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**新奥能源控股有限公司**  
**ENN Energy Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2688)**

**PROPOSED ISSUANCE OF US\$ DENOMINATED  
GREEN SENIOR NOTES**

The Company proposes to issue green senior notes which will be offered to professional investors only. In connection with the proposed Notes Issue, the Company intends to commence a series of presentations to professional investors only beginning on or around 8 September 2020.

In connection with the proposed Notes Issue, The Hongkong and Shanghai Banking Corporation Limited, Morgan Stanley & Co. International plc, Citigroup Global Markets Inc., Standard Chartered Bank, J.P. Morgan Securities plc, MUFG Asia Securities Limited and Westpac Banking Corporation are the joint bookrunners and joint lead managers.

The Company intends to use the net proceeds of the proposed Notes for the refinancing of certain existing indebtedness of the Group and to fund and/or refinance capital or operating expenditures, including, without limitations, the research and development, construction, acquisition and operations on new or existing eligible green projects.

**No definitive or binding agreement in relation to the proposed Notes Issue has been entered into as at the date of this announcement, and accordingly, the proposed Notes Issue may or may not materialise. Completion of the proposed Notes Issue is subject to, among other things, market conditions and investors' interests. Accordingly, potential investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.**

Further announcement(s) in respect of the proposed Notes Issue will be made by the Company as and when appropriate.

## **PROPOSED NOTES ISSUE**

### **Introduction**

The Company proposes to issue green senior notes which will be offered to professional investors only. In connection with the proposed Notes Issue, the Company intends to commence a series of presentations to professional investors only beginning on or around 8 September 2020.

It is intended that the Notes will constitute direct, unconditional, unsubordinated and, subject to the terms and conditions of the Notes, unsecured obligations of the Company denominated in US dollars. Completion of the Notes Issue is subject to, among other things, market conditions and investors' interests. The size and pricing of the proposed Notes Issue will be determined following a book-building process to be conducted by The Hongkong and Shanghai Banking Corporation Limited, Morgan Stanley & Co. International plc, Citigroup Global Markets Inc., Standard Chartered Bank, J.P. Morgan Securities plc, MUFG Asia Securities Limited and Westpac Banking Corporation as the joint bookrunners and joint lead managers of the proposed Notes Issue.

The Notes have not been, and will not be, registered under the Securities Act. Accordingly, the Notes are being offered or sold in the United States only to Qualified Institutional Buyers, as defined in, and in reliance on, Rule 144A under the Securities Act, or outside the United States in accordance with Regulation S under the Securities Act. The Notes will not be offered to the public in Hong Kong or placed to any connected persons of the Company.

An offering circular to be distributed to prospective investors of the Notes will contain, among other things, details of the proposed Notes Issue, the terms and conditions of the Notes and risk factors relating to the Group and investing in the Notes.

### **Proposed Use of Net Proceeds**

The Company intends to use the net proceeds of the proposed Notes for the refinancing of certain existing indebtedness of the Group and to fund and/or refinance capital or operating expenditures, including, without limitations, the research and development, construction, acquisition and operations on new or existing eligible green projects.

### **Listing**

The Company will seek a listing of the Notes on the Stock Exchange. The Stock Exchange assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. The listing of the Notes on the Stock Exchange and quotation of any Notes on the Stock Exchange is not to be taken as an indication of the merits of the Company or the Notes.

### **General**

**No definitive or binding agreement in relation to the proposed Notes Issue has been entered into as at the date of this announcement, and accordingly, the proposed Notes Issue may or may not materialise. Completion of the proposed Notes Issue is subject to, among other things, market conditions and investors' interests. Accordingly, potential investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.**

Further announcement(s) in respect of the proposed Notes Issue will be made by the Company as and when appropriate.

## DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

<b>“Board”</b>	the board of directors of the Company
<b>“Company”</b>	ENN Energy Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
<b>“connected persons”</b>	has the meaning ascribed to it under the Listing Rules
<b>“Directors”</b>	the directors of the Company
<b>“Group”</b>	the Company and its subsidiaries
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the PRC
<b>“Listing Rules”</b>	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>“Notes”</b>	the US dollar denominated notes proposed to be issued by the Company
<b>“Notes Issue”</b>	the issuance of the Notes by the Company
<b>“PRC” or “China”</b>	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement
<b>“RMB”</b>	Renminbi, the lawful currency of the PRC
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“subsidiaries”</b>	has the meaning ascribed to it under the Listing Rules

<b>“United States”</b>	the United States of America, its territories and possessions and all areas subject to its jurisdiction
<b>“Securities Act”</b>	the United States Securities Act of 1933, as amended
<b>“US\$” or “US dollars”</b>	United States dollars, the lawful currency of the United States

By Order of the Board  
**ENN Energy Holdings Limited**  
**LIANG Hongyu**  
*Company Secretary*

Hong Kong, 7 September 2020

*As at the date of this announcement, the Board comprises the following Directors:*

*Executive Directors:*

*Mr. Wang Yusuo (Chairman)*  
*Mr. Han Jishen (Chief Executive Officer)*  
*Mr. Zhang Yuying (President)*  
*Mr. Wang Dongzhi*

*Non-executive Directors:*

*Mr. Wang Zizheng*  
*Mr. Jin Yongsheng*

*Independent Non-executive Directors:*

*Mr. Ma Zhixiang*  
*Mr. Yuen Po Kwong*  
*Mr. Law Yee Kwan, Quinn*  
*Ms. Yien Yu Yu, Catherine*

# Summary of Certain Major Corporate and Financial Information of the Group

## General Information

The Company was incorporated in the Cayman Islands on 20 July 2000, as an exempted company with limited liability. On 13 August 2010, the English name of the Company was changed from “Xinao Gas Holdings Limited” to “ENN Energy Holdings Limited”. The principal executive office is at Building A, ENN Industrial Park, Xinyuan DongDao, Economic and Technological Development Zone, Langfang City, Hebei Province, the PRC. The registered office is located at P.O. Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands, British West Indies.

## Business Overview

The Group is one of the largest privately-owned gas operators and clean energy distributors in China. The principal business of the Group is the sale and distribution of piped gas, LNG and other multi-energy products, and the investment in, and the constructions, operation and management of, gas pipeline infrastructure, vehicle/ship refuelling stations and integrated energy projects. The Group also conducts energy trading business and value added business, including the sales of gas-related appliances and the provision of repair, maintenance and energy management services that assist its customers in optimising their energy usage.

The Group commenced operations in 1993 and has since developed into one of the leading privately-owned gas operators in the PRC. As of June 30, 2020, the Group had a total of 229 operational locations with a total connectable urban population of 107,573,000 in China. The Group operates its piped gas distribution infrastructure on an exclusive basis, typically for periods ranging from 25 to 30 years, in cities and urban areas located in 22 provinces, municipalities and autonomous regions in China.

The Group typically applies for and obtains exclusive rights from the local governments in China to distribute piped gas. The Group may also acquire exclusive rights by entering into joint ventures with existing local piped gas distributors. In addition, the Group constructs and maintains city piped gas networks in locations in which the Group has acquired exclusive rights through the above-mentioned means to supply piped gas. The Group charges construction and installation fees from property developers, residential customers and C/I customers according to local government’s regulations. The Group receives recurring gas usage charges from connected customers based on the tariffs negotiated and determined within the price cap set by the local governments.

The Group intends to grow organically by increasing the penetration rates and the number of connected customers for its existing operational locations while continuing to develop new projects and expanding its concessions in China (including, without limitation, to add more operational locations and to acquire certain industrial park projects close to the existing operational locations), with a particular focus on the commercial and industrial zones of emerging cities. In 2017, 2018, 2019 and the six months ended June 30, 2020, the number of city-gas projects managed by the Group increased by 12, 15, 30 and 12, respectively, in China. As the projects in the Group’s operational locations continue to mature, the Group has become less reliant on one-time gas construction and installation fees, while sales of piped gas have increased as a proportion of its revenue, creating a more stable source of recurring revenue.

Apart from focusing on city-gas projects, the Group also adheres to its principle of integrated energy development, explores and utilises the most competitive resources based on different local conditions, and develops integrated energy projects. As of June 30, 2020, the Group had 108 integrated energy projects in operation, serving customers including airport, railway stations, industrial parks and municipal areas, coupled with 23 integrated energy projects under construction, the sales of integrated energy including steam, cooling, heating and electricity is expected to reach 34 billion kWh upon full operation over the next few years. With the direction to develop integrated energy business, the Group will be able to further diversify its business risks and explore more business opportunities for energy trading, as well as value added business.

For the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2019 and 2020, the revenue of the Group was approximately RMB48,269 million, RMB60,698 million, RMB70,183 million, RMB35,344 million and RMB31,543 million, respectively, and the net profit of the Group was approximately RMB3,673 million, RMB3,818 million, RMB6,861 million, RMB3,945 million and RMB3,165 million, respectively.

### Summary of Certain Operational Information

	Year ended December 31,			Six months ended	
	2017	2018	2019	June 30, 2019	2020
<b>Highlights</b>					
Number of city gas projects . . . . .	172	187	217	201	229
Connectable urban population (thousand) . . . . .	84,693	94,569	103,880	99,950	107,573
<b>New natural gas connections made during the year/period:</b>					
— residential households (thousand) . . . . .	2,074	2,302	2,397	1,287	1,025
— C/I customers (sites) . . . . .	23,200	29,226	27,656	12,110	8,326
— installed designed daily capacity for C/I customers (thousand m <sup>3</sup> ) . . . . .	16,718	18,652	18,156	8,638	6,559
<b>Accumulated number of customers:</b>					
— residential households (thousand) . . . . .	16,221	18,523	20,920	19,787	21,945
— C/I customers (sites) . . . . .	91,879	121,105	148,761	133,209	157,087
— installed designed daily capacity for C/I customers (thousand m <sup>3</sup> ) . . . . .	87,901	106,553	124,709	115,178	131,268
Piped gas penetration rate (%) . . .	57.5	58.8	60.4	59.4	61.2
Retail gas sales volume (million m <sup>3</sup> ) . . . . .	14,475	17,370	19,924	9,769	10,163

	Year ended December 31,			Six months ended	
	2017	2018	2019	June 30, 2019	2020
Wholesale of gas volume (million m <sup>3</sup> ) . . . . .	5,141	5,958	7,039	3,435	3,669
Number of natural gas processing stations . . . . .	173	185	197	191	199
Combined daily capacity of natural gas processing stations (thousand m <sup>3</sup> ) . . . . .	104,370	123,640	147,802	139,360	154,017
Total length of existing intermediate and main pipelines (km) . . . . .	39,146	46,397	54,344	49,444	56,902
Accumulated number of integrated energy projects in operation. . . .	31	62	98	82	108
Integrated energy projects under construction. . . . .	30	35	22	37	23
Sales volume of integrated energy (million kWh) . . . . .	1,100	2,886	6,847	1,952	4,806

### Competitive Strengths of the Company

The Group believes that its position as a leading natural gas distributor in China is largely attributed to the following competitive strengths:

- Well-positioned in the fast-growing natural gas market in China driven by China's environmental policies;
- Strategic operational locations with strong growth potential;
- Diversified business structure and customer base;
- Access to LNG receiving terminal for diversified and competitive gas sources;
- Clear and steady expansion strategy; and
- Proven track record and experienced management team with strong execution capability.

### Business Strategies of the Company

The Group intends to maintain its position as a leading gas operator in China by focusing on the development of its core business of distributing piped gas while growing its integrated energy and value added businesses as well as energy trading to achieve synergistic development.

The Group intends to achieve its strategic objectives by:

- Promoting sustained and rapid growth of the natural gas business;
- Capitalizing the value of our pipeline assets;
- Active development of our value added business; and
- Steady expansion of our integrated energy business.