



中裕能源控股有限公司
ZHONGYU ENERGY HOLDINGS LIMITED

(Stock Code: 3633)

Zhongyu Energy Posts 2.7% Growth in Core Profit in H1 2025 Despite Market Headwinds Refined Management as a Catalyst for Navigating Cycles

Business Highlights

- Profit attributable to owner of the Company increased by 2.7% to HK\$250 million
 - Basic earnings per share increased by 3.7% year-on-year to HK8.9 cents
 - Finance costs experienced a year-on-year reduction of 24.8%, amounting to HK\$210 million
 - New industrial and commercial piped gas connections customers recorded a 30.6% year-on-year increase
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(22 August 2025, Hong Kong) – **Zhongyu Energy Holdings Limited** and its subsidiaries (collectively the “**Group**”, or “**Zhongyu Energy**”; stock code: 03633.HK) is pleased to announce today its interim results for the six months ended 30 June 2025 (the “**Period**”). During the first half of 2025, amidst a confluence of macroeconomic headwinds and a profound structural recalibration within the domestic property sector, the Group has unequivocally demonstrated its resilience. Underpinned by exceptional operational fortitude and rigorous financial management, the Group has successfully surmounted these external pressures, thereby delivering sustained growth in shareholder value.

In the first half of 2025, the Group reported a turnover of HK\$6.58 billion, representing a 9.4% decline from HK\$7.26 billion in the corresponding period of previous year, primarily due to a natural contraction stemming from international trade protection measures and the subdued performance of the domestic real estate sector. Nevertheless, the Group continued to deepen refined management and optimise operational efficiency, resulting in a 24.8% year-on-year reduction in finance costs to HK\$210 million during the period, demonstrating the Group’s robust cost-control capabilities and exceptional operational resilience. Profit attributable to owner of the Company rose from HK\$240 million in the corresponding period last year to HK\$250 million, up 2.7%. Basic earnings per share increased to HK8.89 cents, compared with HK8.57 cents a year earlier.

City Gas Business Remains Resilient with Steady Core Gas Sales, and Gas Source Structure Continues to Optimise

In the first half of 2025, turnover derived from sales of gas segment, inclusive of filling stations, amounted to HK\$5.71 billion. The segment’s contribution continued to serve as key contributor to the Group’s core performance. While sales volume of retail gas experienced a marginal decline attributable to macroeconomic conditions, the Group achieved remarkable advancements in its energy trading operations. During the period, wholesale volume of Liquefied Natural Gas (LNG) soared by an

exceptional 100.7% year-on-year, reaching 360 million cubic meters. Notably, the Group successfully completed its inaugural international LNG trade, with the first vessel delivering its cargo at Sakai Port in Japan. This significant achievement marks a substantive breakthrough in the Group's strategic expansion into the international energy market, successfully establishing global upstream resource channels and laying a robust foundation for effectively hedging against future market volatility.

As at 30 June 2025, the Group's portfolio comprised 74 concessionary gas projects across 11 provinces in China, serving a diverse customer base of approximately 33,000 I&C clients and 5.3 million residential households. In terms of customer segmentation, the Group persistently advanced its optimisation strategies, resulting in a 30.6% year-on-year increase in newly connected industrial and commercial piped gas users during the period. Concurrently, the total number of I&C clients recorded year-on-year growth of 14.7% during the period, thereby effectively enhancing the overall business's profitability and resilience against economic cycles. Furthermore, market penetration in the residential segment continued its steady advance, with the connection of 105,560 new households, contributing to the solid and sustained expansion of its city gas operations. The gas connection penetration rate across the Group's operational territories has now reached a commendable 71.5%, a year-on-year increase of 0.5 percentage points. Supporting this expansion, the total length of the Group's intermediate and main pipelines grew by 1.7% year-on-year to reach 28,380 kilometers.

Pertaining to the value-added services, the Group's strategic focus during the first half of the year was on the newly launched home enhancement and insurance businesses, while leveraging sales of its proprietary kitchen appliance brand, "Zhongyu Phoenix", and facilitated through our "Zhongyu iFamille" retail platform to deliver a seamless and efficient customer experience. Innovatively, the Group also ventured beyond its traditional operating regions by establishing a sub-brand for gas appliances, injecting fresh momentum into the Group's business growth and further strengthening market share. During the period, the value-added services segment generated turnover of HK\$151 million.

Smart Energy: Strategic Pivot to Quality and Efficiency Drives Gross Margin Expansion to 14.4%

Zhongyu Energy actively promotes its dual-wheel drive development strategy, leveraging years of experience in city gas market development and accumulated professional expertise to provide customers with cleaner and more efficient integrated energy solutions, thereby meeting their diverse needs for electricity, heating, cooling, and steam. During the period, the smart energy business underwent a strategic realignment, pivoting its focus from scale-oriented expansion to an emphasis on quality and profitability. This recalibration generated turnover of HK\$330 million and, more significantly, drove a substantial expansion in gross margin from 10.2% in the previous year to 14.4%, markedly strengthening overall profitability.

During the period, the Group's smart energy business maintained its high-growth trajectory, making sustained progress in its core business lines of Energy Management Contracting (EMC), low-carbon transportation energy, and comprehensive energy solutions for industrial parks. This expansion is supported by an increasingly mature project investment and operational ecosystem. In the first half of 2025, the cumulative number of commissioned integrated energy projects rose by 21.3% year-on-year to 262, delivering sales volume of integrated energy of 818 million kWh.

The Group is unyielding in its pursuit of a high-value strategic transformation, anchored by biomass energy as its core pillar, to forge a synergistic green energy ecosystem. Its innovative development pathway is centered on the deep integration of biomass energy with a complementary portfolio of renewables, including solar PV, wind power, heat pumps, energy storage, and waste heat recovery. Concurrently, the Group is fortifying its competitive moat across multiple dimensions — from project development and feedstock supply chain management to proprietary equipment manufacturing and continuous technological advancement. This multi-pronged strategy is designed to ensure the long-term viability and success of the Group's transformation. Looking forward, the Group will leverage biomass energy as the vanguard of its offerings, it will proactively establish a robust presence in carbon asset management, thereby optimally positioning itself to harness burgeoning opportunities within the green and low-carbon markets. This multifaceted initiative is meticulously designed to underpin the genesis and proliferation of "zero-carbon industrial parks" across diverse geographical locales, concomitantly empowering client enterprises to actualise environmentally sustainable and economically efficient energy consumption paradigms, ultimately culminating in a profound contribution to the overarching objective of sustainable societal advancement.

Outlook: Cementing Our Position as an Integrated Energy Service Provider to Drive Accelerated Transformation

In the forthcoming epoch, Zhongyu Energy is committed to an amplified investment in the exploitation and pioneering exploration of "zero-carbon energy," steadfastly advancing towards its strategic objective of becoming the "most valuable integrated energy service provider". This concerted endeavour will further propel the practical implementation of its "dual-wheel drive" strategic paradigm. The Group's City Gas division will continue to fortify its core business, driving cost efficiencies and enhancing profitability through a commitment to operational excellence. Simultaneously, in the realm of energy trading, the Group will leverage its established international LNG trading channels to forge new strategic partnerships, thereby augmenting its comprehensive market competitiveness. Its smart energy business segment, will spearhead the transition to next-generation energy systems. Using biomass energy as the Group's strategic vanguard, it will architect integrated, multi-energy solutions engineered to power the development of "Zero-Carbon Industrial Parks" nationwide. In parallel, the Group will strategically develop capabilities in carbon asset management. This forward-looking initiative is designed to capture a first-mover advantage amid the global shift to a low-carbon economy, unlocking significant new avenues for value creation and driving incremental asset appreciation.

Furthermore, the Group will strategically pursue the deep integration of Artificial Intelligence (AI) across its business landscape to unlock new paradigms of operational efficiency. Concurrently, the Group will further embed Environmental, Social, and Governance (ESG) principles by advancing green finance initiatives and transforming ESG from a "compliance requirement" into a shared commitment across all employees, thereby providing a solid foundation for the Group's high-quality transformation and development.

Looking ahead, the Group will continue to adhere to its business philosophy of "customer satisfaction, government trust, enterprise development, and employee benefits", while accelerating transformation and upgrading to capture market opportunities with precision. The Group is resolutely focused on providing integrated energy solutions of the highest caliber, which will, in turn, drive sustained financial outperformance and maximise shareholder value. Concurrently, it will continue to proactively fulfill our

corporate social responsibilities, harnessing the full capabilities of Zhongyu Energy to serve as a key contributor to the enduring progress of society.

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About Zhongyu Energy Holdings Limited (stock code:3633)

Zhongyu Energy Holdings Limited and its subsidiaries (collectively the “Group” or “Zhongyu Energy”) provide professional gas services in various cities in China. The Group’s three major business segments are sales of gas, gas pipeline construction and connection, and smart energy. The Group’s member companies have spread 15 provinces, autonomous regions and direct-administered municipalities, including Henan, Shandong, Hebei, Beijing, Jiangsu, Anhui, Heilongjiang, Jilin, Fujian, Zhejiang, Guangdong, Yunnan, Inner Mongolia, etc. According to the promotion and deployment of strategic transformation and upgrading of the Group, and the repositioning of its business segments, the newly established Smart Energy Group will focus on the development of Zhongyu Energy’s smart energy business.

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