

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 Three Months Ended 31 March 2023

Highlights:	For the Three Months Ended 31 March		
	2023	2022	Increase/ (Decrease)
Sales volume of integrated energy (<i>million kWh</i>)	7,062	5,525	27.8%
Retail gas sales volume (<i>million m³</i>)	7,050	6,840	3.1%
Number of newly-developed residential households (<i>thousand</i>)	419	450	(6.9%)
Installed designed daily capacity for newly-developed C/I customers (<i>thousand m³</i>)	3,583	5,020	(28.6%)

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**”) is pleased to announce certain unaudited operational data of the Group and its joint ventures and associates for the three months ended 31 March 2023 (the “**Period**”), and the comparative figures for the corresponding period in 2022. 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.

In the first quarter of 2023, our country is in a stage of a steady recovery in production and living order, with the economy steadily picking up. The GDP increased by 4.5% year-on-year and 2.2% quarter-on-quarter compared to the fourth quarter of 2022. The Group's business in the first quarter

of the year also showed an overall improvement, with a trend of continuous improvement month-by-month.

Integrated Energy Business

As of 31 March 2023, a total of 235 integrated energy projects were in operation, and the sales volume of integrated energy increased by 27.8% year-on-year, reached 7,062 million kWh. Coupled with the 60 integrated energy projects under construction, the annual total energy supply is expected to reach 42.7 billion kWh when all projects reach their full capacity.

Report on the Work of the Government 2023 stated the needs to continue the transition to green development and move faster to develop a new energy system. They would improve the policies for green development, develop the circular economy, and promote efficient and intensive use of resource. Facing the demand for green, low-carbon and energy-saving development of the society and economy, the Group will rapidly promote the development of low-carbon parks, low-carbon factories, low-carbon buildings and low-carbon transportation for customers, and implement comprehensive energy solutions by leveraging local resources and dynamic optimisation based on customer needs. In addition, the Group will accelerate technological breakthroughs and operation of renewable energy sources such as biomass, photovoltaic, geothermal and hydrogen energy, and enhance the competitive advantage of its integrated energy businesses. The Group will also actively develop energy consumption-side services such as facility management and operation, investment and operation of small and micro power grids, and further enhance the value of integrated energy projects.

Natural Gas Sales Business

During the period, the Group's retail gas sales volume recorded an increase of 3.1% to 7.05 billion cubic meters. Due to factors such as post-pandemic recovery and warm winter, the overall year-on-year growth rate of retail gas sales volume slowed down in the first quarter of this year, while the growth of the Group's industrial gas sales volume remained steady. During the period, the sales volume of gas to commercial and industrial ("C/I") customers recorded an increase of 2.8% year-on-year to 5.076 billion cubic meters, accounting for 72% of the total retail gas sales volume. Gas sales to residential customers increased by 8.0% year-on-year to 1.899 billion cubic meters.

During the period, the Group's construction and installation progress for new C/I and residential customers remained steady. Installed designed daily capacity for newly-developed C/I customers reached 3.583 million cubic meter, among which new C/I site, "coal-to-gas" conversion and other fuel conversion accounted for 84%, 6% and 10% respectively. The Group had also completed construction and installation for around 419,000 new residential customers, in which new buildings, existing buildings and "rural coal-to-gas" conversion accounted for 83%, 12% and 5% respectively.

In 2022, natural gas accounted for only 7.9% of China's primary energy consumption, still far below the global average of 24%. The *Blue Book of China's Natural Gas Industry Annual Operation Report (2022-2023)* published on 15 April 2023 indicates that energy security, efficiency, and low carbon play vital roles in the transformation of the China's new energy system.

Natural gas, being a flexible, clean and efficient energy resource, will continue to serve as a form of transitional energy during the new round of energy conversion. The Group will actively seize the opportunities of the recovery of the China's social and economic activities in 2023, continue to expand its natural gas customer base, and maintain the sustained and stable growth of the natural gas business through solidifying its existing customers and opportunistic mergers and acquisitions.

Value-added Business

During the period, the Group continuously enhanced the penetration rate of its value-added business by enriching its product varieties and deepening business scenarios. The penetration rate of the Group's existing customer base was 11%, representing an increase of 2 percentage points, while the penetration rate among newly developed customers during the period was 32%, representing a year-on-year increase of 6 percentage points. Consumer spending has become the driving force behind economic growth, with a year-on-year increase of 5.8% in the total retail sales of consumer goods in the first quarter. The Group will seize the customers' pursuit of a quality life, deepen its awareness on customers' needs, and accelerate the expansion of its value-added business.

China's economy is demonstrating strong recovery momentum, and the Group believes that the steady development of multiple industries will drive sustained and stable growth in the Group's core businesses.

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

Hong Kong, 27 April 2023

As at the date of this announcement, the Board comprises of the following directors: five executive directors, namely Mr. Wang Yusuo (Chairman), Mr. Zheng Hongtao (Executive Chairman), Ms. Wu Xiaojing (Chief Executive Officer), Mr. Liu Jianfeng (President) and Mr. Wang Dongzhi; two non-executive directors, namely Mr. Wang Zizheng and Mr. Jin Yongsheng; 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.