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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)**

## Update on 2021 First Quarter Operations

The Board of Directors (the “**Board**”) of ENN Energy Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) is pleased to provide certain key operational update of the Group for the three months ended 31 March 2021.

### Natural Gas Sales Business<sup>#</sup>

China has achieved remarkable results in pandemic prevention and control, and maintaining economic development. The pace of China’s economic recovery continued to accelerate. Industrial production activities have maintained rapid growth, coupled with robust export fueled by increasing overseas demand and manufacturing orders, gross domestic product in the first quarter recorded a significant 18.3% growth year-on-year. The demand for natural gas by commercial and industrial (the “**C/I**”) users has continued to increase. National natural gas consumption rose 16.2% in the first quarter. During the period, the Group’s retail gas sales volume was 6,407 million cubic meters, representing an increase of 30.1% year-on-year; in which 4,610 million cubic meters were sold to C/I customers, while 1,596 million cubic meters were sold to residential customers, representing a year-on-year increase of 38.0% and 13.9%, respectively. Natural gas sold to vehicle refuelling stations amounted to 201 million cubic meters, representing an increase of 10.4% year-on-year. Wholesale of gas volume amounted to 2,082 million cubic meters, representing a year-on-year increase of 12.3%. As of 31 March 2021, total natural gas sales volume was 8,489 million cubic meters, increased by 25.2% year-on-year.

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<sup>#</sup> The Group’s operational data disclosed in the announcement included the data of its subsidiaries, joint ventures and associates

The Group has actively developed C/I and residential customers to use natural gas. During the first quarter, the installed designed daily capacity for newly-developed C/I customers reached 3.76 million cubic meters, representing a significant increase of 46.3% year-on-year. A total of 395,000 new residential customers were developed, representing an increase of 13.5% year-on-year. As of 31 March 2021, the Group has developed C/I customers with installed designed daily capacity of 146 million cubic meters and 23.61 million residential households cumulatively. These newly-developed customers will gradually ramp up gas consumption, so as to contribute to the Group's gas sales volume growth.

### **Integrated Energy Business<sup>#</sup>**

At the recent United Nations General Assembly, China stated that it will strive to achieve carbon neutrality by 2060. Subsequently, various local governments have announced respective carbon peak and carbon neutral goals, and proposed the planning of building low-carbon communities, industrial parks and towns. The Group's integrated energy business is in line with China's national goals, as it integrates natural gas and renewable energy sources according to local conditions to provide customers with diversified energy such as steam, cooling, heating and electricity. Meanwhile, Chinese government's requirements on environmental protection are getting more stringent, and enterprises are paying more attention to green production. The Group's integrated energy projects not only improve energy efficiency for users, reduce their overall energy bills, but also reduce carbon emission for users, thus, industrial and commercial enterprises demonstrate urging needs for integrated energy solutions. In the first quarter, 5 integrated energy projects have commenced operation, integrated energy sales volume increased by 79.0% to 3,774 million kWh year-on-year. As of 31 March 2021, 124 integrated energy projects have been in operation. These projects can contribute an annual integrated energy sales of 17.93 billion kWh upon full capacity over the next few years. In addition, we have 23 integrated projects currently under construction, with potential integrated energy sales volume of 14,160 million kWh upon full utilisation. Our integrated energy solutions not only brought sustainable benefits to the Group, but also benefited our customers through successful reduction of energy consumption by more than 396,887 tonnes of standard coal and carbon dioxide emissions by 1,265,151 tonnes, effectively facilitated energy transformation and brought environmental benefits to the regions.

### **Digitalisation & Green Development**

The Group continues to improve management and promote green development through digitalisation and smart operations. As a leading gas distributor in China, the Group pays attention to methane leaking risk during gas transmission and distribution. Thus, the Group has joined the Methane Guiding Principles Organisation, so as to facilitate the exchange of the latest methane emission reduction technology and experience with international counterparts. The Group has introduced the use of laser monitoring system to detect methane leakage. The system has been installed and deployed by ENN Ruian project at its Jiangbei citygate station, upgrading its leakage detection system from passive monitoring to an online real-time monitoring, greatly improving the

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level of safety and pipeline inspection efficiency. In addition, an intelligent dispatching system has been officially put into operation in ENN Luoyang project. The system integrates the Internet of Things, GIS, SCADA, remote metering and transmission among other professional systems, and utilises online pipeline simulation function to automatically generate gas transmission plans according to forecasted demand. It can also accurately predict the change of gas supply load of the pipeline network in the next 24 hours, monitor all real-time operational data, and visualise the whole process of transmission and distribution, ensuring the safety of gas supply and efficient allocation of gas sources. The Group plans to promote the above digitalised and smart products to other member companies.

By order of the Board  
**ENN ENERGY HOLDINGS LIMITED**  
*LIANG Hongyu*  
Company Secretary

Hong Kong, 28 April 2021

*As at the date of this announcement, the board of the Company comprises the following directors:*

**Executive Directors:**

*Mr. Wang Yusuo (Chairman)*  
*Mr. Zheng Hongtao (Vice Chairman)*  
*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*