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

(Stock Code: 3633)

Zhongyu Energy Announces 2026 Interim Results
Steady and Solid Progress in the Core City Gas Business; Breakthrough in Zero-Carbon Biomass Business Integration

Results Highlights

- Unit of gas sold to retail customers increased by 2.5% year-on-year to 1,173 million m^3
- Overall gross profit margin improved by 0.8 percentage points to 12.8%, with earnings quality continuing to improve
- Non-HKFRS profit attributable to owners of the Company amounted to HK$153 million, up 28.2% year-on-year
- Finance costs decreased by 16.7% year-on-year to HK$174 million
- Successfully completed the management integration of Guangdong Baojie Environmental Protection Technology Co., Ltd., with the full-industry-chain integration of the biomass business taking shape and initial results seen from overseas expansion

(27 August 2026, Hong Kong) – **Zhongyu Energy Holdings Limited** and its subsidiaries (collectively the "**Group**" or "**Zhongyu Energy**"; Stock Code: 03633.HK) is pleased to announce its interim results for the six months ended 30 June 2026 (the "Period"). During the Period, faced with a complex operating environment marked by intensified geopolitical risks, heightened volatility in international oil and gas prices and a sluggish recovery in domestic demand, the Group continued to focus on its core city gas business, strengthened the new development momentum of its smart energy business and actively embraced digital and intelligent transformation. By leveraging operational resilience to navigate market fluctuations and driving profit growth through improved management quality, the Group continued to advance toward high-quality development amid industry transformation.

Earnings Quality Continued to Improve, with Steady Profit Growth Achieved in Core Businesses

During the Period, the Group recorded turnover of HK$6,067 million (1H2025: HK$6,576 million), representing a year-on-year decrease of approximately 7.7%, and profit attributable to owners of the Company of HK$226 million. Non-HKFRS profit attributable to owners of the Company amounted to HK$153 million, representing a year-on-year increase of 28.2%; non-HKFRS basic earnings per share were HK5.60 cents, up 29.3% year-on-year; and non-HKFRS EBITDA remained stable at HK$785 million. Benefiting from the increase in the gross profit margins of sales of gas and gas pipeline construction, the Group's overall gross profit margin increased by 0.8 percentage points to 12.8%. In terms of financial management, the Group continued to optimize its debt structure, and finance costs decreased by 16.7% to HK$174 million as compared with the corresponding period last year. As at 30 June 2026, the net asset value per share attributable to owners of the Company was HK$2.94, representing an increase of 10.1% as compared with 31 December 2025.

Focused Cultivation of the City Gas Business; Accelerated Implementation of the Price Pass-Through Mechanism Drove Steady Growth in Gas Sales to Residential, Industrial and Commercial End-Users

As at 30 June 2026, the Group had 74 gas projects with exclusive rights across 11 provinces, providing safe, reliable and high-quality services to 5.47 million residential customers and 36,808 industrial and commercial customers. During the Period, the Group's total unit of gas sold (including CNG/LNG vehicle filling stations) amounted to 1,466 million m³ and sales of gas amounted to HK$5,294 million, contributing 87.3% of the Group's total turnover and continuing to be the major source of turnover for the Group. In response to fluctuations in gas supply prices, and while maintaining a stable and orderly gas supply, the Group actively implemented cost pass-through measures and optimized its gas supply structure, driving the gross profit margin for the sales of piped natural gas up by 1.7 percentage points to 9.3%.

During the Period, the unit of gas sold to retail customers increased by 2.5% year-on-year to 1,173 million m³, with all customer categories delivering steady progress. For industrial customers, sales of gas increased by 9.8% to HK$2,617 million as compared with the corresponding period last year, remaining the principal pillar of the Group's gas sales; the unit of natural gas sold to industrial customers increased by 4.5% to 649 million m³. For residential households, benefiting from the continued advancement of the natural gas price linkage mechanism in the PRC and the implementation of price pass-through adjustments for residential users across various regions, revenue from gas sales remained stable, with sales of gas increasing by 5.7% to HK$1,350 million during the Period and the unit of natural gas sold to residential households increasing by 0.9% to 447 million m³. For commercial customers, the Group steadily expanded its presence in rural markets to meet energy needs for agricultural production, while capitalizing on the resurgence of the night economy and actively expanding into nighttime gas consumption scenarios such as dining districts and commercial complexes, with sales of gas increasing by 0.7% to HK$342 million as compared with the corresponding period last year.

In terms of customer expansion, the Group added 70,145 new piped gas connections for residential households during the Period, bringing the accumulated number of connected residential households to 5.47 million, representing a year-on-year increase of approximately 3.3%, with a penetration rate of residential pipeline connection of 72.0%. The Group added 145 new industrial customer connections, bringing the accumulated number of industrial customers to 5,120, up approximately 7.5% year-on-year, and 1,323 new commercial customer connections, bringing the accumulated number of commercial customers to 31,688, up approximately 12.4% year-on-year. Meanwhile, the total length of the Group's existing intermediate and main pipelines increased to 28,732 km, with the continuous improvement of pipeline network infrastructure laying a solid foundation for future customer connections. During the Period, revenue from gas pipeline construction amounted to HK$263 million; benefiting from the renovation work for gas pipeline connection completed by the Group for old residential communities, which carries a higher gross profit margin, the gross profit margin of this business increased by 2.1 percentage points to 77.8%. Looking ahead, the Group will seize the opportunities presented by the renovation of aging pipeline networks, urban renewal and the rural market, and will continue to expand its market coverage prudently when suitable opportunities arise, driving high-quality business development.

In terms of energy trading, in response to fluctuations in gas supply prices caused by geopolitical issues, the Group closely tracked domestic and international natural gas price trends and market conditions, actively expanded into external markets, deepened its cooperation with long-distance pipeline enterprises, and optimized its transportation capacity resources to improve the operational efficiency of existing businesses and reduce operating costs. During the Period, revenue from this business (including vehicle filling stations) amounted to HK$985 million, with an energy trading volume of 292 million m^3. In the second half of the year, the Group will closely monitor market trends, thoroughly explore downstream users' gas demand during peak-shaving, and flexibly utilize the "Pipeline Network Connect" products to launch gas storage and peak-shaving operations at appropriate times. It will also continue to explore new opportunities in international LNG trading and expand its business scope when conditions are favorable, further enhancing the Group's overall competitiveness.

In terms of value-added services, leveraging the highly sticky customer base of its city gas business and the strong reputation built by its own kitchen appliance brand "Zhongyu Phoenix", together with the "Zhongyu iFamille" online retail platform that provides customers with convenient and efficient value-added services, the Group has established a sustained and stable revenue base. At the same time, the Group has actively cultivated sub-brands of gas appliances, expanded into markets beyond its existing regions, and promoted the coordinated development of innovative businesses such as gas pipeline aesthetic improvements. During the Period, revenue from value-added services amounted to HK$211 million, representing a significant year-on-year increase of 39.5%. In the second half of the year, the Group will continue to focus on innovative businesses such as gas pipeline aesthetic improvements and explore the development of new products in the safe kitchen series, such as AI-powered intelligent valves, meeting residential customers' diverse aspirations for a high-quality lifestyle through a product portfolio that emphasizes safety, intelligence and scenario-based applications, and further consolidating the growth momentum of its value-added services.

Smart Energy Focused on the New Biomass Mainline; Full-Industry-Chain Layout Accelerating with Initial Results from Overseas Expansion

For the Period, revenue from smart energy amounted to HK$299 million. The Group continued to optimize the structure of this business segment; while ensuring the stable operation of existing integrated energy projects, it focused on the new biomass mainline, concentrating key resources on completing the integration of the upstream and downstream biomass industry chain and building a full-industry-chain "one-stop" energy service system. During the Period, the Group successfully completed the management integration of Guangdong Baojie Environmental Protection Technology Co., Ltd., which helped steadily advance the expansion of its biomass business and began to see initial results from its overseas expansion. Looking ahead to the second half of the year, the Group will leverage its full-industry-chain advantages accumulated in areas such as biomass gasification equipment, technological research and development, feedstock supply and project operations to accelerate the expansion of its biomass business both domestically and internationally, expedite the development of the furnace application market, and closely monitor progress in expanding into the ASEAN market. It will also actively broaden its biomass feedstock supply channels and accelerate the construction of collection and storage centers, building a three-pronged core competitive moat comprising advantages in "market + technology + supply chain".

Safety and Digital Intelligence Strengthening the Foundation; ESG Governance Continuing to Deepen

The Group has consistently adhered to its safety bottom line, stepped up pipeline network inspections and the renovation of aging facilities, and utilized ppb level gas leak detection technology to precisely identify pipeline hazards, maintaining a stable safety production situation and effectively managing methane emissions. In terms of digital and intelligent development, the

Group continued to advance the development of its smart operation platform and optimized the geographical information system of the gas pipeline network; the AI approval assistant has been officially put into operation, empowering core business modules such as finance, customers, engineering and supply chain, and improving internal operational efficiency. At the same time, the Group has continued to refine its ESG governance framework and strengthened environmental performance management and information disclosure. Leveraging biomass energy supply projects, the Group successfully secured a green syndicated loan, broadening its financing channels and creating a virtuous cycle between industrial layout and green financing, providing strong support for sustainable development.

Deepening Focus on the Core City Gas Business, Strengthening Emerging Biomass Momentum and Steadily Advancing Toward High-Quality and Sustainable Development

Looking to the future, the Group will anchor in its goal of high-quality development: deepening its focus on the core city gas business by further implementing the upstream-downstream natural gas price linkage mechanism, seizing the opportunities presented by the renovation of aging pipeline networks, urban renewal, new consumption scenarios such as the night economy, and the rural market, and innovatively advancing the development of commercial customers, so as to drive steady growth in its core city gas business through refined management and targeted services and solidify the foundation for development; strengthening emerging biomass momentum and steadily advancing the transition toward integrated energy; prioritizing safe operations to safeguard the lifeline of its operations; and investing in organizational development and digital and intelligent transformation to forge long-term competitive advantages. The Group will earn customer trust through professional services and respond to market fluctuations with operational resilience. During this critical window of opportunity for transformation and reform in the energy sector, the Group will steadily advance toward a new journey of high-quality and sustainable development.

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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 the PRC. The Group's three major business segments are sales of gas, gas pipeline construction and connection, and smart energy. The Group's member companies span 15 provinces, autonomous regions and direct-administered municipalities, including Henan, Shandong, Hebei, Beijing, Jiangsu, Anhui, Heilongjiang, Jilin, Fujian, Zhejiang, Guangdong, Yunnan, and Inner Mongolia. 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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