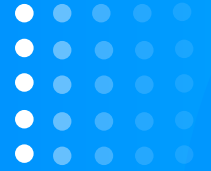




Zhongyu Energy Holdings Limited

2025 Annual Results

April 2026



AGENDA

01

*Business
Review*

02

*Future
Prospects*

03

*Financial
Overview*

04

Appendix

01 | Business Review



Results Highlights | Cost Optimization and Efficiency Enhancement Yielded Tangible Results; Resilient Operations Navigate Economic Cycle

Net Profit Attributable to the Parent
HK\$247 Million
+68.9% YoY



Quality management and cost reduction; significant decrease in operating expenses

Finance Costs
HK\$397 Million
-36.9% YoY



Optimised debt structure; finance costs reduced by HK\$232 million

Gross Profit Margin of Smart Energy Business
16.4 %
+78.4% YoY



Optimised business structure; established full biomass industry chain

Natural Gas Sales Volume
3.214 Billion m³
+0.5% YoY



Steady operations; orderly development of city gas business base

Number of piped gas connections made for Industrial & Commercial Customer
4,132 households
+7.7% YoY



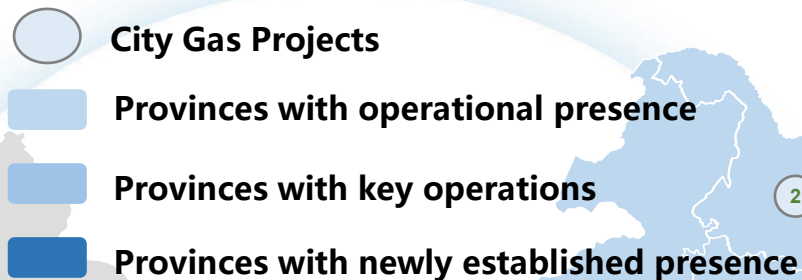
Deepened demand exploration; continuously optimised residential/ industrial & commercial customer mix

LNG Trading Volume
654 Million m³
+65.6% YoY



Improved gas source structure; completed first international LNG trade

City Gas | Projects Concentrated in Major Central and Eastern Provinces; High Penetration Rate Supports Earnings Realisation



74
City gas projects



26.31mn ↗ **+3.0%** YoY
Accessible population



55
Filling stations



71.8% ↗ **+0.5 p.p.** YoY
Household penetration



Member companies in 15
Provinces and autonomous regions

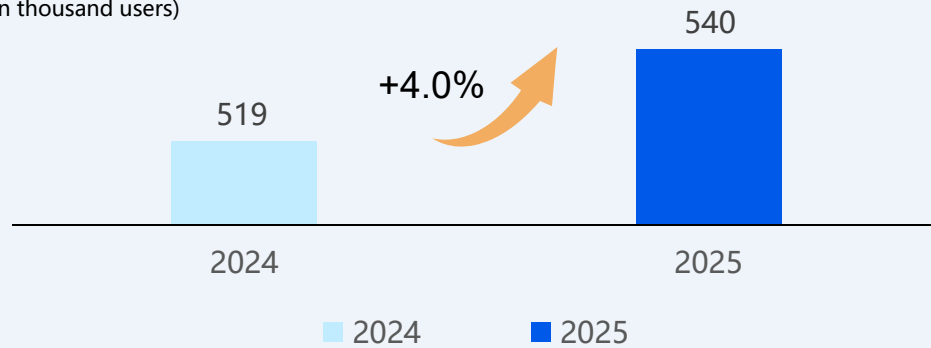


28,600km ↗ **+396km** YoY
Existing hub and trunk pipelines

City gas projects	
Provinces	No. of city gas projects
Henan	28
Hebei	21
Jiangsu	7
Shandong	4
Jilin	4
Fujian	1
Heilongjiang	2
Zhejiang	2
Anhui	3
Inner Mongolia	1
Jiangxi	1
Total	74

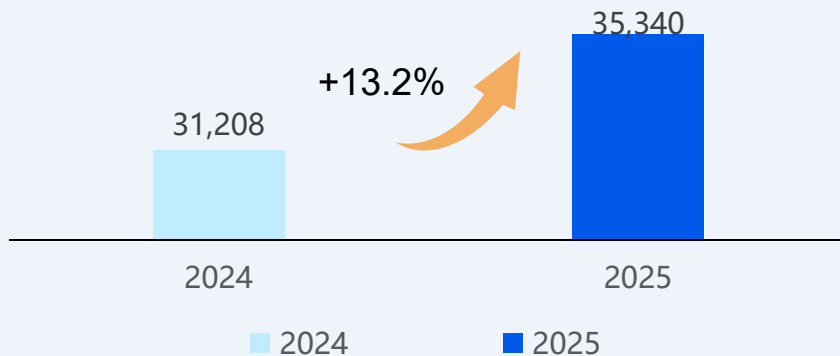
Cumulative Residential User Base +4.0% YoY New Access Users Reached 207,685

(ten thousand users)



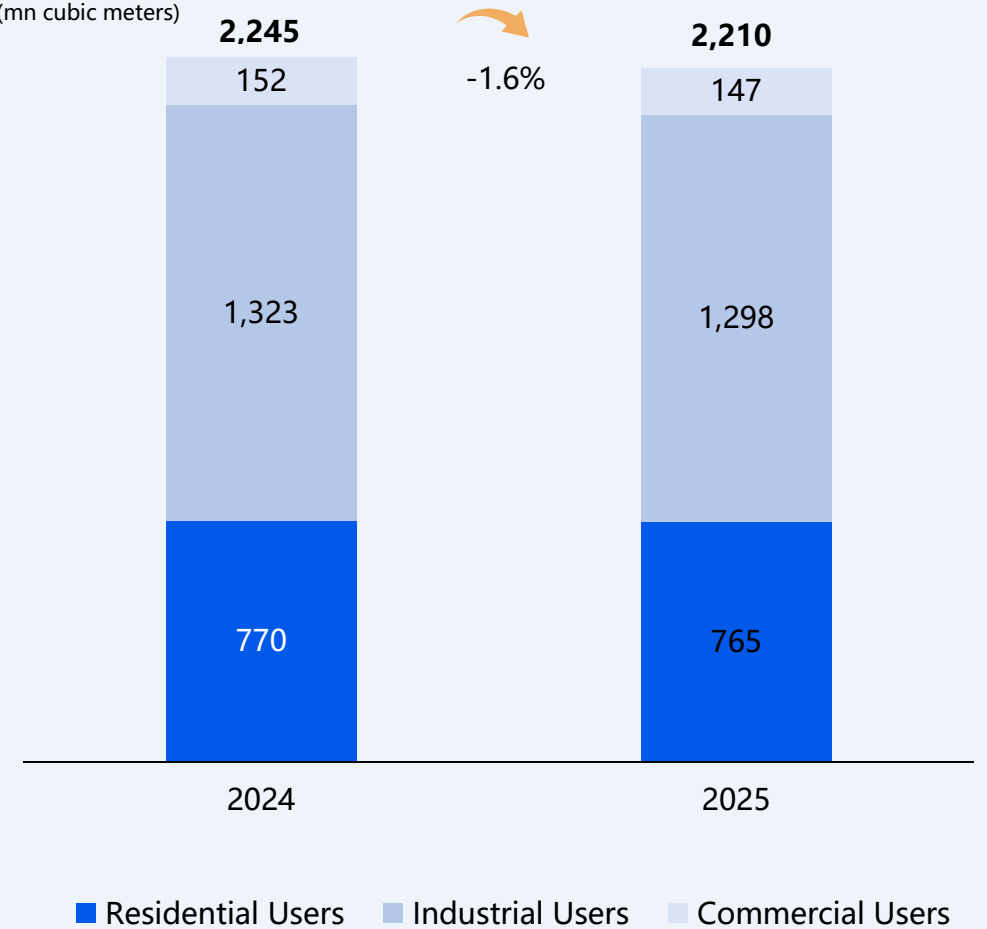
Industrial and Commercial Users +7.7% YoY Cumulative Commercial and Industrial User Base +13.2% YoY

(users)



Volume of Natural Gas Sold to Retail Customers Remained Stable

(mn cubic meters)



City Gas | Procurement Cost Declining Year by Year; Supply-Sales Linkage Stabilises Gross Margin

Customer Type (RMB/ cubic meter, excluding tax)	2025	2024
Residential users	2.65	2.65
Industrial users	3.44	3.54
Commercial users	3.87	3.92
Average purchase cost	2.66	2.71
Comprehensive gross margin (excluding wholesale)	0.60	0.57

Supply-end

- ✓ **Energy source security:** Further deepened cooperation with PetroChina, Sinopec, and CNOOC (the "Three Oil Barrels"), increasing the proportion of direct supply gas to secure gas supply, and reduce gas procurement costs
- ✓ **Energy Trading:** Getting in touch with more energy suppliers, working with gas suppliers of different kinds, improving energy sources diversity, controlling purchase cost flexibly, securing supply during gas scarcity
- ✓ **Interconnectivity:** Promoting optimization of synergy between subsidiaries, adjusting supply-demand ratio between regions

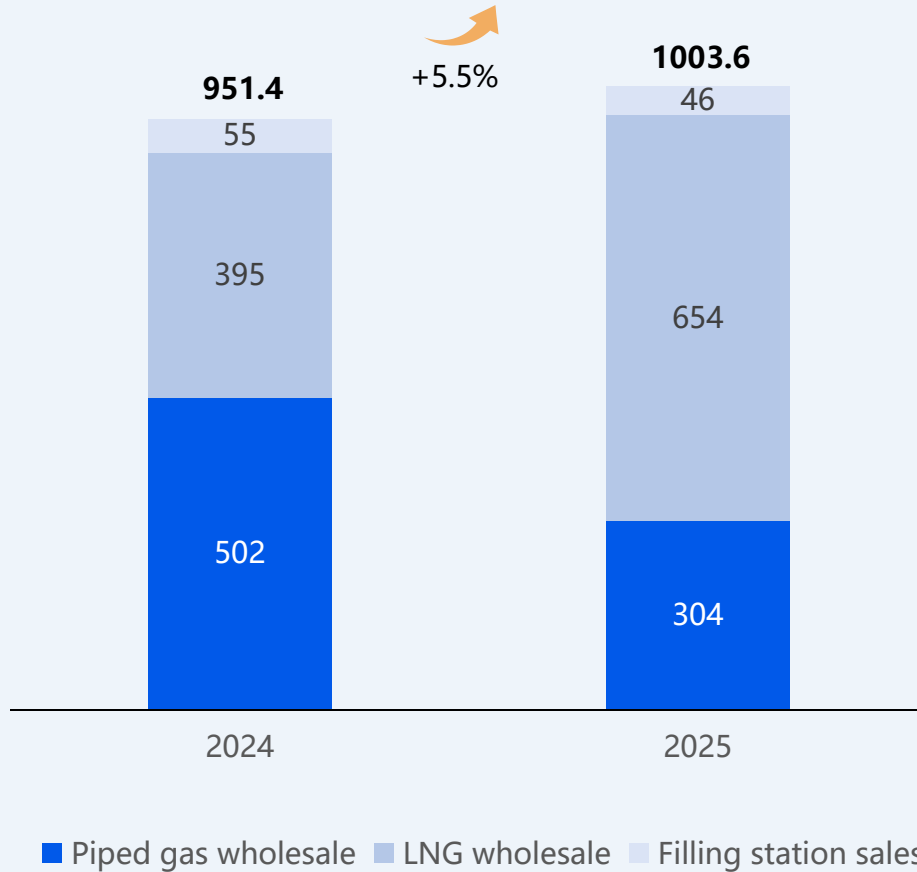
Sales-end

- ✓ **User ratio:** Rationally developing operating regions, continuous optimization of the ratio of residential, industrial and commercial users, to secure comprehensive margin
- ✓ **Pricing mechanism:** Proactively promoting "the establishment of a sound upstream and downstream price linkage mechanism for natural gas" national directive, timely passing on price changes of upstream purchases to industrial and commercial users
- ✓ **Residential price adjustment:** Assisting local governments promote gas supply pricing reform, actively and reliably adjusting residential gas prices, improving margin for gas sold to residential users

Energy Trading | Synergising with City Gas to Secure Supply; Officially Joining the International LNG Trading Arena

Volume of Natural Gas Traded

(mn cubic meters)



Up-mid-down-stream interconnectivity

- ✓ Locking in multiple primary upstream sources, securing ample supply and reasonable prices
- ✓ Knowledge of a diverse portfolio of trade products, responding flexibly to market changes, hedging against gas price risk
- ✓ Precise evaluation of downstream demand, timely grasping trade windows
- ✓ Establishing transportation networks, flexible allocation of resources according to needs
- ✓ Penetration into end-user retail leveraging on existing resources and member companies

Synergy with City Gas Business

- ✓ Strengthening **procurement capabilities**, while enhancing **bargaining power**, controlling purchase price, securing stable margin
- ✓ Evaluation of downstream demand, securing overall gas supply, avoiding the risk of gas constraints in winter

International LNG Trading

- ✓ Successfully established **international LNG trading** operations, strengthening resilience against energy market volatility
- ✓ Laying the foundation for a future global resource allocation network

Proprietary Kitchen Appliance Brand + New Retail Platform



- Zhongyu Phoenix is committed to becoming a full-range gas service provider, with nearly **200** high-quality gas appliance products across multiple categories, including gas stoves, gas water heaters, wall-mounted gas boiler, and range hoods, etc
- By integrating Zhongyu Phoenix's premium proprietary products with curated third-party offerings, the Company has established an in-house merchandise library and a new retail supply chain system, enabling it to better meet customer needs, unlock customer value, and strengthen customer loyalty
- Continuously enhanced the "Zhongyu iHome" online platform. The platform currently lists **over 40,000** active SKUs, of which **more than 10,000** are proprietary self-operated products; cumulative registered members reached **940,000**, with the platform's fundamental scale steadily expanding.

Sub-brands and External Market Expansion



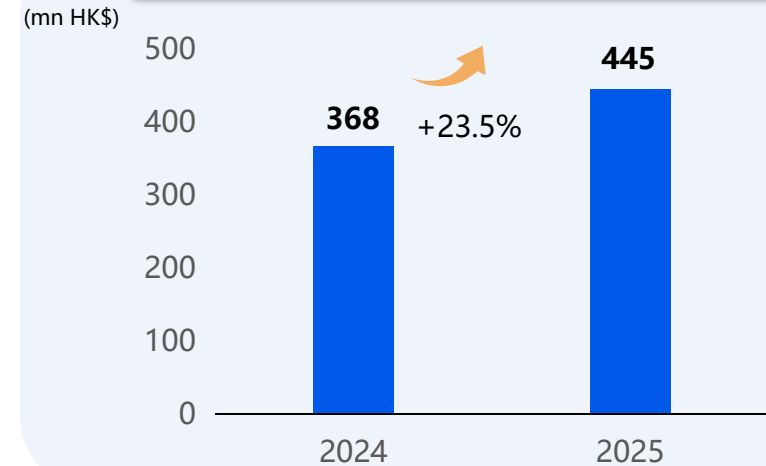
- Expanding the gas appliance market beyond franchised areas; sub-brands **OUGA** and **OUSHUO** have fully launched, with a product portfolio comprising **37** models across **5** distinct categories
- In 2025, the Group secured agreements with **4** new third-party city gas partners. Concurrently, it has forged strategic relationships with **11** gas utilities and **43** distributors

Gas Pipeline Beautification Business



- In 2025, the Group steadily advanced the **Gas Pipeline Beautification Business**, providing personalised renovation services to over **10,000** households, comprehensively improving the safety, comfort, and aesthetics of gas usage scenarios.
- Expanded **concealed works projects in water, electricity, gas and heating**, and launched a 450 sqm **flagship experience store** in Yongcheng; laying the foundation for the Group's exploration into the home renovation sector

Sales from Value-Added Services



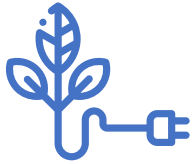
Zhongyu Aijia Experience Store

The Company proactively optimized business structure, channeling key resources into the emerging strategic biomass segment.

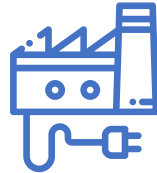
● Steady Operations across 6 business segments



Distributed Photovoltaics



Biomass Energy



Electricity Sales Business



Hydrogen Energy Utilisation



Motor Energy Efficiency

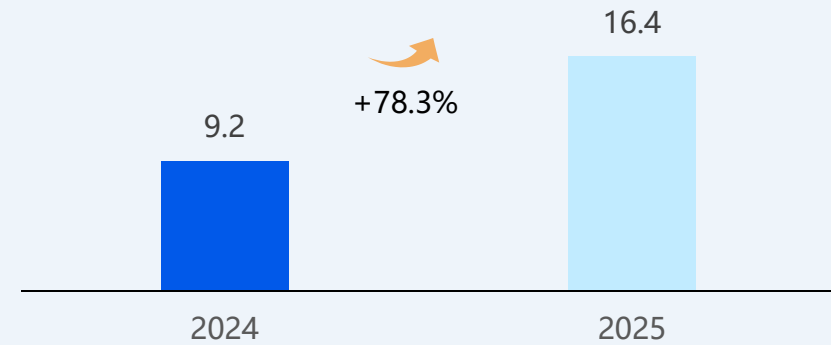


Distributed Energy Storage

2025

- Smart Energy Revenue: **HK\$668 million**
- Integrated Energy Sales Volume: **1.399 billion kWh**
- Cumulative Projects in Operation: **237**

Gross Profit Margin of Smart Energy Business (%)



2 biomass energy supply projects in operation, with a total installed capacity of 30 tonnes/hour and an annual steam demand of 135,000 tonnes.



Biomass project for an innovative building materials enterprise in Xinxiang

Total Annual Steam Demand: **59,000 tonnes**



Biomass project for a tyre manufacturing enterprise in Lianyungang

Total Annual Steam Demand: **76,000 tonnes**

Smart Energy | Successfully Established Full Industry Chain for Biomass Zero-Carbon Business

Implement a "Technology + Equipment + Services" business model

R&D, Manufacturing & Sales of Biomass Gasification Equipment

Heat (Gas) Supply Projects Investment & Construction

Turnkey Supply of Biomass Energy Equipment

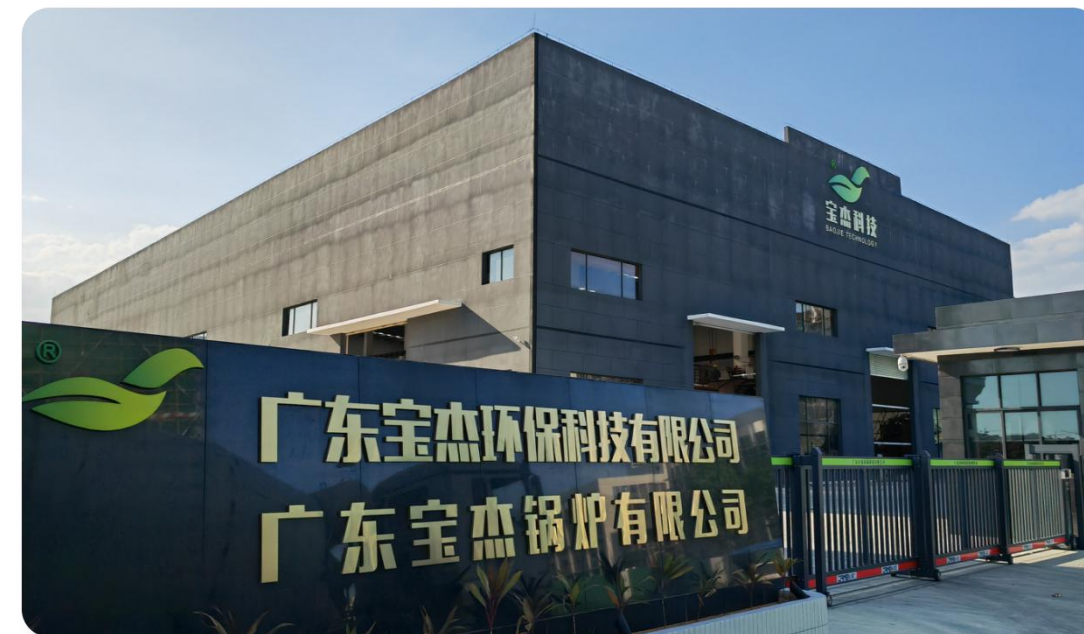
Heat (Gas) Supply Projects Operation Services

✦ Leveraging over two decades of expertise in energy development, Zhongyu Energy has established an integrated business portfolio covering low-carbon industrial parks, factories, buildings, and transportation. Having successfully commissioned **237** smart energy projects across **8 provinces**, the company possesses a profound understanding of diverse customer energy demands and boasts exceptional comprehensive service capabilities.

✦ The company engages in industry-academia-research collaborations with institutions including **Tianjin University**, **the Chinese Academy of Sciences**, and **Zhejiang University**, aiming to continuously elevate its technological innovation and engineering capabilities in gasification, carbon management, and other key areas.

✦ Focusing on the comprehensive utilisation of biomass energy, launched the "**Zhongyu Bio-Carbon Energy Solution**", achieving the coupling of multiple technologies including biomass utilisation, photovoltaics, wind power, heat pumps, energy storage, and waste heat recovery, greatly improving energy utilisation efficiency and green energy supply capacity.

✦ Empowering gasification equipment manufacturing and green energy production with **intelligent technologies** to accelerate zero-carbon digital and intelligent transformation. Leveraging AI to achieve intelligent equipment monitoring, predictive maintenance, precise raw material optimisation, and end-to-end energy efficiency improvement.



Guangdong Baojie Environmental Technology Co., Ltd.

Founded in 2013, the company is a designated **National High-Tech Enterprise** specializing in renewable energy technology development. It is a recognized leader in the biomass gasification industry, primarily engaged in the R&D, promotion, and industrial application of biomass gasification technologies. The company's operations cover a full spectrum of services, including product design, independent R&D, manufacturing, engineering contracting, installation and commissioning, project delivery, staff training, maintenance, and technical consulting.

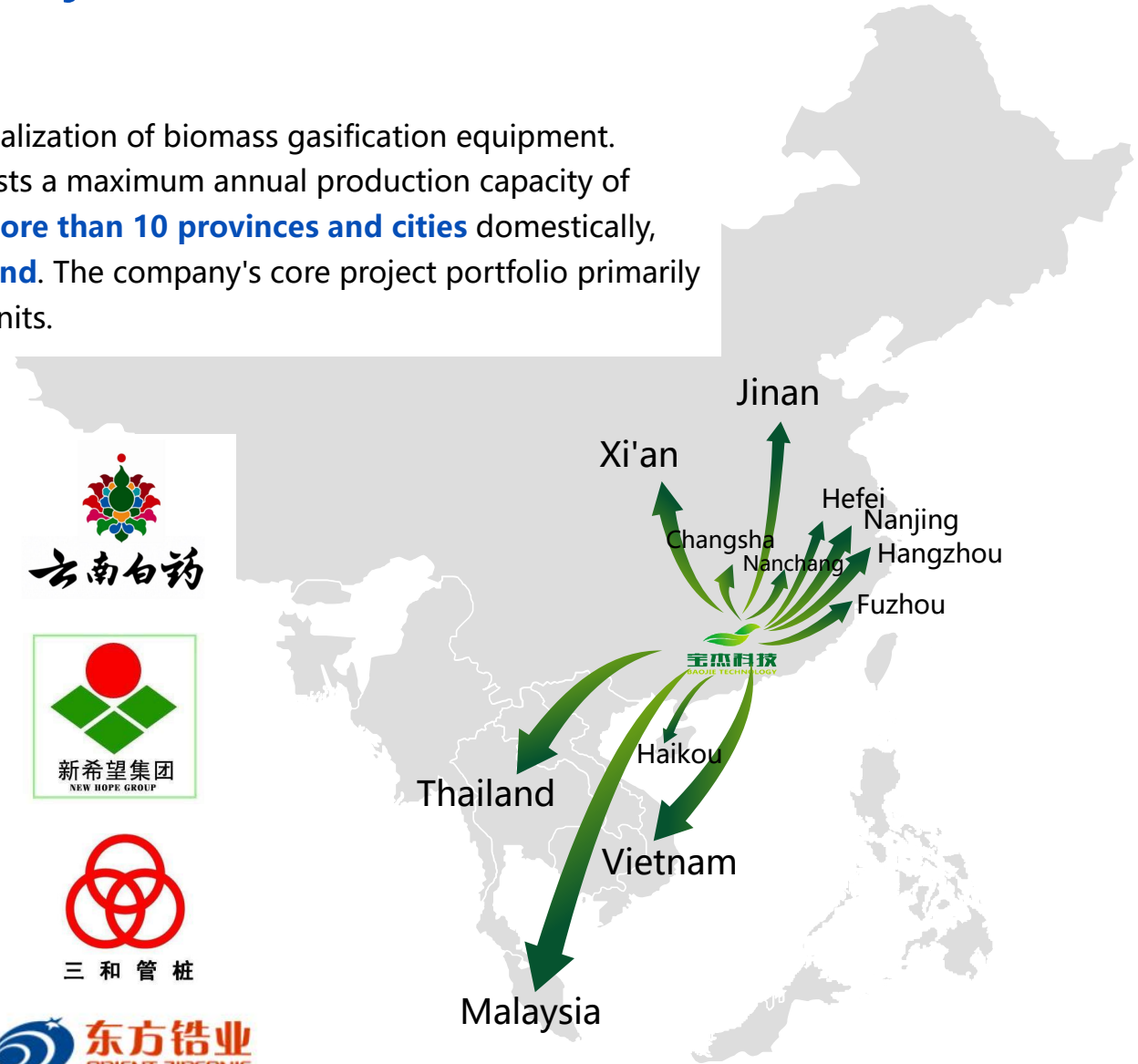


Smart Energy | Business Spanning Domestic and International Markets; Clients Across a Wide Spectrum of Industry Sectors

Business Scope

Baojie Technology integrates the R&D, manufacturing, and commercialization of biomass gasification equipment. Equipped with a self-owned manufacturing facility, the company boasts a maximum annual production capacity of **approximately 40 sets** of equipment. Its operational scope covers **more than 10 provinces and cities** domestically, alongside overseas regions including **Malaysia, Vietnam, and Thailand**. The company's core project portfolio primarily consists of 15-ton, 20-ton, 25-ton, and 35-ton biomass gasification units.

Our Clients



Smart Energy | A "Hidden Champion" in the Biomass Sector, Empowering the Group's High-Quality Development



2025 Guangdong Baojie Core Indicators

1.6 Million+

Annual Sales Steam Volume (Tonnes)

300+
Biomass Gasification Equipment Cumulative Sales Volume

485

Cumulative Installed Capacity (Tonnes/Hour)

No.1
Biomass Gasification Equipment National Market Share

Possesses industry-leading high-efficiency combustion technology

Technical Features:

High Efficiency & Energy Saving: Adopts adiabatic combustion technology, ensuring a 100% burnout rate for biomass gas.

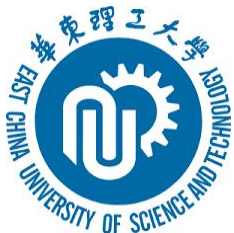
Automated Modulation: Highly interlocked with furnace temperature and steam drum pressure for 5-100% automatic load adjustment.

Safe & Stable: Biomass gas control utilises a 4-stage valve group to achieve stable combustion at low loads and rapid shut-off, ensuring safe and stable combustion.

Low Nitrogen & Eco-friendly: The burner employs staged combustion to achieve low NOx emissions.

Industry-Academia-Research Collaboration

Established industry-academia-research collaboration with multiple energy research institutions and universities, ensuring a more specialized, efficient, and formidable team, laying a solid foundation for future development and technological innovation.



12 invention patents, and over 100 utility model and design patents



Achieve Zero Production Safety Incidents of General Severity or Higher in 2025

- Successfully implemented flagship biomass projects and established **the full industrial chain for the biomass business**, laying a solid foundation for advancing **zero-carbon business**.
- Optimised the Group 's hazard oversight mechanism and advance targeted gas safety campaigns. Comprehensively carried out routine pipeline inspections, surveying, and patrols, refining inspection standards, and accelerating both the **upgrading of aging gas grids** and the **development of smart gas systems**. Strengthened personnel risk awareness, implemented certified employment, equipped advanced devices, and ensured safe operations through a combination of human defense and technical defense.
- Pioneered the deep integration of **business scenarios** with **Artificial Intelligence (AI)**. By introducing cutting-edge digital and intelligent technologies into all aspects of energy supply, transportation, and sales, achieved intelligent energy dispatch.
- By leveraging innovations in **green finance**, further optimize the Group's debt structure and reduce financing costs, providing strong support for the company's high-quality transformation and development.
- Actively fulfilled corporate social responsibility and public welfare commitments, supporting community development and construction within operating regions. Donated HK\$5 million to **support post-fire relief and reconstruction efforts** following the Tai Po fire in Hong Kong.



Natural Gas Pipeline Network Maintenance



Digital Intelligence Operations Platform



Gas Safety Education on Campus



Hong Kong Green and Sustainable Finance Awards 2025

02 | Future Outlook



Future Outlook | Fortifying Core Gas Foundation; Pioneering a New Landscape in Zero-Carbon Energy

- Committed to optimizing the energy structure within operating regions, delivering highly efficient and clean energy services to the communities served.
- Leveraging our **loyal** residential, commercial, and industrial gas users, to expand into **energy trading, value-added services, and new retail models**.
- Drawing on **over 20 years of deep industry expertise** to advance distributed energy, integrated regional energy supply, clean energy microgrids, energy storage, and smart grids.
- High-calibre team providing comprehensive services spanning smart energy design and engineering, energy digitalization, carbon management, and energy efficiency retrofits.

City Gas Business

- **City Gas:** Consolidate core business foundation by advancing refined management and deepening AI-driven digital integration, committed to cultivating customer needs, promoting cost pass-through mechanisms, and increasing investments in safe operations, while prudently expanding utility concession projects.
- **Energy Trading:** Optimise the gas supply structure, refine pricing mechanisms, and enhance risk management capabilities. While ensuring stable internal supply and expanding end-user base, the Group will opportunistically engage in global market operations, including international LNG and gas storage trading.
- **Value-Added Services & New Retail:** Innovate sales models, seize opportunities presented by urban renewal projects, drive innovation in areas such as gas insurance, gas pipeline beautification, and concealed utility engineering (water, electricity, gas, and heating), and expand cross-regional partnerships to unlock new growth drivers within the national consumer market.

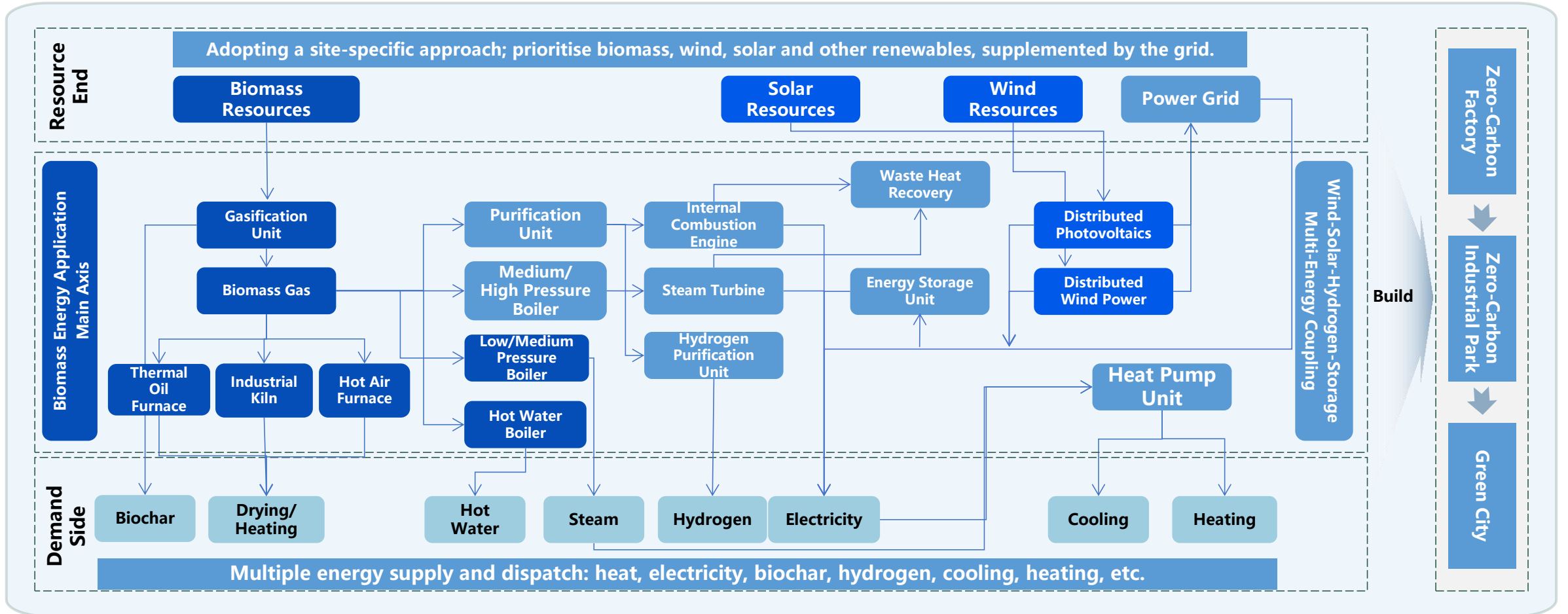
Smart Energy Business

- **Biomass as a Core Pillar:** Relying on comprehensive end-to-end biomass value chain, vigorously expand biomass equipment sales and biomass energy supply businesses, actively explore overseas biomass opportunities, and pioneer the development of an upstream feedstock trading network.
- **Zero-Carbon Business Scenarios:** Anchored by biomass gasification, coupling technologies such as photovoltaics, wind power, heat pumps, energy storage, and waste heat recovery, to enable the intelligent supply and dispatch of diverse energy forms—including heating, cooling, power, biochar, and hydrogen—ultimately creating zero-carbon factories and zero-carbon industrial parks.
- **Technological Capabilities:** With a strong focus on sustainable corporate development, accumulate frontier technologies in biomass utilisation, combustion technology, new energy storage, hydrogen utilisation, heat pump technology, and digital intelligence platforms, enhancing the Group's market competitiveness.



Future Outlook | Pioneering Zero-Carbon Integration with Biomass at the Core

Anchored by biomass gasification, coupling technologies such as photovoltaics, wind power, heat pumps, energy storage, and waste heat recovery to achieve the supply and dispatch of multiple energies including heat, electricity, biochar, hydrogen, cooling, and heating, ultimately creating zero-carbon factories and zero-carbon industrial parks.



03 | Financial Performance



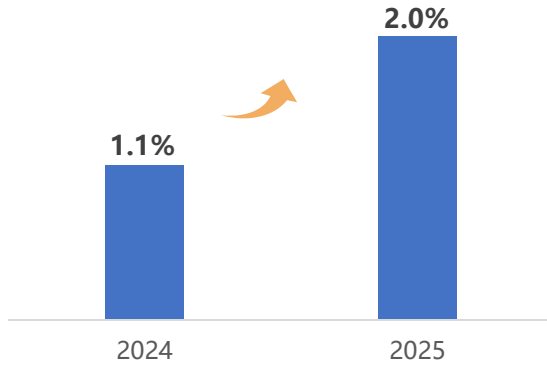
Financial Performance | Consolidated Income Statement

mn HK\$	2025	2024	Change
Turnover	12,444.25	13,472.20	(7.6)%
City gas	11,776.68	12,317.91	(4.4)%
Integrated energy	667.57	1,154.29	(42.2)%
Selling Expenses	(202.06)	(246.30)	(18.0)%
Administrative Expenses	(615.50)	(623.56)	(1.3)%
Finance Costs	(397.49)	(629.49)	(36.9)%
Profit attributable to owners	247.28	146.38	68.9%
Earnings per share (HK cents)	8.98	5.25	71.0%
Proposed final dividend (HK cents)	3.00	2.00	50%

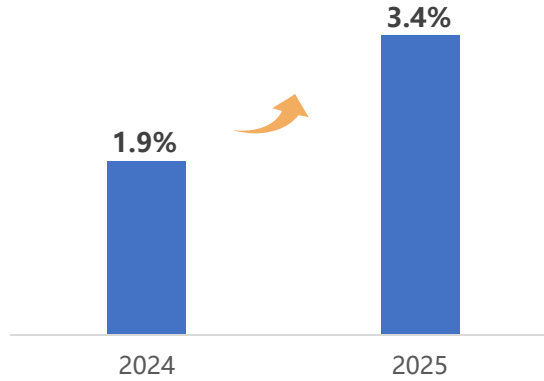
mn HK\$	2025/12/31	2024/12/31	Change
Total Assets	25,559.31	26,222.62	(2.5)%
Total Liabilities	17,254.59	17,841.65	(3.3)%
Net Assets	8,304.72	8,380.97	(0.9)%

Financial Performance | Refined Management Drives Cost Reduction and Efficiency Enhancement; Investment Value Gradually Recovering

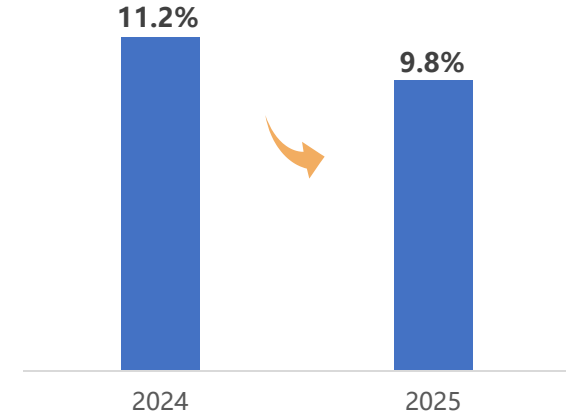
Net Profit Margin



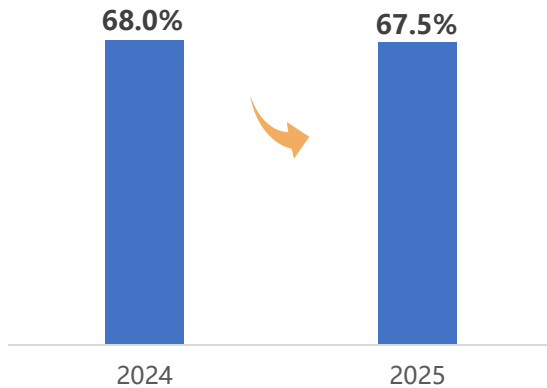
Return on Equity (ROE)



Operating Expense Ratio

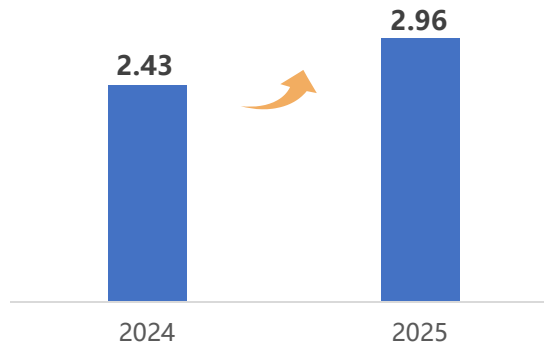


Debt-to-Asset Ratio

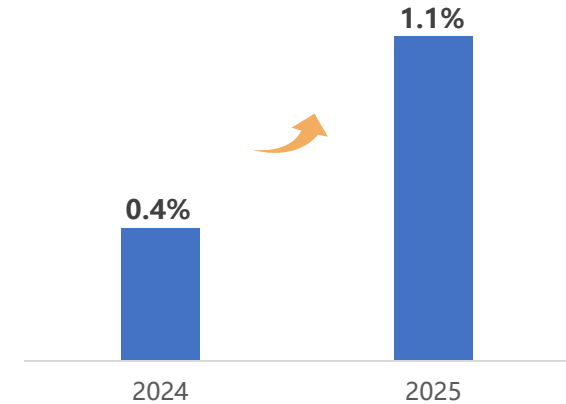


EBITDA Interest Coverage Ratio

(times)

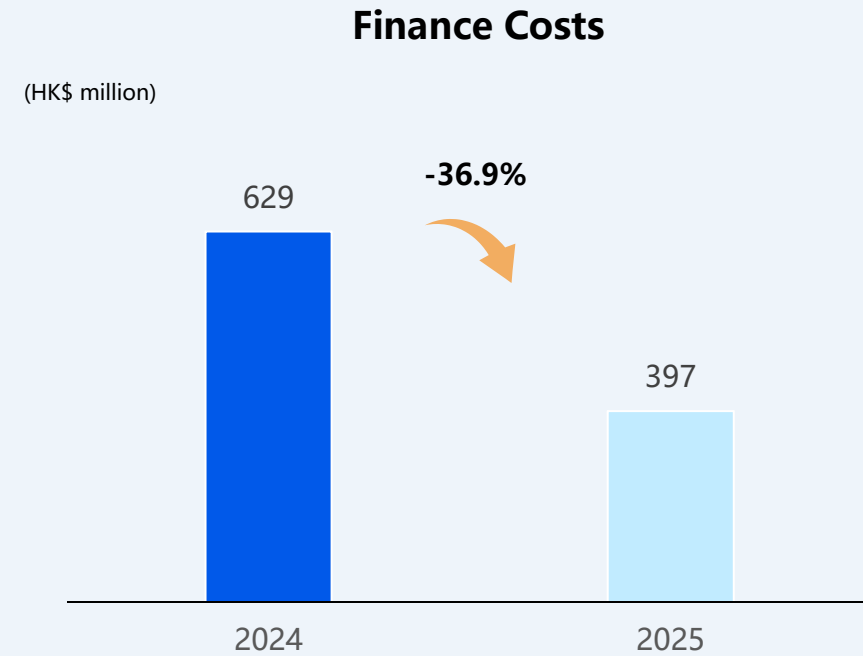
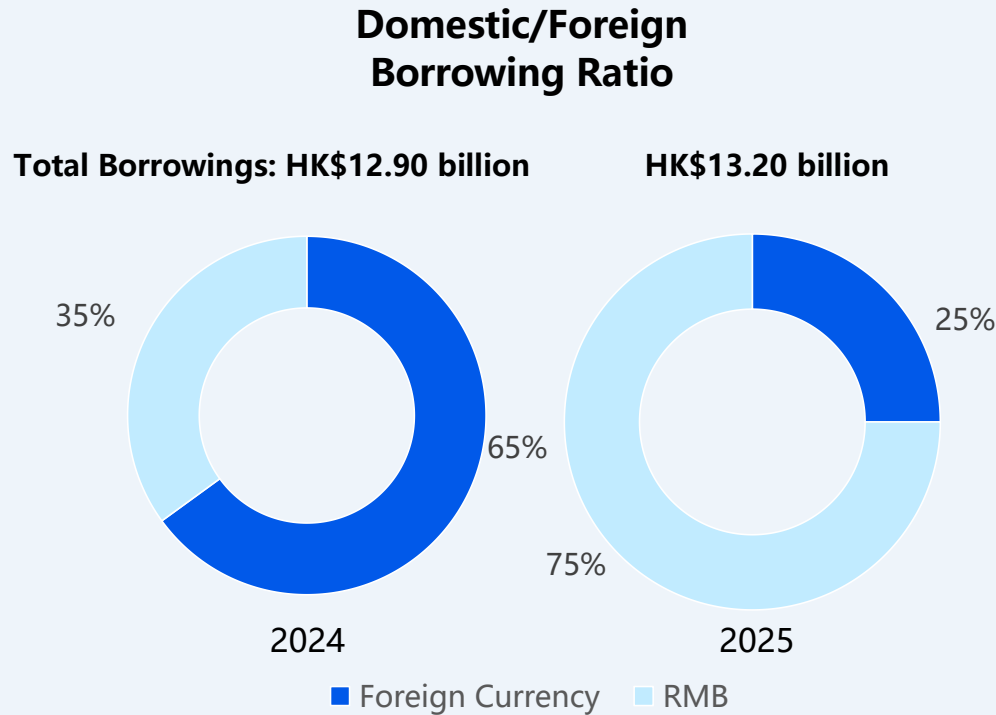


Dividend Yield



Financial Performance | Continuous Optimisation of Debt Management; Significant Reduction in Finance Costs

In response to persistently high U.S. dollar interest rates and the gradual decline in Renminbi (RMB) interest rates, the Group proactively adjusted its onshore and offshore debt structure. As of 2025, foreign currency borrowings accounted for 25% of the Group's total borrowings, down 7 percentage points year-on-year. Consequently, the Group's finance costs decreased by HK\$232 million, representing a significant year-on-year reduction of 36.9%.

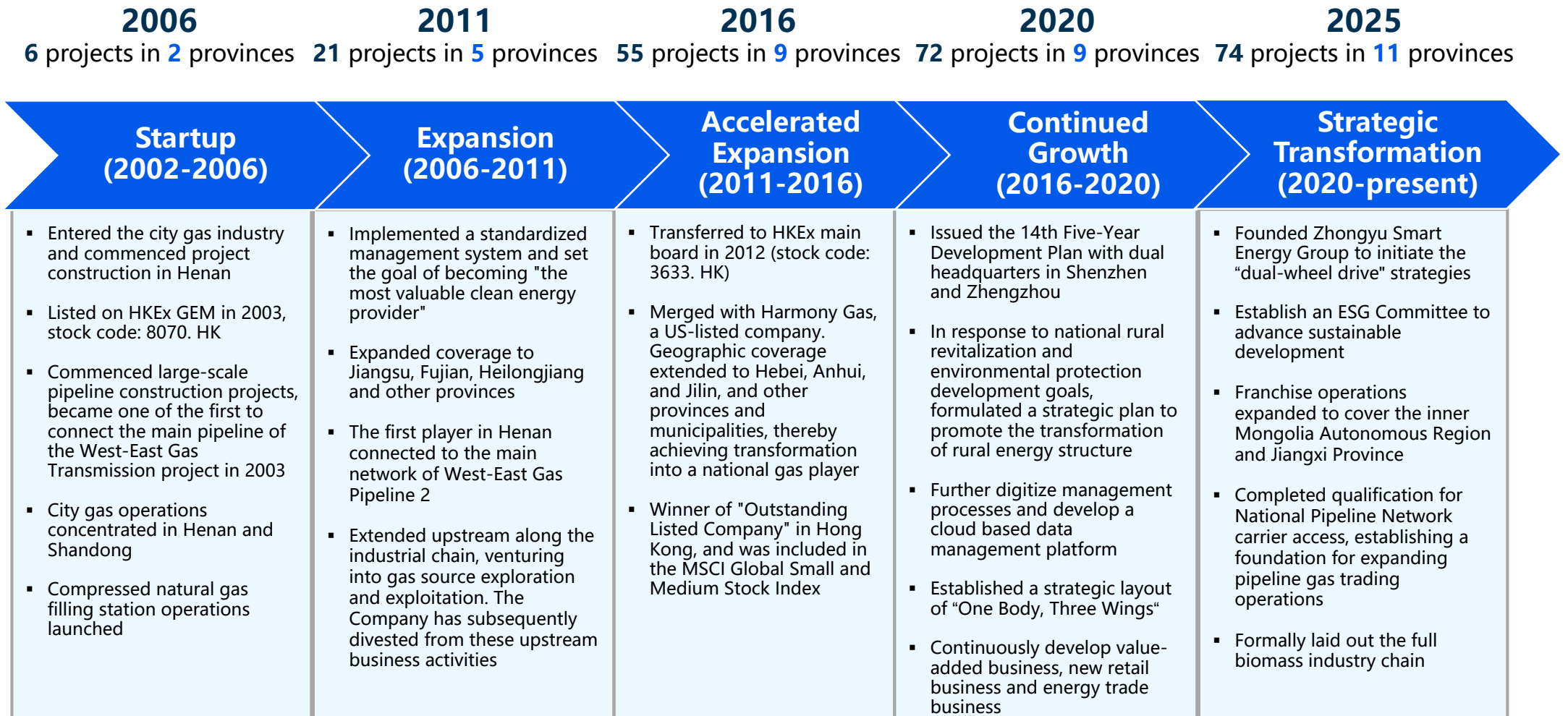


*The foreign currency debt ratio remained relatively stable in 2025, as large-scale foreign currency debt replacement was primarily concentrated in late 2024 and early 2026.
*At present, foreign currency borrowings account for just 5% of the Company's total debt.

04 | Appendix



- Established in 2002, Zhongyu Energy Holdings Limited (“Zhongyu Energy”) is a pioneer in China's domestic gas industry, mainly engaged in city gas, smart energy, energy trade, value-added business and new retail operations
- In 2022, it commenced the “dual-wheel drive and synergetic development” strategy, committed to create a development layout with both city gas business and smart energy business



With over 20 years of deep cultivation in the city gas industry, achieving consistent rapid growth for multiple consecutive years.

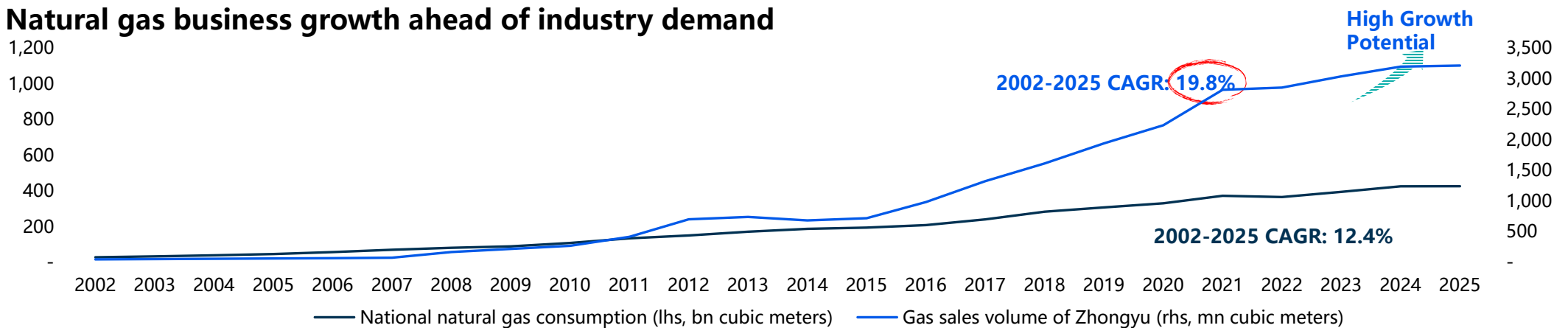
						
	Zhongyu Energy	China Gas	Kunlun Gas	Tianlun Gas	ENN	CR Gas
	2002	2010	2011	2010	2002	2010
	2002	2007	2010	2012	1993	2009

Zhongyu Energy has unique advantages

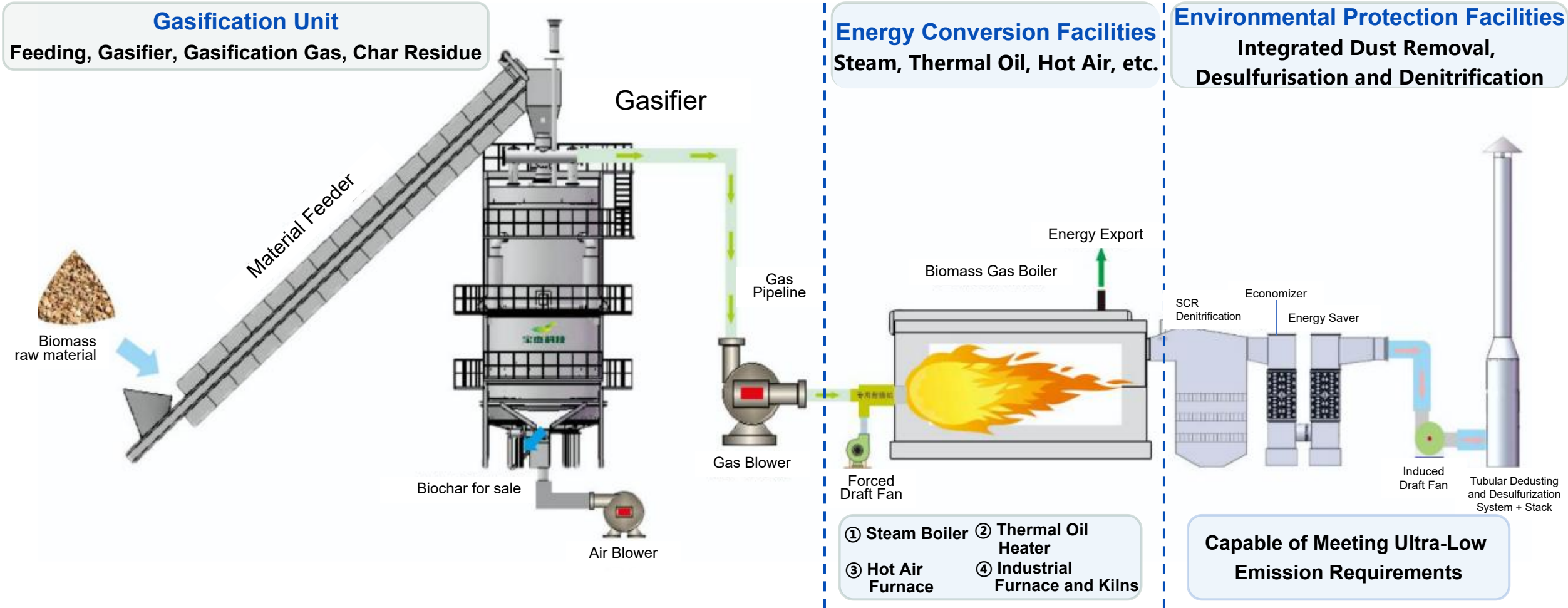
- ✓ Over 20 years of deep cultivation in the industry with diversification of business regions
- ✓ The layout of gas projects focuses on provinces with large populations, strong economies and high industry proportion
- ✓ Customer diversification, urbanisation and customer penetration provide further growth momentum

Zhongyu Energy has seized the development opportunity of the city gas industry to meet the rapidly growing demand for natural gas in China, and achieved significant growth since its establishment

Natural gas business growth ahead of industry demand



Appendix | Biomass Gasification Heat Supply (Steam/Thermal Oil) System Diagram



ESG | Enhancing ESG Governance Efforts and Exploring Cooperation Opportunities in Green Finance

Environmental Protection

- Zhongyu Energy has established a **monitoring mechanism** and implemented specific measures to ensure proper management and reduction of greenhouse gases, air pollutants, waste and wastewater emissions in its operations
- **>20 years** of city gas experience, and diversified resources fuel the development of comprehensive energy business, and vigorously promote the strategy of renewable energy transition

Social Responsibility

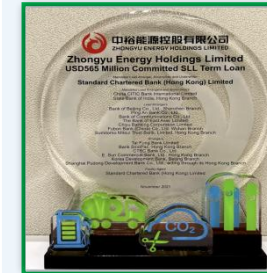
- The Group values equal opportunities and builds a **diverse workforce**, promoting individual initiatives to achieve growth. It also continuously enriches training curriculum for employees to support their development
- The Group has comprehensively standardized the approval process and investment plan for community investments to **actively give back to the community and fulfil its social responsibilities**

Corporate Governance

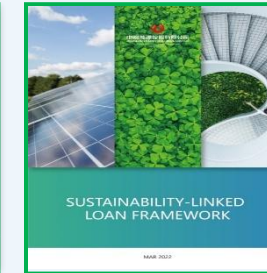
- **ESG Committee** was established in February 2022, chaired by the Chairman of the Board and the core leadership
- The ESG Office under the ESG Committee reports directly to the ESG Committee and is responsible for supervising and implementing Group ESG strategies with all business units
- Improve the **audit and accountability system** to ensure that the Group is free from any form of corruption, bribery, extortion, fraud and money laundering in its operations

Green Financing & Certification

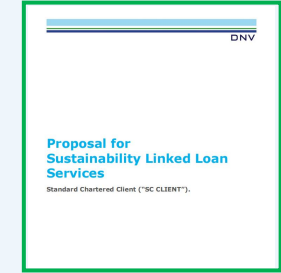
USD 565 Million Sustainability-Linked Loan (SLL)



Sustainability-Linked Loan Framework



DNV Sustainability-Linked Loan Framework SPO



USD 400 Million Equivalent Term Loan Facilities with Green Tranche



Green Finance Framework



SPO on Green Finance Framework by HKQAA





Accelerating the Development of Clean Energy Paving the Way for a Better Future

Disclaimer

The statements made by the Company include both historical facts and forward-looking statements. Forward-looking statements are based on the Company's assumptions and expectations, informed by management's experience, assessment and observation of historical trends, current conditions, anticipated future developments, and other relevant factors. Due to a broad range of risks and uncertainties, actual future results may differ materially from those expressed or implied in these forward-looking statements.

These risks and uncertainties include, but are not limited to: general economic and business conditions, competitive and technological pressures on pricing, labor conditions, policy uncertainties, the unpredictability of regulatory changes, trade protection measures, changes in tax and legal regulations, fluctuations in foreign exchange rates, the ability to forecast and plan for external demand, reliance on single-source supplier relationships, and the impacts resulting from terrorist activities, natural disasters, and public health issues.

Any forward-looking statements reflect the Company's view only as of the date on which they are made and do not constitute a commitment by the Company to any subsequent developments. Should circumstances change in the future, the Company undertakes no obligation to update any forward-looking statements to reflect such changes in circumstances or events.

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