



CR Gas 2022 Annual Results Announcement

March 31, 2023



CR Gas

2022
Final Results Presentation

March 31, 2023

C 目录 ONTENTS

1 Results Highlights

2 Company Development

3 Financial & Operational Highlights





Core City Gas Business

Number of Project

273 projects ▲ **+7**

Gas Sales Volume

35.89B m³ ▲ **+5.3%**

Connected Customer

54.367M ▲ **+18.5%**



Comprehensive Services

Turnover

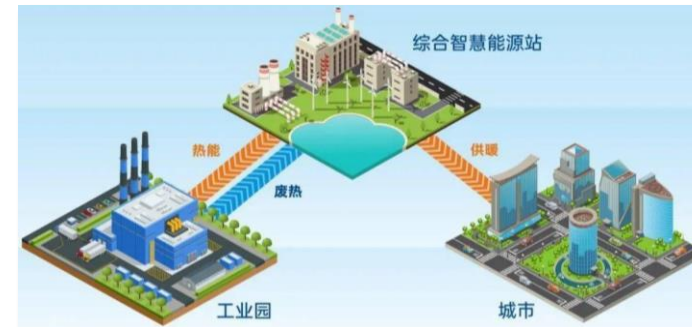
HK\$**3.19**B ▲ **+42.5%**

Gross Profit

HK\$**1.58**B ▲ **+52.8%**

Segment Results

HK\$**1.15**B ▲ **+60.4%**



Integrated Energy

Project in operations

121 projects ▲ **+55**

Energy Sales

1.59B kWh ▲ **+58.0%**

Turnover

HK\$**0.95**B ▲ **+45.5%**

In 2022, city gas industry was facing the challenges of high upstream prices and sluggish ultimate demand. Operating performance of CR Gas was under pressure, earnings and returns had declined. However, CR Gas continued to invest and develop, the business scale kept expanding.

Key Results	2021	2022	Growth Rate
Gas sales volume (billion m ³)	34.08	35.89	5.3%
Number of customers (million)	45.874	54.367	18.5%
Turnover (HK\$ billion)	79.64	94.34	18.5%
Profit for the year (HK\$ billion)	8.44	6.31	-25.3%
Profit attributable to shareholders (HK\$ billion)	6.40	4.73	-26.0%
Net cash from operating activities (HK\$ billion)	8.39	4.35	-48.1%
Basic EPS (HK\$)	2.82	2.09	-25.9%
Proposed final dividend per share (HK\$)	1.12	0.90	-19.6%
Proposed total dividend per share (HK\$)	1.27	1.05	-17.3%

In 2022, China's natural gas consumption was 366.3 billion m³, a decrease of 1.7%. Gas sales volume of CR Gas was 35.89 billion m³, an increase of 5.3%. Residential and commercial gas sales volume increased 11.0% and 10.0% respectively.

Gas Sales Volume

35.89 B m³

Residential & Commercial Maintain Double-Digit Growth

YoY Change

+5.3%

+11.0%

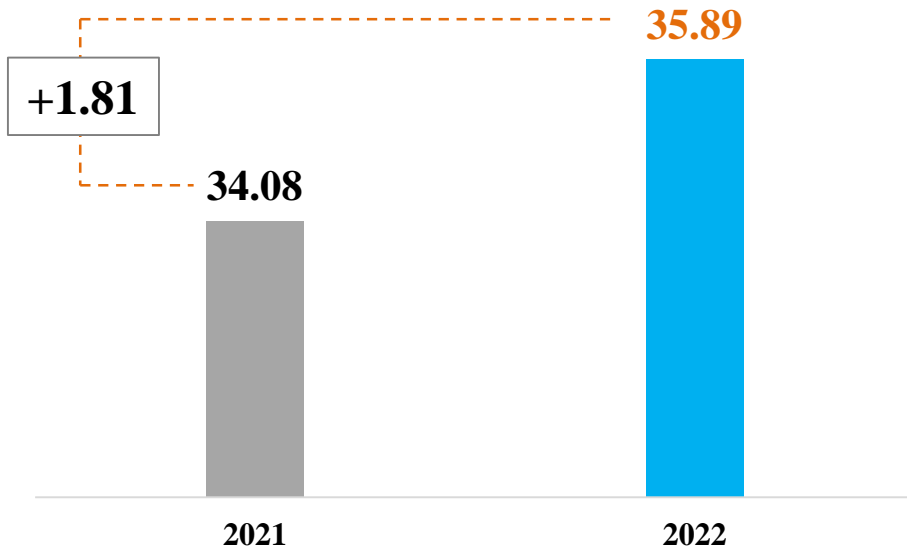
+3.0%

+10.0%

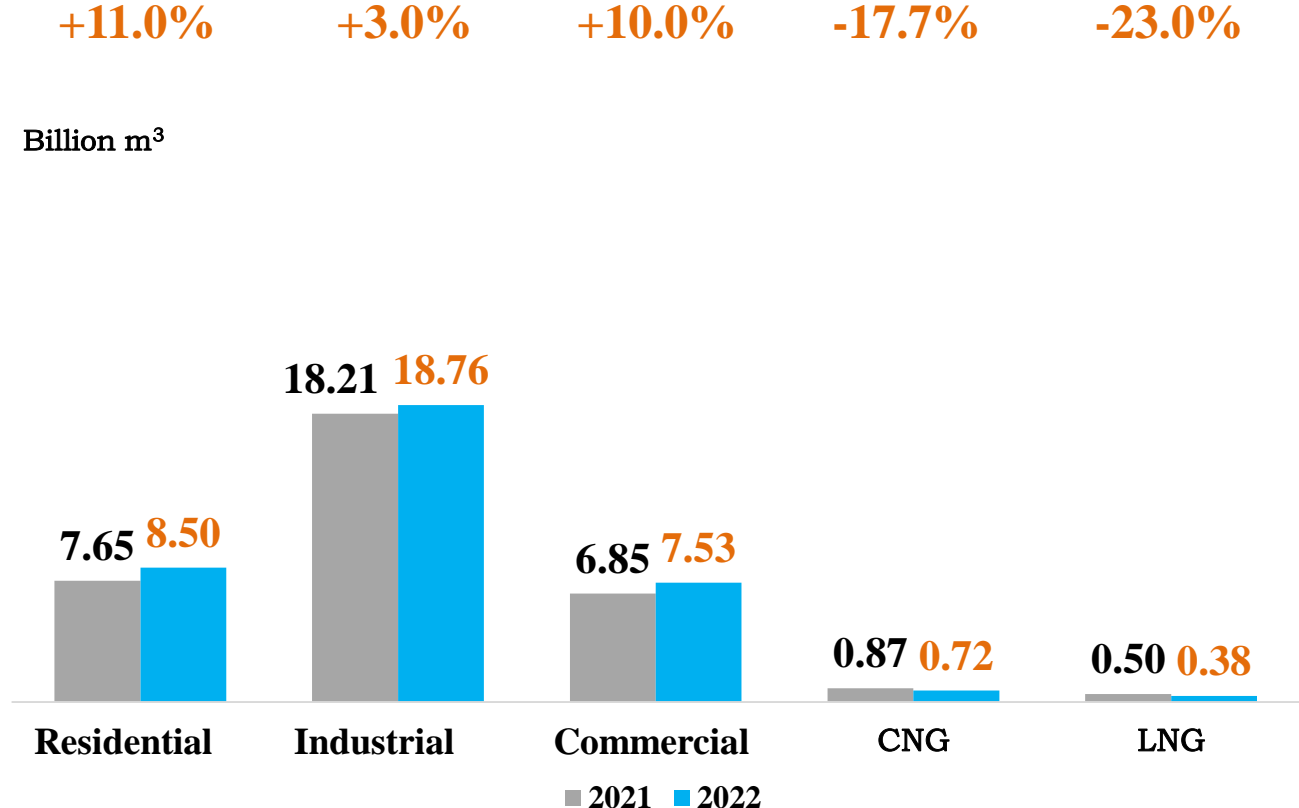
-17.7%

-23.0%

Billion m³



Billion m³



Note: 2022 China Natural Gas Consumption data from NDRC.

Upstream gas price stayed at high side, unit gas margin was RMB0.45 per m³ in 2022. Contribution from gas sales was HK\$5.87 billion, a decrease of 16.5%. Although earnings from gas sales declined in 2022, the decline narrowed in 2H 2022.

Industry Challenges

- Increase gas cost due to geopolitical conflict
- Sluggish ultimate demand due to COVID Pandemic
- Increase pressure on guarantee gas supply
- Enforcement on industry regulation
- Compressed margins and earnings

Unit Gas Margin

0.45 RMB

Unit gas gross margin was RMB0.45/m³ in 2022, same as 1H2022, lower than that in 2021.

RMB per m³

Customer (excluding tax)	2021	1H2022	2022
Residential	2.36	2.39	2.41
C&I	3.06	3.94	3.85
Gas Station	3.42	4.14	4.16
Average Tariff	2.93	3.55	3.52
Average Cost	2.41	3.10	3.07
Unit Margin	0.52	0.45	0.45

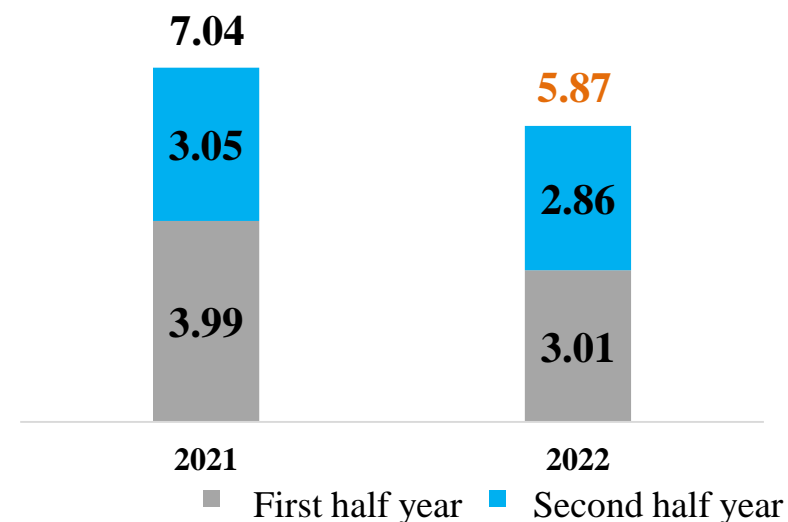
Gas Sales Contribution

HK\$5.87 B

Contribution from gas sales was HK\$5.87 billion, a decrease of 16.5%:

- 1H2022: HK\$3.01 billion, a decrease of 24.6%;
- 2H2022: HK\$2.86 billion, a decrease of 6.0%.

HK\$ Billion



In 2022, market expansion accelerated, newly connected households were 4.077 million, an increase of 15.7%. Cumulative connected customers exceeded 50 million to 54.367 million, an increase of 8.493 million new households.

New household

4.077_M

New household mix

Customer

54.367_M

- Residential: 8.436 million increase;
- C&I: 57,000 increase.

YoY Change

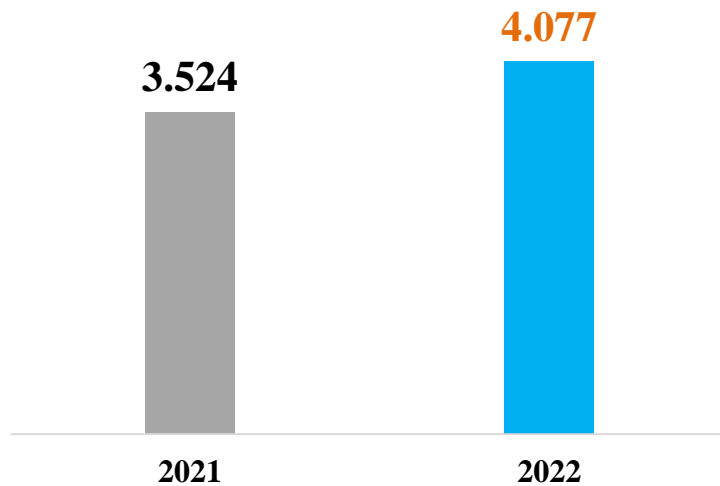
+15.7%

+0.602

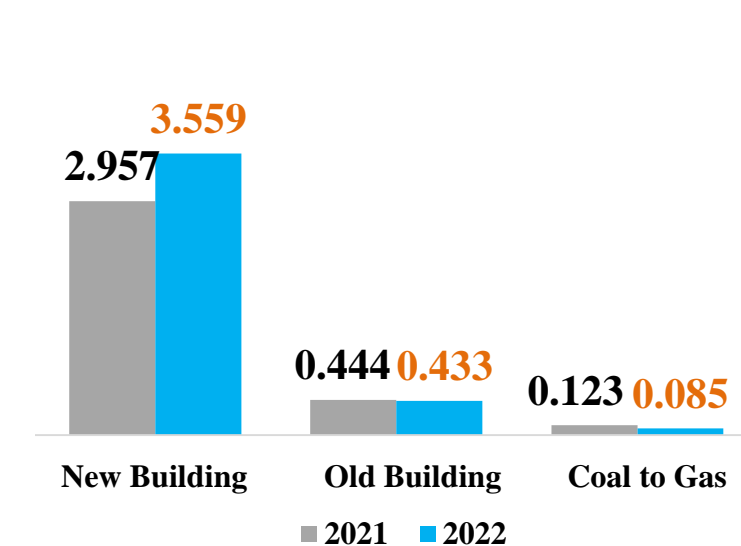
-0.011

-0.038

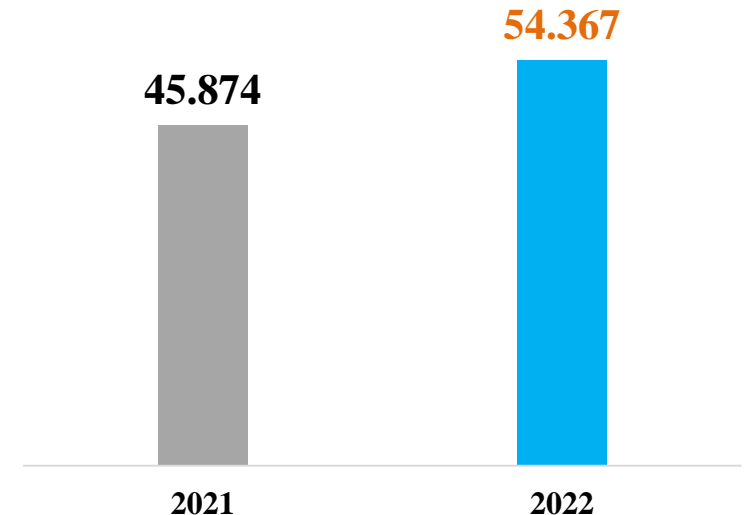
Million



Million



Million



Due to the decrease in gas sales contribution, earnings declined in 2022. Profit attributable to owners of the parent was HK\$4.73 billion, a decrease of 26.0%.

Profit from Operation

HK\$ **8.66** B

Net Profit

HK\$ **6.31** B

Attributable Profit

HK\$ **4.73** B

YoY Change

-17.3%

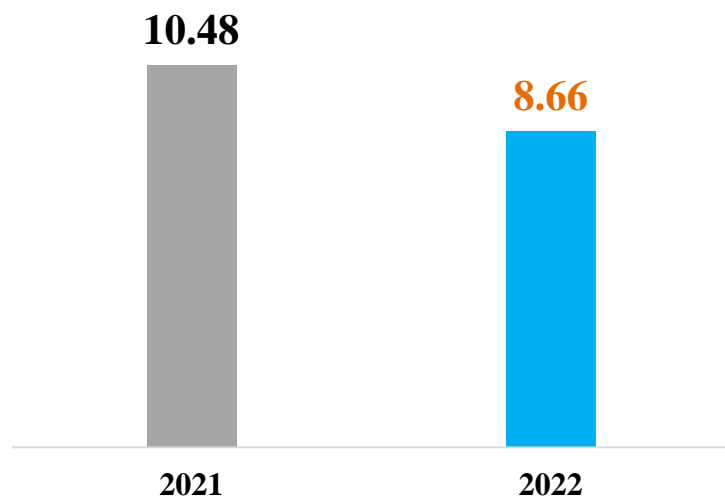
YoY Change

-25.3%

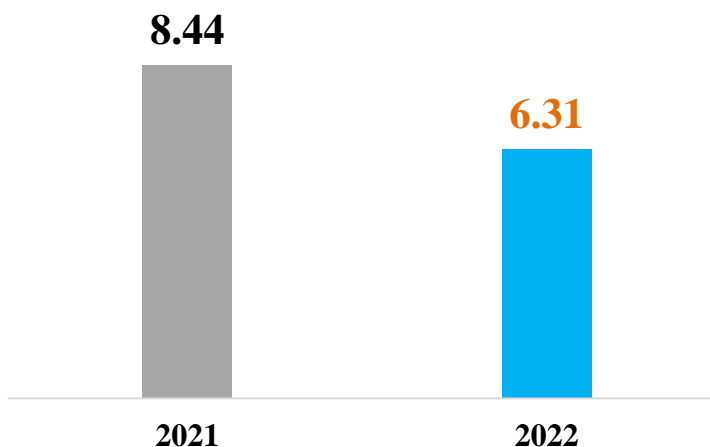
YoY Change

-26.0%

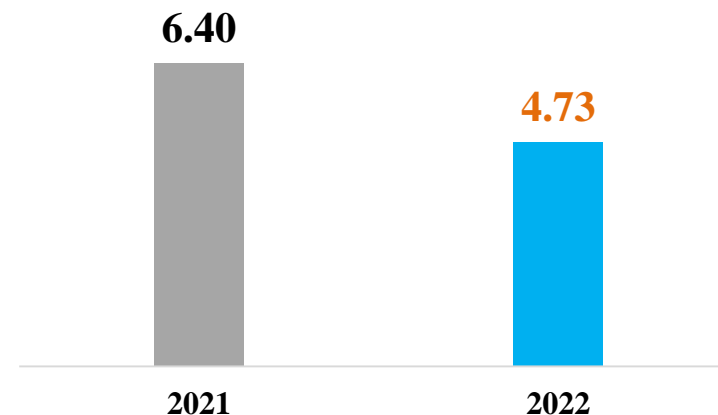
HK\$ Billion



HK\$ Billion



HK\$ Billion



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

In 2022, HK\$14.70 billion was spent on CAPEX, an increase of 40.1%. Financing cost was reduced to 2.4% p.a., the best in the industry. Debt ratio maintained at low level of 30.1% to support its future development and expansion.

Capital Expenditure

HK\$ **14.70** B

Financing Cost

2.4%

Debt Ratio

30.1%

YoY Change

+40.1%

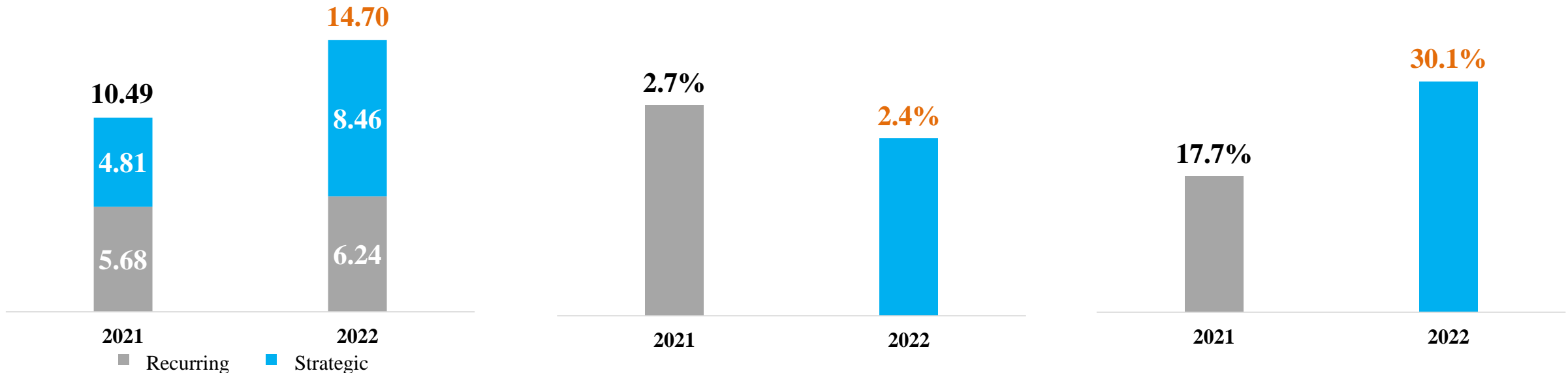
YoY Change

-0.3PPT

YoY Change

+12.4PPT




HK\$ Billion



In 2022, 3 leading international credit agencies re-affirmed CR Gas the highest credit rating granted to the Chinese city gas operators.

Maintain Leading Credit Ratings

3 leading international credit agencies, S&P Global, Moody's and Fitch, re-affirmed CR Gas the leading credit rating granted to the Chinese city gas operators. The credit ratings are A- , A2 and A- respectively.

Agency	Status	2022 Credit Rating
 STANDARD & POOR'S RATINGS SERVICES McGRAW HILL FINANCIAL	Maintain	A-
 MOODY'S	Maintain	A2
 FitchRatings	Maintain	A-

Dividend per share of CR Gas increases significantly from HK\$0.45 in 2016 to HK\$1.05 in 2022, a CAGR of 15.2%. Dividend payout ratio increases from 29.8% in 2016 to 50.0% in 2022, provides a long-term stable return to shareholders of CR Gas.

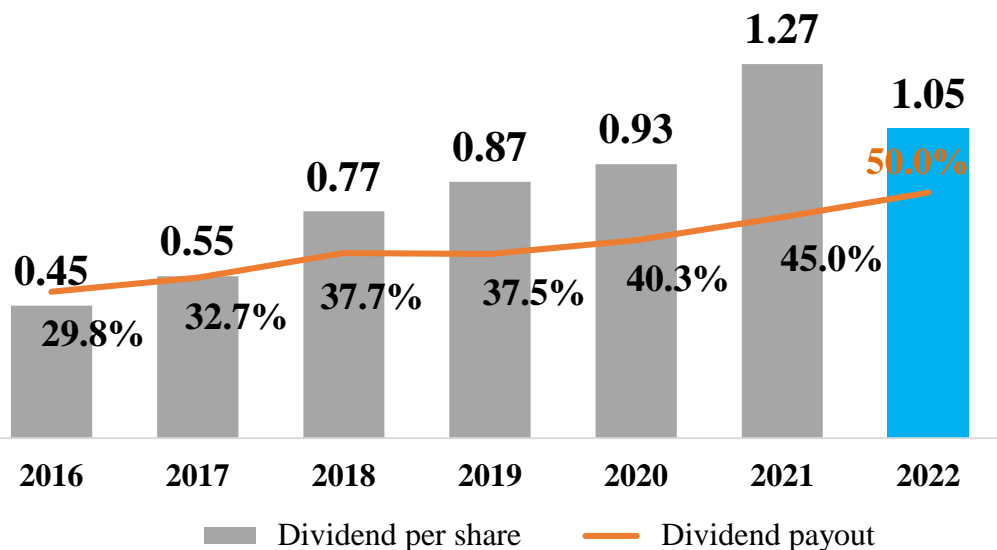
Dividend Payout Ratio

50.0%

2022 proposed final dividend is HK\$0.9/share, 2022 proposed total dividend is HK\$1.05/share, dividend payout ratio is 50.0%, an increase of 5.0PPT from 45.0% in 2021.

2016-2022 DPS CAGR: **+15.2%**

2021 vs 2016 payout ratio: **+20.2PPT**



Sustainable Growth in Payout Ratio

	2021	2022
Basic EPS (HK\$)	2.82	2.09
Total DPS (HK\$)	1.27	1.05
Dividend payout ratio	45.0%	50.0%

- 2022 interim dividend paid was HK\$0.15 per share and proposed final dividend is HK\$0.90 per share;
- 2022 proposed total dividend is HK\$1.05 per share, dividend payout ratio is 50.0%, an increase of 5.0PPT from 45.0% in 2021.

C 目录 ONTENTS

1

Results Highlights

2

Company Development

3

Financial & Operational
Highlights



Actively promote the clean energy applications and the reduction of CO₂ emission intensity indices, fulfill the social responsibilities and carry out the renovation and replacement of aging pipeline network. In 2022, an “A” MSCI ESG rating was maintained and CR Gas was selected to be a constituent stock of Hang Seng Corporate Sustainability Index.

Environmental

Comprehensive Energy Consumption
(ton std. coal/RMB10,000 turnover)



Comprehensive Energy Consumption
(ton std. coal/RMB10,000 value added)



CO₂ Emission
(ton std. coal/RMB10,000 asset)



Total CO₂ Emission
(ton)



Social

Aging Pipeline Replacement
(2021-2022)

Total Investment **5.4B RMB**
Total Replacement **7600 km**

Female Middle and Top Management
(2021: 23.2%)

24.6%

Charity and Public Welfare

76,429 recipients
252,808 hours

Customer Satisfaction Score
(2021: 91.0)

95.7

Governance

Safety Training Participation
(2021: 338,874 staff-times)

357,763 staff-times

Standard Safety Operation Certificate
(2021: 67 companies)

108

«Integrity and Compliance Declaration» Signing Rate

100%

Anti-corruption Training

40,040 staff-times



Constituent Stock of Hang Seng Corporate Sustainability Index



Central Enterprise ESG • Leading 50 Index



Gold Award of HK Green Awards Large Corporate –EHS Award in 4 consecutive years



Undertake the assignment from Ministry of Housing and Urban-Rural Development and Ministry of Emergency Management, participate in formulation of the 5 national gas safety standards and 4 key topics, promote aging pipeline network retrofitting, RMB350 million was invested to complete 387.1 km retrofitting in 2022. Focus on high risk factors and promote safety of customer's gas facilities, a total of RMB5 billion has been invested in 2017-2022.

High Standard Completion of National Assignment

■ Formulation of 5 gas safety standards

- Measures for the Administration of Natural Gas Business Licenses
- Pros and Cons of Renewal and Retrofitting for Aging Natural Gas Pipelines
- Standards for Major Hazardous Risk of Natural Gas
- Guidelines for Aging Natural Gas Pipeline Assessment
- Standards for Natural Gas Anti-Terrorism

■ Work on 4 key gas topics

- Indoor equipment safe application
- Alcohol-based fuel safety impact, etc.
- Bottle LPG regulator
- Installation and use of flammable gas alarm

Continuous Retrofitting of Aging Pipeline

■ High Priority on Pipeline Operation Safety

- 2022 investment: **RMB350 million**
- Pipeline retrofitting: **387.1km**
- 2012-2022 investment: **RMB5.4 billion**
- Pipeline retrofitting: **7,600km**

■ Strive for Pipeline Retrofitting Policy Support

2022 special project subsidy was **RMB1.89 billion**, fees and expenses waived **RMB28 million**.

Persistence in Strengthening Customer Safety

■ Promote Flexible Hose

- 2022: **5.94 million households**
- 2015-2022: **23.18 million households**

■ Promote Shut-off Valve

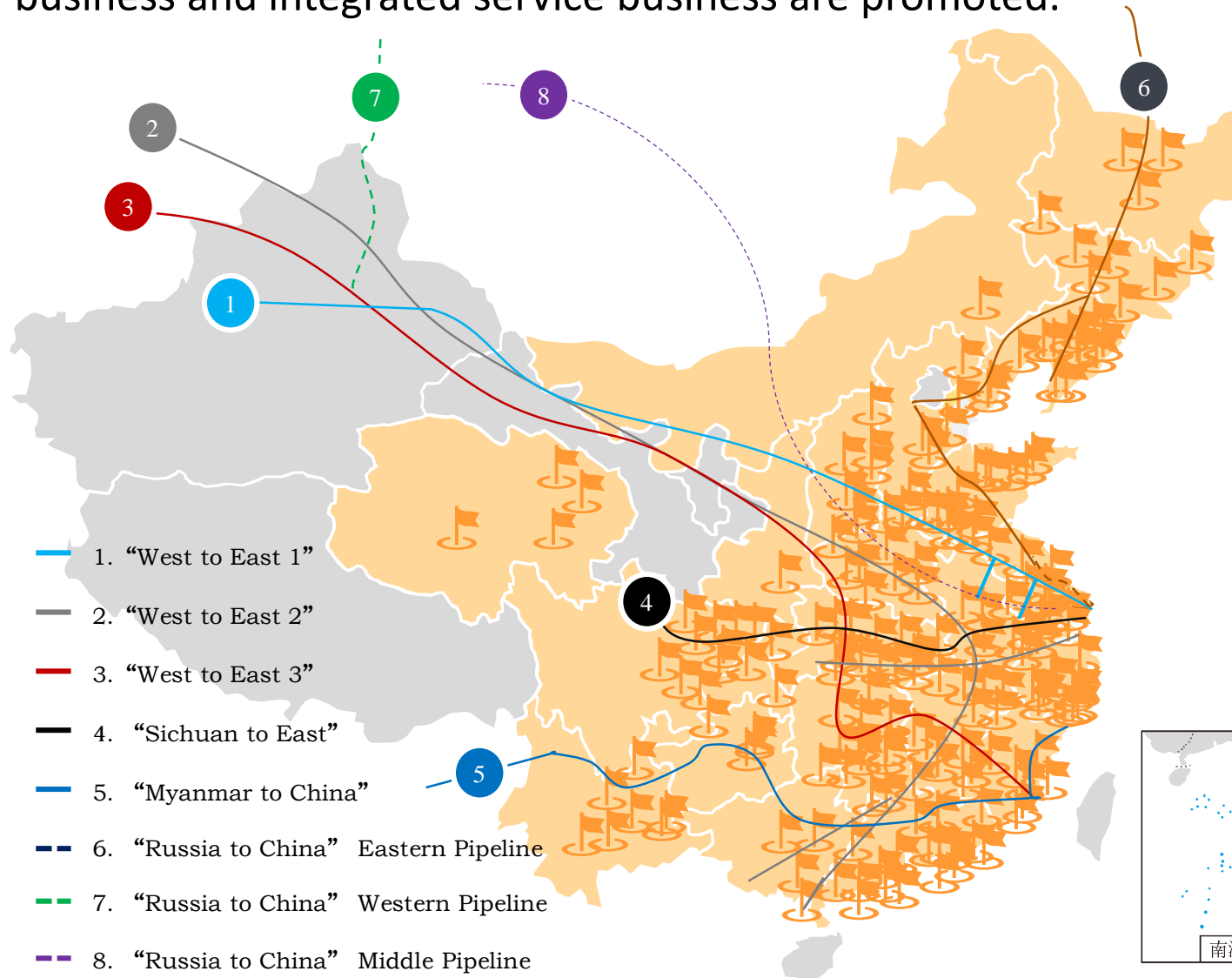
- 2022: **4.02 million households**
- Total valve: **7.03 million units**

■ Promote Alarm & Detector

- 2022: **22,000 units**
- Installation rate: **60.1%**

Customer Safety Investment: RMB5 billion

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 where the integrated energy business and integrated service business are promoted.



273

City Gas Projects



15

Provincial Capitals



76

Prefecture-level Cities



54.37 M

Customers



292 K km

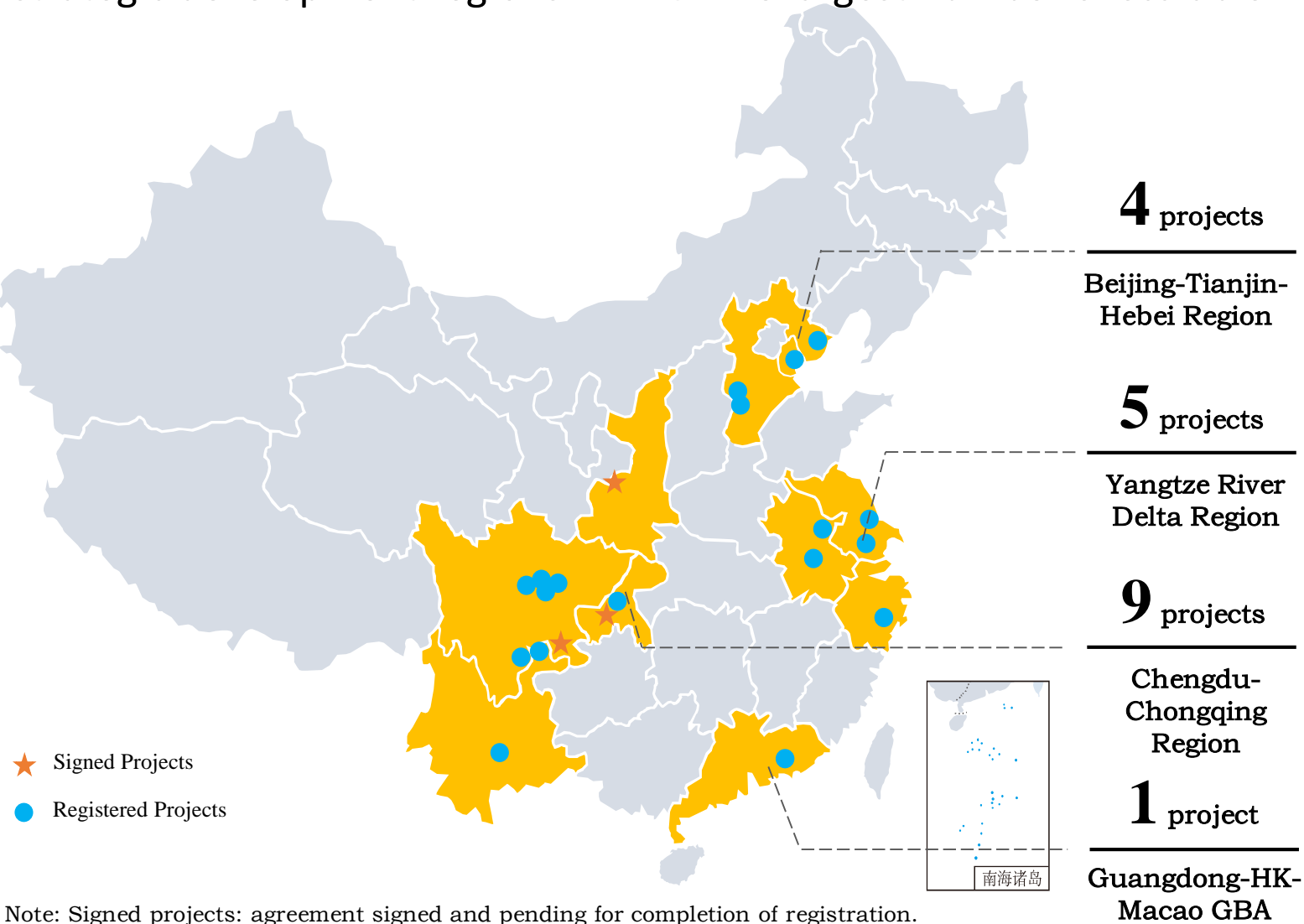
Pipeline



93.02 M

Connectable Households

In 2022, 7 projects were registered at group level, 3 and 11 projects were signed and registered respectively at project level. They are mostly municipality, provincial capital and prefecture-level city projects and at the 4 major strategic development regions in PRC. The largest number of scalable M&A in the recent 5 years.



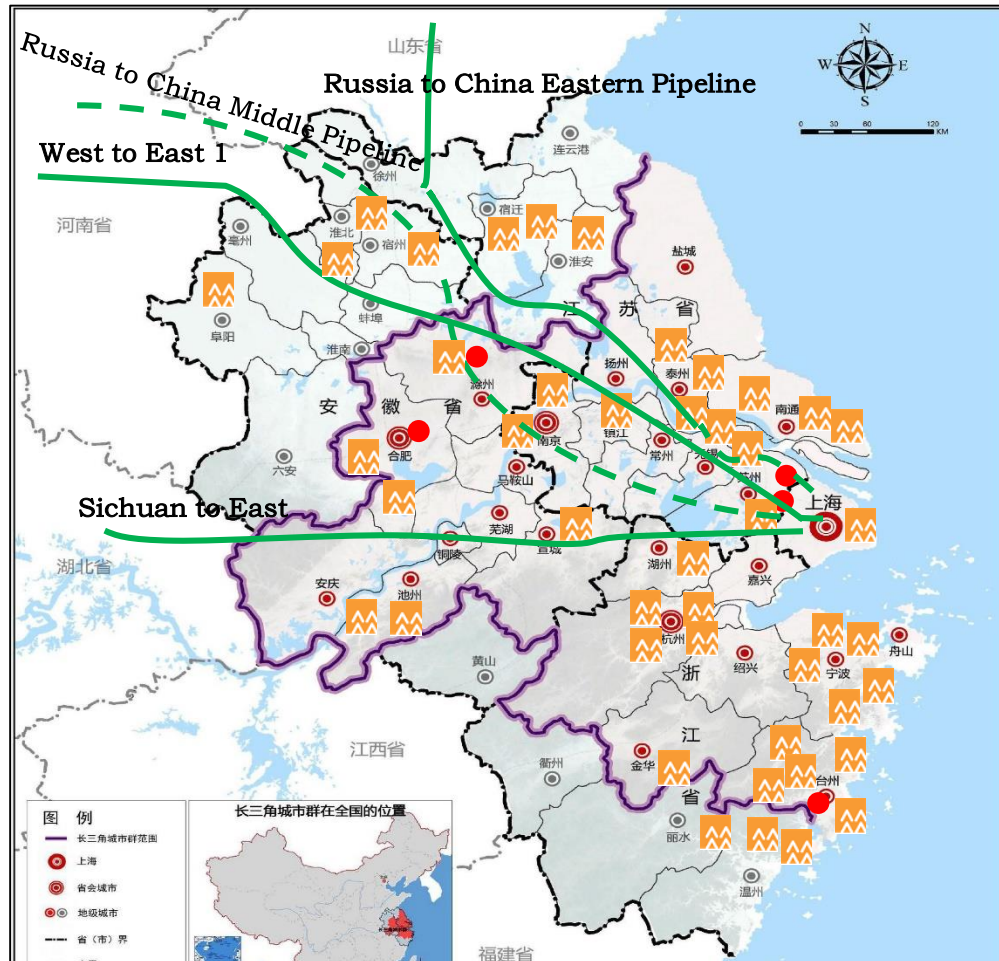
New Investment in 2022

<i>Group Level</i>	<i>Project Level</i>
Registered: 7	Signed: 3
	Registered: 11
<ul style="list-style-type: none"> ✓ Concession Expansion: 13,000 km² ✓ Acquired area GDP: RMB2,800 billion ✓ Potential volume: 6.14 billion m³ p.a. ✓ New household: 4.726 million 	

Note: Signed projects: agreement signed and pending for completion of registration.

Large scale and high quality projects such as Hefei and Taicang were officially registered and operated, gas sales volume was 2.18 billion m³ and residential customer was 2.965 million in 2022. It confirms CR Gas's leading position in the Yangtze River Delta market. It also forms a good regional synergy effect in terms of gas sources structure and security capabilities.

Projects in Yangtze River Delta



● 2022 M&A Projects Note: Only Group Level Projects shown

Regional Synergy Enhancement

- **Large Potential Market:** Located in the most economically developed area in PRC;
- **Optimised Gas Structure:** Swap arrangement with upstream, pipeline and gas companies, gas cost synergy with gas usage of Rudong terminal;
- **Gas Supply Security:** Interconnection of pipeline between projects to enhance gas supply security.

New Investment in 2022

Project	2022 Volume (Million m ³)	Household (Million)
Hefei	1,178.23	2.07
Taicang	330.61	0.24
Kunshan	595.55	0.53
Dingyuan	0.83	0.005
Taizhou	71.17	0.12
Total	2,176.39	2.965

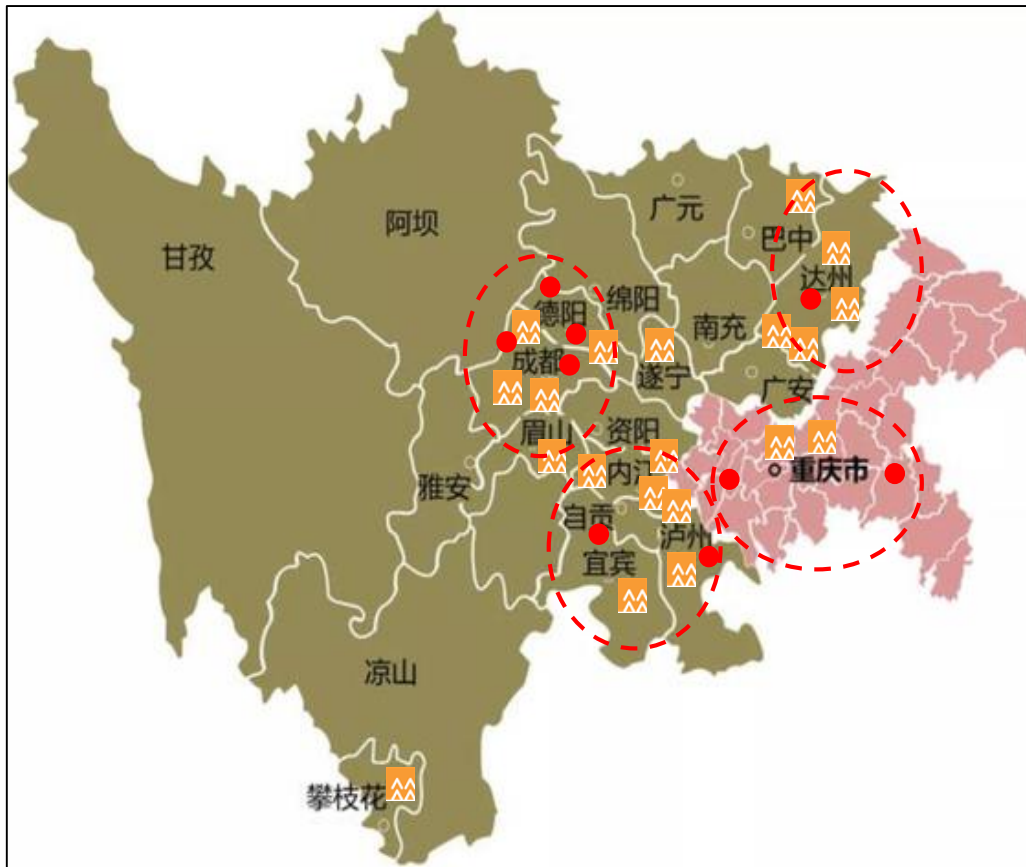
Project Scale in 2022

Volume 9.34 B m³

Household 10.676 M

Leverage on the existing market, strengthen the regional consolidation of Chengdu, Deyang, Dazhou and Chongqing market to improve the occupancy and market share of Sichuan-Chongqing region. 2,899 km² new operational area was added, gas sales volume of new projects was 330 million m³ and residential customer was 442,000 in 2022.

Projects in Sichuan-Chongqing Region



● 2022 M&A Projects

Note: Only Group Level Projects shown

Regional Consolidation Enrichment

Chengdu	M&A Longquan and Pengzhou Chuangang projects, new operational area was 153km ² and new gas volume was 99.41M m ³ .	Deyang	Acquired 100% stake of Deyang projects, new operational area was 1,634km ² and new gas volume was 220M m ³ .
Dazhou	M&A Dazhou Chuangang project, new operational area was 643km ² .	Yibin	M&A Yibin Gangdong project, new operational area was 220km ² and new gas volume was 2.94M m ³ .
Luzhou	Acquired assets of Luzhou Sitong projects, new operational area was 39km ² and new gas volume was 3.56M m ³ .	Chongqing	M&A Bishan and Pengshui projects, new operational area was 210km ² and new gas volume was 11.68M m ³ .

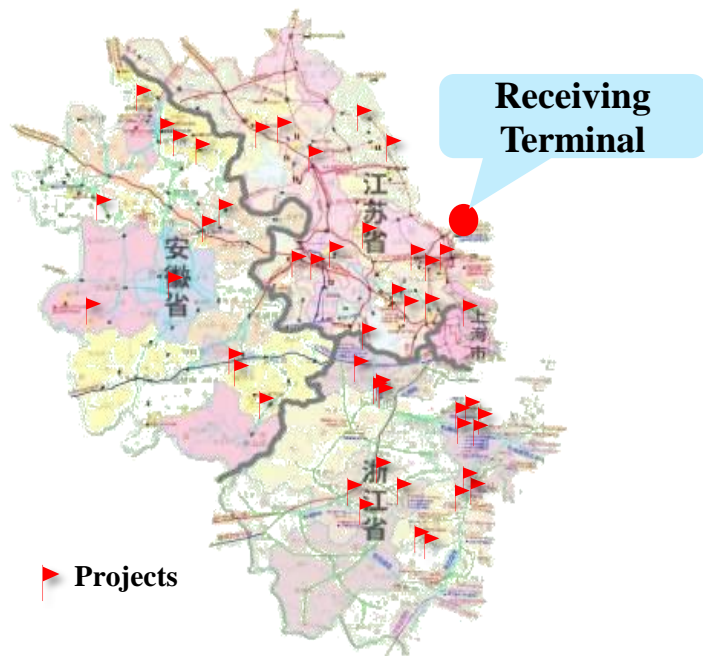
2,899km² new area, 330 million m³ gas volume, 442,000 households in 2022.

Shoreline approval for Rudong LNG receiving terminal has been obtained from the Ministry of Transport. Together with the permission of Jiangsu NDRC, the construction is expected to commence in 1H2023.

Permission of Rudong LNG Terminal

Location: Yangguang island of Yangkou port, Rudong, Nantong, Jiangsu province.

Progress: Shoreline approval obtained from Ministry of Transport, permission received from Jiangsu NDRC, construction commences in 1H2023.



Huge Potential in Yangtze River Delta

- 80+ CR Gas projects are within 500km radius of the terminal.

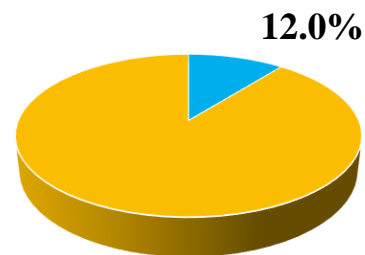


2022 gas sales volume



Connected Customer

- Cover Jiangsu, Zhejiang, Anhui, Henan and Shandong Provinces



■ Consumption of projects in 2025 ■ Consumption of five provinces in 2025

Estimated Gas Consumption from these 5 provinces in 2025

139.3B m³

Estimated CR Gas' Gas Sales Volume from these 5 provinces in 2025

16.7B m³

Turnover Capacity

6.50 M ton (1st phase 9B m³)

10.00 M ton
(13.8B m³ future expansion)

Quay Line

80-260 K m³ Ship Type

Storage Capacity

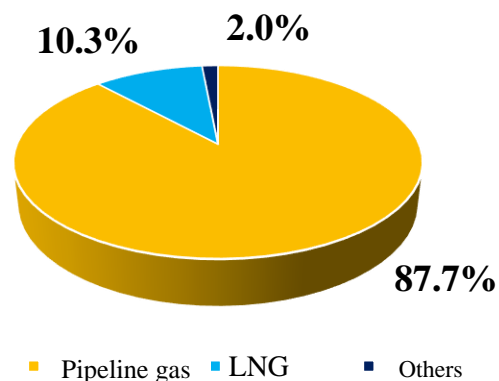
6x 20 Km³ Tank

Connection

Jiangsu Costal Pipeline
National Pipeline

By continuous cooperation with the big 3 oil and gas companies and national pipeline company, sourcing supplemental unconventional gas sources, continuing enrichment of the gas sources, together with the preparation of the long-term supply arrangement, the gas source structure will be further optimized and procurement costs will be reduced.

2022 Gas Supply Structure



01 Continuously cooperate with the big 3 oil and gas companies

- Deepen the cooperation and increase purchase from the 3 big oil and gas companies;
- Increase individual account purchase, annual total gas purchase **1.78 B m³**.

03 Strengthen the cooperation with national pipeline company

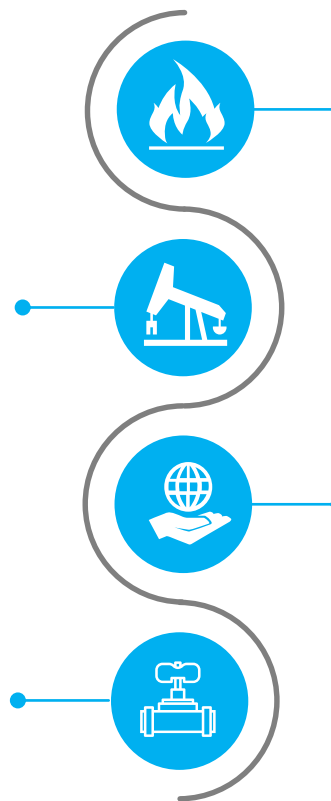
- Increase gas offload points and gas supply channels;
- Try purchase and storage model with storage tank owner to achieve “Summer Gas Winter Use”.

02 Explore other quality gas supply sources

- Source coal gas and coalbed methane as supplemental gas **1.90 M m³/day**;
- Leverage on downstream advantages for long-term contract negotiation.

04 Start to approach overseas gas suppliers

- Start to approach overseas suppliers such as Novatek, Total and Mitsui;
- Leverage on Rudong terminal to establish overseas purchase capacity.



Taking the opportunity of the Nation's "energy consumption and intensity dual control policy" and safe reform approach, CR Gas has formulated specified development plans for different types of customers, new customers will contribute over 2 billion m³ per year.

 **Residential:**
Speed up the New Connection

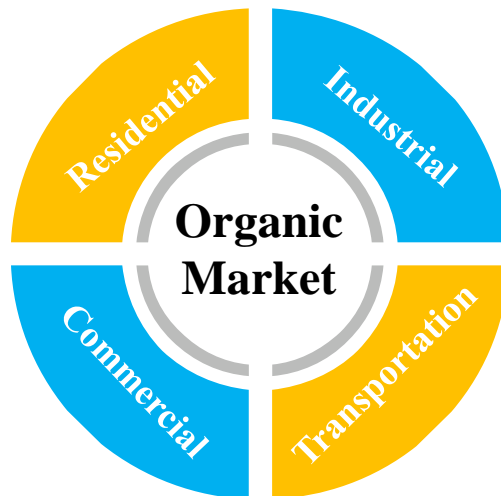
Speed up the new house connection and old house renovation market development.

→ **New Households** → **Contribution**
2.96 million **560 million m³/year**

 **Commercial:**
Promote Bottle to Pipe Gas

Formulate detail action plan for key potential projects. Emphasis on safety issues to promote "Bottle to Pipe Gas" conversion. Looking for policy support and prompt execution.

→ **New Bottle to Gas** → **Contribution**
10,400 customers **200 million m³/year**



 **Industrials:**
Focus on Key Market

Promote key industrial development and explore potential customers undergoing technology reform and coal to gas plans.

→ **New Industrial** → **Contribution**
3,550 customers **1.4 billion m³/year**

 **Transportation:**
Transform Under-perform Station

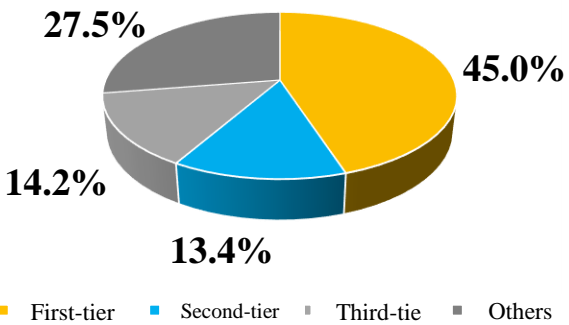
- Formulate action plan to explore new markets;
- Transform to charging or hydrogen refueling stations.

→ **Close or Exit in 2022** → **Station Transformed**
15 stations **30 stations**

CR Gas has 52.613 million household customers. Of which, 38.142 million household customers are located in affluent 3rd-tier or above cities. CR Gas provides customers with diversified products and services with an emphasis on safe gas usage, create a one-stop assembly solution for a smart kitchen to enhance user experience.

Huge & Prime Customer Resources

City Household Proportion by Tier



Household Customer

52.613 M

3rd -tier or above Household

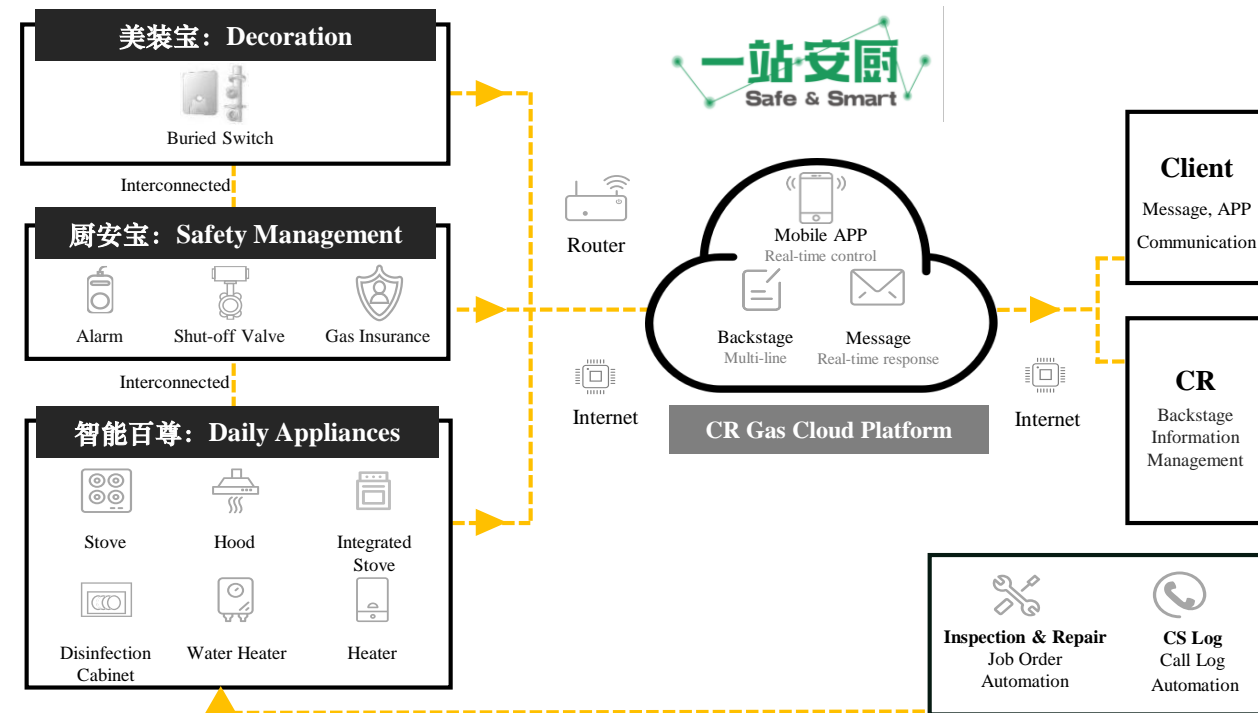
38.142 M

- 1st-tier city: 23.651 million
- 2nd-tier city: 7.035 million
- 3rd-tier city: 7.456 million

C&I Customer

442,282

Diversified Comprehensive Services (CSB) Model



Establish a new CSB retail platform to achieve the integration of online and offline business channels and to access the ultimate customers. Explore the formation of a comprehensive services ecosystem to draw the participation of quality third party products and services and enhance customer loyalty.

New CSB Retail Platform

Aim

Create On/Off Line New Retail Platform

Enhance Customer Value and Loyalty

Promote Business Positioning and Contribution

Enlarge Corporate Branding and Benchmarking

Path

On/Off Line Integration: Request made offline and solution provide online



On/Off Line Integration

1 Integration

Top-Down

Level by level top down penetration strategies



Support



2 Penetrations



Brand: Professional, Safe, Reliable;



Business: Kitchen Safety, Quality of Life Services;



Capability: Professional Household Safety Consultant;



Organisation: Digital driven management new retail model

4 Expansions

■ **Business Driver**

Start with feasible business planning

■ **Resources Integration**

Fully consider the utilization and integration of existing resources

■ **Parallel Development**

Execute by phase once ready and develop in parallel

Comprehensive Services Ecosystem



Continuous growth in new customer conversion rate and existing customer market share in kitchen electricity-gas-heat and insurance products. Income from household keeping business increased from RMB83 to RMB102 per household in 2022. Turnover from comprehensive services business (CSB) increased 42.5% from HK\$2.24 billion to HK\$3.19 billion, contribution increased 60.4% from HK\$0.72 billion to HK\$1.15 billion.

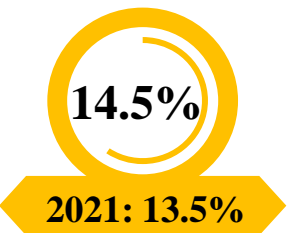
Expansion in Comprehensive Services Business

Fast Growing in Turnover and Contribution

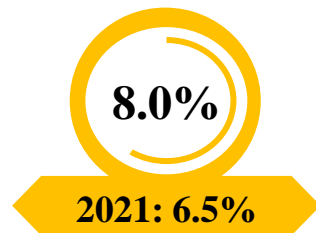
Kitchen Appliances



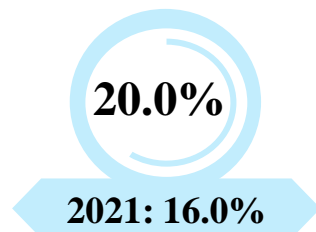
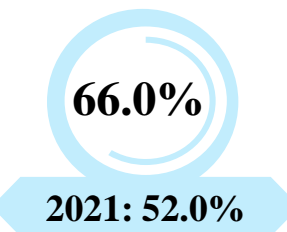
New Customer Conversion Rate



Existing Customer Market Share



Insurance Products



Household Keeping



Income per Household

RMB83
(2021)



RMB102

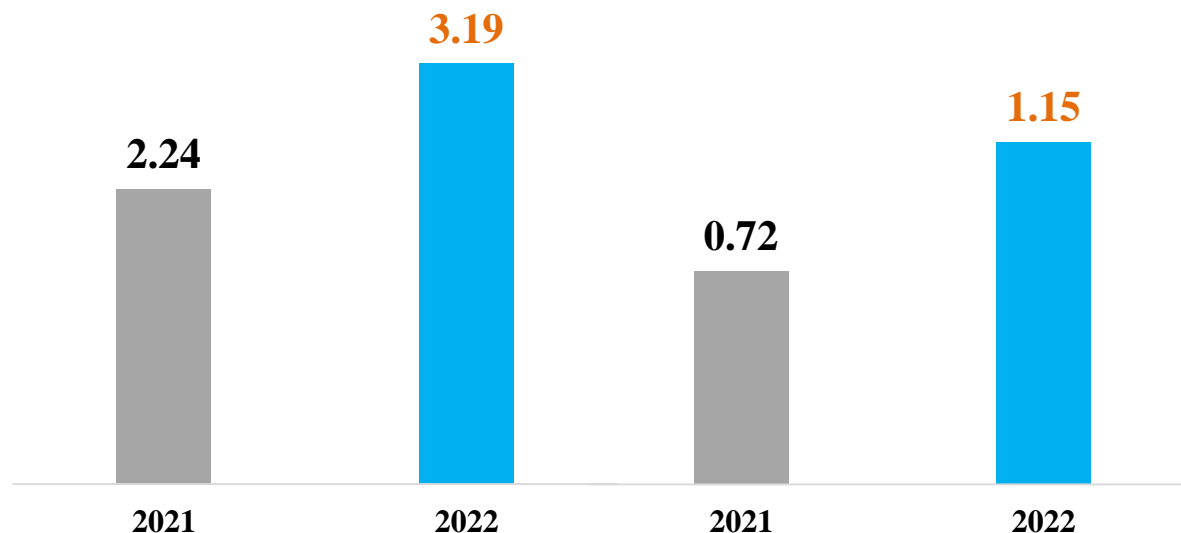
CSB Turnover

CSB Contribution

HK\$ Billion

+42.5%

+60.4%



CR Gas has 553 industrial parks and 2,292 hospitals, approximately RMB28.3 billion market size. CR Gas will continuously develop and expand the scale of integrated energy business to become a leading integrated energy provider in PRC.

Focus on park & public utility

Industrial Park Potential

Market Size: RMB560-840 billion

No. of parks: 19,000 (PRC)

CR Gas: 553 (park)

Market Size: RMB16-24 billion

Developed: 89 (incl. factory)

Public Utility Potential

Market Size: RMB1,670 billion

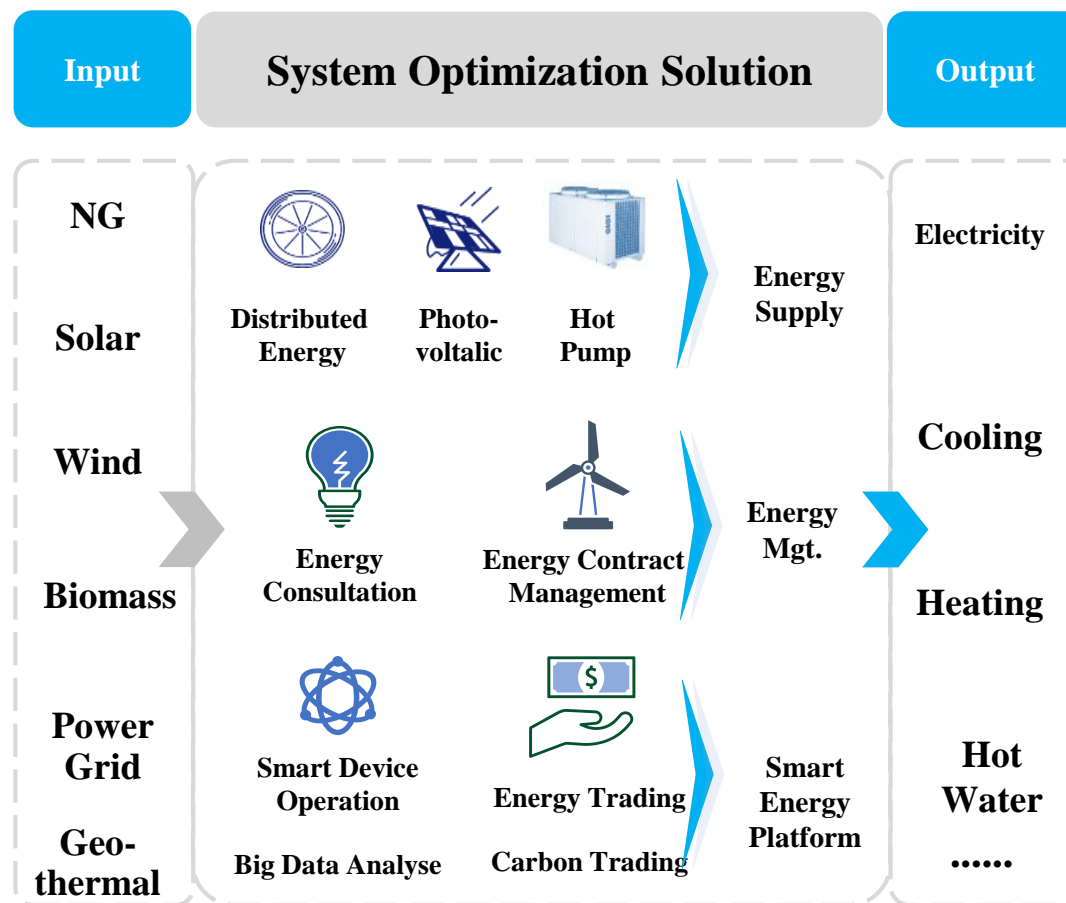
No. of public utilities: 1.67 million

CR Gas: 2,292 (hospital)

Market Size: app. RMB4.3 billion

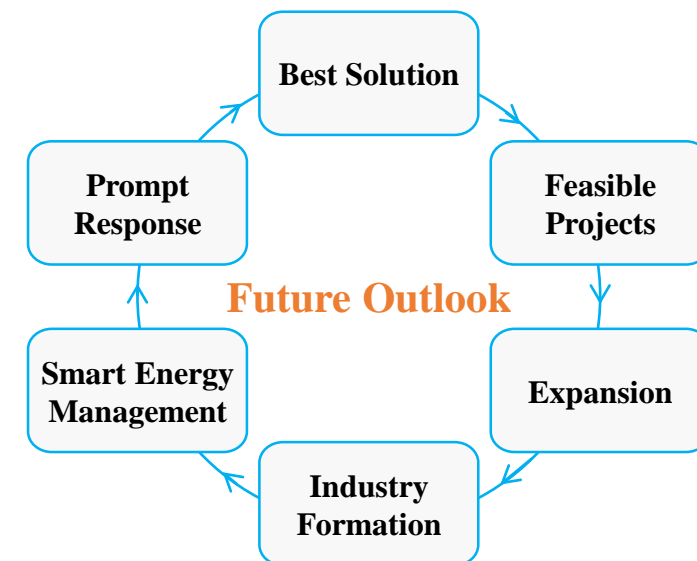
Developed: 69 (incl. hospital)

Establish Integrated Energy Core Capability



Form a New Business Model

Leverage on the smart integrated energy management platform to provide customers professional, customized and diversified green and low carbon, zero-carbon solution.

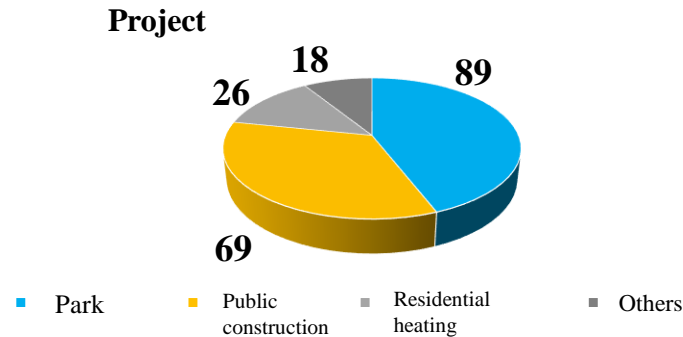


Leverage on the core city gas business, CR Gas focuses on providing green, low carbon and efficient energy solution to the industrial park and public utility customers with sustainable cashflow and return. 58 projects were signed in 2022. There are total of 202 projects. Energy sales significantly grew 58.0% to 1.59 billion kWh, turnover grew 45.5% to HK\$0.95 billion in 2022.

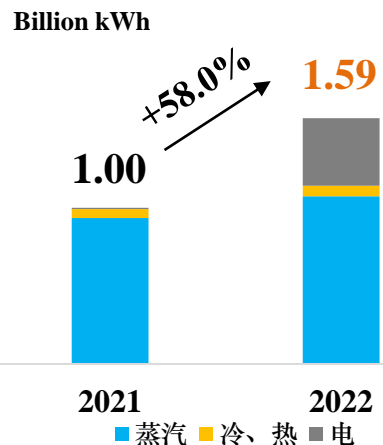
Focus on High Quality IE Projects

- Newly Signed Projects **58** projects
- Estimated Investment **440M** HK\$
- Operated Projects **121** projects
- Developed Projects **202** projects

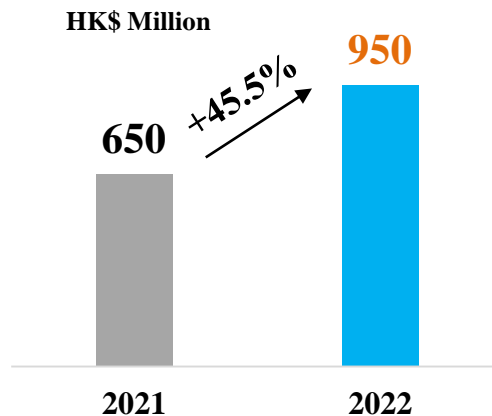
Developed Projects



Growing Energy Sales



Expanding Turnover



Typical Integrated Energy Projects

BOE's Chongqing Shuitu Industrial Park B12 Area (Under Construction)



- Adopt NG distributed energy – heating, cooling and power supply technology
- Tot. Investment: RMB150M
- Installed Capacity: 22.5MW
- CO2 reduction: 24,387ton p.a.

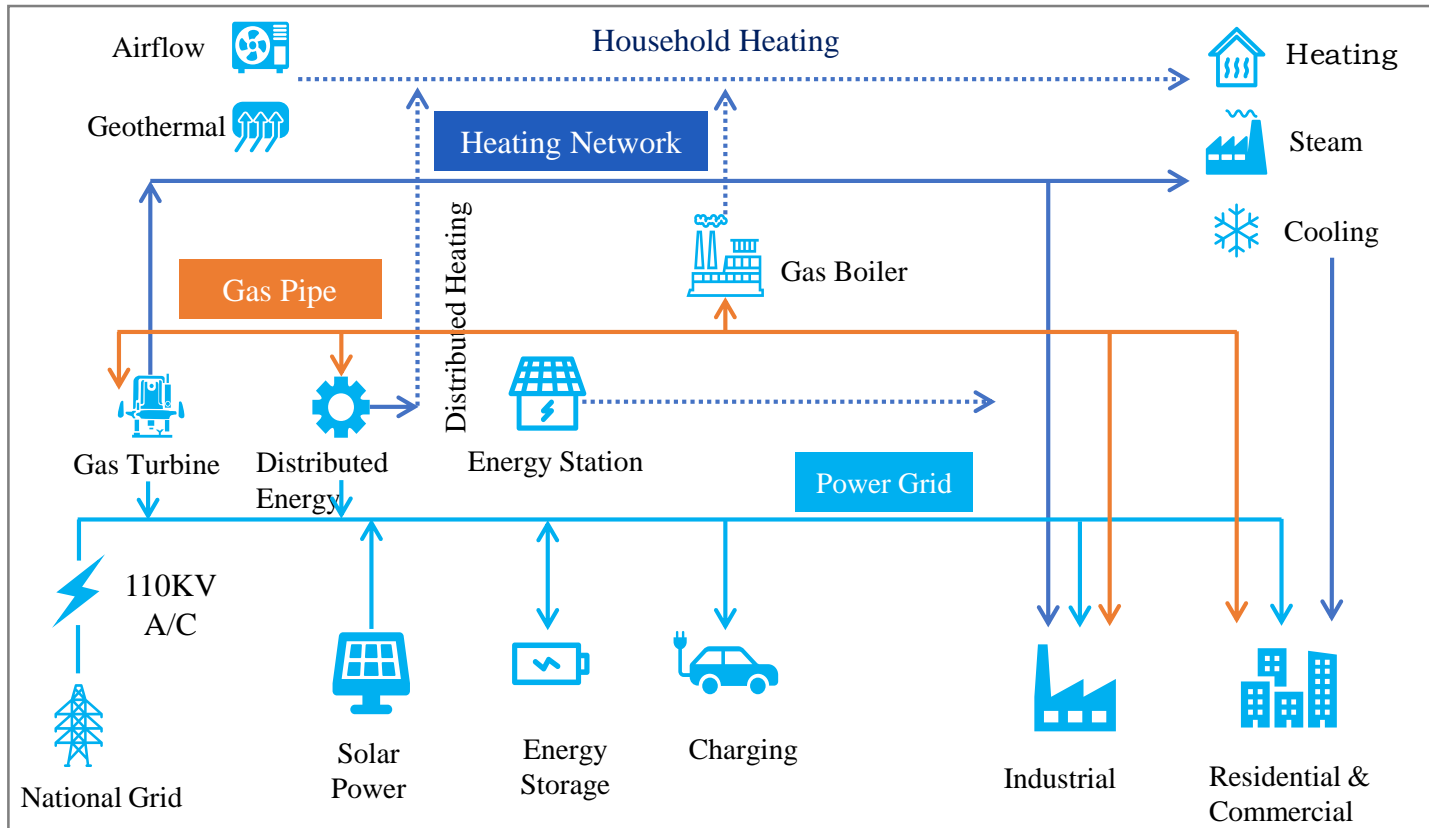
The People's Hospital of Yueyang (In Operation)



- Adopt NG distributed energy – heating, cooling and power supply technology
- Turnover: RMB11.20M
- Op. Profit: RMB2.46M
- IRR: 9.5%

Establish Xiangyang integrated energy company, to adopt the integrated network model. By distributing power to the grid, 420 million kWh was sold in 2022. Trial project of 45,000 ton carbon asset trading to transform customer's resources into economic benefit and become case study internally.

Xiangyang Integrated Network Model

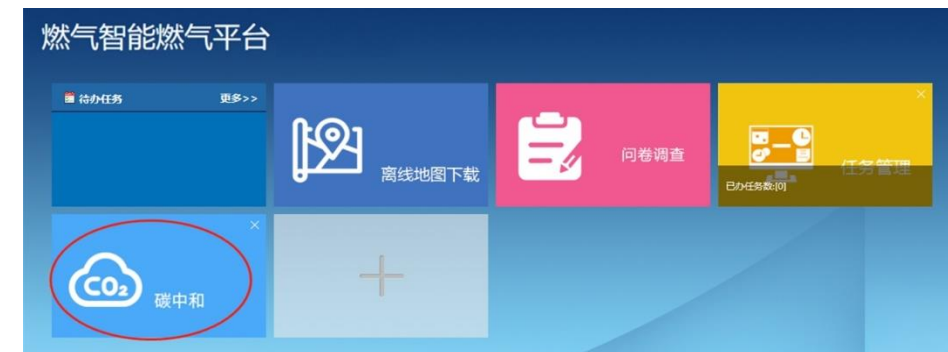


Xiangyang integrated energy company equipped with power distribution and sales capability and industrial and residential heating and steam services. Obtain power sales and business permit (power supply).

Trial Project on Local Carbon Trading

Leverage on customer's advantages, promote carbon trading services to transform customer's resources into economic benefit.

- Identify **23,000** ton carbon asset in 2022
- Identify a total of **45,000** ton carbon asset
- Establish "Carbon Neutrality" platform
- Establish "Customer Alliance"
- Approach low carbon customers



Accelerate the development of electric vehicle charging market, 39 charging stations commenced operations, a total of 171 stations in operations, electricity sales reached 270 million kWh and turnover was HK\$280 million in 2022. Focus on end market hydrogen application, 7 hydrogen refueling stations operated in 2022, hydrogen sales significantly increased to 219 tons, an increase of 102.3%.

Electricity Charging Business



Integrated Energy Station Model



Battery Charging/Swap Model

- Secure franchise stations for public transportation;
- Utilise exiting resources to trial run the private transportation markets;
- Explore Solar, Storage and Charging combined station;
- Study charging and battery swap business model.



Hydrogen Refueling Model

- Establish a proven model with policy support;
- Explore the feasibility of pipeline distribution of hydrogen;
- Accelerate hydrogen refueling station development;
- Study integrated energy station model.

5,189

Contracted Vehicles

171

Operating Charging Station

270M kWh +20.6%

Electricity Sold

280M HK\$ +12.1%

Turnover

7

Operating Hydrogen Station

15

Construction Hydrogen Station

219 tons +102.3%

Hydrogen Sold

4.55M HK\$ +29.3%

Turnover

According to the industry development, explore new business potential and opportunities, hydrogen pilot project in Shandong was carried out to study hydrogen and combined hydrogen distribution pipeline technology, new energy technology such as hydrogen combustion application, hydrogen production from gas and storage.

Shandong Hydrogen Pilot Project

Pilot project in Shandong to study hydrogen and combined hydrogen pipeline, electricity and heating combined distribution technology and application.

Expected Results

- Construct 30km hydrogen pipeline
- Study the technology and equipment to combine 5%-20% hydrogen with natural gas
- Pilot oil-hydrogen-electricity combined station and 600m² heating-electricity supply application.

New Energy Technology Cultivation

Set up Combustion Technology Laboratory with Tongji University

Focus on hydrogen combustion application, energy saving and efficiency on natural gas, recent achievement on 10% improvement target for combustion efficiency.

Prepare to build CR Gas Research Institute

Carry out industry frontier study and benchmarking, focus on key technologies for natural gas, integrated energy, photovoltaic, near zero carbon, hydrogen, energy storage, etc.

Explore hydrogen production from gas technology

Plan to set up a co-laboratory with CR Scientific and Research Institute and Shenzhen Tsinghua University to study hydrogen production from gas via liquid metal catalyst and Graphene technology application and commercialisation, memorandum has been prepared.

附件1
山东省2022年重点研发计划
（“氢进万家”科技示范工程二期定向项目
配套）省级资金分配表

单位：万元

单位名称	省级配套经费（拟）	2022年度经费
华电潍坊发电有限公司	2300	956.8
山东国创燃料电池技术创新中心有限公司	1750	728
山东省特种装备检验研究院集团有限公司	1500	624
山东海化鲁碱树脂有限公司	1000	416
潍坊港华燃气有限公司	800	332.8
山东省计算中心（国家超级计算济南中心）	800	332.8
潍坊高新华润燃气有限公司	600	249.6
潍坊市市政公用事业服务中心	600	249.6
山东大学	400	166.4
青岛大学	200	83.2
山东数字智能技术研究院	50	20.8
合计	10000	4160

备注：省级配套经费将按照国投经费1:1比例调整确定。

- ✓ Provincial sponsorship:
RMB6 million
- ✓ 2022 sponsorship:
RMB2.496 million

C 目录 ONTENTS

1 Results Highlights

2 Company Development

3 Financial & Operational Highlights

As at 31 December	2021 (HK\$'000)	2022 (HK\$'000)	Increase/(Decrease)
Turnover	79,642,030	94,338,329	18.5%
Gross profit	19,176,192	18,081,851	(5.7%)
Profit from operation ⁽¹⁾	10,475,175	8,663,040	(17.3%)
Profit for the year	8,439,832	6,308,519	(25.3%)
Profit attributable to the equity holders	6,395,368	4,733,455	(26.0%)
Net cash from operating activities	8,390,058	4,351,390	(48.1%)
Basic EPS ⁽²⁾ (HK\$)	2.82	2.09	(25.9%)
Interim & proposed final dividend per share (HK\$)	1.27	1.05	(17.3%)

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	2021 (HK\$'000)	2022 (HK\$'000)	Increase/(Decrease)
Total assets	106,136,308	112,051,660	5.6%
Bank balance and cash ⁽¹⁾	10,088,053	6,437,479	(36.2%)
Total bank, note and other borrowings ⁽²⁾	11,510,903	20,462,820	95.1%
Net borrowings	1,422,850	16,025,341	—
Equity attributable to the equity holders	41,256,915	39,334,706	(4.7%)
Non-controlling interests	12,780,747	13,205,760	3.3%
Total equity	54,037,662	52,540,466	(2.8%)

Note: (1) Restricted cash for privatization (2022: HK\$0, 2021: HK\$2,525,103,000);

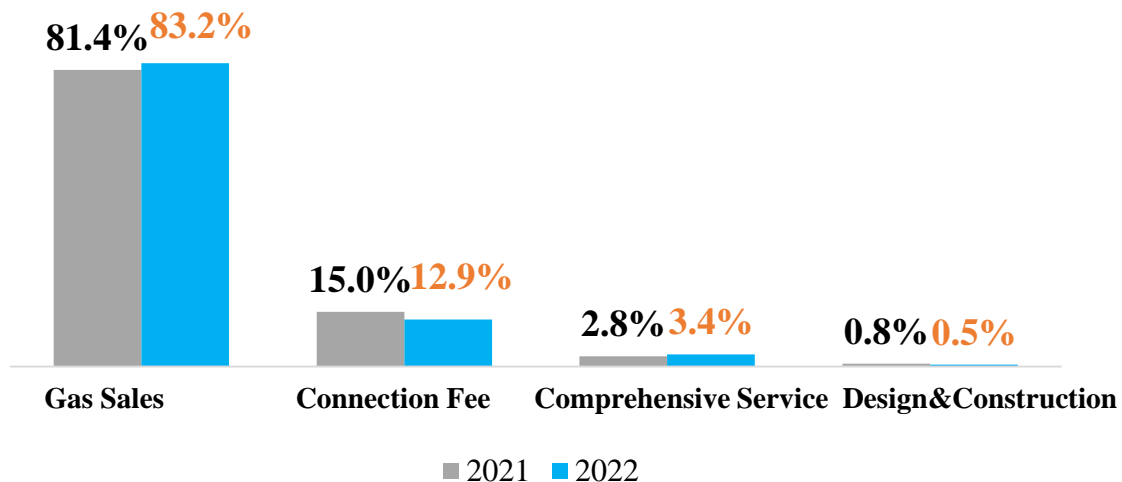
(2) The amount due to an intermediate holding company (2022: HK\$2,507,449,000, 2021: HK\$5,015,768,000) and amount due from an intermediate holding company (2022: HK\$2,238,960,000, 2021: HK\$0) are included in bank, notes and other borrowing.

Financial Indicators	31 December 2021	31 December 2022	Increase/(Decrease)
Gross profit margin	24.1%	19.2%	(4.9PPT)
Net profit margin	10.6%	6.7%	(3.9PPT)
Net profit margin attributable to the owner of the Company	8.0%	5.0%	(3.0PPT)
Debt to capitalization ratio ⁽¹⁾	17.6%	29.9%	+12.3PPT
Debt to asset ratio ⁽²⁾	10.8%	20.1%	+9.3PPT
Return to equity	15.5%	12.0%	(3.5PPT)

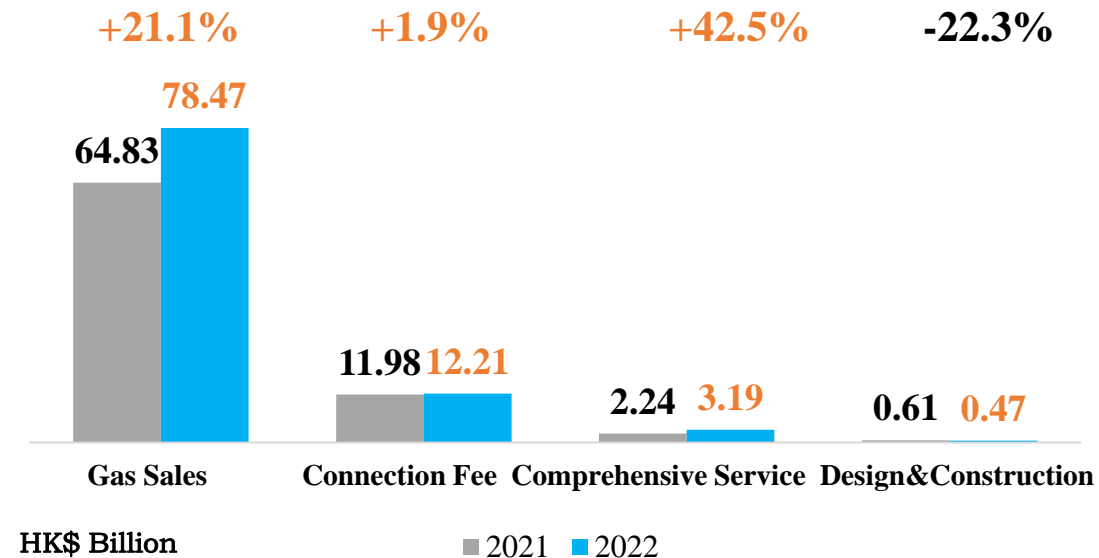
Note: (1) Debt/capitalization gearing ratio is the ratio of total bank, note and other borrowings to total bank, note and other borrowings and total equity;

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

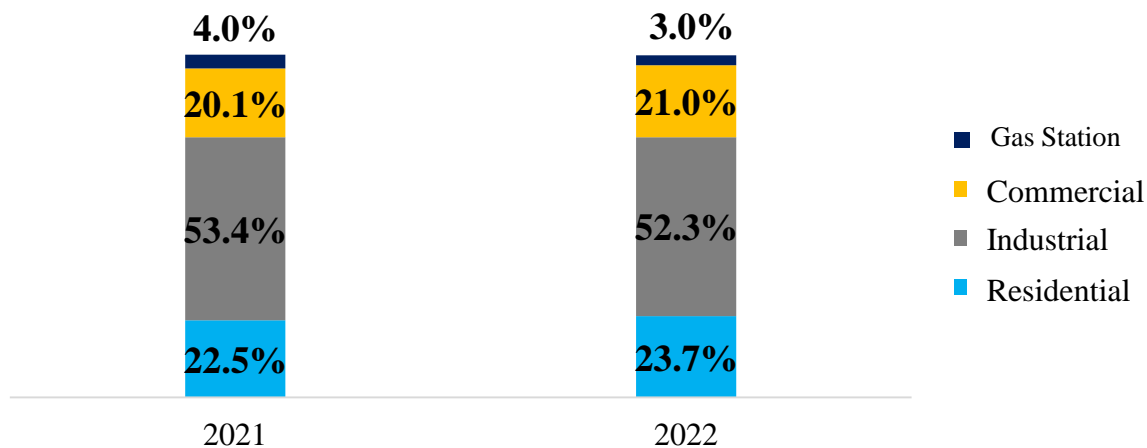
Revenue Mix



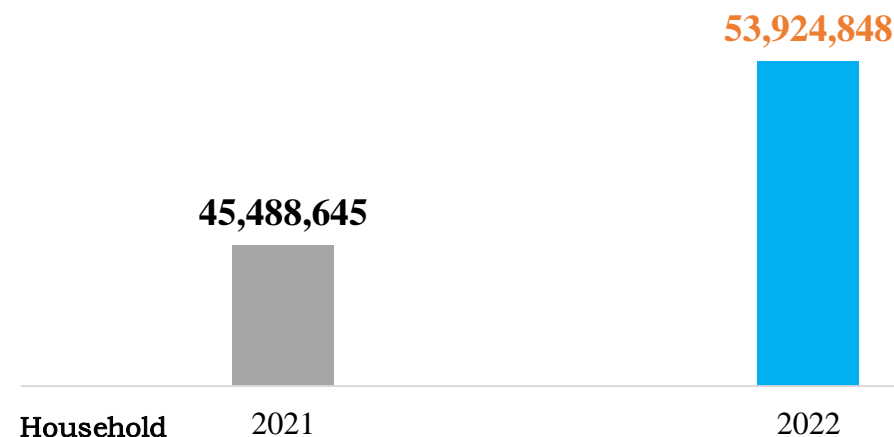
Revenue Growth



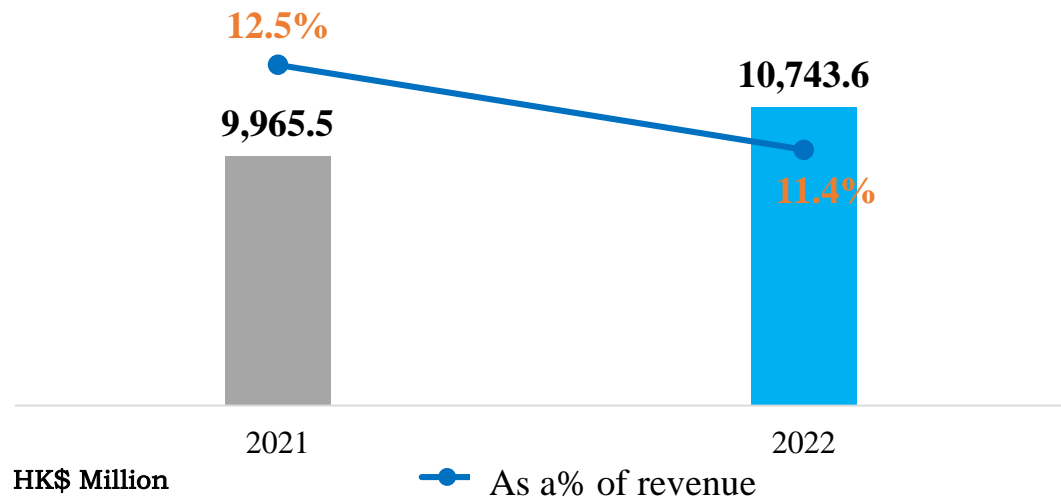
Volume Mix



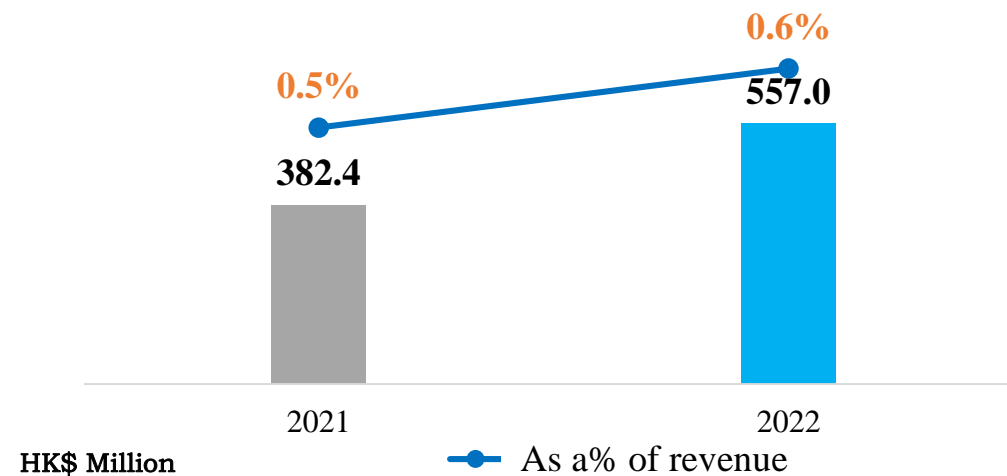
Residential Customer



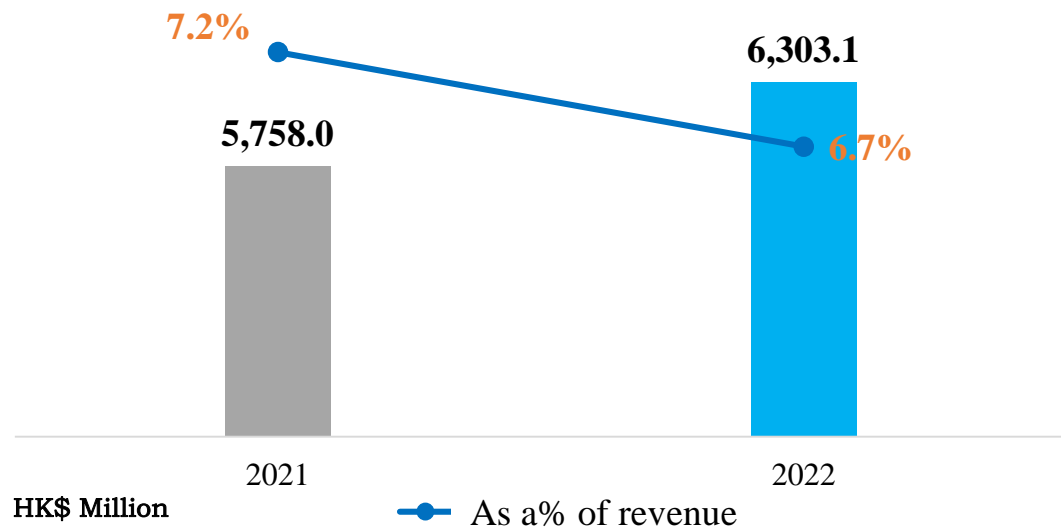
Total Costs



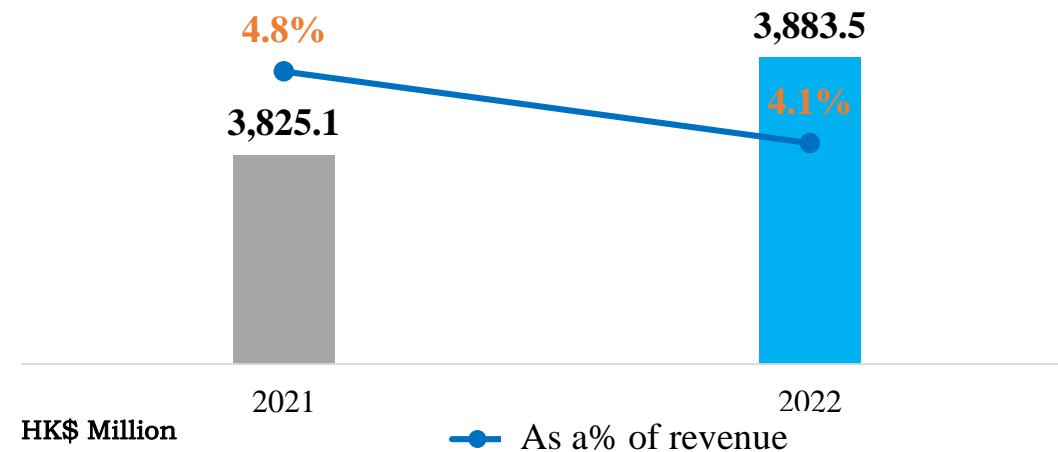
Finance Costs



Selling & Distribution Expenses

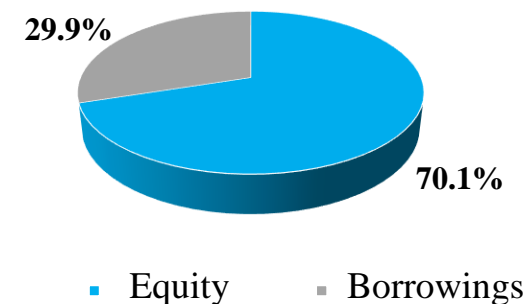


Administrative Expenses



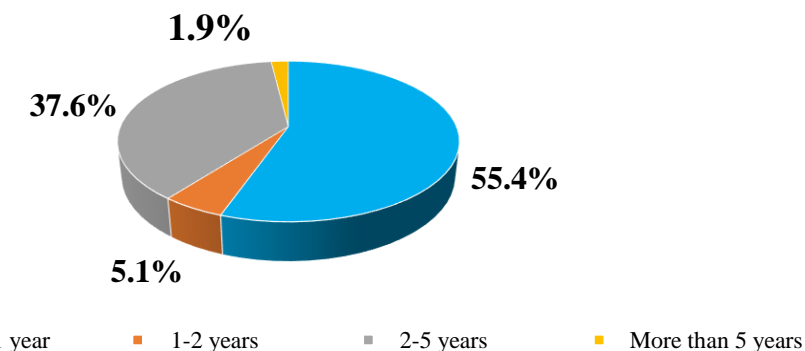
Equity & Debt

	HK\$'000	%
Total equity	52,540,466	70.1%
Total bank & other borrowings	22,462,820	29.9%
Total capital	75,003,286	100.0%



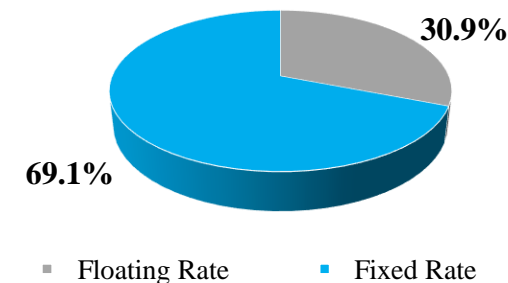
Long & Short Term Borrowings

	HK\$'000	%
Less than 1 year	12,442,174	55.4%
1-2 years	1,139,631	5.1%
2-5 years	8,447,410	37.6%
More than 5 years	433,605	1.9%
Total	22,462,820	100.0%



Fixed & Floating Borrowings

	HK\$'000	%
Floating rate	6,940,229	30.9%
Fixed rate	15,522,591	69.1%
Total	22,462,820	100.0%



	31 December 2021	31 December 2022	Change
Number of projects	266	273	7
Connectable householders (million)	83.16	93.02	11.9%
Connectable population (million)	306.62	334.87	9.2%
Penetration rate of residential household	55.0%	58.2%	3.2PPT
Gross gas sales volume (million m ³)	34,082	35,889	5.3%
Residential	7,654	8,497	11.0%
Industrial	18,212	18,762	3.0%
Commercial	6,851	7,533	10.0%
CNG Station	870	716	(17.7%)
LNG Station	495	381	(23.0%)
Average gas tariff / cost / gross margin (RMB per m ³)	2.93/2.41/0.52	3.52/3.07/0.45	0.59/0.66/(0.07)

	31 December 2021	31 December 2022	Change
Total length of pipeline (km)	229,362	291,605	62,243
Connected customers	45,873,609	54,367,130	8,493,522
Residential	45,488,645	53,924,848	8,436,203
Industrial	28,443	36,819	8,376
Commercial	356,520	405,463	48,943
Average residential connection fee (RMB)	2,675	2,663	(12)
New C&I with paid connection fee	39,024	43,286	4,262
New residential with paid connection fee		—	
Gross basis	3,524,027	4,076,574	552,547
Consolidated basis	2,770,945	3,076,036	305,091
Gas stations (CNG/LNG/L-CNG)	347(212/85/50)	332(202/76/54)	(15)/((10)/(9)/4)

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

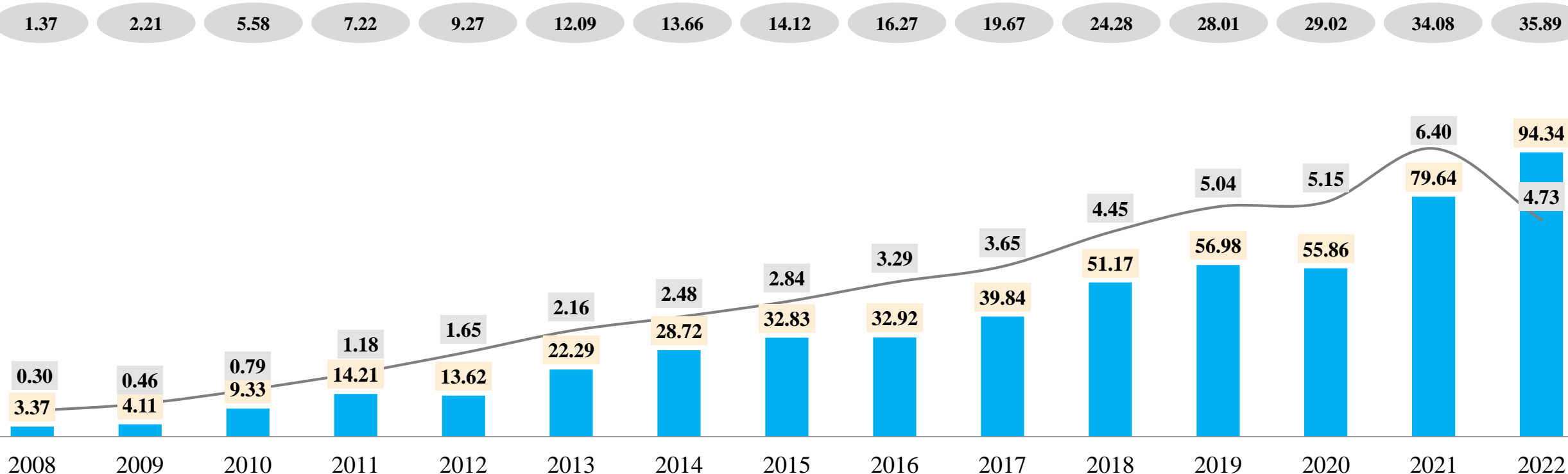
N New Businesses

- 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%



Billion m³/HK\$ Billion

Turnover

Profit attributable to shareholders

XX Gas sales volume

Disclaimer and Contact:

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2022 Final Results Presentation