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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)

US\$400,000,000 3.25% Bonds Due 2019

*Joint Global Coordinators, Joint
Bookrunners and Joint Lead Managers*



Reference is made to the announcement of the Company dated 10 October 2014 in respect of the Bonds Issue. On 15 October 2014, the Company entered into the Subscription Agreement with UBS and HSBC in connection with the issue of US\$400,000,000 3.25% Bonds due 2019.

The estimated net proceeds of the Bonds Issue, after deducting the joint lead managers' discount and commissions and other estimated expenses payable in connection with the Bonds Issue, will be approximately US\$395 million and the Company intends to use the net proceeds to fund part of the RMB4 billion consideration to be paid in relation to the Company's subscription of 1.12% of the equity interest in Sinopec Marketing Co., Ltd. and general corporate purposes, including, without limitations, working capital.

The Company will seek a listing of the Bonds on the Stock Exchange. A confirmation of eligibility of the Bonds for listing has been received from the Stock Exchange. The listing of the Bonds on the Stock Exchange and quotation of any Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Company or the Bonds. The Bonds are expected to be issued on or about 23 October 2014.

As the conditions precedent to completion of the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, prospective investors and Shareholders are urged to exercise caution when dealing in the securities of the Company.

Reference is made to the announcement of the Company dated 10 October 2014 in respect of the Bonds Issue. The Board is pleased to announce that on 15 October 2014, the Company entered into the Subscription Agreement with UBS and HSBC in connection with the issue and sale of US\$400,000,000 3.25% Bonds due 2019.

THE SUBSCRIPTION AGREEMENT

Date: 15 October 2014

Parties to the Subscription Agreement

- (a) the Company as the issuer;
- (b) UBS; and
- (c) HSBC

UBS and HSBC are joint global coordinators, joint bookrunners and joint lead managers in relation to the Bonds Issue. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, each of UBS and HSBC is an independent third party and not a connected person of the Company.

The Bonds have not been, and will not be, registered under the Securities Act. The Bonds will only be offered outside the United States in offshore transactions in compliance with Regulation S under the Securities Act. None of the Bonds will be offered to the public in Hong Kong and none of the Bonds will be placed to any connected persons of the Company.

Principal terms of the Bonds

Bonds Offered

The Company will issue the Bonds in the aggregate principal amount of US\$400,000,000 which will mature on 23 October 2019, unless earlier redeemed, purchased or cancelled pursuant to the terms thereof.

Offering Price

The offering price of the Bonds will be 99.502% of the aggregate principal amount of the Bonds. At maturity, the Bonds are payable at their principal amount.

Interest

The Bonds will bear interest from and including 23 October 2014 at the rate of 3.25 per cent. per annum, payable semi-annually in equal instalments in arrears on 23 April and 23 October in each year commencing on 23 April 2015.

Other terms of the Bonds

Ranking of the Bonds

The Bonds constitute (subject to certain covenants set out in the terms and conditions of the Bonds) direct, unconditional, unsubordinated and unsecured obligations of the Company which shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by applicable law and subject to certain covenants set out in the terms and conditions of the Bonds, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Events of default

The events of default under the Bonds include, among others: (a) default in any payment of (i) principal, or premium (if any) on any Bond or (ii) interest on any Bond, continued for 14 days; (b) failure by the Company to comply, for 30 days after written notice of such default by the Trustee, with certain of its other obligations in the Bonds and the Trust Deed; (c) (i) any failure to pay upon final maturity when due or, as the case may be, within any originally applicable grace period, the principal of any indebtedness of the Company or any of its subsidiaries, (ii) any other present or future indebtedness of the Company or any of its subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any event of default (howsoever described) or (iii) any failure to pay any amount payable by the Company or any of its subsidiaries under any guarantee or indemnity in respect of any indebtedness of any other person thereof, when such amount is due; provided that, no such event set forth in (i), (ii) or (iii) of this paragraph (c) shall constitute an event of default unless the aggregate outstanding indebtedness to which all such events relate exceeds US\$20,000,000; (d) a distress, attachment, execution, seizure before judgment or other legal process being levied, enforced or sued out on or against any part of the property, assets or revenues of the Company, which is not discharged or stayed within 30

days; or (e) certain events of insolvency and winding-up of the Company or its subsidiaries as provided for in the terms and conditions of the Bonds.

If an event of default occurs, the Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. in principal amount of the Bonds then outstanding or if so directed by an extraordinary resolution shall (*provided* that in any such case the Trustee shall first have been indemnified and/or secured and/or prefunded to its satisfaction), give written notice to the Company that the Bonds are, and they shall immediately become, due and payable at 100 per cent of their principal amount together (if applicable) with accrued interest.

Covenants

Terms and conditions of the Bonds will limit the Company's ability and the ability of its subsidiaries (as the case may be) to, among other things:

- (a) create any encumbrance; and
- (b) enter into mergers, amalgamations or consolidations.

Redemption

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 23 October 2019.

The Company may at any time and from time to time, on giving not less than 30 nor more than 60 days' notice to the holders of the Bonds and the Trustee, redeem the Bonds, in whole but not in part, at a Make Whole Price as of, and accrued and unpaid interest, if any, to (but excluding), the redemption date.

The Bonds will be redeemable at the option of the Company, in whole but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the holders of the Bonds and the Trustee, at their principal amount, together with interest accrued to the date fixed for redemption, upon certain changes in the tax laws of any relevant tax jurisdiction becoming effective that would impose withholding taxes or other deductions on the payments on the Bonds.

At any time following the occurrence of a Change of Control, which definition includes, without limitation, (i) the aggregate beneficial interest of Mr. Wang Yusuo, Ms. Zhao Baoju (spouse of Mr. Wang) and their affiliates in the issued shares of the Company falling below 20 per cent. of the total voting power of the voting stock of the Company; and (ii) Mr. Wang Yusuo, Ms. Zhao Baoju (spouse of Mr. Wang) and their affiliates as a group cease to be the single largest group of direct or indirect holder of the issued share capital of the Company, the holder of each Bond will have the right, at such holder's option, to require the Company to redeem all, or some only, of such holder's Bonds on the Put Date at 101 per cent. of their principal amount, together with interest accrued to the Put Date.

Reason for the Bonds Issue

The Bonds Issue is being undertaken by the Company to fund part of the RMB4 billion consideration to be paid in relation to the Company's subscription of 1.12% of the equity interest in Sinopec Marketing Co., Ltd. as referred to in the Company's announcement dated

14 September 2014 and general corporate purposes, including, without limitations, working capital.

Listing and rating

The Company will seek a listing of the Bonds on the Stock Exchange. A confirmation of eligibility of the Bonds for listing has been received from the Stock Exchange. The Stock Exchange assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. The listing of the Bonds on the Stock Exchange and quotation of any Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Company or the Bonds.

The Bonds are expected to be assigned a rating of “BBB” by S&P, a rating of “Baa3” by Moody’s and a rating of “BBB” by Fitch. These ratings do not constitute a recommendation to buy, sell or hold the Bonds and may be subject to suspension, reduction or withdrawal at any time by S&P, Moody’s or Fitch.

The Bonds are expected to be issued on or about 23 October 2014.

General

As the conditions precedent to completion of the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, prospective investors and Shareholders are urged to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Bond(s)”	the bonds to be issued by the Company
“Bonds Issue”	the issue of the Bonds by the Company
“Change of Control”	has the same meaning ascribed to it in the terms and conditions of the Bonds
“Company”	ENN Energy Holdings Limited, a 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”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Fitch”	Fitch Ratings Ltd.
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, one of the joint global coordinators, joint bookrunners and joint lead managers in respect of the Bond Issue
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Make Whole Price”	has the same meaning ascribed to it in the terms and conditions of the Bonds
“Moody’s”	Moody’s Investors Service, Inc.
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan area
“Put Date”	has the same meaning ascribed to it in the terms and conditions of the Bonds
“Securities Act”	the United States Securities Act of 1933, as amended
“Shareholder(s)”	Holder(s) of the shares of the Company
“S&P”	Standard & Poor’s Rating Services, a division of the McGraw-Hill Companies, Inc.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the agreement dated 15 October 2014 entered into between, among others, the Company, UBS and HSBC in relation to the Bonds Issue
“Trustee”	HSBC
“UBS”	UBS AG, Hong Kong Branch, one of the joint global coordinators, joint bookrunners and joint lead managers in respect of the Bond Issue
“United States” or “U.S.”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“US\$”	United States dollars, the lawful currency of the United States

By Order of the Board
ENN Energy Holdings Limited
Ms. WONG Chui Lai

Hong Kong, 16 October 2014

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

Executive Directors:

Mr. Wang Yusuo (Chairman)
Mr. Cheung Yip Sang (Vice Chairman)
Mr. Yu Jianchao
Mr. Han Jishen (President)
Mr. Wang Dongzhi (Chief Financial Officer)

Non-executive Directors:

Mr. Wang Zizheng
Mr. Jin Yongsheng
Mr. Lim Haw Kuang

Independent Non-executive Directors:

Mr. Wang Guangtian
Ms. Yien Yu Yu, Catherine
Mr. Ma Zhixiang
Mr. Yuen Po Kwong
Mr. Law Yee Kwan, Quinn