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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)**

*(Website : [www.ennenergy.com](http://www.ennenergy.com))*

## ANNOUNCEMENT

### CONTINUING CONNECTED TRANSACTIONS

The Board announces that on 30 December 2013, the Company entered into each of the following agreements with a Wang Family Company to renew the Existing Agreements after the expiry thereof:

- (1) the New Master Property Management Service Agreement, details of which are set out in the section headed “NEW MASTER PROPERTY MANAGEMENT SERVICE AGREEMENT” in this announcement;
- (2) the New Master Administrative Services Agreement, details of which are set out in the section headed “NEW MASTER ADMINISTRATIVE SERVICES AGREEMENT” in this announcement;
- (3) the New Master Maritime Transportation Service Agreement, details of which are set out in the section headed “NEW MASTER MARITIME TRANSPORTATION SERVICE AGREEMENT” in this announcement; and
- (4) the New Master Energy Efficiency Technology Services Agreement, details of which are set out in the section headed “NEW MASTER ENERGY EFFICIENCY TECHNOLOGY SERVICES AGREEMENT” in this announcement.

The Board wishes to further announce that on the same date, the Company also entered into each of the following agreements with a Wang Family Company:

- (5) the Master Electronic Business Services Agreement, details of which are set out in the section headed “MASTER ELECTRONIC BUSINESS SERVICES AGREEMENT” in this announcement;
- (6) the Master Equipment Purchasing and Equipment Modification Services Agreement, details of which are set out in the section headed “MASTER EQUIPMENT PURCHASING AND EQUIPMENT MODIFICATION SERVICES AGREEMENT” in this announcement; and
- (7) the Master Gas Connection Services Agreement, details of which are set out in the section headed “MASTER GAS CONNECTION SERVICES AGREEMENT” in this announcement.

As at the date of this announcement, Mr. Wang is a substantial shareholder of the Company holding approximately 30.11% of the entire issued share capital of the Company and is therefore a connected person of the Company. As Mr. Wang is interested so as to exercise or control the exercise of 30% or more of the voting power at general meetings of the Wang Family Companies, such companies are associates of Mr. Wang and thus connected persons of the Company. The entering into of each of the New Agreements therefore constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

The Board has on 6 December 2013 set up a Board committee consisting of two Executive Directors, namely, Mr. Zhao Shengli and Mr. Wang Dongzhi, which has been delegated with the powers to prepare the New Agreements and the transactions contemplated thereunder. The Board has also further delegated to the members of the Board committee and all the Independent Non-executive Directors the powers to review and approve the New Agreements and related matters proposed by the Board committee. Mr. Wang and Ms. Zhao Baoju (the spouse of Mr. Wang), being Directors, are deemed to be interested in the shares of members of the Wang Family Group and therefore have a material interest in the New Agreements and the transactions contemplated thereunder. Mr. Zhao Jinfeng, a Director, is the brother of Ms. Zhao Baoju. As Mr. Wang, Ms. Zhao Baoju and Mr. Zhao Jinfeng are not members of the Board committee or Independent Non-executive Directors, they have not voted on the resolutions approving the New Agreements and the transactions contemplated thereunder.

As the relevant percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the annual caps for the continuing connected transactions contemplated under each of the New Agreements are more than 0.1% but less than 5% on an annual basis, such continuing connected transactions are subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

## **I. INTRODUCTION**

Reference is made to the announcement of the Company dated 31 December 2010 in relation to the continuing connected transactions under the Existing Agreements entered into by the Group.

The Existing Agreements will expire on 31 December 2013 and it is expected that the Group will continue to enter into transactions similar to those as contemplated thereunder. Accordingly, the Company now seeks to renew the Existing Agreements and has entered into the New Master Property Management Service Agreement, the New Master Administrative Services Agreement, the New Master Maritime Transportation Service Agreement and the New Master Energy Efficiency Technology Services Agreement on 30 December 2013 as summarised in section II(1) to (4) below.

On the same date, the Company and a Wang Family Company also entered into the Master Electronic Business Services Agreement, the Master Equipment Purchasing and Equipment Modification Services Agreement and the Master Gas Connection Services Agreement, which are summarised in section II(5) to (7) below.

## **II. CONTINUING CONNECTED TRANSACTIONS**

### **1. NEW MASTER PROPERTY MANAGEMENT SERVICE AGREEMENT**

**Date** : 30 December 2013

**Parties** : (i) the Company; and  
(ii) a Wang Family Company

**Duration** : From 1 January 2014 to 31 December 2016

#### **Subject matter:**

The Wang Family Group will, upon the requests of the Group, provide the Group with property management services, including but not limited to maintenance, security and hygiene management services, to certain properties situated in the PRC that are owned, leased or occupied by the Group.

#### **Fees and payment terms:**

The property management service fees payable by the Group to the Wang Family Group for the provision of the property management services will be based on the prevailing market rates as valued and determined by an independent valuer of the particular premises. The property management service fees will be payable by the Group on a half-yearly basis in arrears.

#### **Reasons for and benefits of entering into the New Master Property Management Service Agreement**

As the Wang Family Group is also engaged in the provision of property management services and thus has the necessary expertise, the Company considers that it is in the interest of the Group to enter into the New Master Property Management Service Agreement.

The Directors (including the Independent Non-executive Directors) are of the view that the New Master Property Management Service Agreement entered into in the ordinary and usual course of business of the Group is on normal commercial terms, is fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Company and the Shareholders as a whole.

## **2. NEW MASTER ADMINISTRATIVE SERVICES AGREEMENT**

**Date** : 30 December 2013

**Parties** : (i) the Company; and  
(ii) a Wang Family Company

**Duration** : From 1 January 2014 to 31 December 2016

### **Subject matter:**

The Wang Family Group will, upon the requests of the Group, provide the Group with administrative services, including but not limited to catering, accommodation, training of employees, maintenance, information technology support, gasoline refueling and travel agency services.

### **Fees and payment terms:**

Fees payable by the Group for the provision of the administrative services from the Wang Family Group will be determined with reference to the market rate of similar services provided by independent third parties or, where there are no comparable services, at rates to be agreed upon by the parties on a fair and reasonable basis. The administrative service fees will be payable by the Group on a half-yearly basis in arrears.

### **Priority:**

The Wang Family Group may provide the relevant administrative services to other third parties, provided that under the same terms, the Wang Family Group shall provide such services to the Group with priority.

### **Reasons for and benefits of entering into the New Master Administrative Services Agreement**

The Wang Family Group owns hotels, training centres, gasoline refueling business and travel agency. Centralisation of administrative services would enable the Group to enjoy such additional expertise and operate more efficiently, as well as focus on the development of gas supply industry. In addition, as the Wang Family Group has the necessary service resources and is capable to be the administrative service provider of the Group, the Group would be able to enjoy efficient and reliable quality services to support the operation of the Group.

The Directors (including the Independent Non-executive Directors) are of the view that the New Master Administrative Services Agreement entered into in the ordinary and usual course

of business of the Group is on normal commercial terms, is fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Company and the Shareholders as a whole.

### **3. NEW MASTER MARITIME TRANSPORTATION SERVICE AGREEMENT**

**Date** : 30 December 2013

**Parties** : (i) the Company; and  
(ii) a Wang Family Company

**Duration** : From 1 January 2014 to 31 December 2016

#### **Subject matter:**

The Wang Family Group will, upon the requests of the Group, provide maritime transportation service to the Group for the transportation of gas.

#### **Fees and payment terms:**

The maritime transportation fees for transactions contemplated under the New Master Maritime Transportation Service Agreement will be determined with reference to the market rates of similar transportation services provided by independent third parties or, where there are no comparable services, at rates to be agreed upon by the parties on a fair and reasonable basis. The maritime transportation fees will be payable by the Group on a monthly basis.

#### **Priority:**

The Wang Family Group may provide maritime transportation service to other third parties, provided that under the same terms, the Wang Family Group shall provide such services to the Group with priority.

#### **Reasons for and benefits of entering into the New Master Maritime Transportation Service Agreement**

The Wang Family Group is also engaged in the provision of maritime transportation service with high-quality vessels and has the necessary expertise and priority is agreed to be given to the Group in its provision of such services. The Group can obtain a stable supply for the maritime transportation service and thus reduce its business risks, which particularly suits the needs of the Group. Furthermore, since the Wang Family Group is the sole maritime transportation service supplier in such region at present, the Company considers that it is in the interest of the Group to continue to engage the Wang Family Group for its maritime transportation service in the course of the sale and distribution of gas by the Group to different locations in the PRC.

The Directors (including the Independent Non-executive Directors) are of the view that the New Master Maritime Transportation Service Agreement entered into in the ordinary and usual course of business of the Group is on normal commercial terms, is fair and reasonable so far as

the Independent Shareholders are concerned and in the interest of the Company and the Shareholders as a whole.

#### **4. NEW MASTER ENERGY EFFICIENCY TECHNOLOGY SERVICES AGREEMENT**

**Date** : 30 December 2013

**Parties** : (i) the Company; and  
(ii) a Wang Family Company

**Duration** : From 1 January 2014 to 31 December 2016

##### **Subject matter:**

The Wang Family Group will, upon the requests of the Group, provide the Group with energy efficiency technology services, including but not limited to energy efficiency planning, energy efficiency management consultation and setting up of smart energy efficiency platform.

##### **Fees and payment terms:**

The energy efficiency technology service fees for transactions contemplated under the New Master Energy Efficiency Technology Services Agreement will be determined with reference to the market rate of similar energy efficiency technology services provided by independent third parties or, where there are no comparable services, at rates to be agreed upon by the parties on a fair and reasonable basis. The energy efficiency technology service fees will be payable by the Group in accordance with the progress for the provision of the said services and within six months after such progress is determined.

##### **Reasons for and benefits of entering into the New Master Energy Efficiency Technology Services Agreement**

Energy efficiency technology solution mainly includes multi-generation technology, which aims to enhance energy utilisation efficiency and lower energy consumption cost. Through provision of energy efficiency technology solutions to the customers, natural gas can be generated and transformed into different forms of energy, such as cool and heat energies and power. The energy efficiency technology solutions diversify the usage of natural gas, fulfil different needs of customers and improve the efficiency and effectiveness in the use of natural gas by customers, thereby increase consumption volume of natural gas. Furthermore, in view of the benefits enjoyed by the customers through the use of the energy efficiency technology services, such as stable energy supply, low energy cost and reduction in energy wastage, the provision of energy efficiency technology services can attract new customers to use natural gas as their energy source, expand the Group's customer base in gas supply industry and improve existing customers' satisfaction as well as retain existing customers. Therefore, it is in the Group's interest and long term benefits for its future development and business growth in gas supply industry by using the energy efficiency technology service.

Since the Wang Family Group is also engaged in the provision of energy efficiency technology services, it has the necessary experts, experienced team and related technology to provide the Group and its customers with tailor-made energy efficiency technology solutions in order to support the Group's future development plan and strategy, which particularly suits the needs of the Group. As the Group does not have the related experts, experiences and technology which require years of development, engaging the Wang Family Group to provide the related technology services allows the Group to focus on its development in gas supply industry. The Company considers that it is in the interest of the Group to engage the Wang Family Group for provision of energy efficiency technology services in the course of the provision of comprehensive regional energy efficiency solutions by the Group to its customers.

The Directors (including the Independent Non-executive Directors) are of the view that the New Master Energy Efficiency Technology Services Agreement entered into in the ordinary and usual course of business of the Group is on normal commercial terms, is fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Company and the Shareholders as a whole.

## **5. MASTER ELECTRONIC BUSINESS SERVICES AGREEMENT**

**Date** : 30 December 2013

**Parties** : (i) the Company; and  
(ii) a Wang Family Company

**Duration** : From 1 January 2014 to 31 December 2016

### **Subject matter:**

The Wang Family Group will, upon the requests of the Group, provide the Group with electronic business services, including but not limited to collection of fees for and on behalf of the Group such as gas supply fees receivable from residential, industrial and commercial customers, gas supply operation handling fees and vehicle gas fees, through the electronic business platform provided or operated by the Wang Family Group. The fees collected will then be remitted to the designated bank account(s) of the Group on a daily basis.

### **Fees and payment terms:**

The Group will pay to the Wang Family Group service fees for the provision of the electronic business services under the Master Electronic Business Services Agreement which will be determined with reference to the market rate of similar electronic business services provided by independent third parties or, where there are no comparable services, at rates to be agreed upon by the parties on a fair and reasonable basis. Such service fees will be payable by the Group to the Wang Family Group on a monthly basis.

### **Reasons for and benefits of entering into the Master Electronic Business Services Agreement**

In order to cope with the development trend of application of electronic business service in the industry and to resolve the current problem on the lack of bills payment channel by customers as well as the restricted timing and venue for making payment, the Company has decided to make use of the electronic business platform in handling the collection of fees receivable from customers, including piped gas and vehicle gas users. The platform not only provides a convenient and efficient channel for customers to settle the bills to the Group which improves customers' satisfaction, it also enhances the efficiency of the Group in handling the collection of substantial amount of fees receivable from customers, as well as centralises the management of the collected fees which enhances the effectiveness of cash management.

Operation of electronic business services in the PRC requires specific qualifications under the rules and regulations in PRC. The Company, as a foreign enterprise in the PRC, is relatively difficult to obtain the relevant qualifications to develop and operate the relevant electronic business service. Since the Wang Family Group is also engaged in the provision of electronic business services with the relevant qualifications, it is able to provide an electronic business platform tailor-made for the Group and applicable to the Group's customer relationship management system, which particularly suits the business needs of the Group as well as maintains the privacy and confidentiality of the system including customer data. Therefore, the Company considers that it is in the interest of the Group to engage the Wang Family Group for its electronic business services in handling the collection of fees receivable from customers.

The Directors (including the Independent Non-executive Directors) are of the view that the Master Electronic Business Services Agreement entered into in the ordinary and usual course of business of the Group is on normal commercial terms, is fair and reasonable so far as Independent Shareholders are concerned and in the interest of the Company and the Shareholders as a whole.

## **6. MASTER EQUIPMENT PURCHASING AND EQUIPMENT MODIFICATION SERVICES AGREEMENT**

**Date** : 30 December 2013

**Parties** : (i) the Company; and  
(ii) a Wang Family Company

**Duration** : From 1 January 2014 to 31 December 2016

### **Subject matter:**

The Wang Family Group will, upon the requests of the Group, provide the Group with equipment and equipment modification services, including but not limited to the sale of small-scale liquefiers and card readers and modification of equipment for CNG gas refueling stations.

### **Fees and payment terms:**

The Wang Family Group will bill and charge fees for the sale of the equipment and/or provision of equipment modification services determined with reference to the market price of similar equipment and/or similar equipment modification services respectively provided by



independent third parties or, where there are no comparable equipment or services, at rates to be agreed upon by the parties on a fair and reasonable basis. The bills for the equipment will be payable by the Group within six months after the relevant equipment have been checked and accepted while the modification service fees will be payable by the Group in accordance with the progress for the relevant project and within six months after such progress is determined.

### **Reasons for and benefits of entering into the Master Equipment Purchasing and Equipment Modification Services Agreement**

In view of the expansion of the Group, the Company foresees its increasing demand for the equipment used for its core business growth. As the Wang Family Group also specialises in the development and innovation of energy related equipment and provision of the equipment modification services, it is able to provide the Group with the tailor-made equipment and the equipment modification services suitable for gas supply business at a more competitive price, which specifically fit the needs of the Group's projects and business growth. In addition, it also improves the operational efficiency of the Group by reducing costs of development and innovation of energy related equipment and provision of the equipment modification services by the Group itself. The Company considers that it is in the interest of the Group to purchase the equipment and obtain the equipment modification services from the Wang Family Group for the Group's ordinary business or specific projects' needs.

The Directors (including the Independent Non-executive Directors) are of the view that the Master Equipment Purchasing and Equipment Modification Services Agreement entered into in the ordinary and usual course of business of the Group is on normal commercial terms, is fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Company and the Shareholders as a whole.

## **7. MASTER GAS CONNECTION SERVICES AGREEMENT**

**Date** : 30 December 2013

**Parties** : (i) the Company; and  
(ii) a Wang Family Company

**Duration** : From 1 January 2014 to 31 December 2016

### **Subject matter:**

The Group will, upon the requests of the Wang Family Group, provide the Wang Family Group with gas connection services.

### **Fees and payment terms:**

The Group will charge service fees for provision of the gas connection services determined with reference to the approval of service fees for provision of gas connection services issued by the local government or the market rate of similar services provided to independent third parties by the Group. The gas connection service fees will be payable by the Wang Family

Group in accordance with the progress for the provision of the said services and at the end of the month when such progress is determined.

### Reasons for and benefits of entering into the Master Gas Connection Services Agreement

Since the Wang Family Group is also engaged in businesses including property development in the areas where the Group operates and requires piped gas connection services, considering that the Group has obtained exclusive rights in these areas, the Wang Family Group can receive piped gas connection services and piped natural gas supply from the Group under the same business conditions as those of any other customers, facilitating the Wang Family Group's delivery of high-quality properties to and usage of piped natural gas by itself and their clients. Meanwhile, the provision of connection services by the Group under normal commercial terms, which would eventually lead to the sales of piped natural gas, will be favourable for the Group's business development. The Directors consider that it is in the interest of both parties for the Group to provide the piped gas connection services to the Wang Family Group.

The Directors (including the Independent Non-executive Directors) are of the view that the Master Gas Connection Services Agreement entered into in the ordinary and usual course of business of the Group is on normal commercial terms, is fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Company and the Shareholders as a whole.

### III. HISTORICAL AMOUNTS

The historical aggregate amounts of each of the continuing connected transactions under the Existing Agreements for the two years ended 31 December 2012 and six months ended 30 June 2013 were as follows:

Agreement under which the transactions were conducted	Transaction amount					
	Historical amount			Annual caps		
	Financial year ended 31 December		Six months ended 30 June	Financial year ended 31 December		
	2011	2012	2013	2011	2012	2013
Existing Master Property Management Service Agreement						
(in RMB)	6,572,340	10,535,500	4,178,250	13,000,000	14,000,000	14,000,000
(approximately in HK\$)	8,306,000	13,315,000	5,281,000	16,429,000	17,693,000	17,693,000
Existing Master Supporting Services Agreement						
(in RMB)	31,093,307	37,205,709	10,756,598	78,000,000	92,000,000	110,000,000
(approximately in HK\$)	39,296,000	47,021,000	13,594,000	98,577,000	116,270,000	139,019,000
Existing Master Maritime Transportation Service Agreement						
(in RMB)	16,320,000	15,120,000	5,280,000	24,000,000	27,000,000	30,000,000
(approximately in HK\$)	20,625,000	19,109,000	6,673,000	30,331,000	34,123,000	37,914,000

Existing Master Energy Technology Supporting Services Agreement						
(in RMB)	2,208,932	35,063,790	18,005,215	30,000,000	45,000,000	68,000,000
(approximately in HK\$)	2,792,000	44,314,000	22,755,000	37,914,000	56,871,000	85,939,000

None of the aggregate amounts above exceeded their respective annual caps for the corresponding years or periods.

#### IV. PROPOSED ANNUAL CAPS

The proposed annual cap amounts of the transactions contemplated under the New Agreements and the bases of determination of the annual caps are set out as follows:

Agreement under which the transactions are conducted	Proposed annual caps			Basis of determination of the annual caps
	Financial year ending 31 December			
	2014	2015	2016	
New Master Property Management Service Agreement				
(in RMB)	19,000,000	21,000,000	23,000,000	A total of 10 properties with a total area including floor and open area of approximately 182,751 square metres are expected to be involved in this transaction. The annual caps are determined by multiplying such estimated total area by the respective estimated market rate, taking into account the historical figures. The increase in the amount of the proposed annual caps as compared with the historical annual caps set out in the section above is due to the increase of labour, welfare and maintenance costs because of the continuous inflation in the PRC during these years and also the increase of the applicable total area to be involved in the transaction in view of the business expansion of the Group.
(approximately in HK\$)	24,012,000	26,540,000	29,068,000	
New Master Administrative Services Agreement				
(in RMB)	63,000,000	74,000,000	87,000,000	Based on the estimated usage of administrative services after taking into account the historical figures, the estimated cost of resources to be incurred, including labour and other raw materials by reference to the estimated market rates of administrative service fees in such periods.
(approximately in HK\$)	79,620,000	93,522,000	109,951,000	
New Master Maritime Transportation Service Agreement				
(in RMB)	30,000,000	33,000,000	37,000,000	Based on the projected production volume of gas of the Group which is expected to require maritime transportation service of the Wang Family Group for the three financial years and the estimated market rates of transportation fees in such periods, and
(approximately in HK\$)	37,914,000	41,706,000	46,761,000	

				taking into account the historical figures.
New Master Energy Efficiency Technology Services Agreement				
(in RMB)	80,000,000	150,000,000	200,000,000	Based on the estimated number of transactions of energy efficiency technology services provided to third parties which is expected to require energy efficiency technology services of the Wang Family Group for the three financial years and the estimated market rates of the service fees in such periods, taking into account the historical figures. The increase in the amount of the proposed annual caps as compared with the historical annual caps set out in the section above is due to the continuous increase in the demand for energy efficiency improvement by customers in the industry, which leads to the increase in the Group's need for the energy efficiency technology services so as to strategically expand the Group's market. Furthermore, the increase in the amount of the proposed annual caps is consistent with the increase in the number of projects contemplated by the management of the Group.
(approximately in HK\$)	101,105,000	189,571,000	252,761,000	
Master Electronic Business Services Agreement				
(in RMB)	19,000,000	22,000,000	31,000,000	Based on the estimated fees, including piped gas fees, operation handling fees and vehicle gas fees, receivable from customers to be collected through the electronic business platform taking into account the expected fees increment and growth of operation during the three financial years and the estimated market rates of service fees chargeable in respect of the total estimated fees to be collected in such periods.
(approximately in HK\$)	24,012,000	27,804,000	39,178,000	
Master Equipment Purchasing and Equipment Modification Services Agreement				
(in RMB)	58,000,000	66,000,000	61,000,000	Based on the estimated number of the equipment and estimated equipment modification services to be required with reference to the expected projects and the future needs from the business operation of the Group and the estimated market rates of the equipment and service fees in such periods.
(approximately in HK\$)	73,301,000	83,411,000	77,092,000	
Master Gas Connection Services Agreement				
(in RMB)	25,000,000	27,000,000	29,000,000	Based on the estimated number of property development sites and number of units in each of the property development sites expected to be provided with the services and the estimated market rates of the service fees in such periods.
(approximately in HK\$)	31,595,000	34,123,000	36,650,000	

The Directors (including the Independent Non-executive Directors) considered that the proposed annual caps above are fair and reasonable.

## **V. LISTING RULES IMPLICATIONS**

As at the date of this announcement, Mr. Wang is a substantial shareholder of the Company holding approximately 30.11% of the entire issued share capital of the Company and is therefore a connected person of the Company. As Mr. Wang is interested so as to exercise or control the exercise of 30% or more of the voting power at general meetings of the Wang Family Companies, such companies are associates of Mr. Wang and thus connected persons of the Company. The entering into of each of the New Agreements therefore constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

The Board has on 6 December 2013 set up a Board committee consisting of two Executive Directors, namely, Mr. Zhao Shengli and Mr. Wang Dongzhi, which has been delegated with the powers to prepare the New Agreements and the transactions contemplated thereunder. The Board has also further delegated to the members of the Board committee and all the Independent Non-executive Directors the powers to review and approve the New Agreements and related matters proposed by the Board committee. Mr. Wang and Ms. Zhao Baoju (the spouse of Mr. Wang), being Directors, are deemed to be interested in the shares of members of the Wang Family Group and therefore have a material interest in the New Agreements and the transactions contemplated thereunder. Mr. Zhao Jinfeng, a Director, is the brother of Ms. Zhao Baoju. As Mr. Wang, Ms. Zhao Baoju and Mr. Zhao Jinfeng are not members of the Board committee or Independent Non-executive Directors, they have not voted on the resolutions approving the New Agreements and the transactions contemplated thereunder.

As the relevant percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the annual caps for the continuing connected transactions contemplated under each of the New Agreements are more than 0.1% but less than 5% on an annual basis, such continuing connected transactions are subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **VI. GENERAL**

The principal activity of the Company is investment holding. The Group is principally engaged in gas supply business in the PRC, including but not limited to the sales of piped gas, gas connection, construction and operation of vehicles gas refueling stations, wholesale of gas, distribution of bottled LPG and sales of gas appliances and materials.

The principal businesses of the Wang Family Group include the provision of property management services, administrative services, maritime transportation service, energy efficiency technology services, electronic business services, sales of equipment, equipment modification services and property development.

## VII. DEFINITIONS

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CNG”	compressed natural gas
“Company”	ENN Energy Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“continuing connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Agreements”	the Existing Master Property Management Service Agreement, the Existing Master Supporting Services Agreement, the Existing Master Maritime Transportation Service Agreement and the Existing Master Energy Technology Supporting Services Agreement
“Existing Master Energy Technology Supporting Services Agreement”	the energy technology supporting services agreement dated 31 December 2010 entered into between the Company and a Wang Family Company for a term of three years commencing on 1 January 2011, details of which are summarised in the announcement of the Company dated 31 December 2010
“Existing Master Maritime Transportation Service Agreement”	the maritime transportation service agreement dated 31 December 2010 entered into between the Company and a Wang Family Company for a term of three years commencing on 1 January 2011, details of which are summarised in the announcement of the Company dated 31 December 2010
“Existing Master Property Management Service Agreement”	the property management service agreement dated 31 December 2010 entered into between the Company and a Wang Family Company for a term of three years commencing on 1 January 2011, details of which are summarised in the announcement of the Company dated 31 December 2010
“Existing Master Supporting Services Agreement”	the supporting services agreement dated 31 December 2010 entered into between the Company and a Wang Family Company for a term of three years commencing on 1 January 2011, details of which are summarised in the announcement of

	the Company dated 31 December 2010
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LPG”	liquefied petroleum gas
“Mr. Wang”	Mr. Wang Yusuo ( 王玉鎖 ), the chairman, an executive Director and a substantial shareholder of the Company as at the date of this announcement
“Master Electronic Business Services Agreement”	the electronic business services agreement dated 30 December 2013 entered into between the Company and a Wang Family Company for the years ending 31 December 2014 to 2016
“Master Equipment Purchasing and Equipment Modification Services Agreement”	the equipment purchasing and equipment modification services agreement dated 30 December 2013 entered into between the Company and a Wang Family Company for the years ending 31 December 2014 to 2016
“Master Gas Connection Services Agreement”	the gas connection services agreement dated 30 December 2013 entered into between the Company and a Wang Family Company for the years ending 31 December 2014 to 2016
“New Agreements”	the New Master Property Management Service Agreement, the New Master Administrative Services Agreement, the New Master Maritime Transportation Service Agreement, the New Master Energy Efficiency Technology Services Agreement, Master Electronic Business Services Agreement, Master Equipment Purchasing and Equipment Modification Services Agreement and Master Gas Connection Services Agreement
“New Master Maritime Transportation Service Agreement”	the maritime transportation service agreement dated 30 December 2013 entered into between the Company and a Wang Family Company for the years ending 31 December 2014 to 2016
“New Master Energy Efficiency Technology Services Agreement”	the energy efficiency technology supporting services agreement dated 30 December 2013 entered into between the Company and a Wang Family Company for the years ending 31 December 2014 to 2016

“New Master Property Management Service Agreement”	the property management service agreement dated 30 December 2013 entered into between the Company and a Wang Family Company for the years ending 31 December 2014 to 2016
“New Master Administrative Services Agreement”	the administrative services agreement dated 30 December 2013 entered into between the Company and a Wang Family Company for the years ending 31 December 2014 to 2016
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules, other than the profits ratio and equity capital ratio
“PRC”	the People’s Republic of China and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the registered holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Wang Family Company(ies)”	company(ies) (including its subsidiaries and associates) to which Mr. Wang and/or his associates is/are entitled to exercise or control the exercise of 30% or more of the voting power at any general meeting of such companies, collectively the “Wang Family Group”

*Note: For information purposes only, the translation of RMB to HK\$ in this announcement is based at the rate of RMB1.00 to HK\$0.79126.*

By order of the Board  
**ENN Energy Holdings Limited**  
**WONG Chui Lai**  
*Company Secretary*

Hong Kong, 30 December 2013

*As at the date of this announcement, the Board comprises seven Executive Directors, namely Mr. WANG Yusuo (Chairman), Mr. CHEUNG Yip Sang (Chief Executive Officer), Mr. ZHAO Jinfeng, Mr. YU Jianchao, Mr. HAN Jishen, Mr. ZHAO Shengli and Mr. WANG Dongzhi (Chief Financial Officer); two Non-executive Directors, namely Ms. ZHAO Baoju and Mr. JIN Yongsheng; and five Independent Non-executive Directors, namely Mr. WANG Guangtian, Ms. YIEN Yu Yu, Catherine, Mr. KONG Chung Kau, Mr. ZHANG Gang and Mr. LIM Haw Kuang.*