

**Revenue Increased by 33.3% to RMB 11.22 Billion for 2010
Profit for the Year Attributable To Owners of the Company
Increased by 26.2% to RMB 1.01 Billion
Special dividend to be Distributed in Celebration of
the 10th Anniversary of Listing in Hong Kong since 2001**

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(Hong Kong, 28 March 2011) – ENN Energy Holdings Limited (“ENN” or “the Group”) (stock code: 2688), a privately-owned clean energy distributor in China, announced its annual results for the year ended 31 December 2010 (“the year”). During the year, revenue increased by 33.3% to RMB 11.22 billion, and profit for the year attributable to owners of the company and earnings per share reached RMB 1.01 billion and RMB 96.5 cents respectively, representing increases of 26.2% and 24.2% as compared with last year. The Board of Directors has resolved to recommend the payment of a final dividend of HK\$28.35 cents per share and a special dividend of HK\$5.66 cents in celebration of our 10th anniversary of listing, resulting in an increase of 57.1% in the total amount of dividend as compared with last year.

The year of 2010 witnessed the slow global economic recovery and the transition from China’s 11th Five-Year Plan to the 12th Five-Year Plan. Thanks to the concerted effort of its employees, the Group continued to maintain a substantial growth in 2010. During the year, the Group completed piped natural gas connections for 875,744 residential households and 4,178 commercial/industrial (“C/I”) customers (connected to gas appliances with total installed designed daily capacity of 4,619,944 cubic meters). As of the end of 2010, the accumulated number of residential households and C/I customers of piped gas were 5,618,583 and 18,424 (connected to gas appliances with total installed designed daily capacity of 18,175,160 cubic meters) respectively. The sales volume of natural gas for the year grew rapidly by 44.7% to 3,807,605,000 cubic meters as compared with last year. The Group’s ability to maintain satisfactory growth fully demonstrated the robust business development of the Group, our strong execution ability in vigorously raising the gas penetration rate of our existing gas projects, as well as the immense demand for and growth potential of natural gas in China.

The gas penetration rate for residential households of the Group’s projects in China increased from 32.4% at the end of 2009 to 36.0%. With the continuous rapid growth in the number of users, the share of gas sales in the Group’s overall revenue is on the rise. We believe that this optimised revenue structure will secure the long-term stable revenue of the Group.

The Group continued to maintain a stable financial position. As of the end of 2010, the Group's cash on hand was equivalent to RMB2,851,300,000 (2009: RMB2,712,661,000), and its total debts was equivalent to RMB6,262,913,000 (2009: RMB5,884,509,000). Its net gearing ratio, i.e. the ratio of net debt to equity (including non-controlling interests), was 45.2% (2009: 49.4%). With the Group's efforts in vigorously raising the gas penetration rate of existing projects and expanding the business of vehicle gas refuelling stations, and also the consistently enlarging business scale of the Group, revenue from gas sales has become the major source of our income, accounting for 72.0% of the total revenue, a further increase from 68.6% as in last year. As revenue generated from gas sales is more consistent and stable, the optimised revenue structure can therefore create long-term stable cash flow for the Group. We have been recording good positive free cash flow since 2008 and this allows the Group to enjoy sufficient financial resources to pursue sustainable development.

The Group continues to regard vehicle gas refuelling business as one of its core businesses. The number of vehicle gas refuelling stations completed and started operation was 30 during the year, adding to a total of 192 vehicle gas refuelling stations located in 46 cities of the state, among which 12 were not gas project cities of the Group. In addition, as of the end of 2010, the number of vehicle gas refuelling stations which have obtained construction approval from the local governments has accumulated to 385. This year, the Group has completed the conversion of 7,630 taxis and 294 buses into natural gas vehicles, adding to a total number of 31,031 taxis and 1,385 buses using natural gas. The proportion of vehicle gas sales over the total volume of gas sales reached 12.5%. Gas emission from vehicles is one of the major causes of pollution, especially in densely populated area and area which is 3 meters above the ground level and has human activities. Hence, as the Chinese government puts more emphasis on the optimisation and adjustment of energy structure and environmental protection, and takes more stringent stance on the implementation of energy saving and emission reduction policies, the use of clean energy by vehicle has become a growing trend. In addition, the overwhelming economic benefits and environmental friendliness of clean energy such as natural gas and dimethyl ether as compared to vehicle-use gasoline and diesel has given immense momentum to the growth of the promising vehicle refuelling station business. In 2011, the Group will fully utilise its existing resources and network to expand the vehicle/ship-use LNG business which has even brighter prospects, allowing the Group to make significant contribution to both environmental protection and its profitability.

As for new project development, during the year, the Group secured 11 new projects, including Huadu District in Guangzhou, Fengkai County, Luoding City, Huaiji County, Guangning County, Xinyi City and Lianzhou City in Guangdong Province, Huaihua City,

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Changsha County and Zhuzhou County in Hunan Province, and Wenshan City in Yunnan Province, thus increasing the number of gas project cities to 90. The connectable population also grew to 46,868,000 (approximately 15,623,000 households). Among the projects secured during the year, the economic development of Huadu District in Guangzhou, Guangdong well surpasses the national average level, with automobile, port and jewelry as the pillar industries. The other 6 projects in Guangdong Province are also located in areas with a high level of industrial and commercial development, in particular industries facilitating the development of natural gas, including electronics, textile, chemical, mineral processing, paper-making and mechanical processing. The pillar industries of Huaihua City in Hunan Province include medical and pharmaceutical, chemical and food processing industries, which allowed the Group to expand the scope of gas sales. As our existing Changsha and Zhuzhou projects are in close proximity to Changsha and Zhuzhou Counties in Hunan Province, the Group could fully utilise its existing resources to supply natural gas to these projects at low costs. The Wenshan project was the Group's first project in Yunnan Province and the city has relatively well-developed medical and pharmaceutical, tobacco and agricultural product processing industries. The construction of the Myanmar-Yunnan natural gas pipeline has commenced and is expected to complete in 2012. This will support the long-term gas supply to Yunnan Province and the acquisition of the Yunnan project would be favourable to the further expansion of the Group's business in that province. The Group's first overseas project Vietnam, which was acquired during the year, went public on the Vietnam Stock Exchange, creating an excellent financing and development platform for the project and supporting its long-term development. Meanwhile, the acquisition of the Vietnam project also marks a good start of the Group's international business. We will continue to develop international gas business in a prudent manner.

The Group has strived to strengthen internal management. During the year, the informatisation program jointly developed with IBM China Company Limited ("IBM") has been carried out and promoted in full swing, leading to a significant enhancement in the operational efficiency. As of the end of 2010, the Group has developed the online business system for most of the group companies, enabling them to process over 90% of business through the information system and realising the real-time online integration of different categories of operational figures so that various categories of operational figures and the corresponding analysis reports are accessible by the management at anytime. It also enabled performance review meetings to be conducted online with access to real-time figures. As a result, the benefit of high efficiency brought by informatisation has established a strong foundation to support the decisions of the Group.

During the year, our 2009 annual report was awarded "Silver, Overall Annual Report: Gas Distribution, Transport and Transmission" and "Bronze, Interior Design: Gas Distribution, Transport and Transmission" in the International ARC Awards. These remarkable

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achievements fully evidenced the clear and accurate disclosure of information in our annual reports, and our efficient communication with our shareholders.

Mr. Wang concluded, “Riding on the "Twelfth Five-Year Plan" by the PRC government, ENN will capture the opportunities to rapidly expand the scale of its gas distribution business and reinforce its competitive position against rivals. ENN aims to become an international clean energy distributor which creates customer value by continuously expanding the energy distribution network through customer-oriented service and the concept and methodology of energy efficiency. Leveraging on the success of its South-east Asian projects, ENN will actively replicate this successful business model to other overseas market in a prudent manner, gradually building ENN’s international brand recognition. Built on the strong corporate governance and the sustainable development of the Company, ENN strives to continue to enhance its service offerings and safety standards as well as achieving operational excellence and best management practices. By doing so, the Group is able to make contribution to the environmental protection as well as the energy sector of not only China but also the whole world, while at the same time spare no effort to maximise the long-term benefits of our shareholders, customers, staff, society and enterprises.

Last but not least, 2011 is not only the 10th anniversary of our listing on the stock exchange, but also the first time the Group’s revenue exceeds RMB 10 billion to reach RMB 11.22 billion and the profit attributable to owners of the Company exceeds RMB 1 billion to reach RMB 1.01 billion. Taking such opportunity, to express our gratitude to the loyal support of shareholders over the years which is the key for the rapid expansion and development of our business, the Board of Directors has recommended a special dividend of HK\$5.66 cents, leading to a total dividend per share of HK\$34.01 cents. Once again, at the 10th anniversary of listing, all members of the Board and I would like to send our deepest gratefulness to the shareholders and staff of the Group.”

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ENN Energy Holdings Limited

ENN Energy is one of the first privately-owned clean energy distributors in China. The principal business of the Group is the investment in, and the operation and management of, gas pipeline infrastructure, vehicle gas refuelling stations and the sales and distribution of piped gas and LPG in China. Its business activities also consist of the sale of gas appliances and equipment, the production of stored-value card gas meters and the provision of repair, maintenance and other services in connection with gas supply.

As of the end of March 2011, the Group has 90 project cities in 15 provinces, municipalities and autonomous regions, namely Anhui, Beijing, Fujian, Guangdong, Guangxi, Hebei, Henan, Hunan, Inner Mongolia, Jiangsu, Jiangxi, Liaoning, Shandong, Yunnan and Zhejiang, covering a total connectable urban population of over 46.86 million.

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Financial and Operational Data for 2010 Annual Result (As of 31 December 2010)

	2010	2009	+/- (%)
Business Development			
No. of project cities (China projects)	90	79	11
Connectable urban population (China projects)	46,868,000	43,565,000	7.6%
Connectable urban population (Vietnam project)	8,920,000	N/A	N/A
Gas penetration rate (%) (China projects)	36.0%	32.4%	3.6%
Revenue Analysis (RMB)			
Gas Connection	3,048,777,000	2,553,755,000	19.4%
Sales of piped gas	6,632,734,000	4,077,527,000	62.7%
Distribution of bottled LPG	240,290,000	897,121,000	(73.2%)
Vehicle gas refuelling stations	1,209,385,000	797,663,000	51.6%
Sales of gas appliances	83,903,000	86,814,000	(3.4%)
Percentage of segment income in revenue(%)			
-Gas Connection	27.2%	30.4%	(3.2%)
-Sales of piped gas	59.1%	48.5%	10.6%
-Distribution of bottled LPG	2.1%	10.6%	(8.5%)
-Vehicle gas refuelling stations	10.8%	9.5%	1.3%
-Sales of gas appliances	0.8%	1.0%	(0.2%)
Gas infrastructure			
Total length of pipeline (km)	16,340	14,126	15.7%
Gas processing stations	100	94	6
Daily capacity (m ³)	23,970,000	14,637,650	63.8%
Vehicle gas refuelling stations	192	162	30
Connection increased during the year			
- Households (household)	875,744	788,281	11.1%
- Commercial / Industrial (“C/I”) (Sites)	4,178	2,715	53.9%
- Installed designed daily capacity for C/I (m ³)	4,619,944	3,961,090	16.6%
Accumulated piped gas connection (including natural gas)			
- Households (household)	5,618,583	4,706,663	19.4%
- C/I (Sites)	18,424	14,020	31.4%
- Installed designed daily capacity for C/I (m ³)	18,175,160	13,486,437	34.8%
Sales of gas			
Sales of piped Gas (m ³)	4,149,356,000	2,939,832,000	41.1%
-Residential (m ³)	640,597,000	520,170,000	23.2%
-C/I (m ³)	2,988,321,000	2,031,242,000	47.1%
-Vehicle gas refuelling stations (m ³)	520,438,000	388,420,000	34.0%