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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)

Unaudited Operational Data for the Nine Months Ended 30 September 2022

| Highlights: | For the Nine Months Ended | | |
|---|---------------------------|--------|-------------------------|
| | 30 September 2022 | 2021 | Increase /(Decrease) |
| Sales volume of integrated energy (<i>million kWh</i>) | 18,208 | 14,062 | 29.5% |
| Retail gas sales volume (<i>million m³</i>) | 18,832 | 18,030 | 4.4% |
| Number of newly-developed residential households (<i>thousand</i>) | 1,526 | 1,880 | (18.8%) |
| Installed designed daily capacity for newly-developed C/I customers (<i>thousand m³</i>) | 14,850 | 16,600 | (10.5%) |

Note: The Group's operational data disclosed in this announcement included the data of its subsidiaries, joint ventures and associates.

The Board of Directors (the “**Board**”) of ENN Energy Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) hereby announces certain unaudited operational data of the Group and its joint ventures and associates for the nine months ended 30 September 2022 (the “**Period**”), and the comparative figures for the corresponding period in 2021. In accordance with its established practice, this announcement is made by the Company on a voluntary basis, which is based on the operational information available to the Company for the purpose of keeping shareholders and potential investors informed of the latest development of the Group.

Global economy has been affected by geopolitical tensions, inflation and the COVID-19 epidemic since the beginning of the year. Facing these headwinds, the Group, on one hand, tapped the full potential of its existing markets, on the other hand, actively explored new value-creating business

models adhering to the national requirements of “Preventing the Pandemic, Stabilising the Economy and Ensuring Safety in Development” to address the challenges. During the Period, China’s GDP grew by 3.0% year-on-year, with the third quarter accelerated evidently to 3.9%. The Group will strive to achieve the performance targets set for the year amidst the macroeconomic recovery.

Integrated Energy Business

The Group focuses on low-carbon industrial parks, factories and buildings as its core business scenarios to expand the provision of integrated energy solutions which helps customers tackle the “carbon” issue. During the Period, the Group has strengthened the penetration of its diversified products and services in Shandong, Fujian, Jiangsu, Anhui, Zhejiang and other regions to provide integrated energy solutions incorporating boiler hosting, photovoltaic, electricity services, digital intelligence services, etc. At the same time, the Group has actively capitalised on favorable “electrification” policies to solidly promote its electricity business and has developed a variety of products and services such as electricity distribution, distribution networks, electricity sales, photovoltaics, high-efficiency cooling, demand-side response, etc. These business models implemented in Jiangsu, Anhui, Hunan and other regions have been proven to be value-accretive to customers. The establishment of photovoltaic business has shown significant progress during the Period. The total approved capacity of photovoltaic projects has reached 738 MW, with installed capacity reaching 306 MW. For the nine months ended 30 September 2022, there were 2,520 contracted electricity retail users with contracted electricity supply volume amounted to 19,700 million kWh. The Group has also actively provided green electricity services for its integrated energy customers. During the Period, the accumulated trading volume of green electricity amounted to 161 million kWh.

As of 30 September 2022, a total of 189 integrated energy projects have been put into operation, and the cumulative sales volume of integrated energy including cooling, heating, electricity and steam increased by 29.5% year-on-year to 18,208 million kWh. The total energy sales potential of these operating projects and 39 integrated energy projects which are under construction would exceed 40,000 million kWh upon full operation. In the third quarter, the Group has newly contracted 4 low-carbon industrial parks, 230 low-carbon factories and 78 low-carbon building projects.

Natural Gas Sales Business

In the first three quarters, the overall market demand has been substantially weakened due to the widespread of COVID-19 pandemic in China and the high natural gas prices. During the Period, the Group’s retail gas sales volume recorded 18,832 million cubic meters, representing a year-on-year increase of 4.4%. The volume of natural gas sold to commercial and industrial users increased by 4.4% year-on-year to 14,982 million cubic meters, and the volume of natural gas sold to residential users increased by 12.5% to 3,460 million cubic meters. Due to the impact of pandemic-led travel control and the development of electric vehicles, the sales volume of natural gas in vehicle refuelling stations declined by 34.8% year-on-year to 390 million cubic meters. The total natural gas sales volume including wholesale of gas and retail gas sales was 23,882 million cubic

meters, up 0.2% year-on-year. The Group's construction and installation progress for new residential, commercial and industrial ("C/I") customers slowed down due to stringent pandemic control. Amongst the newly-developed residential customers, the share of new buildings, existing buildings and rural residential households were 78%, 12% and 10% respectively. The share of new C/I site, coal-to-gas conversion and other fuels conversion amongst the newly-developed C/I customers were 70%, 8% and 22% respectively.

Value Added Business

Benefiting from the high recognition of value added business in various regions, the Group vigorously promoted core products such as safety and security products, heating products, household products, and actively implemented business models such as the provision of auxiliary products for new homes.

During the Period, the sales volume of value added products and services recorded significant growth. With the implementation of the national policy "New Safety Production Law", the sales of safety and security products increased by 64% year-on-year. Under the environment of the pursuit of a better life and consumption upgrade, the Group actively promoted low-carbon heating, household products and services, which resulted in an 8% and 34% year-on-year increases respectively. Currently, the penetration rate of value added business in the Group's new customer base is about 33%, and the penetration rate of the existing customer base is about 11%.

Sustainable Development

MSCI, one of the world's largest providers of Environmental, Social and Governance ("ESG") indexes, announced its annual ESG rating review results in August 2022. The Company's ESG rating was upgraded from A to AA. The Company has been upgraded by MSCI for four consecutive years, and is now one of the highest-rated companies in the gas sector in the Greater China. The upgrade affirmed market recognition on the Group's progressive achievement on ESG best practices over the years. According to MSCI's ESG rating report, the upgrade was triggered by various factors, including the improvement of the Group's safety management capabilities since 2021; strong performance of safety management; setting of greenhouse gas emission reduction targets; detailed disclosure of decarbonisation action plan which aligned with China's dual carbon policy and the global emission reduction process, and was ahead of its peers; formulation of short- and medium-term goals and action plans for a number of other key ESG issues, which outperformed our peers.

In order to implement the "Decarbonisation Action 2030" and ensure data accuracy, the Company carried out data monitoring of methane emissions and scope 3 GHG emissions during the Period. In August 2022, the Group entered into a cooperation agreement with China University of Petroleum (East China) to carry out comprehensive methane emission monitoring in our citygas project in Qingdao. This pilot project aims at obtaining accurate methane emission data and facilitating the Group to carry out targeted emission control measures.

By order of the Board
ENN ENERGY HOLDINGS LIMITED
WANG Yusuo
Chairman

Hong Kong, 28 October 2022

As at the date of this announcement, the Board comprises of the following directors: four executive directors, namely Mr. Wang Yusuo (Chairman), Mr. Zheng Hongtao (Vice Chairman), Ms. Wu Xiaojing (President) and Mr. Wang Dongzhi; three non-executive directors, namely Mr. Wang Zizheng, Mr. Jin Yongsheng and Mr. Zhang Yuying; and four independent non-executive directors, namely Mr. Ma Zhixiang, Mr. Yuen Po Kwong, Mr. Law Yee Kwan, Quinn and Ms. Yien Yu Yu, Catherine.