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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)

ANNOUNCEMENT

Fair Value Change on US\$500,000,000 Zero Coupon Convertible Bonds Due 2018

This announcement is made by ENN Energy Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the Company’s information currently available and in accordance to the relevant accounting standards, the Board expects it would incur a one-off non-cash loss amounting to approximately RMB0.78 billion (unaudited) to the Group’s net profit **on book** for the year ended 31 December 2013, as a result of the non-cash loss due to fair value change of the Bonds issued in early 2013,

According to Hong Kong Financial Reporting Standards 13 and Hong Kong

Accounting Standard 39, the Bonds need to be stated at fair value, with any gains or losses arising on measurement recognised in profit or loss in the current period from time to time until the Bonds mature, converted or redeemed. The fair value change of the Bonds was calculated by comparing its trading price on 31 December 2013 and its issue price on Singapore Stock Exchange, together with the impact from US\$ translation difference, as such a fair value loss of RMB0.78 billion was recorded on book. For more details of major terms about the Bonds, please refer to the announcement in relation to the proposed issue of the Bonds published on 30 January 2013 and the “Offering Memorandum” attached in the overseas regulatory announcement published on 27 February 2013.

Notwithstanding the above, the Board reiterates the Group's business remains usual, and maintains normal growth. The Board expects the estimated loss due to fair value change of the Bonds will not have any negative impact on the Group's cash flow and operations.

As the Company is still in the process of finalising the audited consolidated annual results for the year ended 31 December 2013, the information contained in this announcement is only a preliminary assessment made by the Board based on the figures and information currently available, which have not been reviewed and audited by the Company's independent auditor. The Company expects to announce its audited consolidated annual results for the year ended 31 December 2013 in late March 2014.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS:

“Board”	board of Directors of the Company
“The Bonds”	zero coupon convertible bonds due 2018 in the aggregate principal amount of US\$500,000,000 that listed on Singapore Exchange Securities Trading Limited
“RMB”	the lawful and official currency of the People's Republic of China
“US\$”	the lawful and official currency of the United States of America

By order of the Board
ENN Energy Holdings Limited
Ms. Wong Chui Lai
Company Secretary

Hong Kong, 24 February 2014

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Mr. WANG Yusuo (*Chairman*)
Mr. CHEUNG Yip Sang (*Chief Executive Officer*)
Mr. ZHAO Jinfeng
Mr. YU Jianchao
Mr. HAN Jishen
Mr. ZHAO Shengli
Mr. WANG Dongzhi (*Chief Financial Officer*)

Non-executive Directors:

Ms. ZHAO Baoju
Mr. JIN Yongsheng

Independent Non-executive Directors:

Mr. WANG Guangtian
Ms. YIEN Yu Yu, Catherine
Mr. KONG Chung Kau
Mr. ZHANG Gang
Mr. LIM Haw Kuang