



Naas

Third Quarter 2023 Result

October 28, 2023

**Naas Technology Inc
NASDAQ: NAAS**



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NaaS third quarter 2023 results highlights



01

Stellar growth with a more visible profitability trajectory

02

Significant business expansion in Q3 beyond mainland China

03

Recategorization of revenues to reflect our expanded business lines

04

On track to deliver FY23 revenue as guided; new guidance for 2024



01

Financial overview

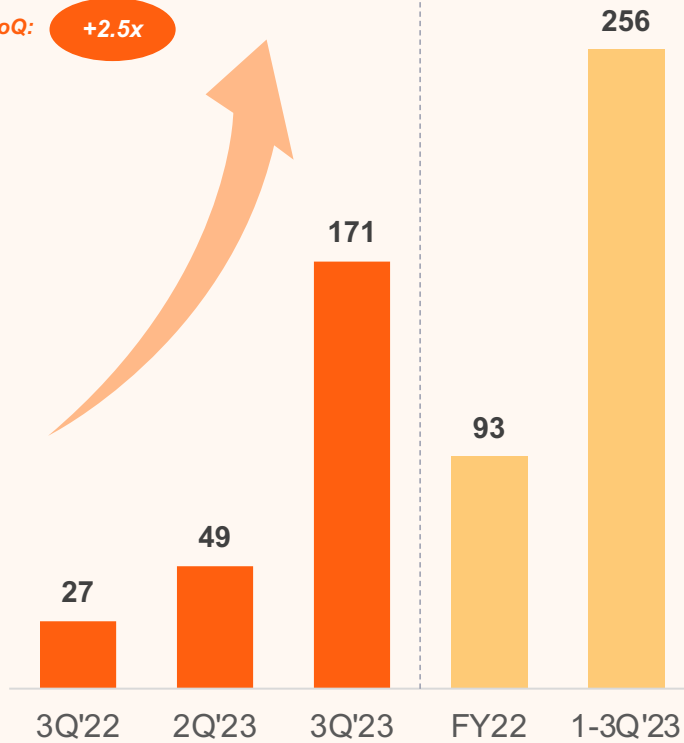
Stellar growth driven by energy solutions

Total revenue

(RMB Million)

YoY: +5.4x

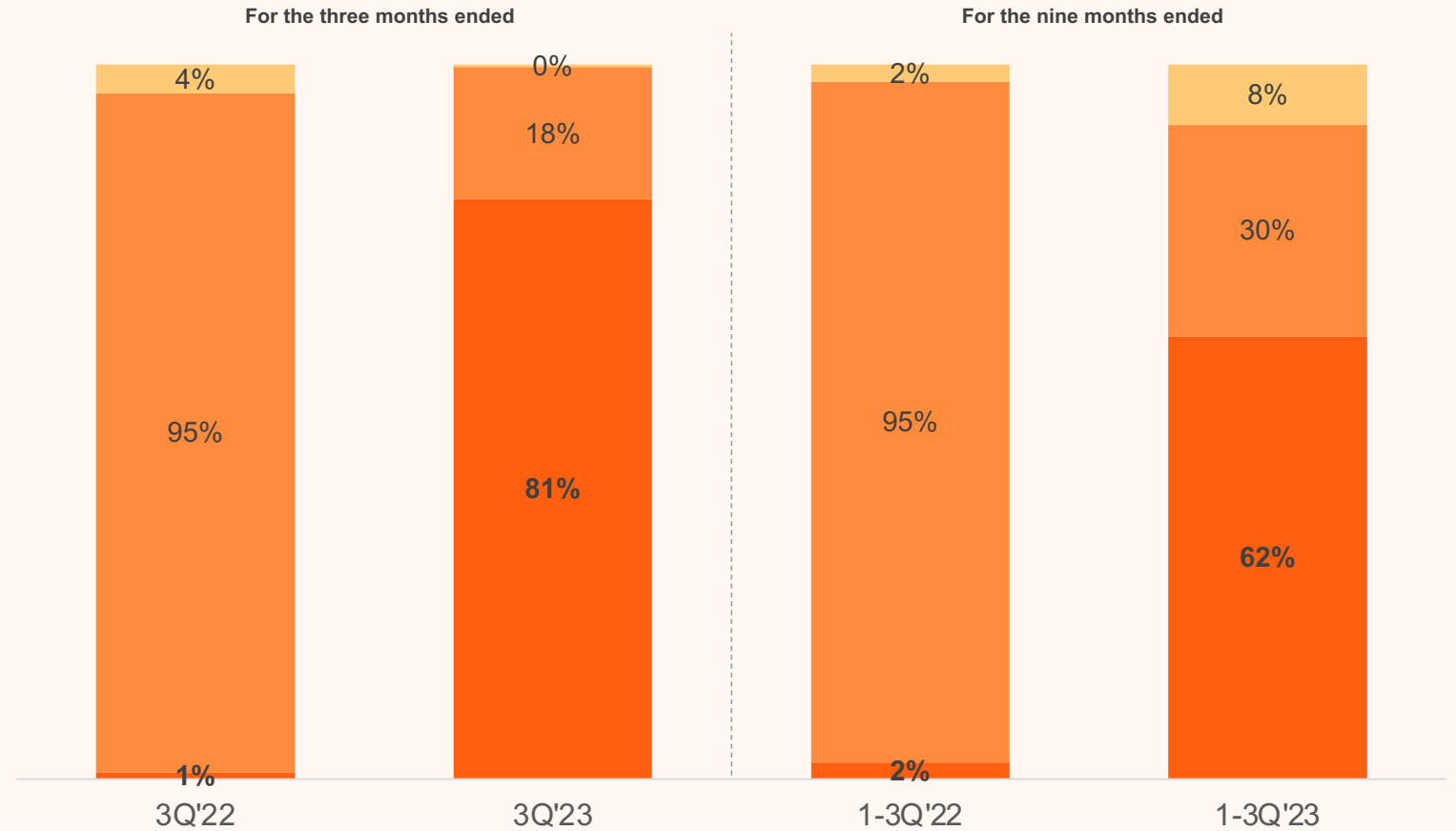
QoQ: +2.5x



Total revenue in Q3 is
at an all-time high

Revenue by different businesses

(%) ■ Energy solutions ■ Charging services ■ New initiatives

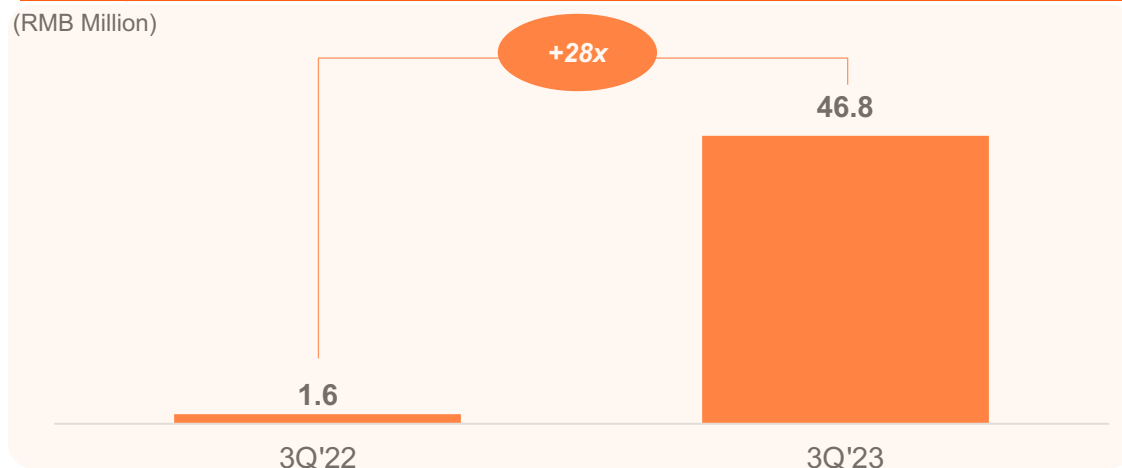


Significant contribution from **energy solutions**

Significant margin improvement driven by energy solution projects

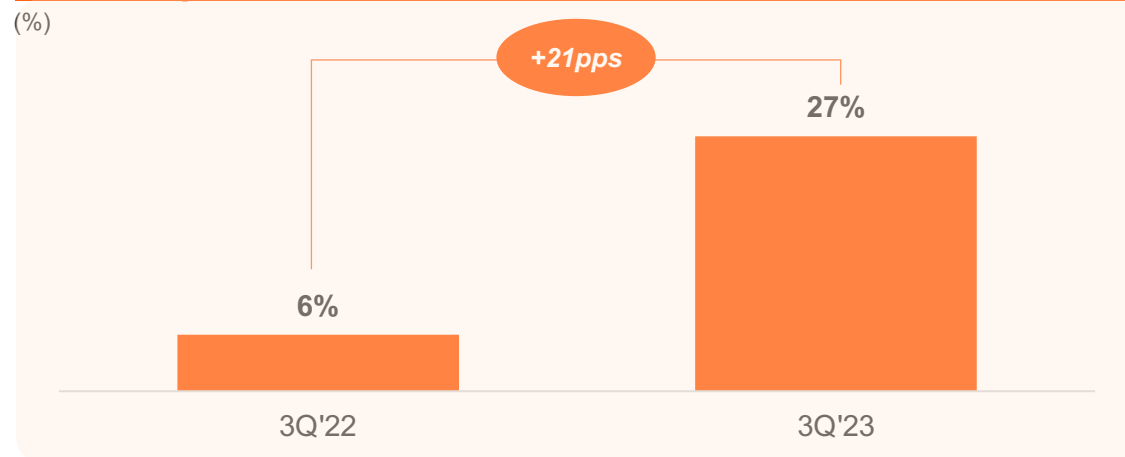
Gross profit

(RMB Million)



Gross margin

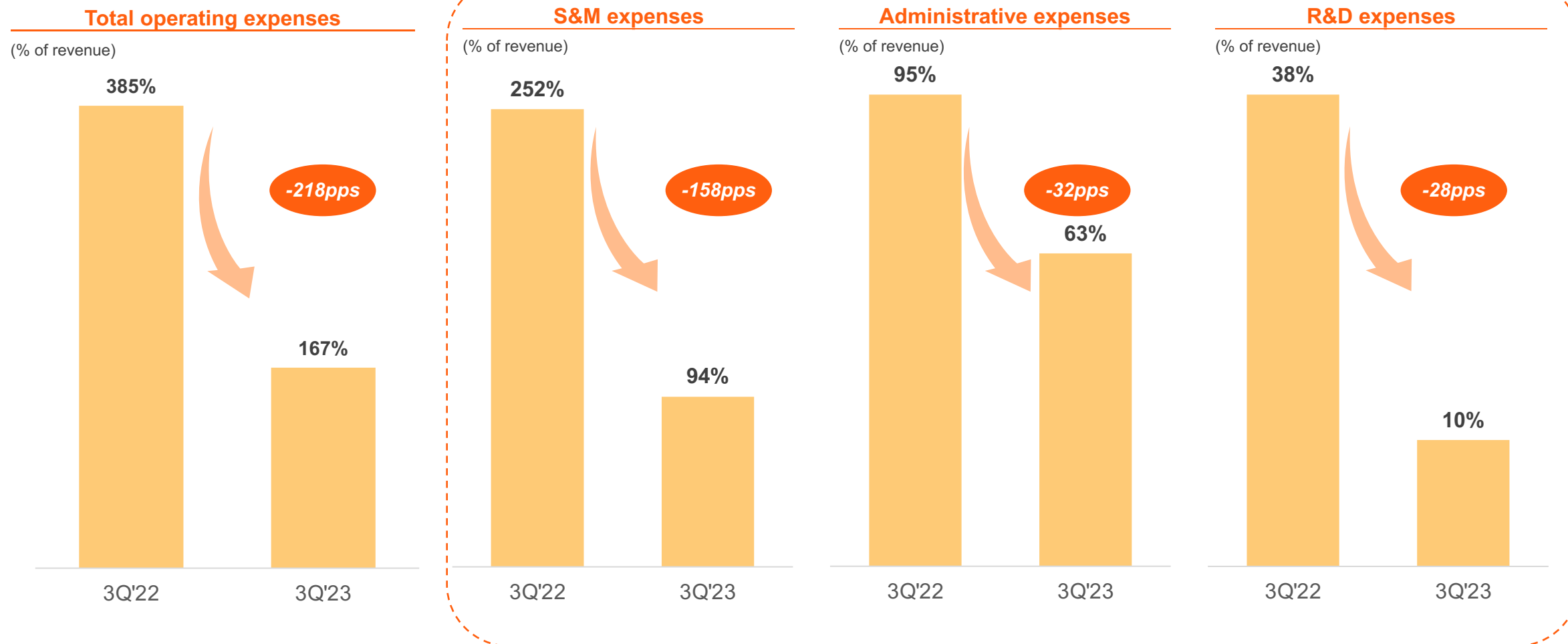
(%)



- Total gross profit / margin substantially increased, benefiting from solid revenue **growth** as well as **margin improvement** based on **operating leverage** in executing energy solution projects at scale

Operating leverage lead to decrease of operating expense ratios

Significant operating leverage and substantial improvement in operational efficiency, reflecting economies of scale





02

Operational overview

Winning RMB67m one-stop PV-storage-charging-swapping solutions project for heavy-duty trucks in Anji



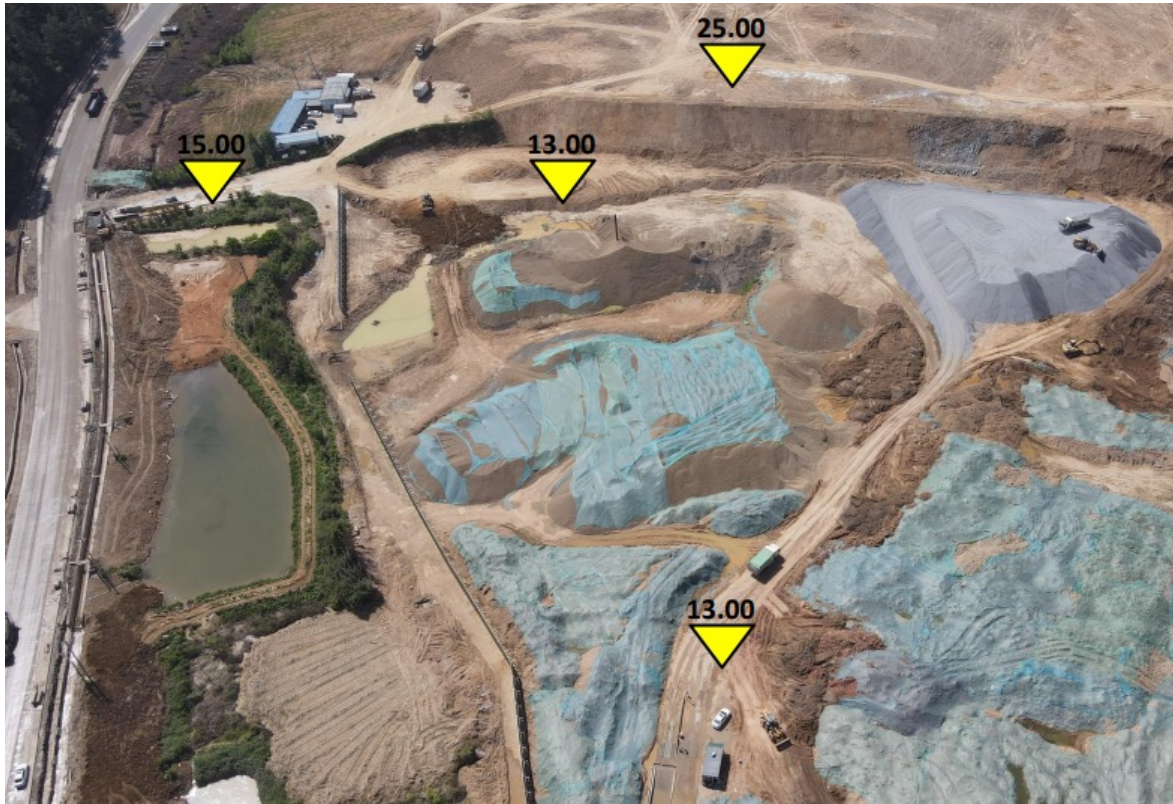
Photovoltaic



Energy storage



Battery swapping



- 458 chargers designed for charging 1,800 heavy trucks and small EVs



- 36 integrated energy storage cabinets of 233kWh with a total energy capacity of 8,388kWh



- 430 charging spaces, 37 split charging stacks of 480kW and 30 integrated DC dual-charger charging piles of 360kW



- The installed capability of PV equipment is expected to be 4,205 KW

43 energy storage facilities delivered in Q3, with many more to come in Q4

Signed **RMB204m**
contract value

580
storage
facilities

380
charging
stations

130MWh
capacity

Profit from peak-to-valley price differences

- ✓ Meaningful differentials in 18 provinces in China
- ✓ Ensure continuous operations 24/7

Dynamic capacity management

- ✓ Expand capacity beyond the grids
- ✓ Much more cost-efficient than grid rebuilding

Ensure safety

- ✓ Optimal stability even during peak usage time
- ✓ Minimize burden to the grid

Secular tailwinds for charging stations' energy storage

Blue ocean in China

Significant business expansion beyond mainland China

Sinopower

- **32%** market share in PV services in HK

- **Blue-chip** client base:



The Hong Kong Jockey Club



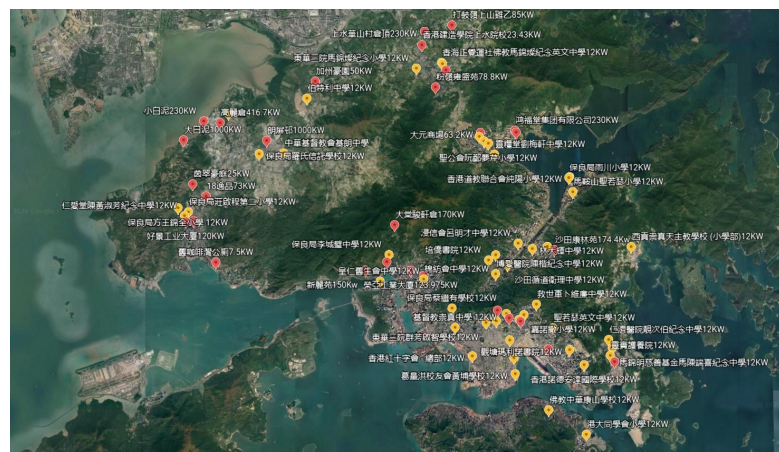
- Expanding offerings into **EV charging** and other **renewable energy solutions** in HK
- Expanding services **overseas**

>30MW

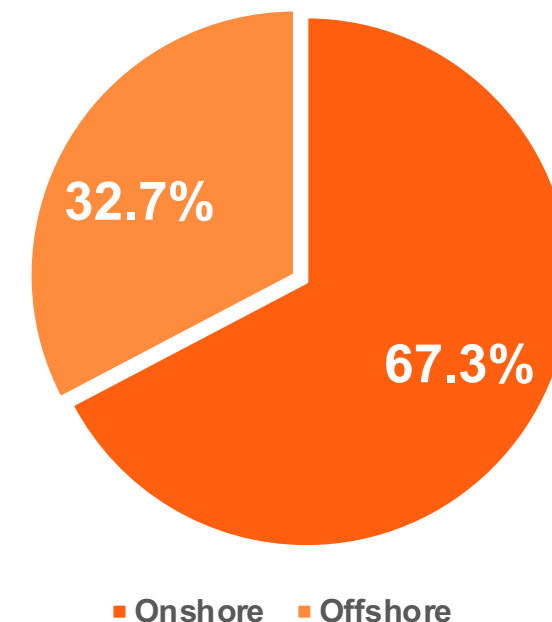
Total executed solar project capacity

>700

Total number of executed solar projects



Revenue composition onshore and offshore



More strides in strategic partnerships

China Construction Bank strategic cooperation



- ◆ Sep 2023: NaaS and NewLink have formed **strategic partnership with China Construction Bank** to advance the integration of financial services with the domestic and global new energy sectors
- ◆ To empower NewLink and NaaS to expand their global presence in the new energy sector, thereby **fostering green, low-carbon, and sustainable development** in the energy industry

ZSY financial innovation partnership



- ◆ Sep 2023: NaaS cooperated with Shenzhen **ZSY Financial Services Co. Ltd (ZSY)**
- ◆ The parties will embark on cooperation in new energy industry financial innovation, new energy assets securitization and other aspects, further promoting the **deep integration** of new energy business and financial services and **boosting a low-carbon energy industry**.

Became first batch of strategic enterprises of OASES



- ◆ Oct 2023: NaaS reached a strategic partnership with Office for Attracting Strategic Enterprises (OASES) of HKSAR and became **the first batch** of enterprises under the partnership
- ◆ OASES will provide **one-stop facilitation services**, whereby NaaS will **focus on energy data analytics R&D** and **provide algorithm support** for its global energy assets' operations. By the end of 2023, NaaS is expected to establish a research center in Hong Kong Science Park.

We will continue to support energy transition globally



We have integrated 17 UN sustainable development goals into daily operations and practices



Our latest ESG achievements



Sustainable Fitch ESG rating
in Sept 2023

Highest in China
2nd⁽³⁾ in Asia
5th⁽³⁾ globally



1.85mm⁽¹⁾⁽²⁾
tons

Total reduction of
carbon emission⁽²⁾
106% YoY



393mm⁽²⁾ kWh

Renewable power
procured by NaaS⁽²⁾
**~90% of total energy
procurement**



57%

Outside
directors as of
total board
seats



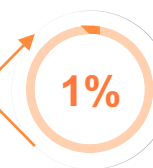
463,000+
users

Participated in the
carbon credit activities
in the carbon inclusion
project

Our ESG goals



Reduction of
China's traffic
carbon emissions
by 2030



Reduction of
China's
carbon emissions
by 2030



100%

Usage of
renewable energy
by 2028



100%

Recycling of
waste by 2030

Note:

(1) As certified by SGS, an independent Swiss testing agency

(2) For the year ended December 31, 2022

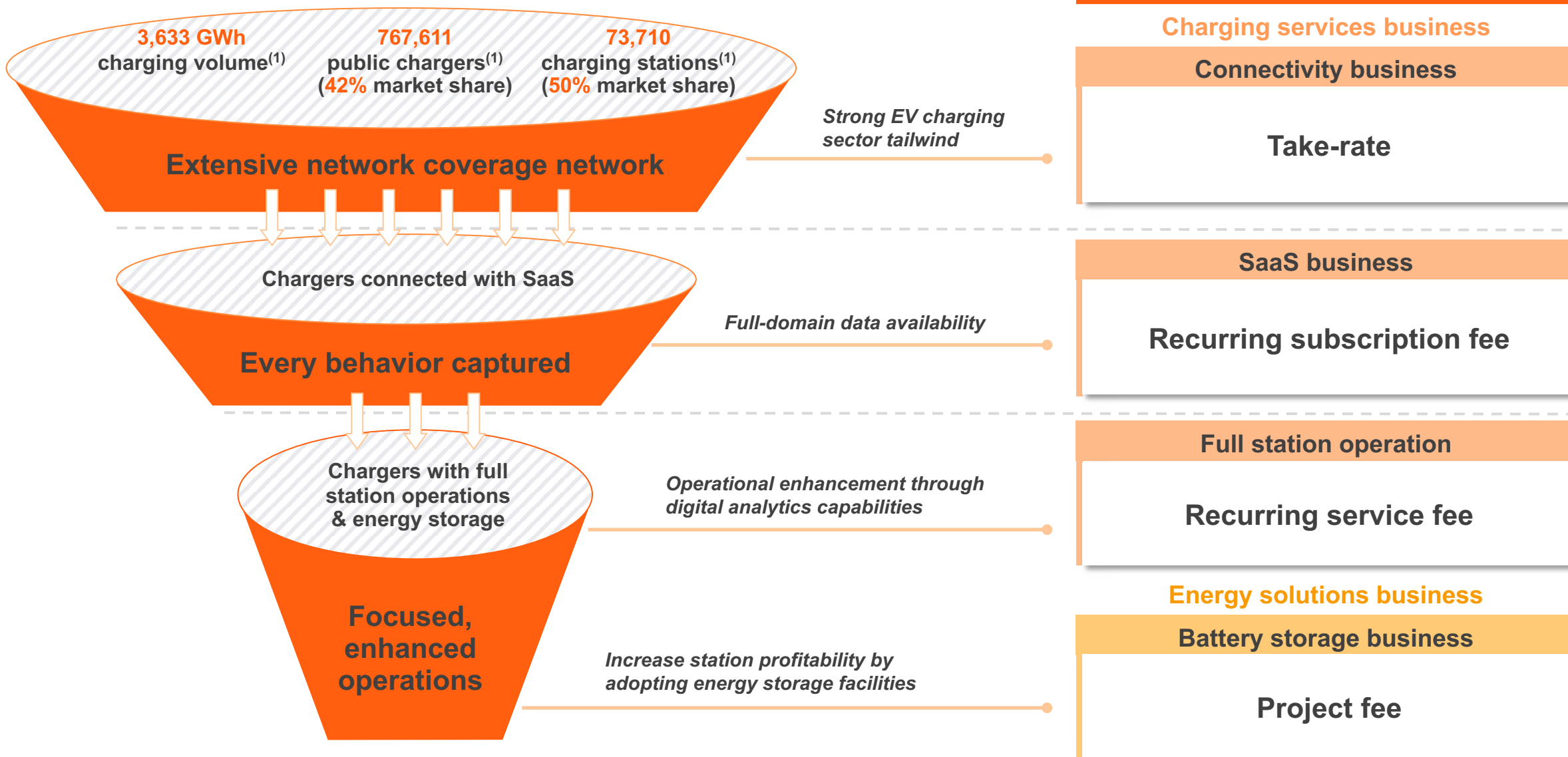
(3) The ratings are provided on a scale of '1' to '5', with '1' being the best and '5' the worst



03

**Recategorized
revenue
overview**

Attractive opportunities in asset operations in China

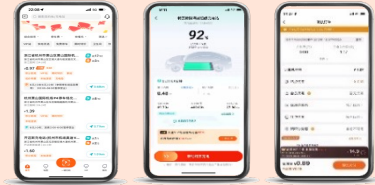


Note: (1) Company operational data as of 30 Sep 2023, or for the first 9 months in 2023

Recategorization of revenues to reflect our expanded business lines

1 Charging services⁽¹⁾

Connectivity



SaaS



Full station operation



2 Energy solutions⁽²⁾

EPC turnkey



Battery storage



PV (Photovoltaic)

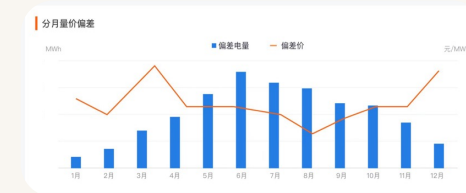


3 New initiatives⁽³⁾

Automatic charging robot



Energy trading & virtual power plant



Note:

(1) Involved the recategorization of revenues from mobility connectivity services and from full station operation model to charging services revenue

(2) Involved the recategorization of revenues from EPC services, hardware procurement, station upgrade and maintenance services to energy solutions revenue

(3) Involved the recategorization of income from electricity procurement, noncharging services such as food and beverage and online advertising, virtual power plant and charging robots to new initiatives revenue

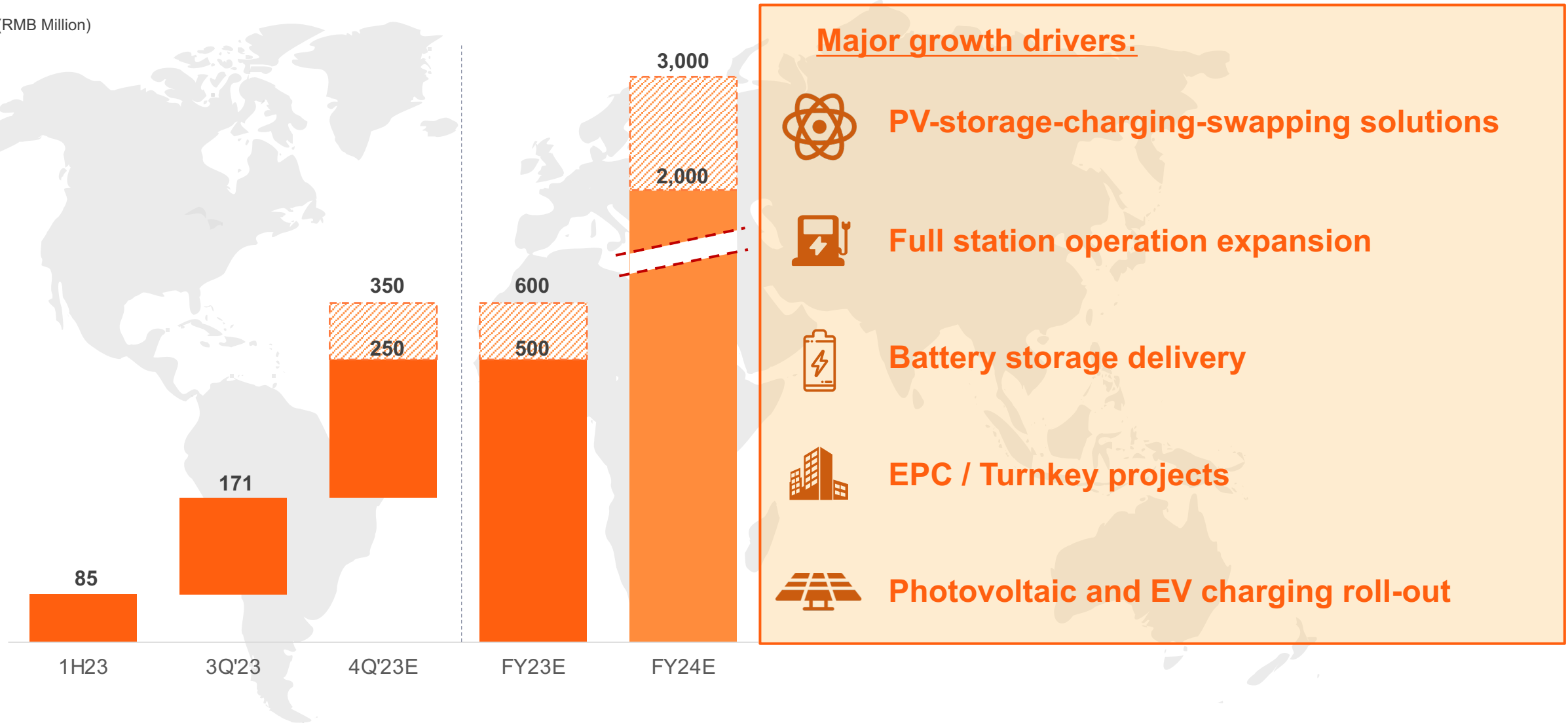


04

**2023 & 2024
guidance**

On track to deliver FY23 revenue as guided and maintain strong growth momentum in FY24

(RMB Million)



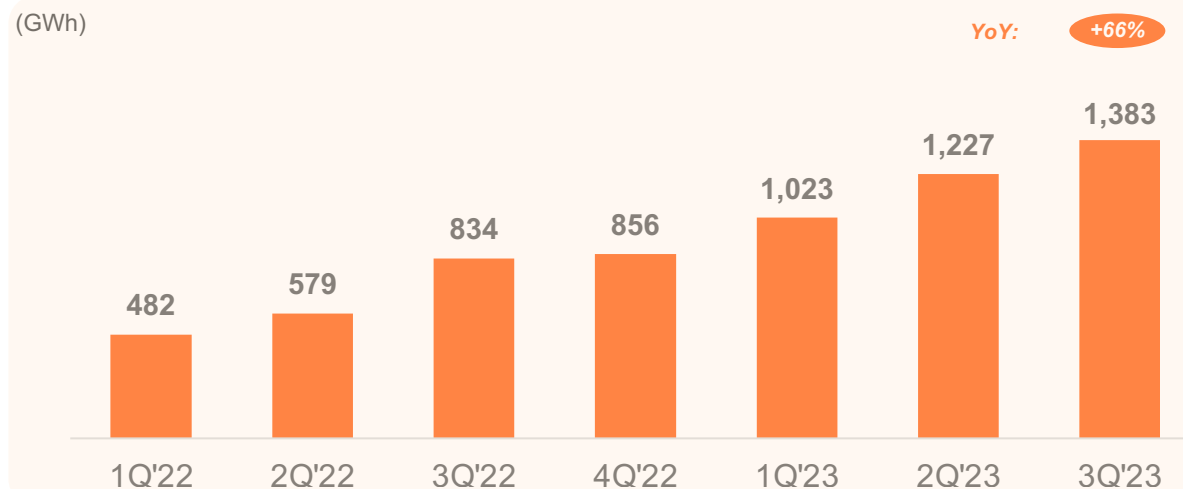


05

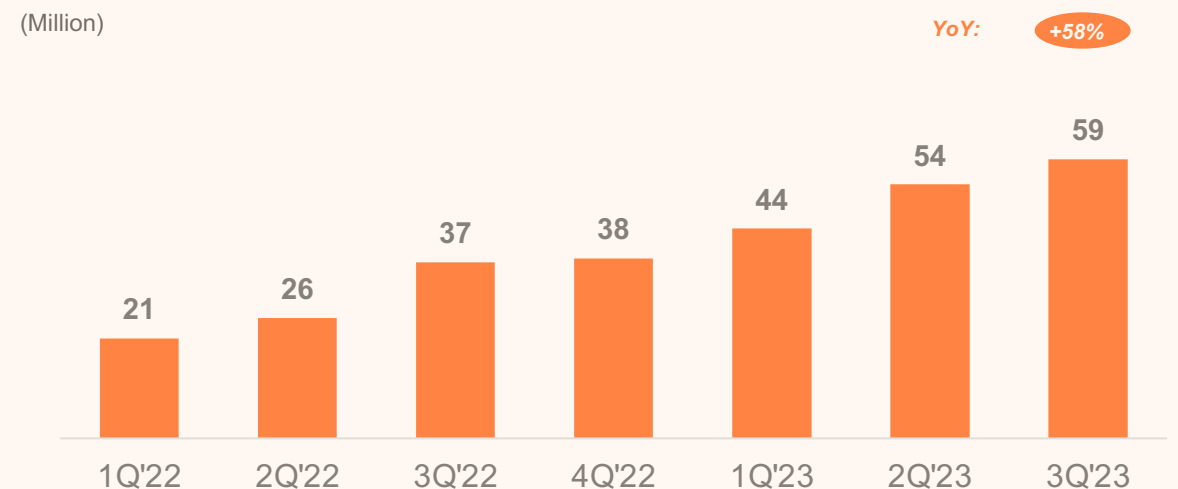
Appendix

Sustainable growth demonstrated by operating metrics

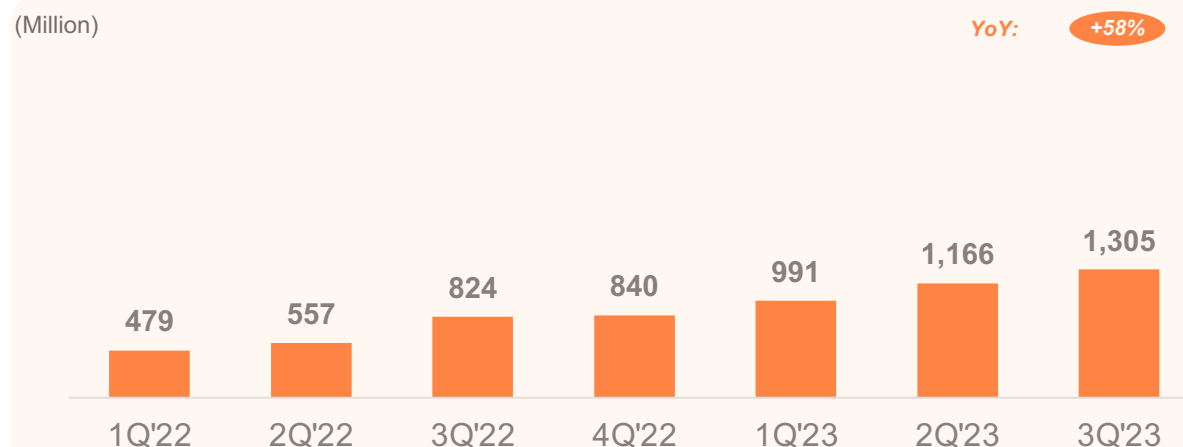
Charging volume transacted through network



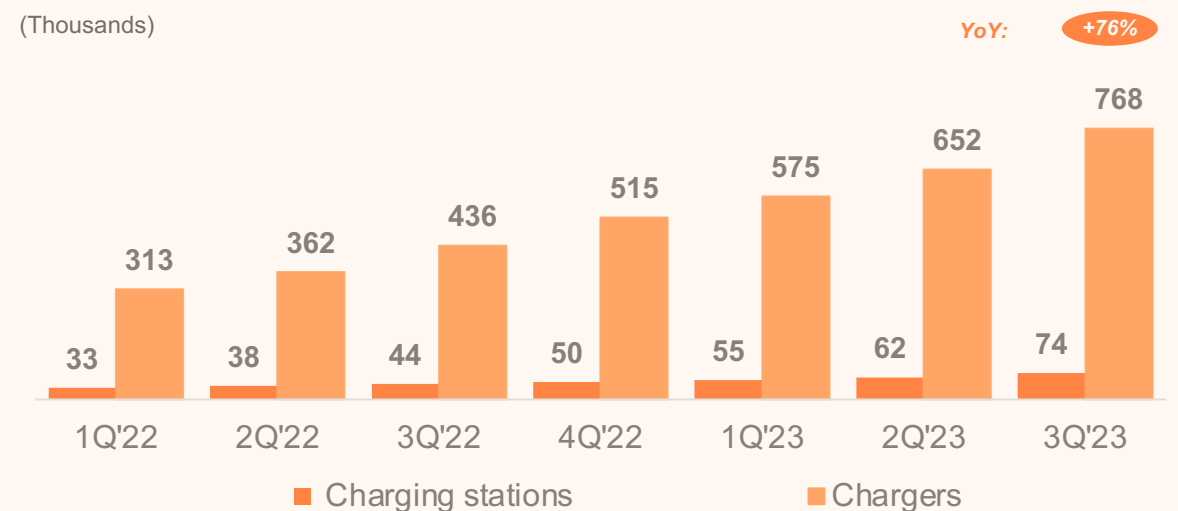
Number of orders transacted through platform



Gross transaction value



Number of charging stations & chargers connected



Empowering everyone to use green energy

