including 2 city gas projects**), added **1,102 thousand** new residential customers to expand the operational scale

Natural Gas Business Performance

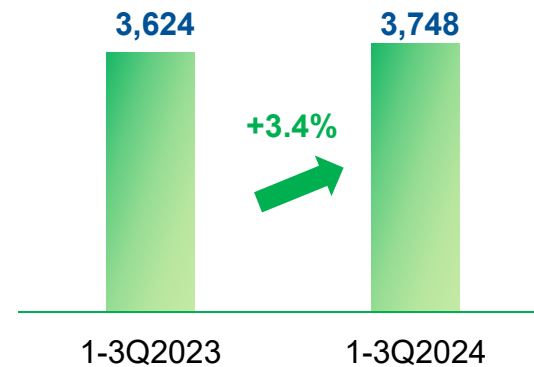
Retail Gas Vol (mil m³)



C&I Gas Vol (mil m³)



Residential Gas Vol (mil m³)



Newly installed designed daily capacity (thousand m³)



New Residential Households (000')



Further tapping into the needs of existing customers, attracting new customers, and adopting flexible strategies to meet customers' energy consumption needs

Focus on Major C/I Customers, Combine Various Resources and Innovative Business Models to Support Growth in Gas Consumption

Ensure To Hit Annual Gas Volume Target in Q4

Respond to customers' procurement needs with multiple resources and market-oriented pricing

Leverage regional and enterprise resources, utilize pipeline capacity and unconventional regulation ability to increase volume

Optimize business and gas supply models to win back direct supply customers

Customer needs:

- Low-price
- Diversified sourcing
- Adjustment and peak-shaving capacity
- Market-oriented pricing / alternative energy benchmarking pricing

Gas volume increase: Apply intelligent products to support business decisions. Sprint for the annual gas volume. Develop large, medium and small customers with differentiated strategies to support the continuous growth of gas volume.

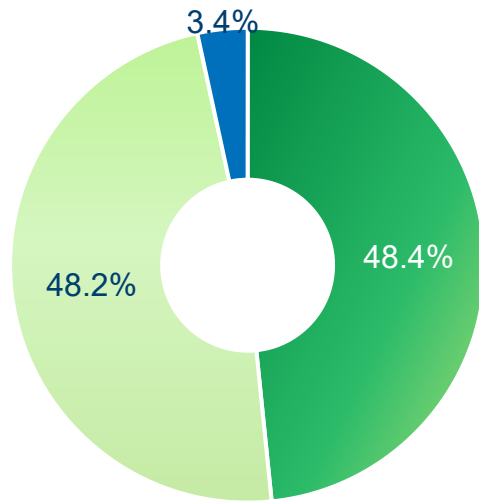
Cost reduction: Strengthen customer service and care. Establish long-term gas supply services for customers to ensure customers have stable access to gas at low costs.

Cost pass-through progress: Seize the window of opportunity before the peak season and promote cost pass-through for remaining enterprise customers.

Operation optimization: Focusing on ROA, develop a model with systematic indicators and evaluate the space for improvement with a generalized standard.

IE Business Performance

IE Sales Vol (mil kWh)



■ Steam ■ Cooling&Heating ■ Electricity

➤ IE sales volume increased by **21.4%** to **29,668 mil kWh**

IE Projects

Scalable Projects In Operation + Scalable Projects Under Construction



347



59



Maximum energy consumption potential exceeds: **63.47 bn kWh/year**

IE Accumulative Installed Capacity

In Operation



6.02 GW

(Excluding Managed Projects: 7.04 GW)



Under construction



0.83 GW

Photovoltaic & Energy Storage Business Progress



1,665.74 MW of photovoltaic projects have passed investment evaluation (Including 768.45 MW grid-connected + under-construction)



236.71 MWh of energy storage projects have passed investment evaluation (Including 147.52 MWh grid-connected and under-construction)

Adaptive Clean Solutions For Customers

(No. of Projects)

147

Integrating renewable energy



Positive Environmental Impacts

Reduction of Energy Consumption (Standard Coal)



2,112,400 tons

Reduction of CO₂ emissions



8,752,700 tons

IE Business Performance – Progress on Project Signing



643 newly contracted industrial park projects

6.25 bn kWh annual energy supply upon reaching full capacity

(Including **634** IE micro-grid projects which are expected to achieve installed capacity of **440.77 MW** for photovoltaic and **262.81 MWh** for energy storage)



332 newly contracted factory projects

1,367 mil kWh annual energy supply upon reaching full capacity



115 newly contracted building projects

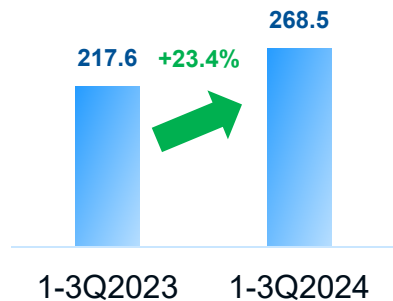
171 mil kWh annual energy supply upon reaching full capacity

Value Added Business Performance

e-City Home Service Orders (mil)



Sales Volume of Range Hood, Boiler, Cooking Stove and Heating Furnace Products (000')



Number of Transaction Customers Increased

Number Of Existing Customers
4,264,000 households
 1-3Q2023: 4,239,000 households

Revenue Generated Per Household (Existing Customers)
RMB324.6/Household
 1-3Q2023: RMB253.9/ Household

Develop Value Added Business by Adapting Intelligence Technology

Value Created for Customers:
Smart Consumption & Quality Assurance

- Smart gas metering
- Smart travel
- Smart health
- Smart safety system
- Smart shopping

Provide household customers with innovative products and services in multiple scenarios such as security, shopping, health, etc.

140 mil Accessible Customers
30.86 mil Residential Households

By adopting intelligent model, the company will expand the coverage on consumer end and promote continuous growth of Value Added Business

THANK YOU

The background is a vibrant blue gradient. On the right side, there is a complex, glowing digital structure composed of numerous vertical and horizontal lines, some solid and some dashed, in shades of light blue, white, and yellow. These lines intersect to form a grid-like pattern. Interspersed among these lines are several bright, glowing circular spots of varying sizes, some appearing as soft halos and others as sharp points of light. The overall effect is that of a high-tech, futuristic environment, possibly representing data flow or a digital network.

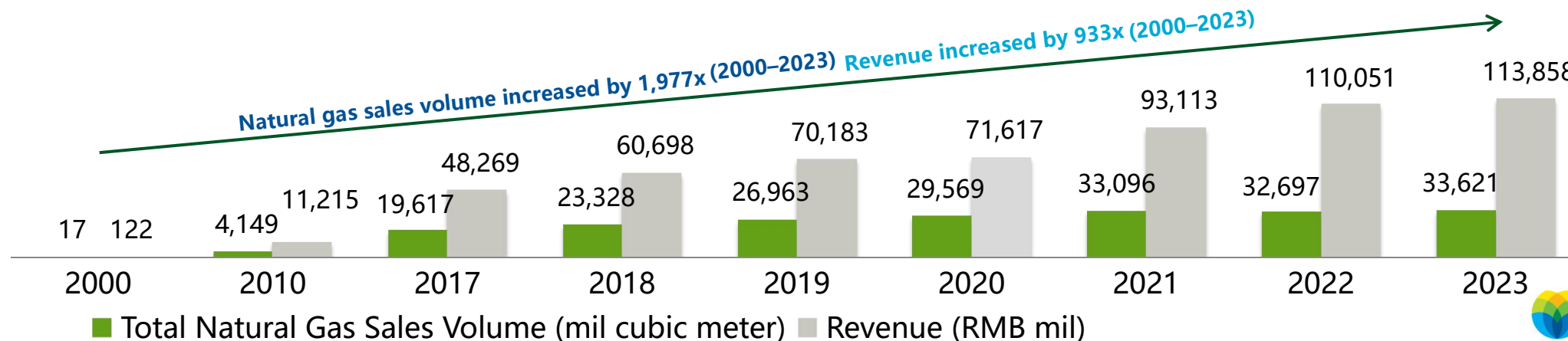
ENN—Empowering Families with Quality Living and Businesses with Safe, Efficient and Low-Carbon Energy Solutions in the Digital City

Company Profile

- Established in 1993, ENN is one of the leading private clean energy distributor in China
- ENN's principal business includes investing in, constructing, operating and managing gas pipeline infrastructure in China; marketing and distributing pipeline gas, LNG and other diverse clean energy products; providing digital intelligence services related to low-carbon integrated solutions for clients; and developing diversified value-added businesses centered around household customer demands.
- ENN was listed on the GEM in 2001 and transitioned to the Main Board of HKEX (stock code: 2688) in 2002

Key Business Segments

Retail Gas Sales Business	Integrated Energy Business	Energy Trading	Construction & Installation	Value Added Business
				
<ul style="list-style-type: none"> • Sell piped gas to residential and C/I users • Construct and operate CNG/LNG gas refueling stations 	<ul style="list-style-type: none"> • In accordance with customers' requirements, offer diverse energy products derived from locally accessible sources, and tailor integrated energy solutions 	<ul style="list-style-type: none"> • Develop energy trading business by capitalizing on the advanced dispatch system, logistics fleet and upstream resources 	<ul style="list-style-type: none"> • Conduct gas pipeline construction and installation for residential and C/I users 	<ul style="list-style-type: none"> • Smart kitchen products, heating products, and security products • Energy-saving technologies, process modifications, and equipment maintenance services



Business Landscape

As of 30 June, ENN Energy provided energy services to **30.54 mil** residential households and **253,000** C/I customers in **21** provinces, cities and autonomous regions.

260 city gas projects in operation, serving **140 mil people**

332 IE projects in operation
72 IE projects under construction

Revenue amounting to RMB **54.59 bil** in 1H2024
Total assets over RMB **100.51 bil**



ENN ENERGY DECARBONISATION ACTION 2030 PANORAMA

City Gas Business

Methane Emission (ME) Management

1

- Align with international standards and improve transparency
- Improve ME management policies and measures
- Promote the application of active detection technology
- Encourage eco-partners to take actions

Energy Transportation Decarbonisation

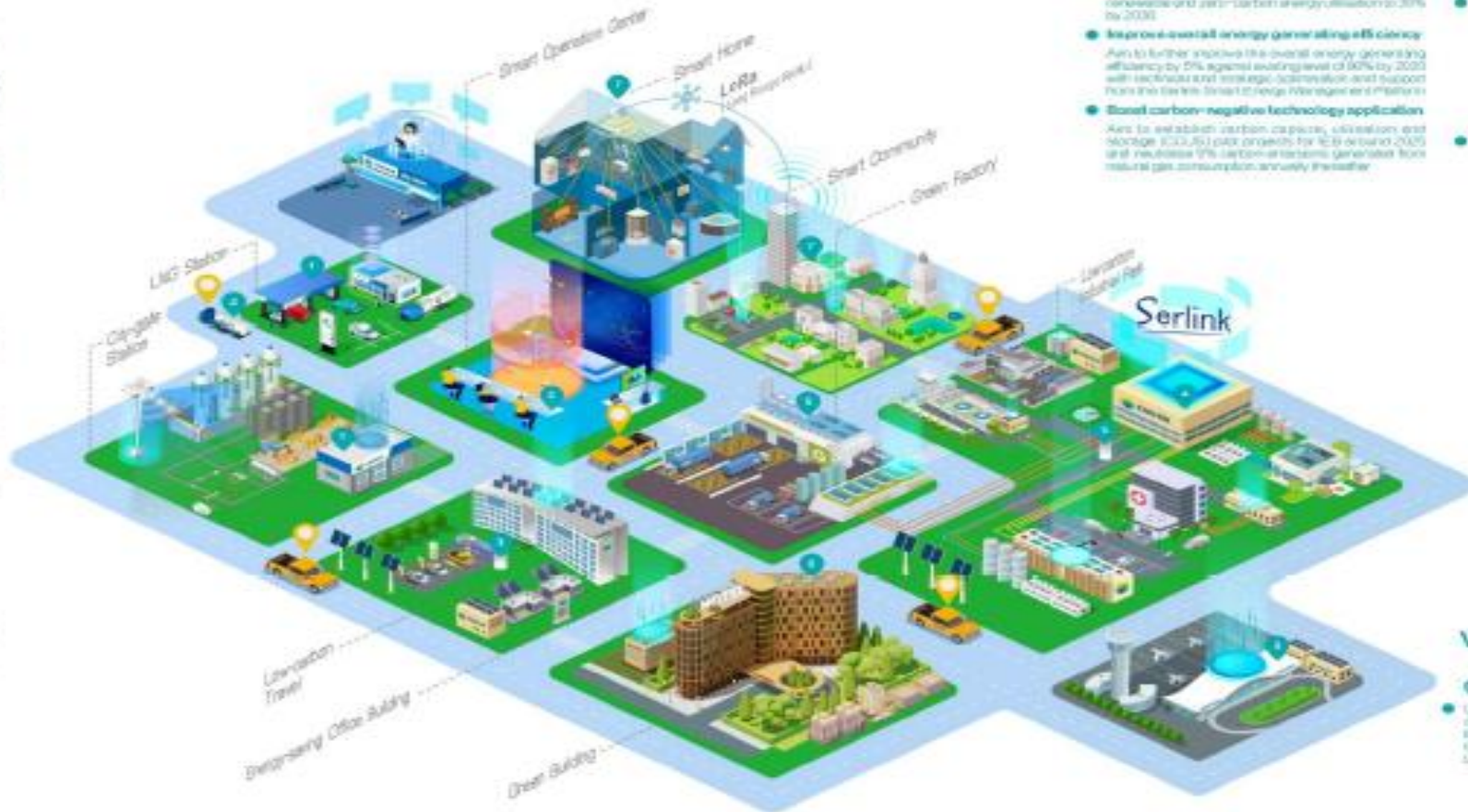
2

- Adopt clean fuels for self-owned vehicles
- Enhance efficiency and reduce emissions with intelligent approaches
- Promote low-carbon operations of eco-partners

Green office

3

- Energy Decarbonisation in Office Buildings
- Energy-saving management of office buildings
- Low-carbon Travel



Integrated Energy Business (IEB)

Energy Generating Facilities of IEB

4

- Promote the use of renewable energy
- Improve overall energy generating efficiency
- Boost carbon-negative technology application

Low-carbon Industrial Parks and Green Factories

5

- To speed the green development of industrial parks and customers, we aim to help them build 50 green factories and 50 low-carbon industrial parks by 2025.
- By 2035, the number of green factories and low-carbon industrial parks developed for customers will increase to 200 respectively.

Green Buildings

6

- Leveraging our smart and green technological know-how on energy data analysis and experience of energy management for customers, we provide green buildings solutions and building energy-saving services for architectural customers such as hospitals, hotels, airports, office buildings, etc.

Value Added Business

7

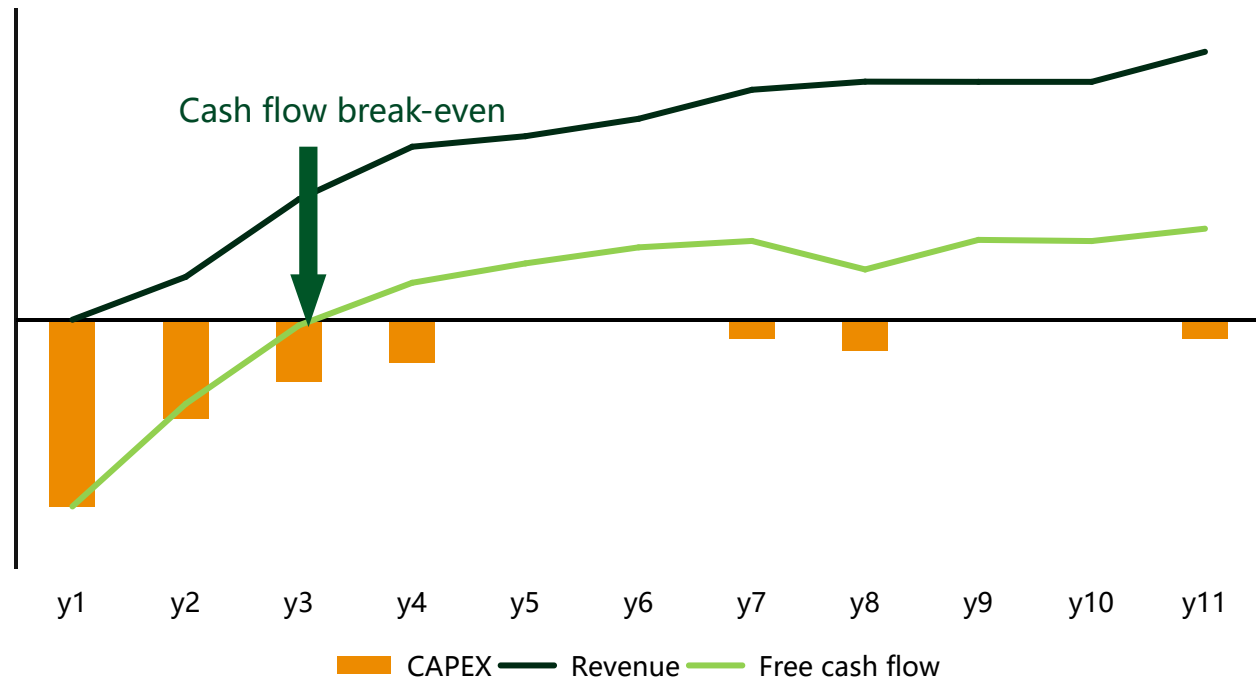
- Understanding the household customers' pursuit of smart energy usage, safety and low-carbon lifestyles, we will serve them leveraging the use of digital and intelligent technologies such as LPIs, LoT, big data, etc.

ENN ENERGY DECARBONISATION ACTION 2030

BUILDING A LOW-CARBON SOCIETY

BUILDING A LOW-CARBON SOCIETY

Typical Industrial Park IE Project - Cash Flow Projection



1. Stable & Recurring Income

- Integrated energy solutions reduce customers' overall energy bills by **10%**
- Selling the types of energy customer need increases their stickiness

2. Rapid Cash Flow Generation

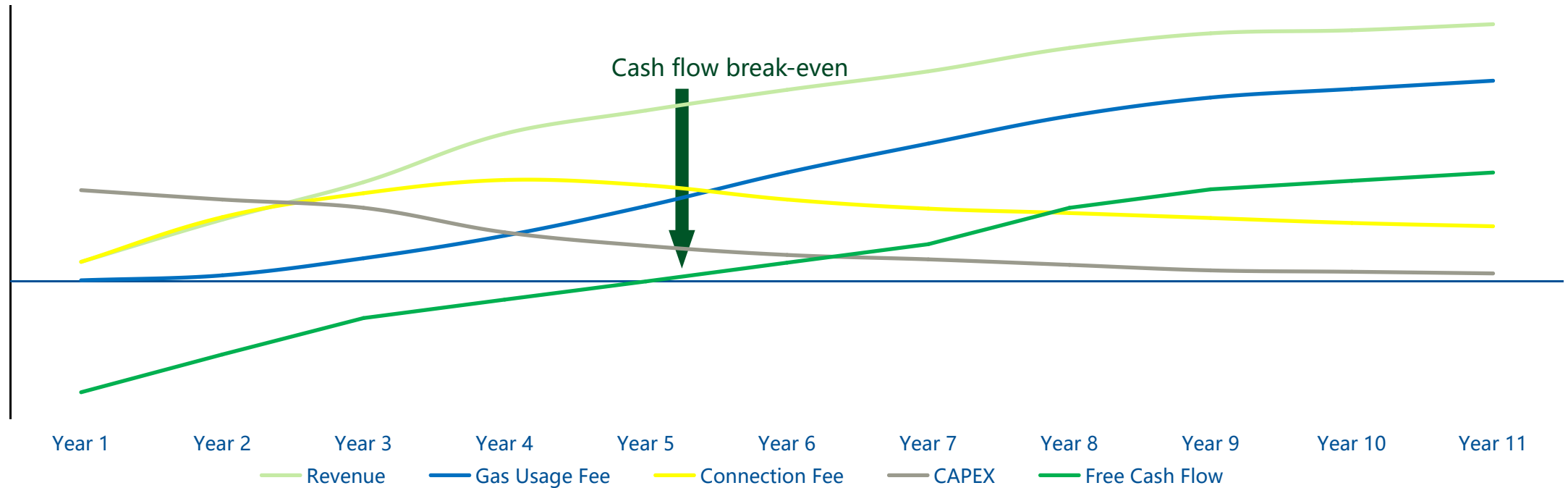
- Capex are invested by stages depending on the number of customers and their energy consumption scale
- Our projects are mostly industrial parks with existing customers, once the energy stations completed, energy sales can be generated
- Payback period: **7-8** years

3. Low Risk

- Diversified customer base in industrial parks helps reduce cyclical risks of certain industry
- Sign minimum energy offtake volume and establish automatic passthrough mechanism with customers
- Market-oriented business model with low regulatory risk

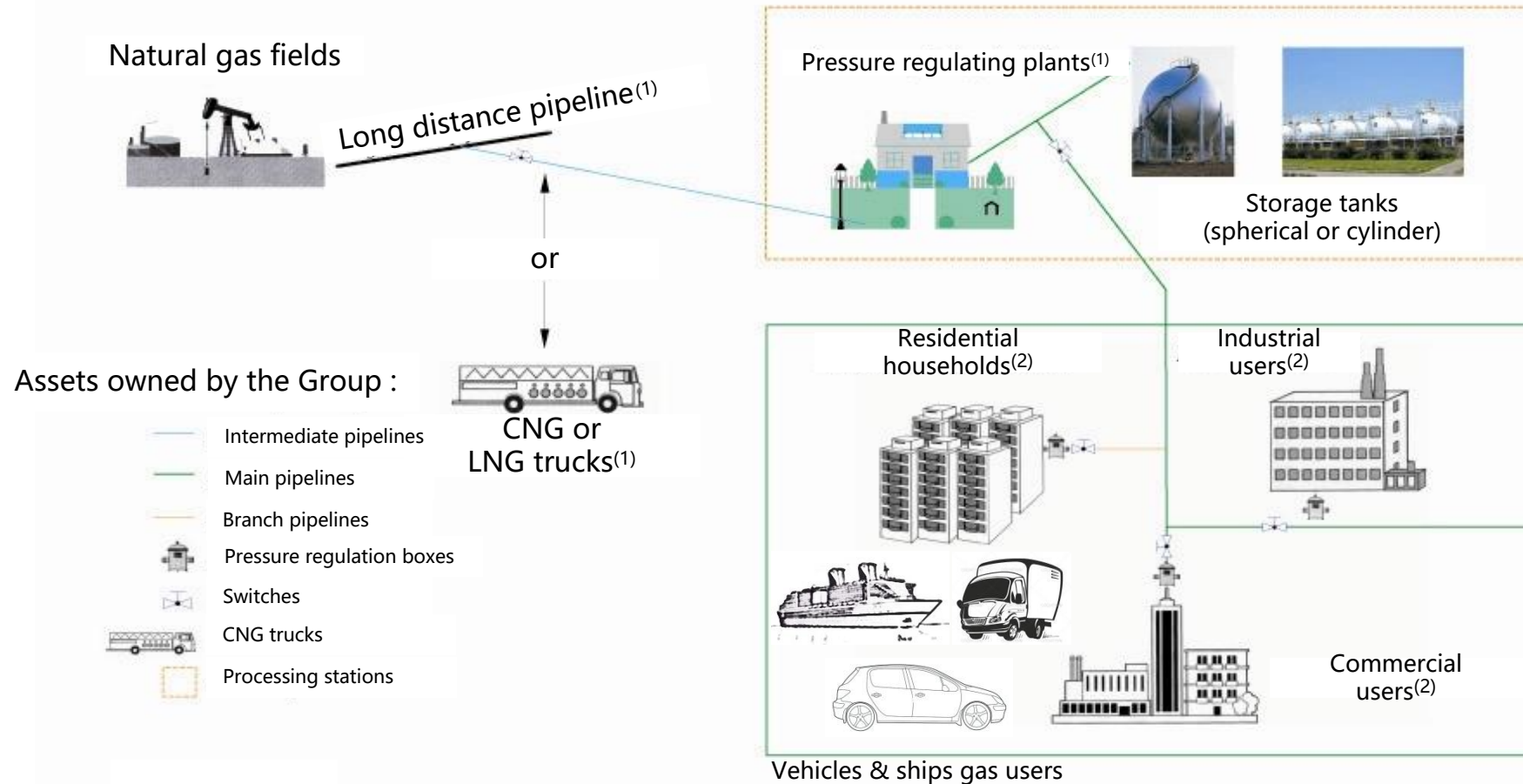
Simplified Model for a Typical City-Gas Project

Revenue/Cost



- Connection fee dominates in early years when the project companies are signing up new customers
- Gas usage increases as projects mature, becoming the major source of recurring income
- Prior to the completion of the whole pipeline network in cities, revenue will be generated as soon as gas supply becomes available in certain districts. Each connection contract normally takes 6–12 months to complete
- In general, gas projects would generate positive free cash flow after 5 years of operation

Gas Delivery Process

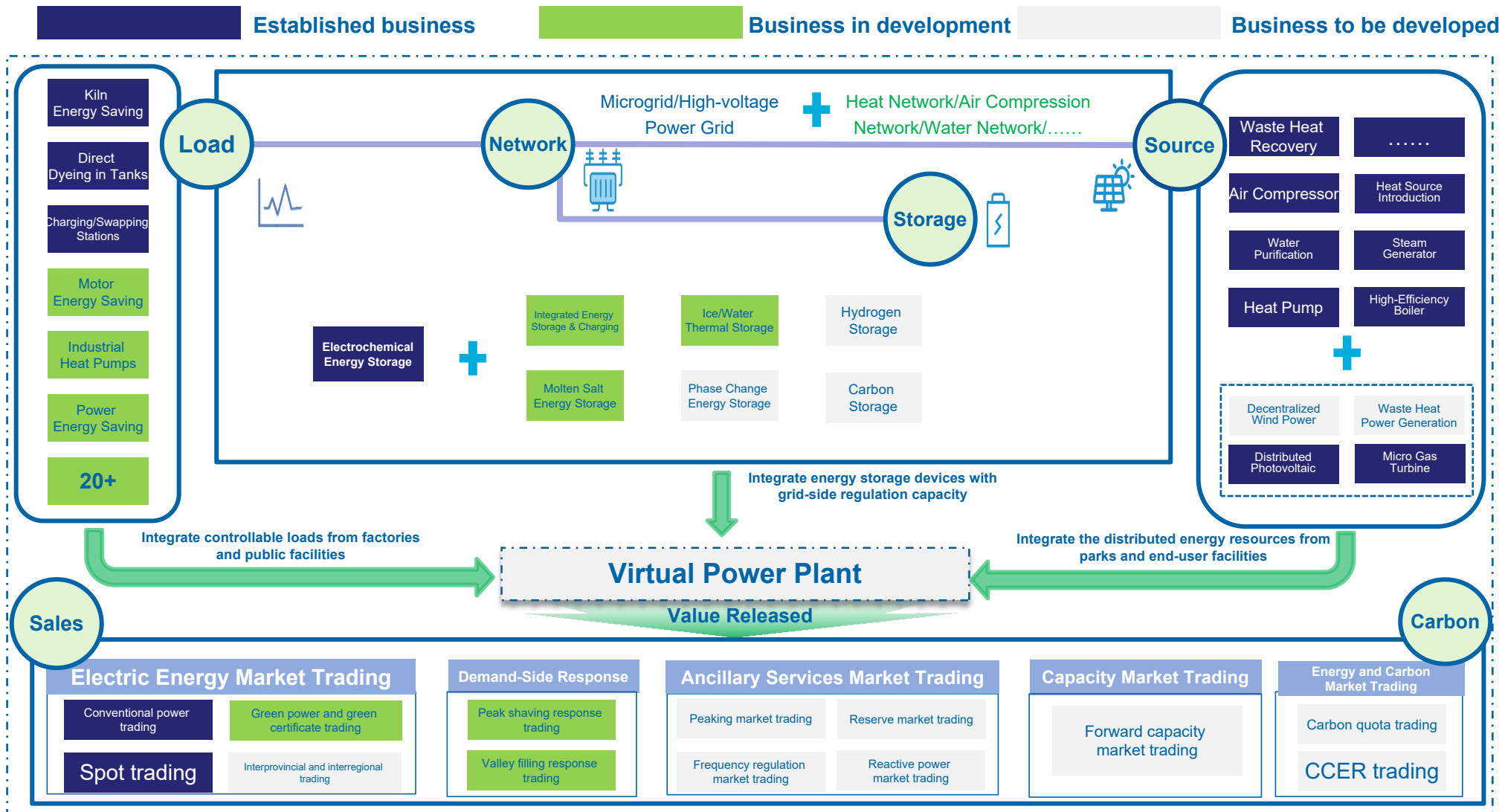


Note:

(1) Gas delivery using either intermediate pipelines or CNG or LNG trucks

(2) Customers' pipelines and metres which are not owned by the Group are within the customers' premises and not highlighted in this diagram

Leveraging intelligent technologies to establish an integrated capability of load-source-network-storage-carbon-sales-intelligence



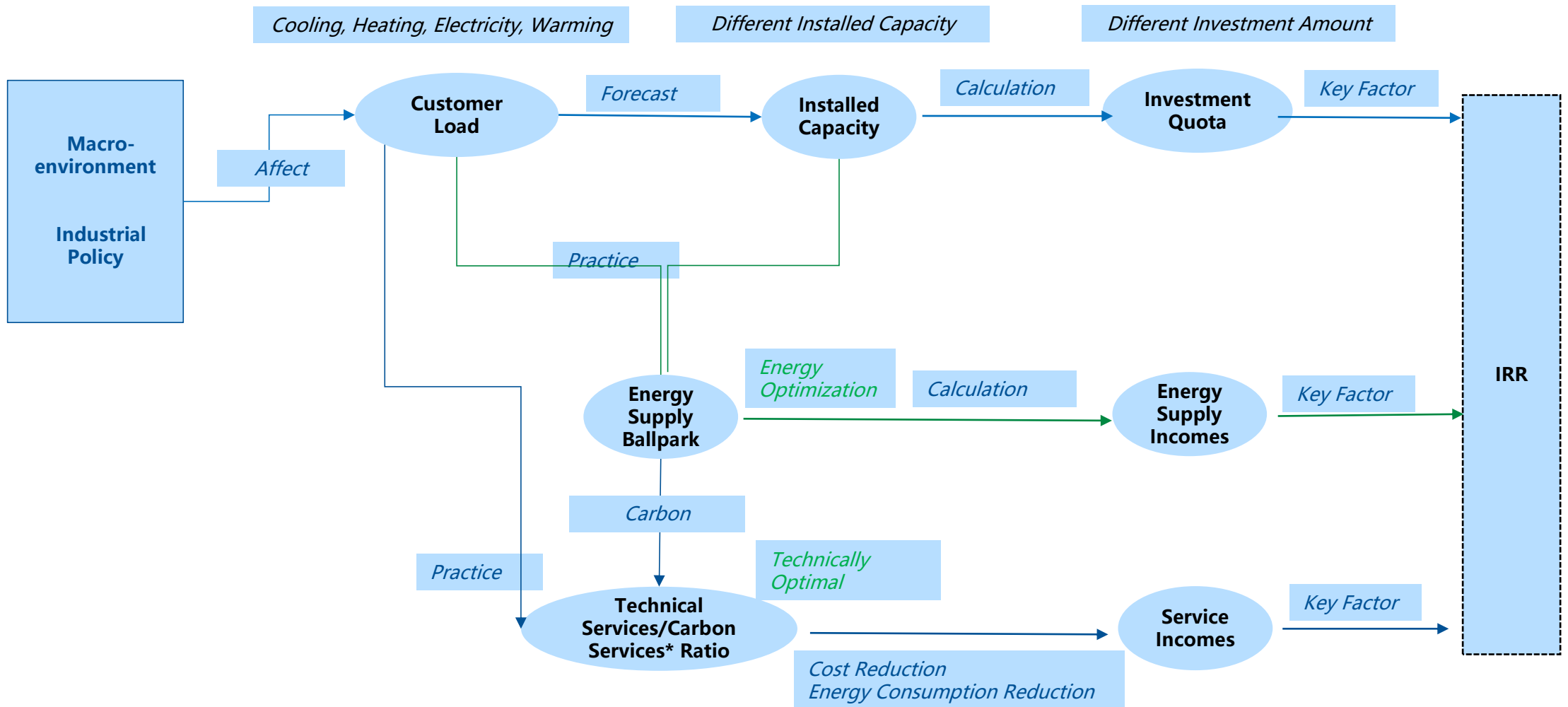
IE Intelligent Operation Center:

- Achieve an upgrade from “informatization+” to “intelligent capabilities”, using intelligent assistance as a platform to transform various aspects of IE operations

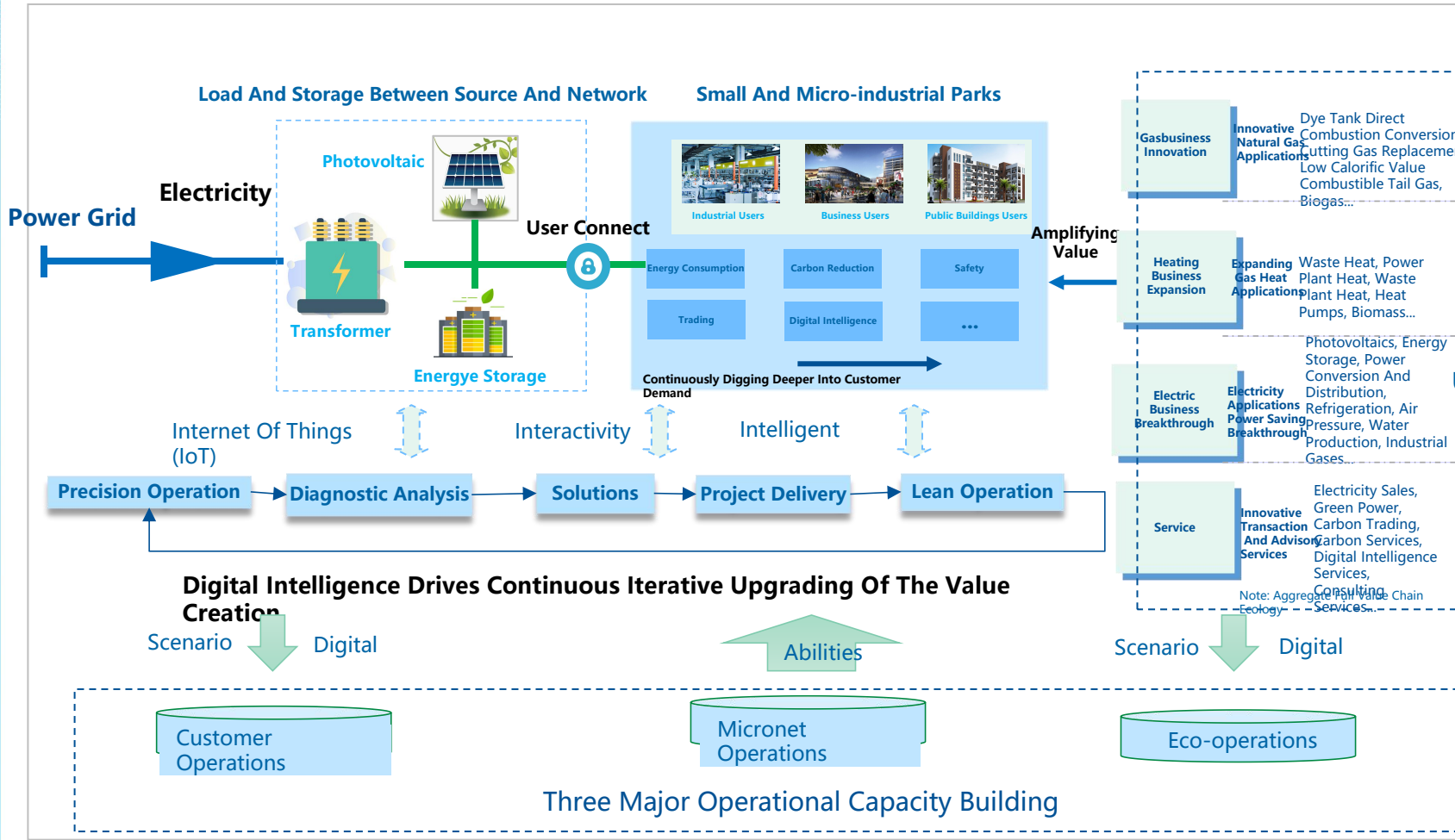
Capability Center:

- Focus on the integration of supply and intelligence to build a capability center driven by business needs
- Shift away from the supply-side mindset, identify and clarify the capabilities needed to meet customer needs, summarize and refine best practices from the frontlines, and continuously accumulate and iterate intelligent capabilities to build a capability centre

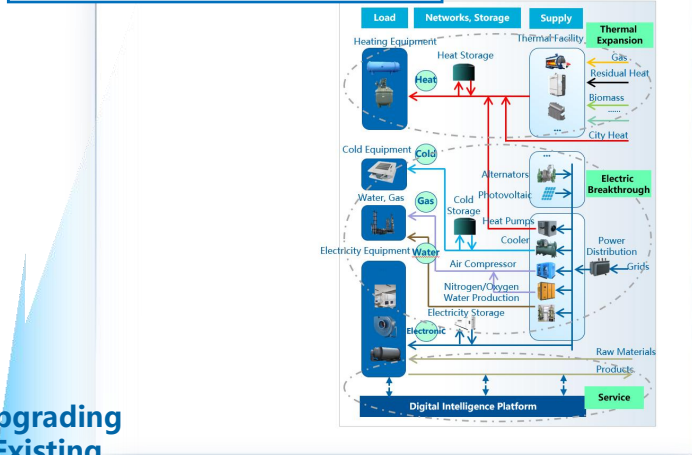
IE Business Logic



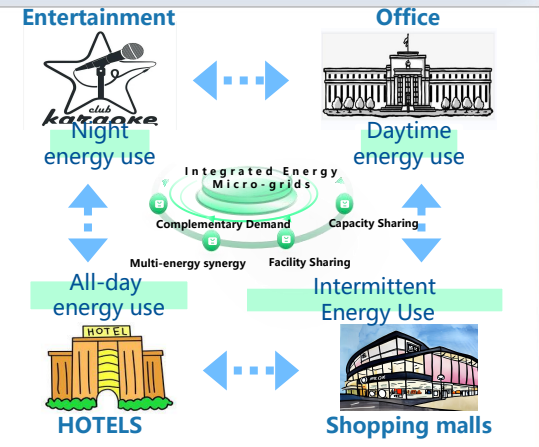
Integrated Energy Micro Grids Promotes Business Upgrades



Single To Multiple Products Load-Source-Grid-Storage



Upgrading Existing Projects



Single Project to Microgrid Multiple Synergies

Value Added Business: Linking Home, Community and Public Services Based on IoT to Innovate Services and Products

New Service



From gas service to families



From families to communities



From communities to public services



New Connection (IoT)



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