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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 2023

Summary:	For the Nine Months Ended		
	2023	2022	Increase/ (Decrease)
Sales volume of integrated energy (<i>million kWh</i>)	24,430	18,208	34.2%
Retail gas sales volume (<i>million m³</i>)	17,955	18,832	(4.7%)
Wholesale of gas volume (<i>million m³</i>)	5,938	5,050	17.6%
Number of newly-developed residential households (<i>thousand</i>)	1,363	1,526	(10.7%)
Installed designed daily capacity for newly-developed C/I customers (<i>thousand m³</i>)	12,741	14,850	(14.2%)

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 nine months ended 30 September 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.

This year marks the initial year of China’s economic recovery following the repercussions of the pandemic. Amid the downward pressure brought about by multiple risks and challenges both domestically and internationally, the overall trend has been towards positive recovery. China’s Gross Domestic Product (GDP) grew 5.2% year-on-year in the first three quarters in 2023.

Integrated Energy Business

Since 2023, a series of policies have been introduced by China to further promote green and low-carbon development. The Ministry of Ecology and Environment has expressed its commitment to showcasing new achievements in facilitating comprehensive green transformation for economic and social development in 2023. The Group has also seized the opportunities and capitalised on demand to contribute to the realisation of the “Dual Carbon” goal. A total of 60 scalable integrated energy projects were completed and put into operation during the Period, which lifted the number of total scalable projects in operation to 270, generating sales of a total of 24,430 million kWh of integrated energies, including cooling, heating, electricity and steam, up 34.2% year-on-year.

For the nine months ended 30 September 2023, the Group has a total of 61 scalable integrated energy projects under construction. When all projects under construction and in operation reach their designed capacity, the potential integrated energy demand is expected to exceed 46,500 million kWh/year. During the Period, the Group actively promoted project expansion through the development of energy consumption-side services, such as facility management and operation, as well as investment and operation of small and micro power grids. In the third quarter, the Group’s newly contracted projects had energy consumption of over 17,050 million kWh/year in total, which will support the Group’s rapid growth in the coming years.

We also promoted the application of low-carbon and low-cost energy sources, such as photovoltaics, biomass, geothermal and residual heat resources, to cope with the rising energy costs and demand of green production from our customers. During the Period, the low-carbon solutions provided by the Group facilitated our customers in reducing over 1,953 thousand tons of standard coal consumption and 7,516 thousand tons of carbon dioxide emissions. Consequently, it supported their transition to low-carbon businesses and enhanced their competitive advantages.

Natural Gas Sales Business

China’s value-added industrial output rose by 4.0% year-on-year in the first three quarters. The decline in foreign trade exports in the third quarter narrowed significantly, surpassing expectations and providing important support for economic stability and recovery. In September 2023, the Purchasing Managers’ Index (PMI) for the manufacturing sector reached 50.2%, entering the expansionary zone, indicating an improvement in the overall economic conditions.

During the Period, the Group’s retail gas sales volume recorded 17,955 million cubic meters, representing a year-on-year decrease of 4.7%. The volume of natural gas sold to all commercial and industrial (“C/I”) customers was 14,048 million cubic meters; after deducting the sales volume to power plants, the volume of natural gas sold to C/I customers increased by 1.9% year-on-year to 13,420 million cubic meters. The volume of natural gas sold to residential users increased by 4.8% to 3,625 million cubic meters. During the Period, the wholesale of gas volume increased by

17.6% year-on-year to 5,938 million cubic meters.

Construction and installation

The Group's construction and installation progress for new C/I and residential customers were relatively steady during the Period. The installed designed daily capacity for newly-developed C/I customers was 12,741 thousand cubic meters. The share of new C/I sites, coal and other fuels conversion amongst the newly-developed C/I customers were 83% and 17% respectively. The Group completed the construction and installation for 1,363 thousand residential customers. Amongst the newly-developed residential customers, the share of new buildings and existing buildings were 81% and 19% respectively.

Value Added Business

Consumption has become the driving force behind this year's economic growth. China's retail sales of consumer goods went up 6.8% year-on-year in the first three quarters. At the same time, China's per capita disposable income was RMB29,398, up 6.3% year-on-year in nominal terms.

During the Period, the Group has implemented various measures such as enriching product models, deepening business scenarios, etc. to raise the penetration rate of value added business continuously. The penetration rate of value added business in the Group's existing customer base was about 11.5%. During the Period, the penetration rate of the newly-developed customer base was about 33.3%.

In the first three quarters, China's economy exhibited sustained recovery and improvement. However, the external environment has become increasingly complex and challenging, and domestic demand remained insufficient. The foundation of the economic rebound still needs to be consolidated. The Company will continue to seize favorable policies, promote new business development, and leverage our extensive customer base in the C/I and residential sectors to enhance organic growth on an ongoing basis.

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

Hong Kong, 27 October 2023

As at the date of this announcement, the Board comprises of the following directors: six executive directors, namely Mr. WANG Yusuo (Chairman), Mr. ZHENG Hongtao (Executive Chairman), Ms. WU Xiaojing (Chief Executive Officer), Mr. LIU Jianfeng (President), Mr. WANG Dongzhi and Ms. ZHANG Jin; one non-executive director, namely Mr. WANG Zizheng; and four independent non-executive directors, namely Mr. MA Zhixiang, Mr. YUEN Po Kwong, Mr. LAW Yee Kwan, Quinn and Ms. WONG Lai, Sarah.