



CR Gas

2023 Interim Results Announcement

August 25, 2023

CR Gas

2023
Interim Results Presentation

August 25, 2023

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Core City Gas Business

Gas Sales Volume

19.84B m³ ↑ **+6.9%**

Unit Gas Margin

RMB**0.5** /m³ ↑ **+0.05/m³**

Connected Customer

55.850M ↑ **+14.4%**



Comprehensive Services

Turnover

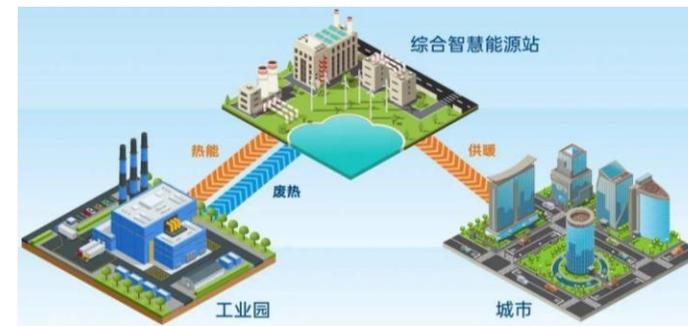
HK\$**1.47B** ↑ **+7.7%**

Gross Profit

HK\$**0.81B** ↑ **+5.2%**

Segment Results

HK\$**0.62B** ↑ **+11.4%**



Integrated Energy

Project in operations

142 projects ↑ **+62**

Energy Sales

0.96B kWh ↑ **+25.4%**

Turnover

HK\$**0.60B** ↑ **+37.8%**

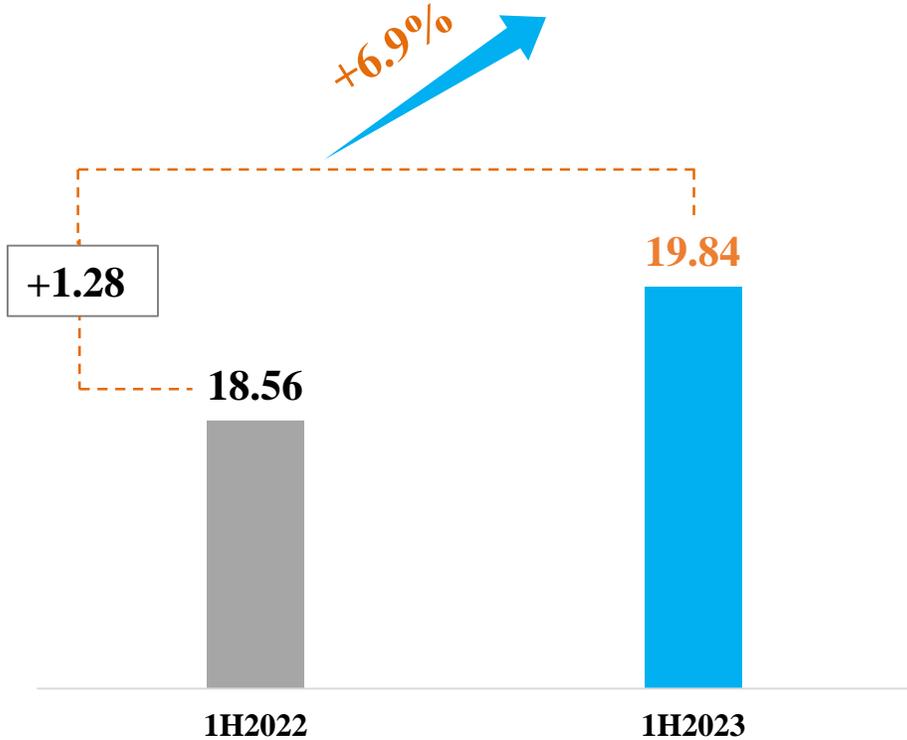
1H2023, China's economy started to recover, CR Gas recorded a rapid growth in the key financial and operational indicators. Gas sales volume grew at 6.9%, profit attributable to shareholders increased 16.4%, an interim dividend of HK\$0.15/share was proposed. (HKD vs RMB appreciated 6.3% in 1H 2023, Profit attributable to shareholders increased 24.4% if the appreciation impact was excluded.)

Key Results	30 June 2022	30 June 2023	Growth Rate
Gas sales volume (billion m ³)	18.56	19.84	6.9%
Number of customers (million)	48.828	55.850	14.4%
Turnover (HK\$ billion)	48.10	48.37	0.6%
Profit for the period (HK\$ billion)	3.93	4.56	16.0%
Profit attributable to shareholders (HK\$ billion)	3.05	3.55	16.4%
Net cash from operating activities (HK\$ billion)	-0.01	4.76	—
Interim dividend proposed/paid per share (HK\$)	0.15	0.15	—

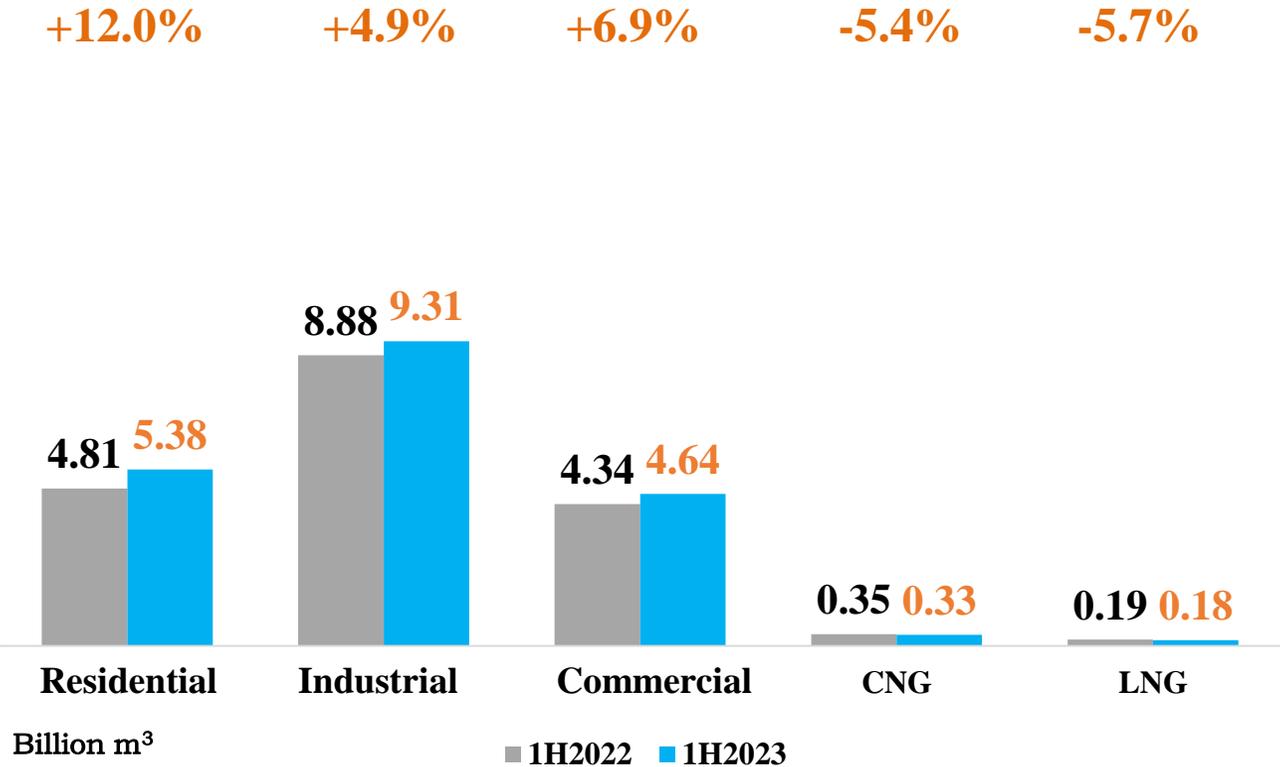
1H2023, gas sales volume of CR Gas was 19.84 billion m³, an increase of 6.9%. Residential, industrial and commercial gas sales volume increased 12.0%, 4.9% and 6.9% respectively.

Gas Sales Volume

19.84_{B m³}



Gas Sales Volume Mix



1H2023, gas sales revenue further increased to 87.5%. Although the upstream pipeline gas price still stood at a high level, CR Gas has made every effort to pass through the cost increased, unit gas margin managed to increase to RMB0.5/m³, gas sales contribution increased 20.2% to HK\$3.62 billion.

Gas Sales Revenue Mix

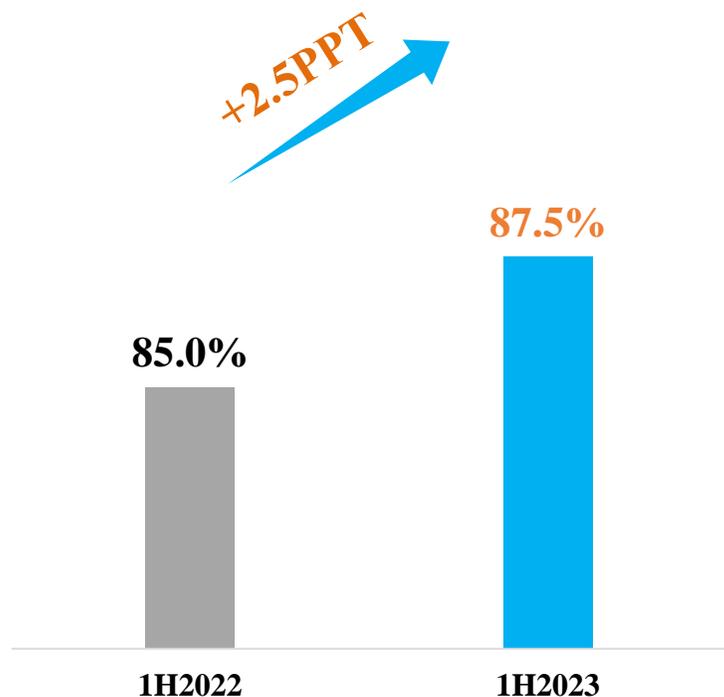
87.5%

Unit Gas Margin

RMB 0.5

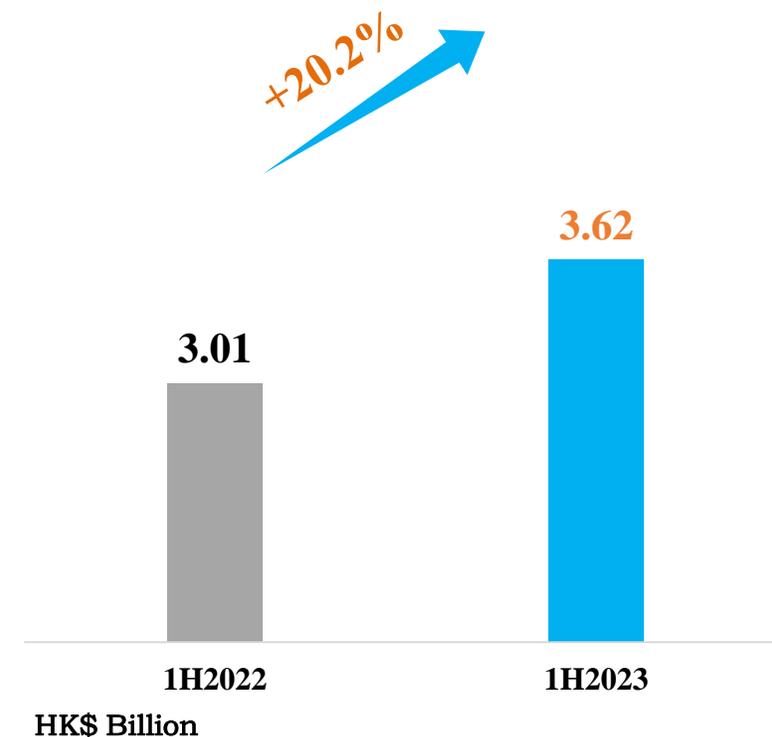
Gas Sales Contribution

HK\$ 3.62_B



RMB per m³

Customer (excluding tax)	1H2022	1H2023
Residential	2.39	2.59
C&I	3.94	3.99
Gas Station	4.14	4.04
Average Tariff	3.55	3.58
Average Cost	3.10	3.08
Unit Margin	0.45	0.5



1H2023, newly connected households were 1.342 million, 84.2% was new building connection, cumulative connected customers increased to 55.85 million. Continuous growth in connected customers provide a huge market potentials to CR Gas's Comprehensive Services and Integrated Energy businesses.

New household

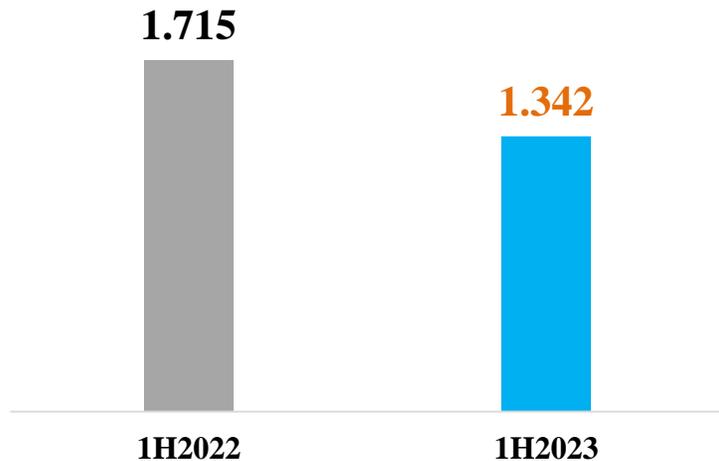
1.342_M

New household mix

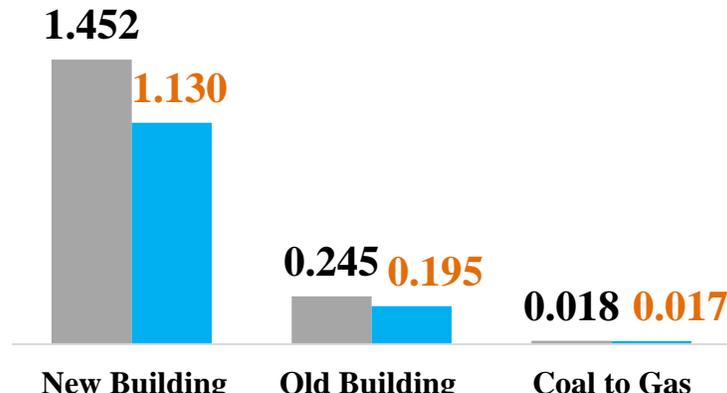
Total Customer

55.850_M

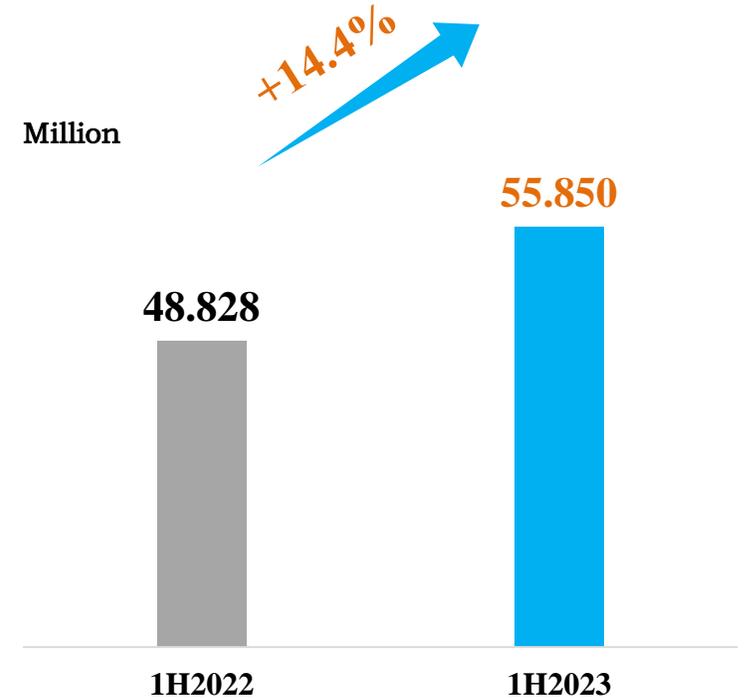
Million



Million



Million



■ 1H2022 ■ 1H2023

1H2023, net profit for the period reached HK\$4.56 billion, an increase of 16.0%. Profit attributable to shareholders increased 16.4% to HK\$3.55 billion.

Profit from Operation

HK\$ **5.60** B

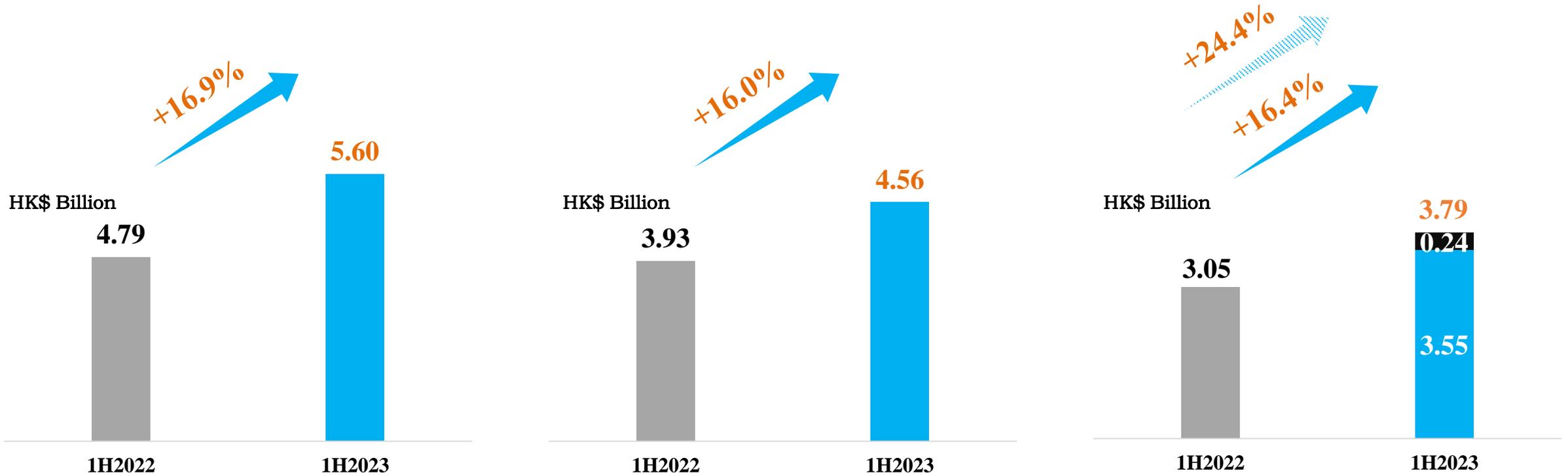
Net Profit

HK\$ **4.56** B

Attributable Profit

HK\$ **3.55** B

Excluding the appreciation impact of HKD vs RMB, attributable profit increased 24.4% to HK\$3.79 billion in 1H2023.



■ Exchange rate effect

Note: Profit from Operation before finance costs and share of JVs and associates results

1H2023, HK\$4.47 billion was spent on CAPEX. Cashflow from operation recovered substantially to HK\$4.76 billion. Bank and cash balance was HK\$18.60 billion, maintained sufficient financial liquidity.

Capital Expenditure

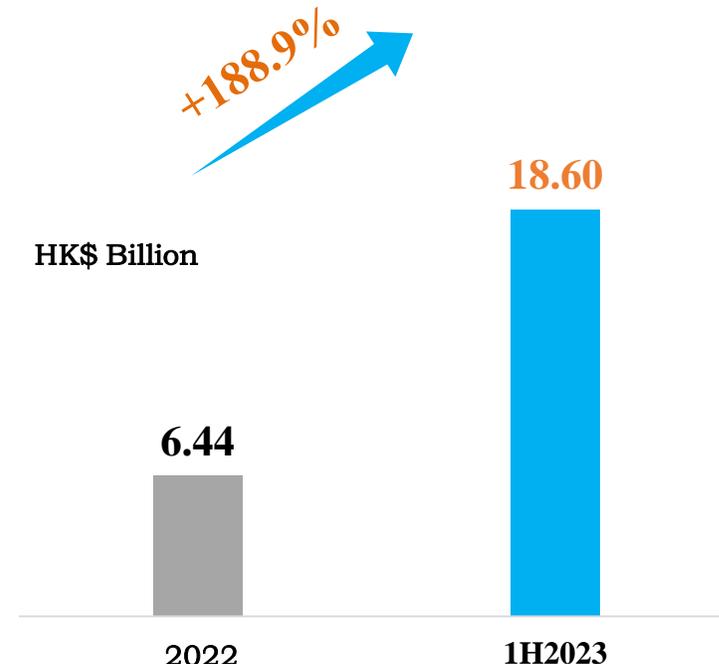
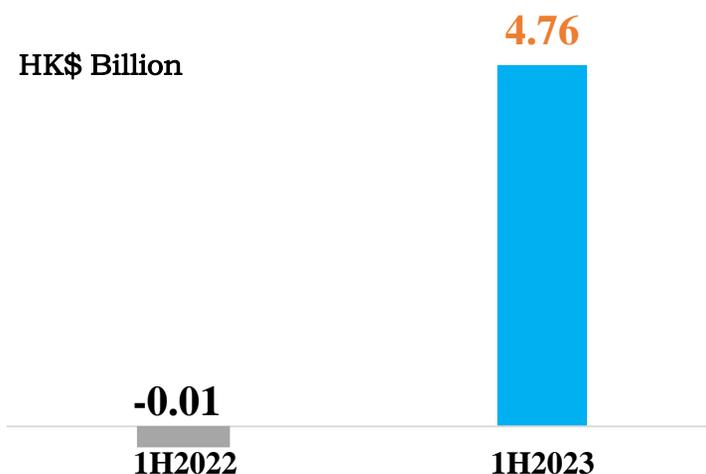
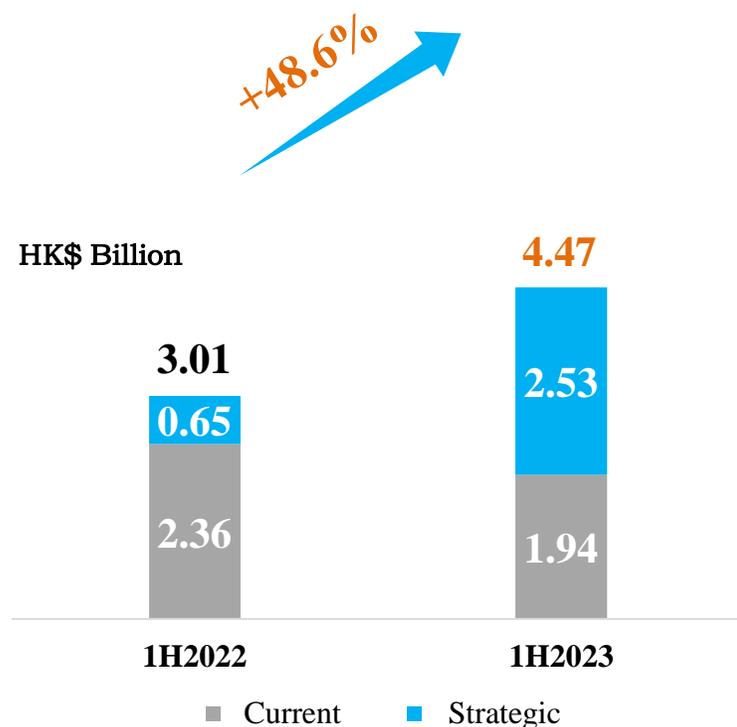
HK\$ **4.47** B

Cashflow from Operation

HK\$ **4.76** B

Bank & Cash Balance

HK\$ **18.60** B



3 major international credit agencies re-affirmed CR Gas a leading credit rating. In 1H2023, financing cost was 2.6% p.a. which is the best in the industry and debt ratio was 38.0% which keep strong financial flexibility.

Maintain Leading Credit Ratings

Financing Cost

2.6%

Debt Ratio

38.0%

Agency	Status	1H2023 Rating
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Maintain

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MOODY'S

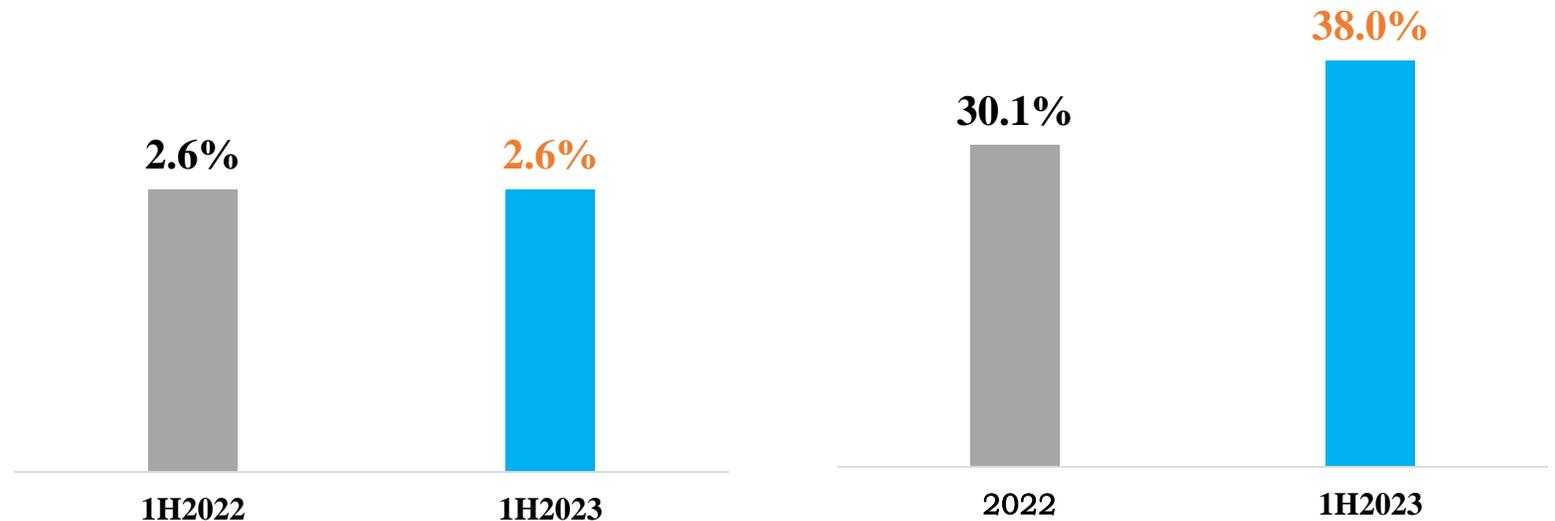
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Highlights



Actively follow the National energy transform direction, promote clean energy applications and the reduction of CO₂ emission indices. 1H 2023, an “A” MSCI ESG rating was maintained and CR Gas was selected in “China ESG Listed Companies Leading 100 Index”, and granted 5 stars level, ranked No. 1 in the city gas distribution industry, selected in “China ESG Listed Companies GBA Leading 50 Index”.

Emission Index Improvement



CO₂ Emission
(ton std. coal/RMB10,000 asset)
decrease **30.3%**



Total CO₂ Emission
(ton)
decrease **33.6%**



Comprehensive Energy Consumption (Present Value)
(ton std. coal/RMB10,000 turnover)
decrease **2.4%**

ESG Disclosure Enhancement



Reference to TCFD’s recommendation, identify the closely related **Physical and Transition Risks of Climate Change**, and formulate counter-measures.

Board and Safety Management Disclosures Enhancement

- New description added on the role of the Board in anti-corruption and business ethics management.
- Disclosure on number of OHSAS recognition company and operational safety target, etc.



«CR Gas Benchmarking Management Practice» was awarded 2022 (the 8th) SOE Management Innovation **1st Prize**

Market Recognition



Selected in “China ESG Listed Companies Leading 100 Index”, granted **5 stars level**, ranked **No. 1** in the city gas distribution industry.

Participate in formulating 3 policies of national pipeline retrofitting of the Ministry of Emergency Management to provide technology support of the natural gas operational safety management and to ensure operational safety of the network. RMB5.42 billion has been invested to complete 7,624 km retrofitting. To strengthen customers' gas facilities safety, a total of RMB5.8 billion has been invested since 2017. 108 project companies have obtained operational safety standard certificate.

High Standard Completion of National Assignment

■ Participation in Policy Formulation

- Implementation Plan for Retrofitting Aging Natural Gas Pipeline
- Guidelines for Aging Natural Gas Pipeline Assessment
- List of Pros and Cons for Retrofitting Aging Natural Gas Pipeline

■ Counter-measures on “6.21” accident

- Convene safety emergency meeting to deploy safety investigation and management
- Execute bottle LPG safety investigation and management
- Complete F&B commercial customer special safety investigation and management

Continuous Focus on Pipeline Operational Safety

Invested RMB**22.65** million to complete **24.2** km retrofitting in 1H 23023.

RMB **5.42B**

Total Invested



7,624km

Total Retrofitted



105
Safety Recognition Companies



108 companies

Undergoing Operational Safety Recognition Certificate Process

Promoting Customers' Gas Facilities Safety

Flexible Hose



New: **15.12** million
Total: **38.30** million

Shut-off Valve



New: **4.39** million
Total: **11.42** million

Alarm & Detector



New: **81,000** units

RMB**5.8** billion has been invested to strengthen customers' gas facilities as at June 2023.

With the National energy transform direction, CR Gas has formulated the “1+2+N” business development strategy for the expansion plan during the 14th 5 year Plan period. CR Gas will leverage on the core city gas “CG” development, actively expand the comprehensive services “CS” and integrated energy “IE” business and explore the opportunities of the related new businesses.

1

City Gas Core Business

2025 Gas Volume

50.0 B m³

2025 Total Customer

60.00 M

2

Comprehensive Service & Integrated Energy

2025 CS Scale

 RMB **10.0** B

2025 IE Scale

 RMB **5.0** B

N

New Businesses

Exploring Focus

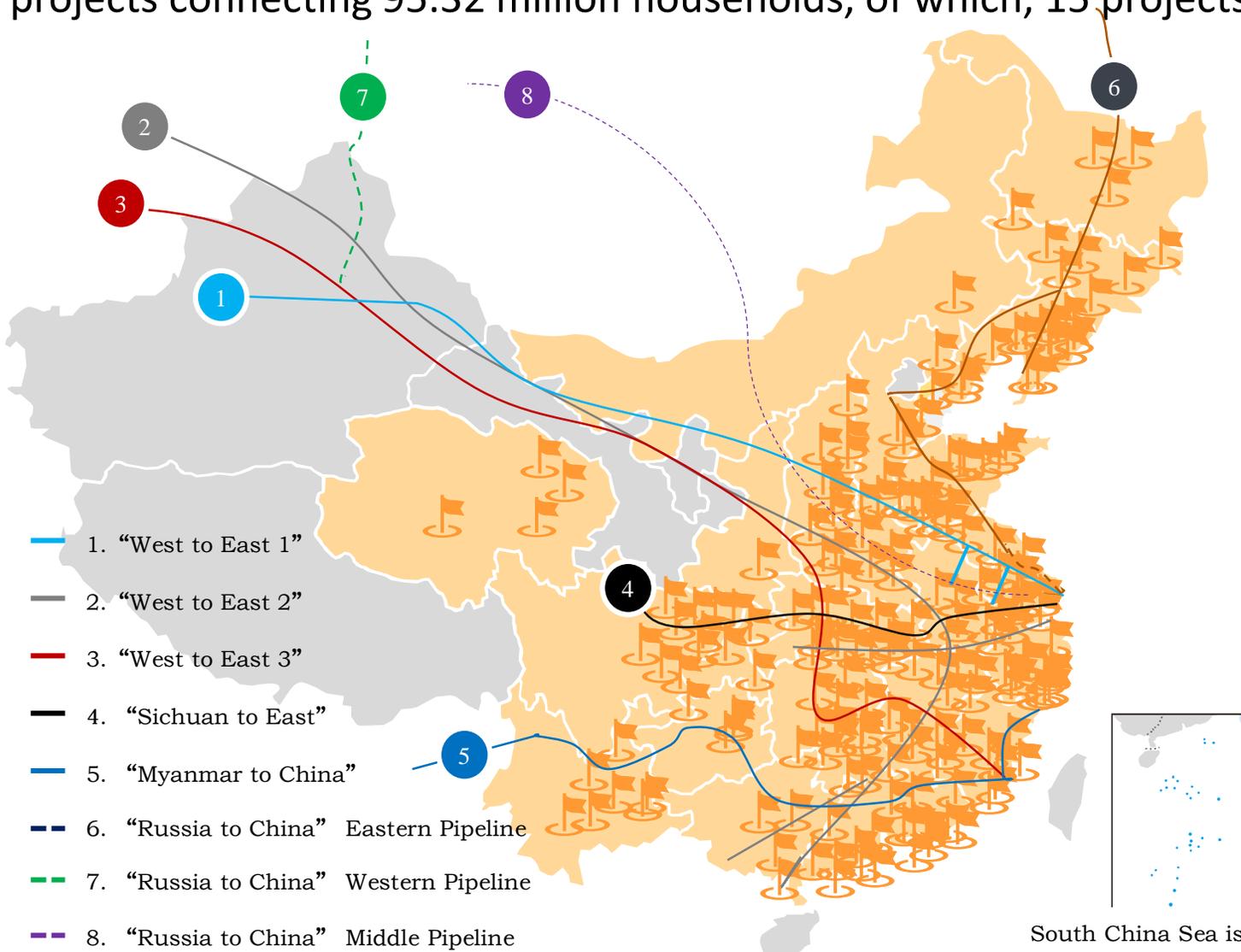
Hydrogen Energy

User Energy Storage

Carbon Trading

.....

Pan-China strategy of project locations; projects can easily secure gas sources as most of them are located closely to the main gas supply pipelines and in the fast economic developing regions. 1H2023, CR Gas has 275 city gas projects connecting 95.32 million households, of which, 15 projects are located in provincial capital.



275 City Gas Projects



15 Provincial Capitals



76 Prefecture-level Cities



55.85 M Customers



298 K km Pipeline



95.32 M Connectable Households

South China Sea islands

1H2023, 3 and 2 projects were signed and registered respectively at group level. CR Gas has completed financial statement consolidation of 10 high quality projects since the start of the 13th 5-year plan period. Chongqing Gas was consolidated in the financial statements 1H2023. An additional 2% stake increase in Xiamen project completed in July 2023 and will be consolidated in the financial statements. CR Gas' city gas distribution core business will be further strengthened.

New Investment in 1H2023

- Signed Project **3**
- Registered Project **2**

Kunming Gas, Hunan Jingzhou county, Fuyang (area expansion)

- Estimated Investment **HK\$ 880 million**
- Post Acquisition Kunming Market

Acquired controlling stake in Kunming Gas to consolidate Kunming market

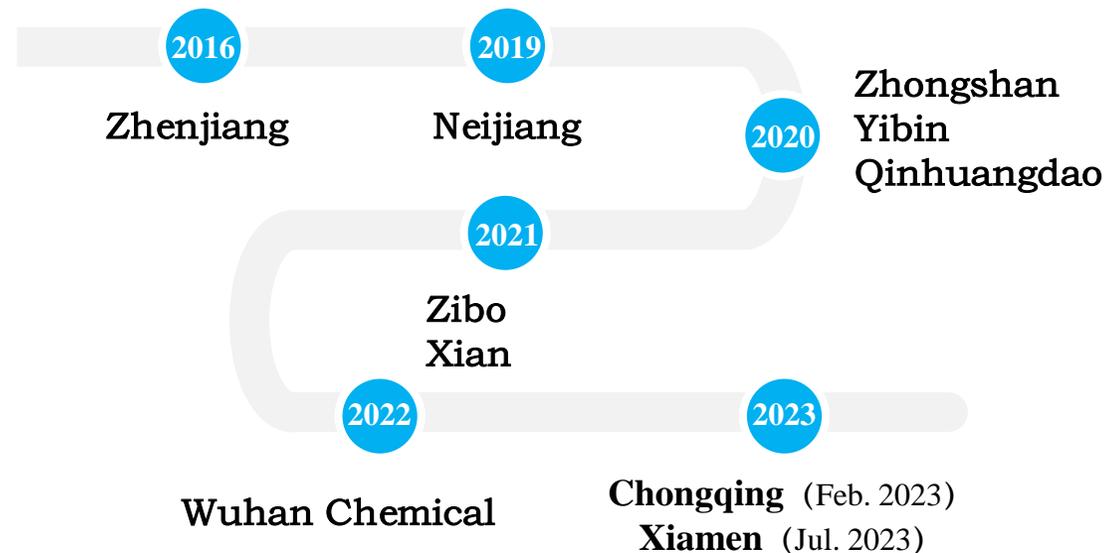
- Operation Area: 72% of Kunming
- Population: 3.2 million
- Member Company: 21
- Annual Volume: 500M m³ (including member companies)
- No. of Customer: 2.07M (including member companies)



CR Gas operation area
Kunming Gas operation area

Consolidation of High Quality Projects

- Complete **10** high quality projects consolidation since 2016



- Performance of the above 10 projects (2022)



On 21 June 2023, Rudong LNG receiving terminal commenced construction, it will be fully compatible with CR Gas's major city gas market and expand its industry influence. Annual gas supply contract coverage increased to 99.3%, Gas procurement of 1.3 billion m³ was arranged in 1H2023, an increase of 60%, 360 million m³ unconventional gas contract was signed, 160M m³ underground storage has leased, upstream gas supply security continues to improve.

Cooperation with the 3 Major Oil and Gas Suppliers

Expansion in gas contract scale

- An extra **350M** m³ was managed to add into this year's annual contract volume, annual gas supply contract coverage reached **99.3%**, an yoy increase of **2.3** PPT;

Increase in gas volume coordination

1H2023, gas volume coordination reached **1.30B** m³, an increase of **60%**, procurement costs will expect to reduce RMB**0.09**/m³ in these area.

Improvement in Upstream Gas Resources Security

Explore other quality gas sources

- Unconventional gas contract of **360M** m³ such as coal gas, coalbed methane and shale gas, etc was signed;
- Approach **30+** global suppliers to obtain contract quotations for consideration.

Develop underground gas storage

- Auction in exchange for National Pipeline's storage and distribution pass (“储运通”);
- Underground storage of **160M** m³ and **10M** m³ “储运通” leased, peak season costs will expect to reduce RMB**50M**.



Construction commenced on 21 June 2023, Phase 1 expected to be completed in 2026.

Turnover Capacity

6.50M ton (1st phase 9.0B m³)

10.00M ton (13.8B m³ further expansion)

Downstream Market

Over 80 CR Gas projects within 500km radius

👉 **2022 Volume 9.34** B m³

Taking the opportunity of the Nation's "Urban Village Renovation in Super and Super-Large City" policy, accelerate the development of household users, promote industrial energy saving technical transformation, together with the safe reform approach, continue to encourage commercial customers adopting "bottle to gas", newly developed customers will contribute over 1 billion m³ gas volume per year.



Residential: **Speed up New Connection**

Accelerate the new household connection with the support of "Urban Village Renovation in Super and Super-Large City" policy.

→ **New Households**

1.46 million

→ **Contribution**

280 million m³/year

Industrial: **Promote Energy Transformation**

Identify potential industrial to promote industry energy saving technical transformation.

→ **New Industrial**

1,778 customers

→ **Contribution**

730 million m³/year

Commercial: **Encourage "Bottle to Gas"**

Emphasis on safety issues to encourage "Bottle to Pipe Gas" conversion.

→ **New Bottle to Gas**

4,370 customers

→ **Contribution**

80 million m³/year

Transportation: **Accelerate Transformation**

- Formulate action plan to explore new markets;
- Transform to combined station.

→ **Close/Exit in 1H2023**

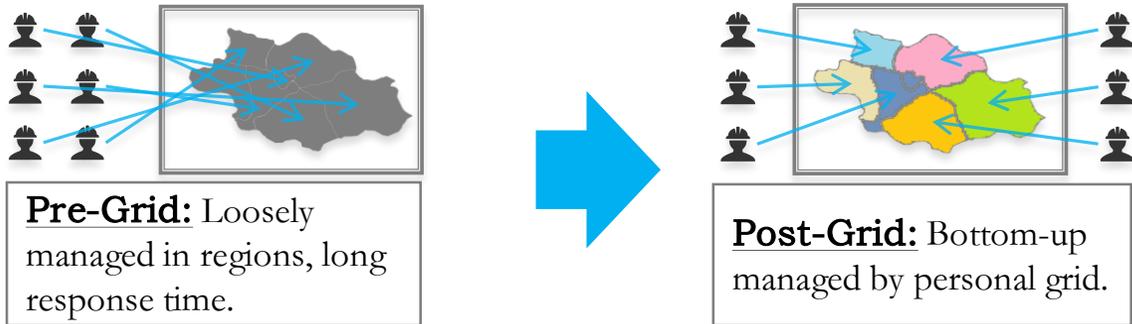
6 stations

→ **Station Transformed**

33 stations

Promote brand new customer services model, continuous to execute the grid based management, over 30 million users have been covered in 1H2023. Establish the image of “Gas Butler”, change the customer experience from the customer center to gas concierge door-to-door services; personalized gas concierge will become a “mobile shop” of the comprehensive services, CR Gas’s comprehensive services will be an “everywhere available” model.

Grid Management: Change in Services Model



Customer Services Enhancement

- Customer experience: prompt response;
- Employee value: career satisfaction;
- Risk Security: Grid emergency management capability focus.

- Self safety inspection success rate by grid **↑ 21.2%**
- Risk rectification completion rate **↑ 20.2%**

Over **30** million users have been covered, will be fully covered by end of the 14th 5-year Plan period.

Gas Concierge: Change in Contact Method



Before



CR Gas Grid Staff (Gas Concierge)

After

- Customer Center
- Service at Customer Center
- 0.1 million customers per center;
- 500+ centers for CR Gas.

Channel

Model

Contact

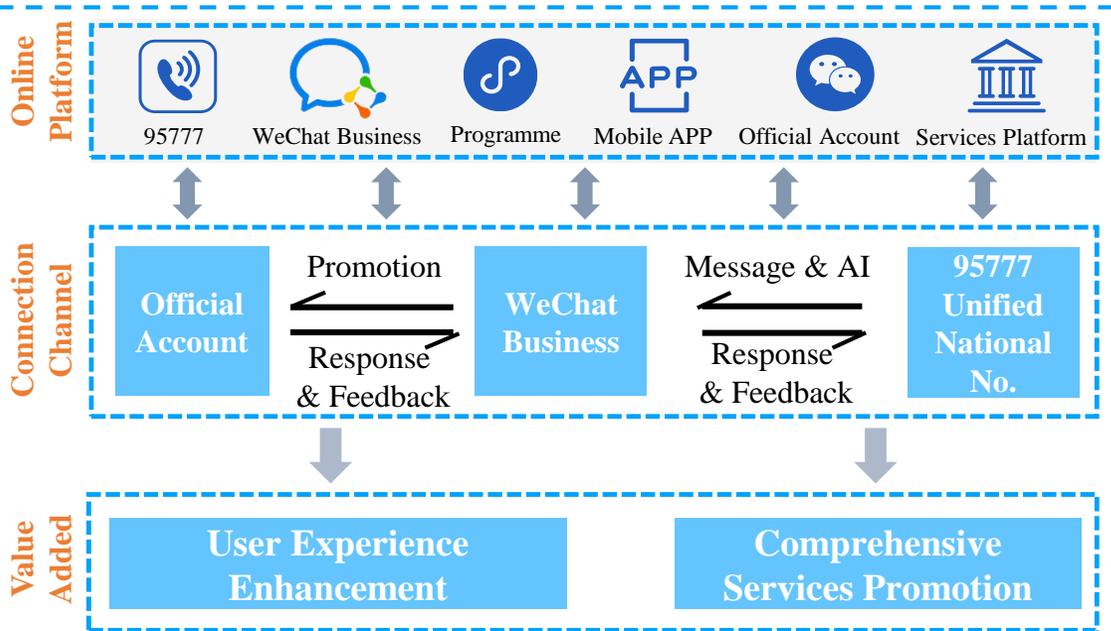
- Personalized Butler
- Door-to-Door Services
- 5-10k** per grid staff;
- 10k+** grid staff for CR Gas.

Gas Butler become a “mobile shop” and “everywhere available model.”

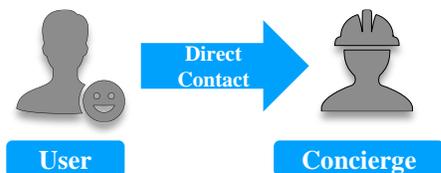
Establish a smart services system through online platform such as WeChat Business, unified national service phone number 95777, official account to manage content disclosure and empower gas concierge to better service the customers. By introduction of AI engine to offer a smart and humanize intelligent customer services.

All-Around Smart Customer Services System

Blueprint

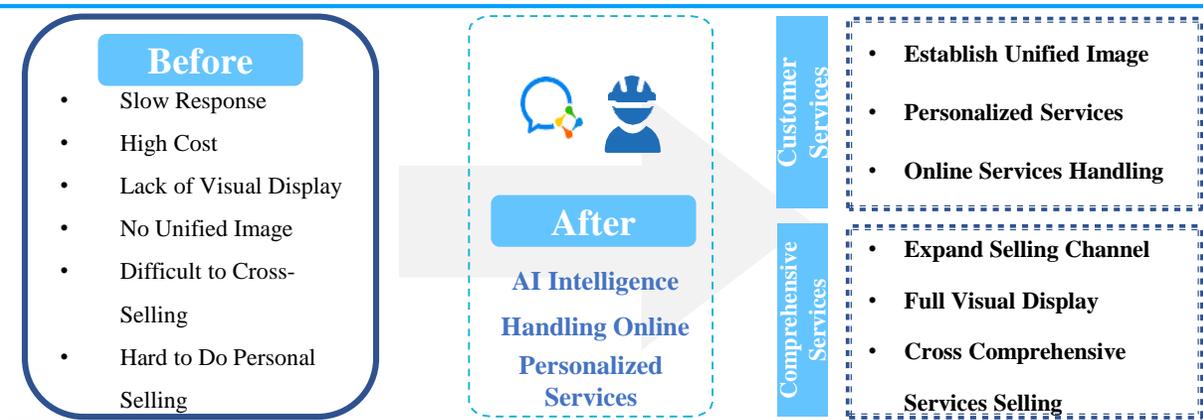


Establish End-to-End information Transmission by Grid Transformation, **to Achieve Customer Needs Direct to the Grid.**

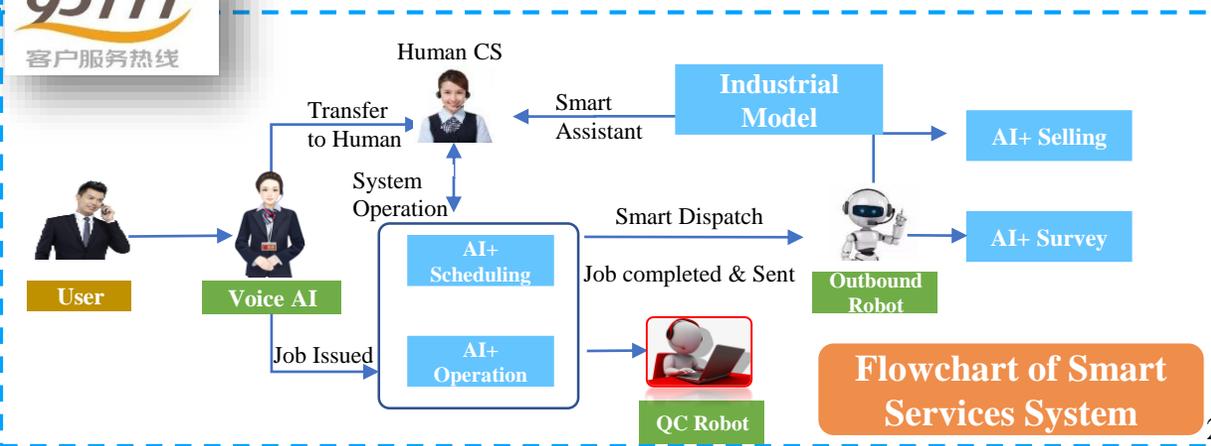


Multi-Dimension Customer Services Experiences

WeChat Business (3M registered since July, 10M registered in 2023.)



95777 Unified National Services Phone Center

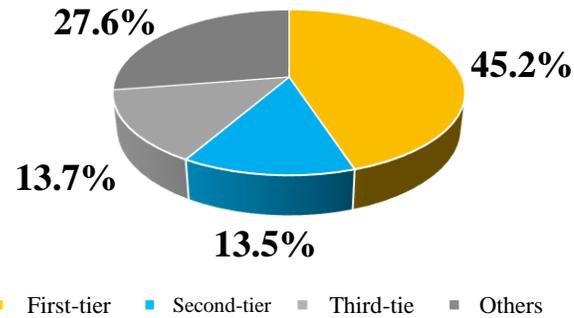


Flowchart of Smart Services System

CR Gas has 53.921 million household customers. Of which, 39.039 million household customers are located in affluent 3rd-tier or above cities. CR Gas provides customers a one-stop assembly solution for a smart kitchen with an emphasis on safe gas usage.

Huge & Prime Customer Resources

City Household Proportion by Tier



■ Household Customer **53.921 M**
 ■ 3rd-tier or above Household **39.039 M**

One-Stop Smart Kitchen Assembly Solution

美装宝

— Custom Installation & Decoration

Custom design decorated buried pipe with durable protection and professional installation complied with safety requirements.



厨安宝

— Safety Inspection & Monitoring

“百尊智+” APP provides gas shut off with one button, 24 hours gas leakage inspection, voice signal alarm, and auto shut off functions.



智能厨电

— Smart & Safe Appliances

High-end kitchen appliance series with “百尊智+” APP remote control and hood-cooker linked switch.



美装宝

美装燃气管道暗埋定制产品宝

厨安宝

厨房燃气安防报警产品

百尊厨电

智能百尊厨居家电

Continuous growth in kitchen electricity-gas-heat and insurance agent products, turnover per household from comprehensive services business (CSB) increased to RMB50.6. Turnover from CSB increased 7.7% from HK\$1.37 billion to HK\$1.47 billion, contribution increased 11.4% from HK\$0.56 billion to HK\$0.62 billion. Excluding exchange impact, increased 14.9% and 18.8% respectively.

Expansion in Comprehensive Services Business

Kitchen Electricity-Gas-Heat Market Share

8.7%



1H2022: 5.7%

Insurance Agent Market Share

25.6%



1H2022: 24.5%

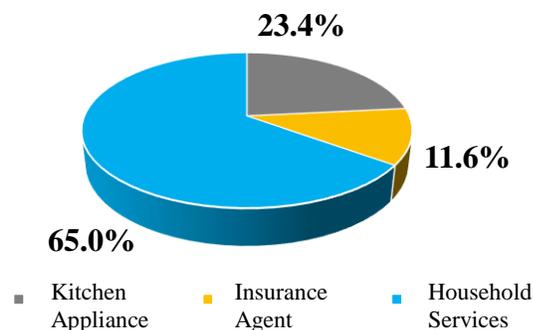
CSB Existing Customer Household Turnover

RMB50.6



1H2022: RMB41.3

1H2023 Turnover Mix



Rapid Growing in Turnover and Contribution

CSB Turnover

+7.7%

Excluding Exchange Impact

+14.9%

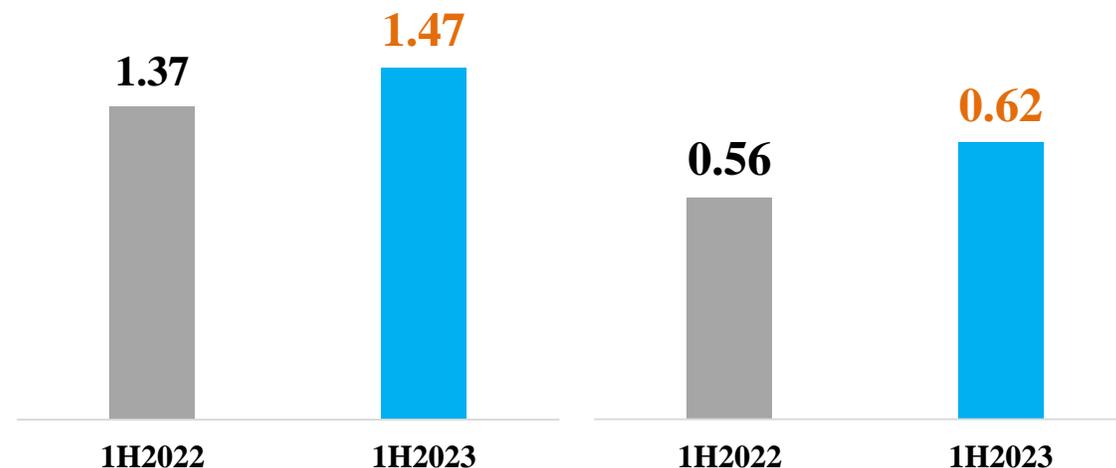
CSB Contribution

+11.4%

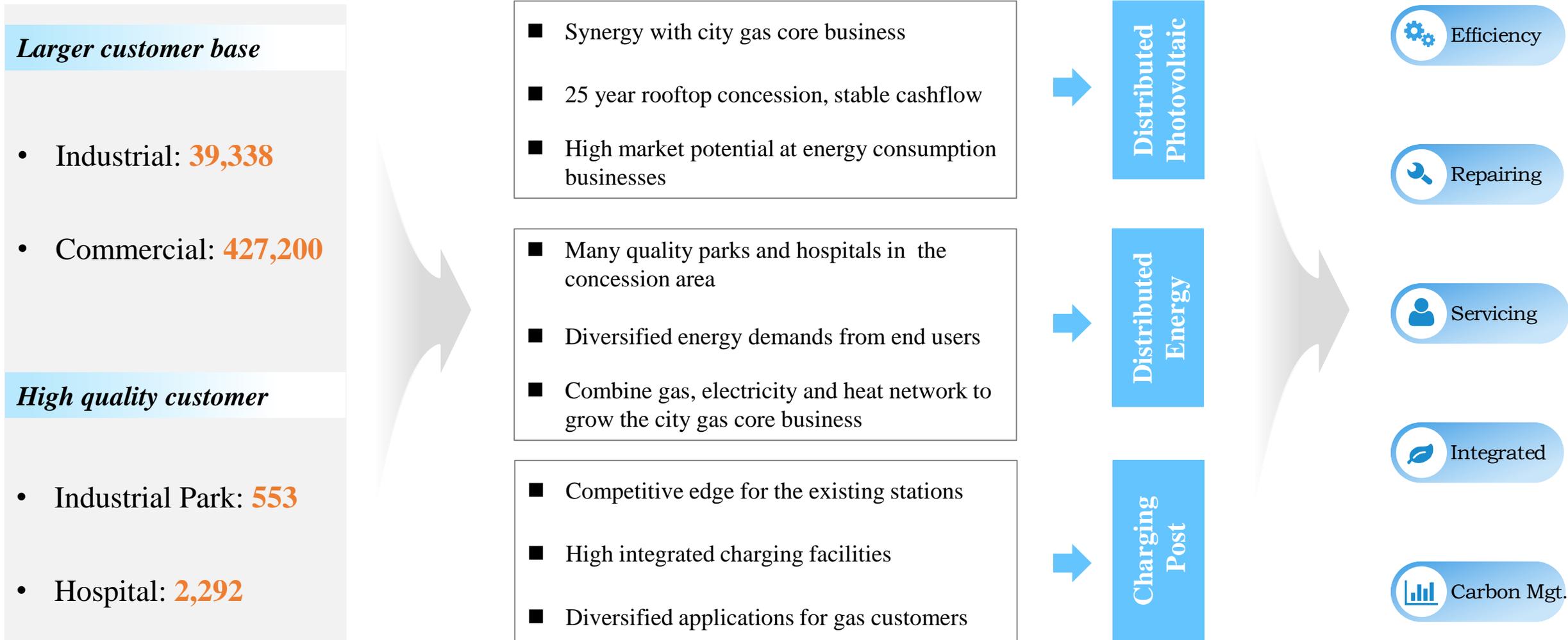
Excluding Exchange Impact

+18.8%

HK\$ Billion



Leverage on the competitiveness of the core city gas distribution business and the large customer resources, CR Gas can identify quality distributed photovoltaic and distributed energy projects and continues to enhance the integrated energy solution capability, establish an integrated energy business with CR Gas's characteristics.



In Nantong Jiangsu develop Yongjin distributed photovoltaic project, project investment was RMB85.97 million, 20MW installed capacity, annual electricity sold is 20.66 million kWh, expected turnover is RMB9.91 million. In Chongqing Shuitu industrial park invest BOE distributed energy project, project investment was RMB300 million, 45MW installed capacity, annual consumption scale is 240 million kWh, expected turnover is RMB180 million. Pilot project of PV, Storage, Charging, Exchange and Repair combined station in Jiangmen.

Distributed PV

Jiangsu Yongjin Project



- Installed Capacity: **20MW**
- Annual Sales: **20.66M kWh**
- Est. Income: **RMB9.91M**
- CO₂ Reduction: **17,000 ton**

Distributed Energy

BOE's Chongqing Shuitu Industrial Park Project



- Installed Capacity: **45MW**
- Annual Production: **240M kWh**
- Est. Income: **RMB180M**
- CO₂ Reduction: **160,000 ton**

Charging Station

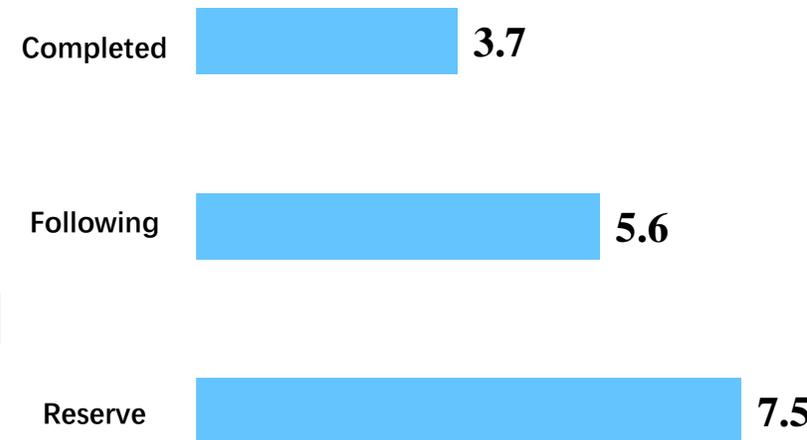
Jiangmen Baishi Station



- Model: Combined PV, Storage, Charging, Exchange and Repair
- Charging/Exchange: **4M kWh p.a.**
- Est. Income: **RMB4.39M**
- CO₂ Reduction: **130 ton**

Project Opportunity "Pyramid"

Billion kWh



Estimated Annual Sales of the Investigated Project: **7.5B kWh**, of which:

- Annual Key Identified Project Sales: **5.6B kWh**
- 2023 Estimated Completed Project: **3.7B kWh**

Leverage on the “3 combined power network” resources advantage of Xiangyang integrated energy company to co-develop the distributed photovoltaic project with Dongfeng light truck smart factory. Invested by third party, Xiangyang company utilizes the incremental distribution network to provide grid connection and settlement services and execute light asset operation model. Installed capacity is 56MW, annual sales is 55.5 million kWh and estimated gross profit is RMB10 million p.a..

Dongfeng Light Truck Smart and Green Factory 56 MW PV Project

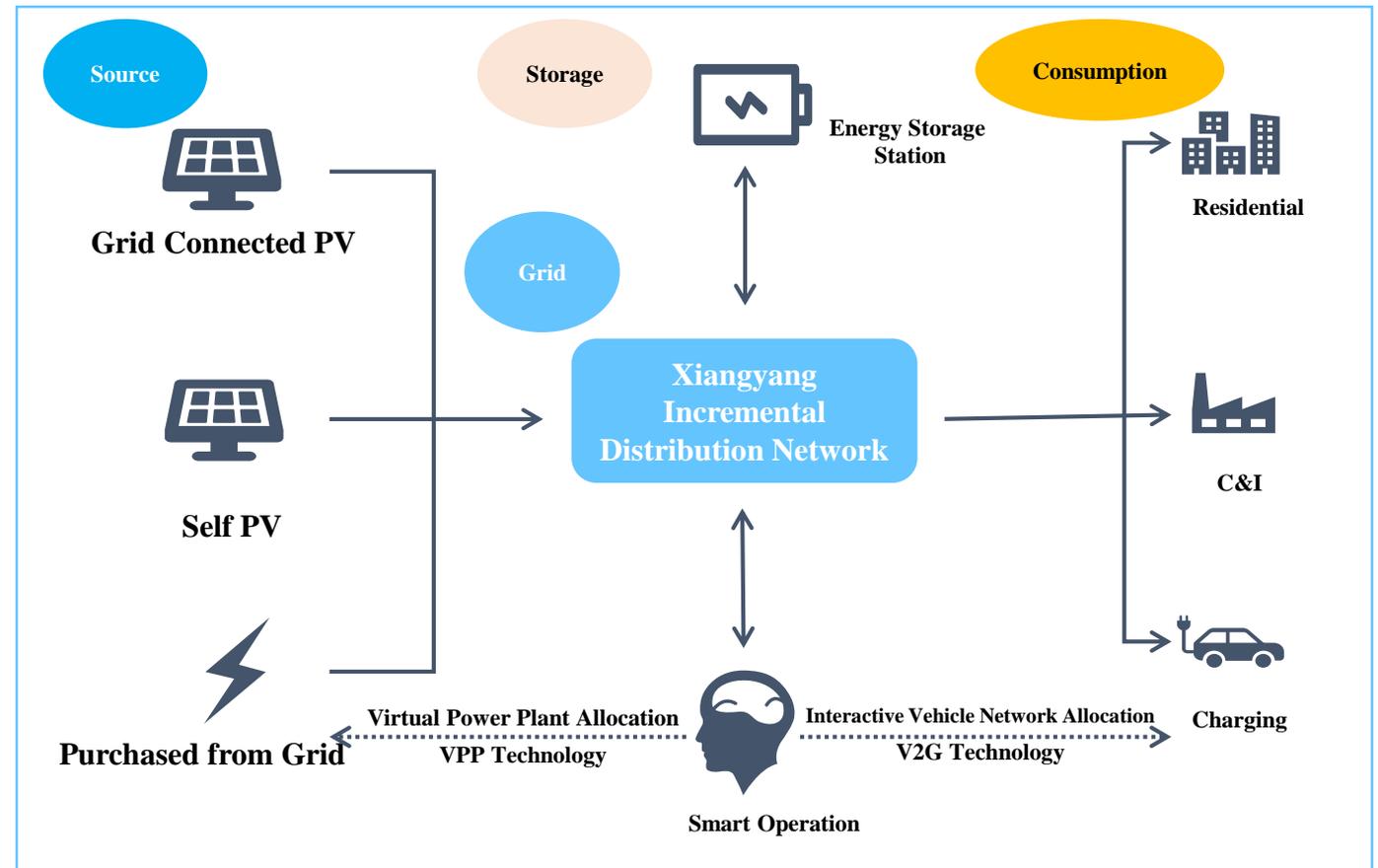


Customer provides rooftop, 3rd party invests and constructs, Xiangyang company provide grid connection and settlement services.

- Annual Sales: **55.50M kWh**
- CO₂ reduction: **45,000 ton**
- Clean Energy utilization: **100%**



Model: Grid Connection+Distributed PV+Smart Platform

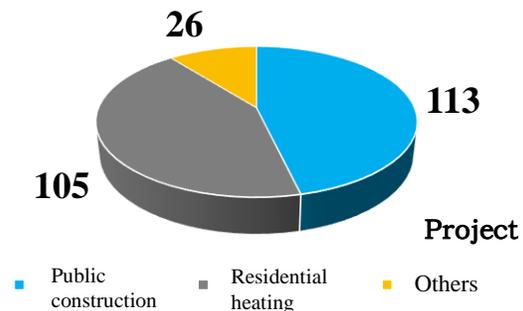


Leverage on the customer resources in the operation area, CR Gas focuses on developing quality integrated energy projects. 42 projects were signed in 1H2023 with estimated investment of HK\$460 million. There are total of 244 projects. Energy sales increased 25.4%, turnover increased 37.8% to HK\$600 million.

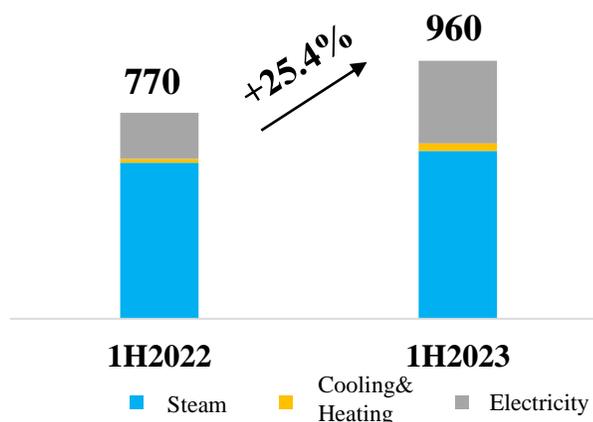
Integrated Energy Business in 1H2023

- Newly Signed Project **42** projects
- Estimated Investment **HK\$460M**
- Operating Project **142** projects
- Developed Project **244** projects

Developed Project



Energy Sales Million kWh



Distributed Photovoltaic:

- Signed Project: **27** projects
- Est. Investment: HK\$**210M**
- Developed Project: **99** projects

Distributed Energy:

- Signed Project: **15** projects
- Est. Investment: HK\$**250M**
- Developed Project: **145** projects

1H 2023 Financial Highlights

Expanding Turnover

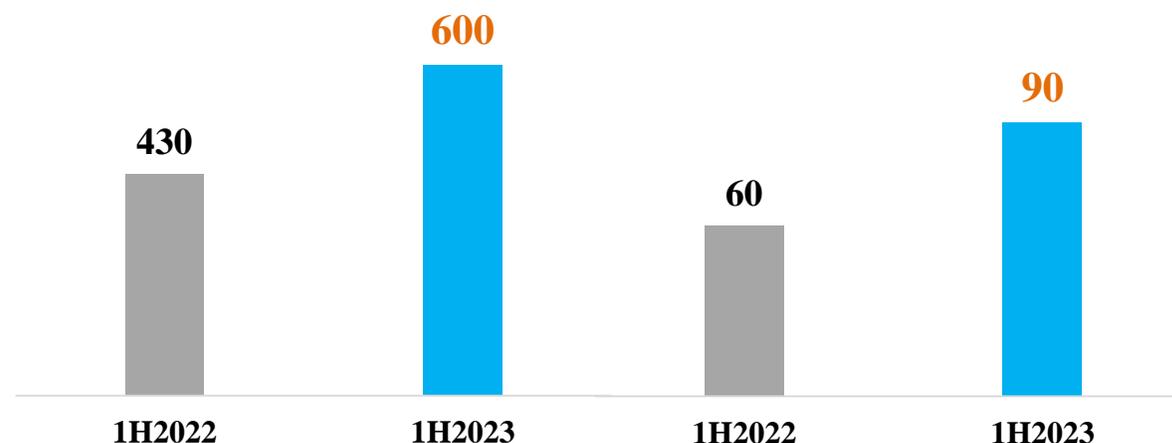
HK\$ Million

+37.8%

Growing Contribution

HK\$ Million

+49.9%



Professional EV charging companies have been set up in Nanjing and Hangzhou, etc. to expand and secure the public transport depots and explore the possibilities of social and new type depots utilizing the existing resources and competitive edge. 1H2023, 6 charging stations were added, a total of 177 stations in operations, electricity sales reached 150 million kWh, an increase of 39.8%. Turnover increased 25.4% to HK\$110 million.



Accelerate EV Charging Business

- **Replicate Public Transport Cooperation Model:** Promote Nanjing and Hangzhou EV company model.

1

- **Explore New Type Station:** Study PV, Storage, Charging, Exchange and Repair total solution combined station.

2

- **Pilot Social Charging Station:** leverage on the competitive edge of existing project locations.

3

- **Explore Virtual Power Plant:** Establish interactive charging grid smart energy system, participate in virtual power plant establishment.

4

Utilizing existing gas station resources to expand the charging station coverage

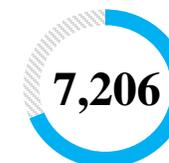


Continuous Expanding Charging Business

- A total of 177 stations in operations;
- 150 million in electricity sales, turnover was HK\$110 million.



Operating Station



Contracted Vehicle

Electricity Sold

150 M kWh ↑ +39.8%

Electricity Sold

Turnover

110 M HK\$ ↑ +25.4%

Turnover

Actively explore the new businesses opportunities such as the hydrogen energy industry, energy user storage and carbon trading, pilot “氢进万家” project in Shandong, research and study of hydrogen and combined hydrogen pipeline, hydrogen combustion utilization, new technology of hydrogen production from gas; 2 energy storage projects are carried out in Huizhou and Hangzhou and trial of carbon asset trading, 30,000 ton carbon asset sales in 1H2023, and promoting customers to realize their resources advantage.

Hydrogen Energy Studies

■ Shandong “氢进万家” project

- 30 km hydrogen pipeline demonstration, 2 hydrogen energy communities;
- Combined hydrogen application demonstration in building district;
- Combined heat and electricity supply system demonstration

Self-Invest

RMB**18.00M**

Government

RMB**12.00M**

■ Combustion Technology Laboratory with Tongji University

Focus on the application of combined hydrogen combustion technology and natural gas energy saving.

■ Incubate Hydrogen Production from NG and Graphene Technology with Venture Capital

■ Trial of end market hydrogen refueling

7 hydrogen refueling stations in operation, 15 stations are planning to build, 154 ton hydrogen sold 1H2023, increased 98.9%.

■ Participate in SOFC Related State Level Research Subject Application

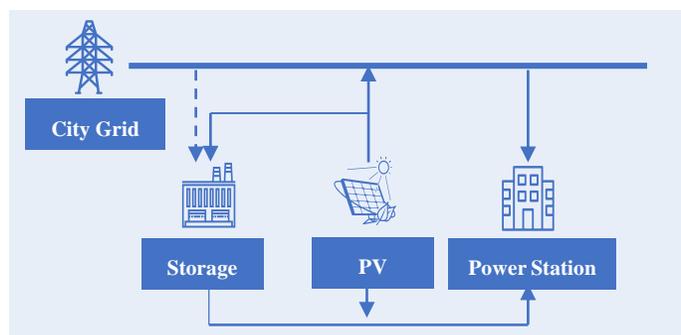
Energy User Storage Pilot Project

2 energy storage projects carried out

Dayawan zero carbon station

- Storage Scale: 30 kW / 138 kWh
- Operation Mode: 10:00 – 14:00 PV to storage charging, 19:00 – 03:00 power supply to station
- Daily Storage/Supply: 61.8 kWh /59.9 kWh

Operation Model:



Trial of Carbon Asset Trading

- 1H2023 donation: **20,000** ton carbon asset
- 1H2023 sales: **30,000** ton carbon asset
- Total recognition: **66,000** ton carbon asset
- Establish “Carbon Neutrality” platform
- Establish “Industry Alliance”



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1 Results Highlights

2 Company Development

3 Financial & Operational Highlights



As at	30 June 2022 (HK\$'000)	30 June 2023 (HK\$'000)	Increase/(Decrease)
Turnover	48,100,627	48,369,601	0.6%
Gross profit	8,826,983	8,818,865	(0.1%)
Profit from operation ⁽¹⁾	4,789,717	5,597,876	16.9%
Profit for the period	3,929,277	4,557,546	16.0%
Profit attributable to the equity holders	3,045,380	3,545,256	16.4%
Net cash from operating activities	(9,916)	4,756,323	—
Basic EPS ⁽²⁾ (HK\$)	1.34	1.56	16.4%
Interim dividend proposed/paid per share (HK\$)	0.15	0.15	—

Note: (1) Before finance costs and share of JVs and associates results;

(2) Basic EPS is calculated based on weighted average number of issued shares, excluding incentive award scheme.

As at	31 December 2022 (HK\$'000)	30 June 2023 (HK\$'000)	Increase/(Decrease)
Total assets	112,303,585	135,830,556	21.0%
Bank balance and cash	6,437,479	18,600,688	188.9%
Total bank, note and other borrowings⁽¹⁾	22,462,820	35,350,471	57.4%
Net borrowings	16,025,341	16,749,783	4.5%
Equity attributable to the equity holders	39,307,612	39,784,906	1.2%
Non-controlling interests	13,237,811	17,994,208	35.9%
Total equity	52,545,423	57,779,114	10.0%

Note: (1) The amount due to an intermediate holding company (1H2023: HK\$1,781,000, 2022: HK\$2,507,449,000) and amount due from an intermediate holding company (1H2023: HK\$0, 2022: HK\$2,238,960,000) are included in bank, notes and other borrowing.

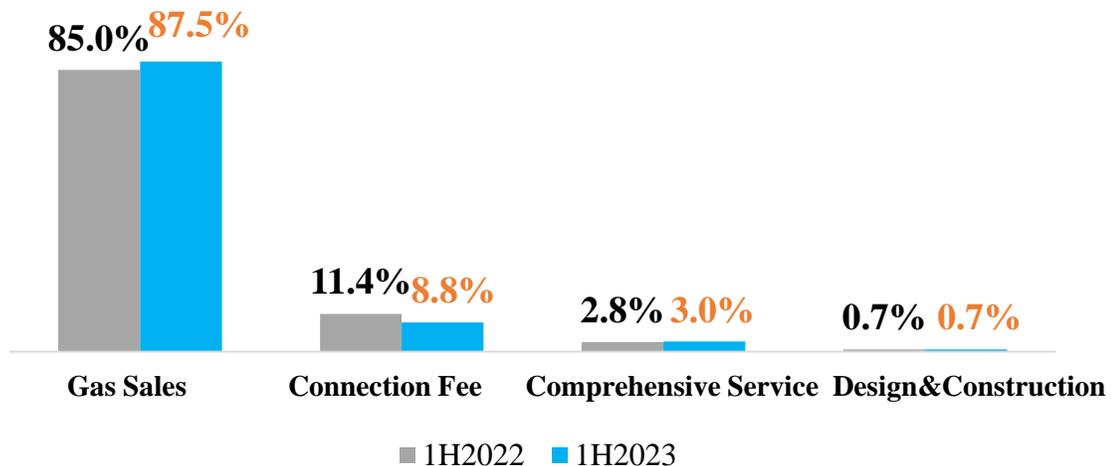
As at	30 June 2022	30 June 2023	Increase/(Decrease)
Gross profit margin	18.4%	18.2%	(0.2PPT)
Net profit margin	8.2%	9.4%	+1.2PPT
Net profit margin attributable to the owner of the Company	6.3%	7.3%	+1.0PPT
Debt to capitalization ratio ⁽²⁾	29.9% ⁽¹⁾	38.0%	+8.1PPT
Debt to asset ratio ⁽³⁾	20.0% ⁽¹⁾	26.0%	+6.0PPT
Return to equity	15.5%	17.8%	+2.3PPT

Note: (1) Debt ratio as at 31 December 2022;

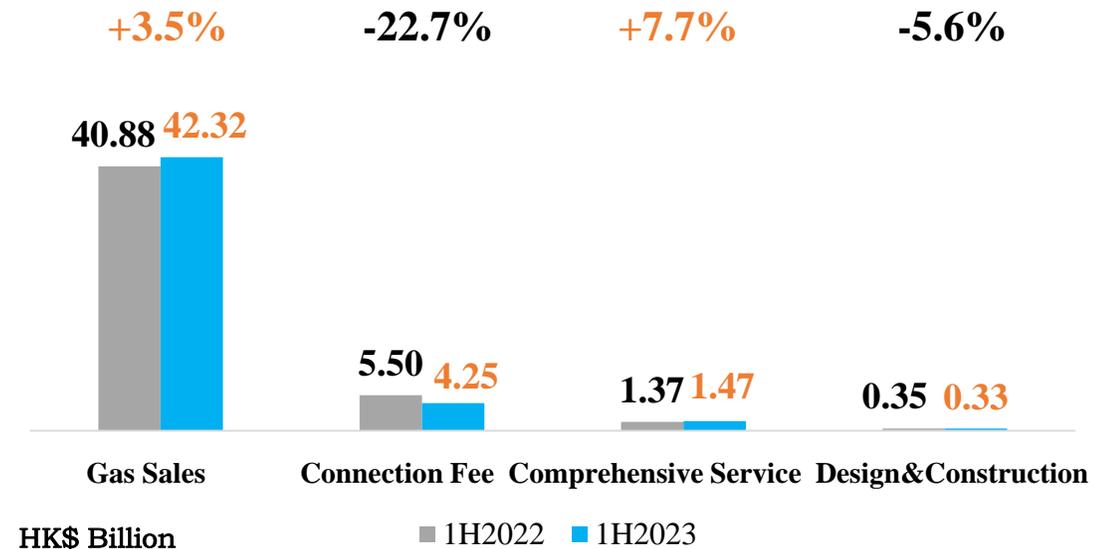
(2) Debt/capitalization gearing ratio is the ratio of total bank, note and other borrowings to total bank, note and other borrowings and total equity;

(3) Debt/asset gearing ratio is the ratio of total bank and note borrowings to total assets.

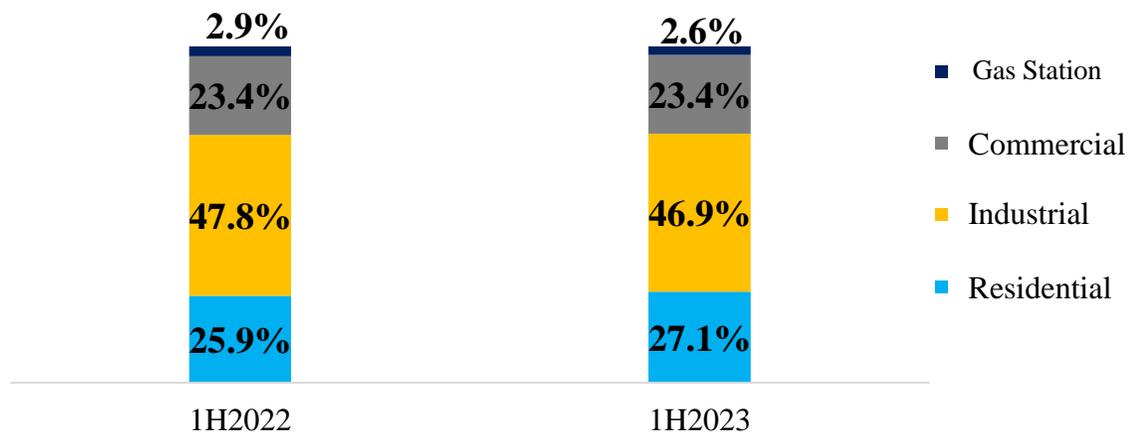
Revenue Mix



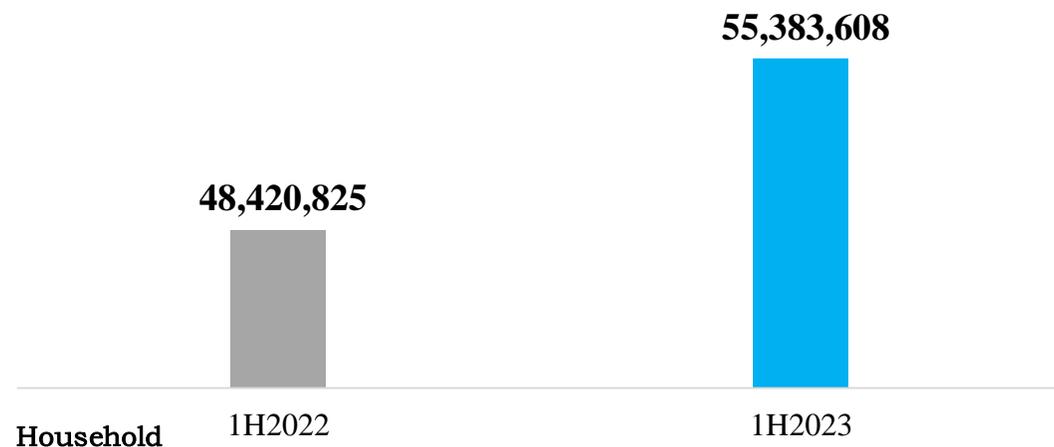
Revenue Growth



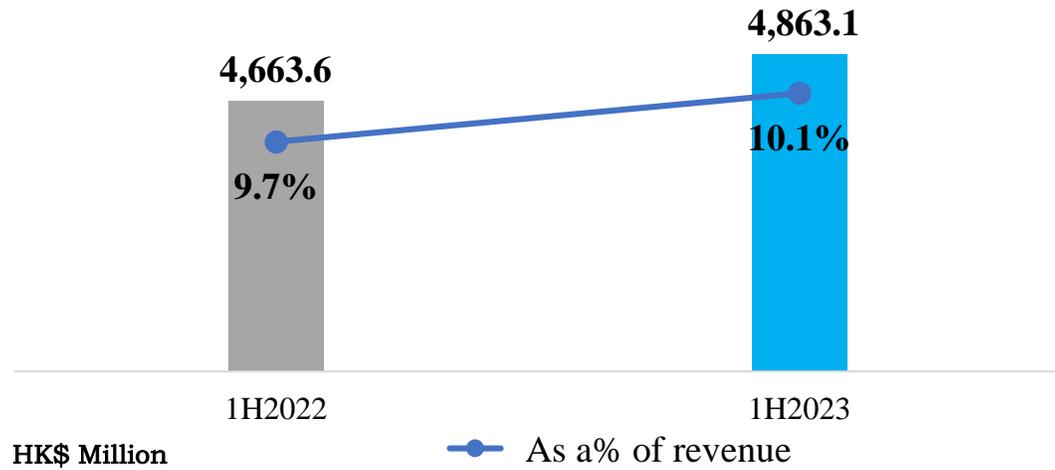
Volume Mix



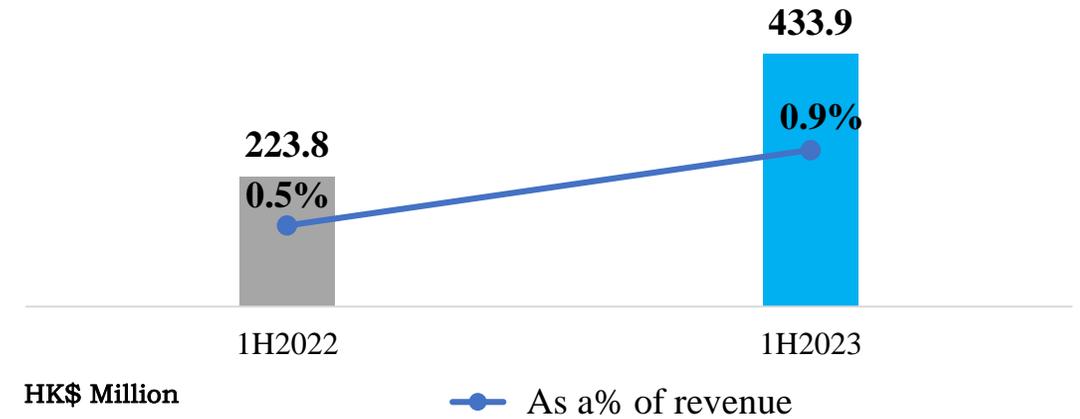
Residential Customer



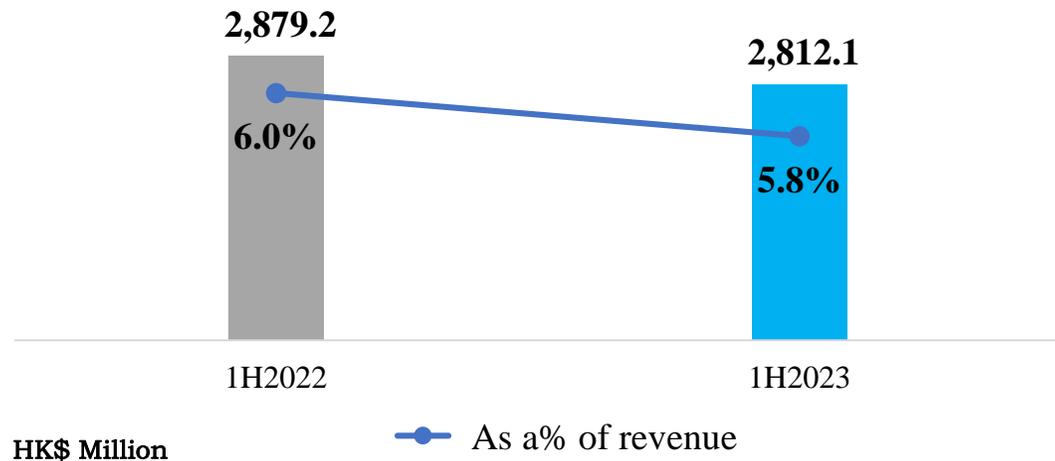
Total Costs



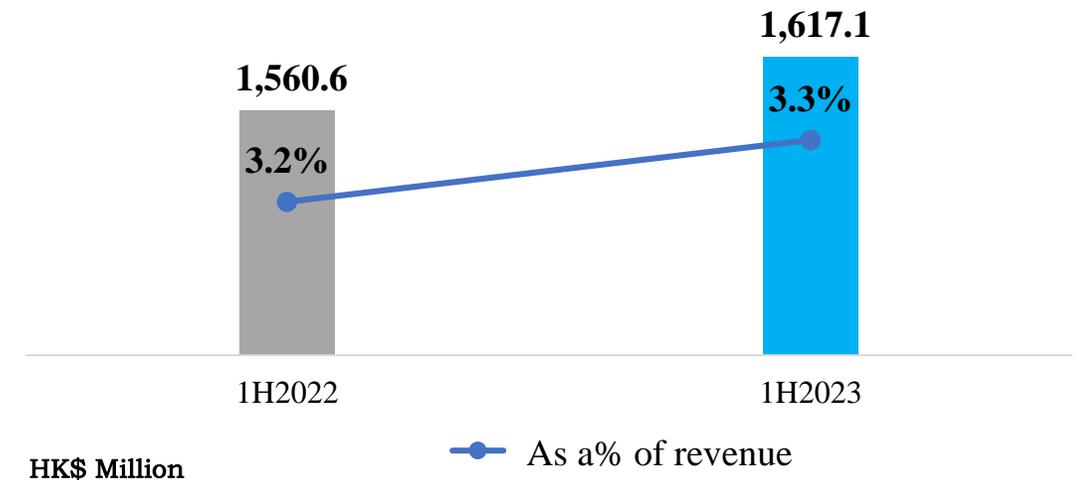
Finance Costs



Selling & Distribution Expenses

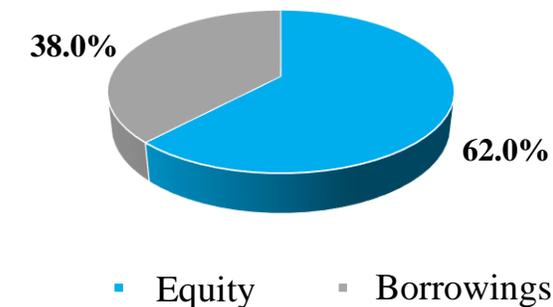


Administrative Expenses



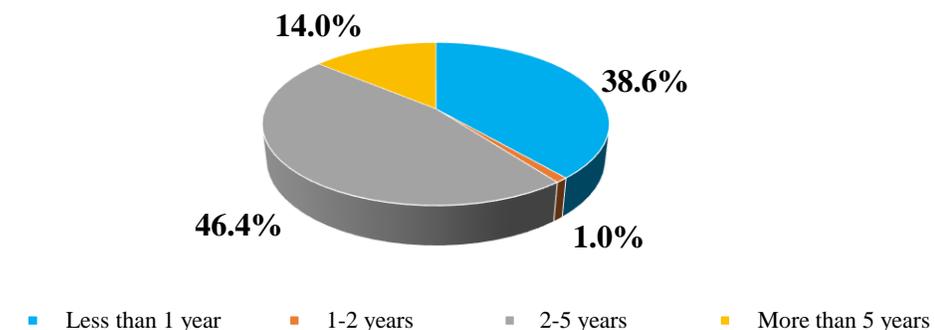
Equity & Borrowings

	HK\$'000	%
Total equity	57,779,114	62.0%
Total bank & other borrowings	35,350,471	38.0%
Total capital	93,129,585	100.0%



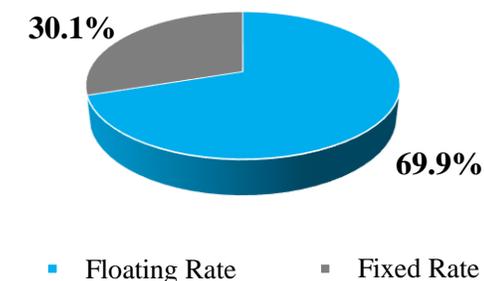
Long & Short Term Borrowings

	HK\$'000	%
Less than 1 year	13,656,573	38.6%
1-2 years	356,841	1.0%
2-5 years	16,401,103	46.4%
More than 5 years	4,935,954	14.0%
Total	35,350,471	100.0%



Fixed & Floating Borrowings

	HK\$'000	%
Floating rate	24,717,432	69.9%
Fixed rate	10,633,039	30.1%
Total	35,350,471	100.0%



	30 June 2022	30 June 2023	Change
Number of projects	268	275	7
Connectable householders (million)	86.78	95.32	9.8%
Connectable population (million)	286.37	324.09	13.2%
Penetration rate of residential household	56.1%	58.4%	+2.3PPT
Gross gas sales volume (million m ³)	18,562	19,842	6.9%
Residential	4,809	5,384	12.0%
Industrial	8,876	9,310	4.9%
Commercial	4,337	4,638	6.9%
CNG Station	353	334	(5.4%)
LNG Station	187	176	(5.7%)
Average gas tariff / cost / gross margin (RMB per m ³)	3.55/3.10/0.45	3.58/3.08/0.5	0.03/(0.02)/0.05

	30 June 2022	30 June 2023	Change
Total length of pipeline (km)	255,144	298,482	43,338
Connected customers	48,827,701	55,850,146	7,022,445
Residential	48,420,825	55,383,608	6,962,783
Industrial	30,443	39,338	8,895
Commercial	376,433	427,200	50,767
Average residential connection fee (RMB)	2,670	2,660	(10)
New C&I with paid connection fee	18,044	22,735	4,691
New residential with paid connection fee		—	
Gross basis	1,714,787	1,341,941	(372,846)
Consolidated basis	1,325,178	1,073,471	(251,707)
Gas stations (CNG/LNG/L-CNG)	334 (206/78/50)	331 (201/78/52)	(3) ((5)/0/2)

Sustainable Scale and Earnings Growth

1 City Gas Distribution

- Gas distribution to residential and C&I
- CNG/LNG gas station
- Gas connection

2 Comprehensive Service & Integrated Energy

- Provide end users with kitchen appliances; insurance and household safety
- Leverage on regional resources support, provide integrated clean energy solution

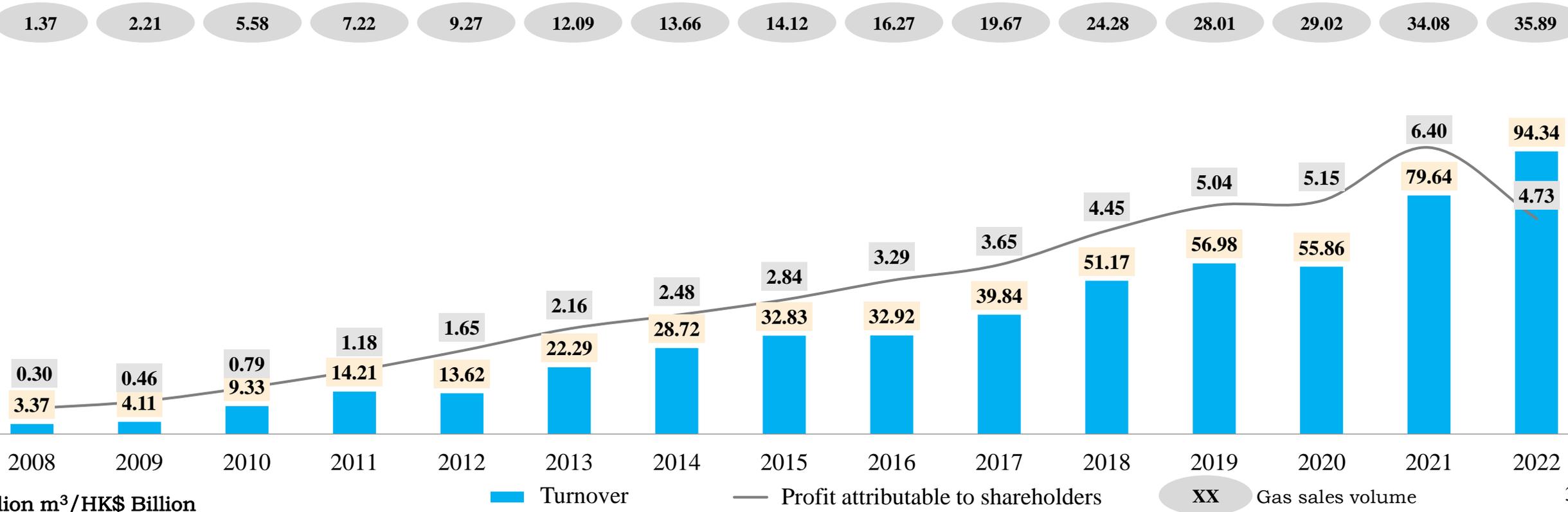
N New Businesses

- Vehicle electricity charging
- Hydrogen refueling
- Vessel gas refueling ...

2008-2022 Volume CAGR: 26.3%

2008-2022 Turnover CAGR: 26.9%

2008-2022 Profit attributable to shareholders CAGR: 21.9%



Disclaimer and Contact:

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2023 Interim Results Presentation



CR Gas

2023 Interim Results Announcement

August 25, 2023