【For Immediate Release】

ENN Energy natural gas sales up 25.9% to 10.12 billion m^3 in 2014
Revenue increased 26.7% to RMB29.09 billion

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Results Highlights:

- **Piped gas sales revenue increased 24.0% to RMB17.49 billion**
- **Vehicle gas sales revenue rose 24.8% to RMB3.85 billion**
- **Stripping out one-off items, recurring profit increased by 20.6% to RMB2.34 billion**
- **Recommend a final dividend of HK83 cents, up 72.9% from last year**

(Hong Kong, 27 March 2015)—ENN Energy Holdings Limited ("ENN Energy" or "the Group") (stock code: 2688.HK), one of the largest clean energy distributors in China, announced its annual results as of 31 December 2014 ("the Year"). Revenue increased by 26.7% to RMB29.09 billion. Stripping out one-off items, recurring profit increased by 20.6% year-on-year to RMB2.34 billion. The Board of Directors has resolved to recommend a final dividend of HK83 cents per share, up 72.9% from last year.

The global energy market experienced some significant changes in 2014. After the sharp decline of international oil price starting from late 2014, the National Development and Reform Commission ("the NDRC") announced to adjust the natural gas city-gate prices for non-residential use on 28 February 2015. Effective from 1 April, the price of incremental volume will be reduced by RMB0.44/m^3 and the price of existing volume will be increased by RMB0.04/m^3, so as to accomplish the third step of the pricing reform. By doing so, the prices of existing volume and incremental volume will converge. The average purchasing cost for the Group's gas projects is expected to be lowered. The Group believes that the latest city-gate price adjustment will restore the price advantage of natural gas over substitute energy. It also reflected Chinese government's determination to establish a pricing mechanism driven by market supply and demand and linked with the prices of substitute energy. The Group believes such adjustment will help us develop more downstream users and boost our gas sales volume. Meanwhile, the NDRC reiterated to establish tier-pricing mechanism for residential gas tariff in all cities and gradually normalize residential gas prices, which will be favorable to our residential gas sales. The Group will actively respond to the government's plan and establish tier-pricing mechanism in all project cities with gas supply as early as possible. Mr. Wang Yusuo, Chairman of ENN Energy, stated, "Facing the year with both opportunities and challenges, the Group also adopted various measures to react to market changes, and developed strategies to continue the expansion of all business segments and identify more quality gas customers, sustaining robust growth in its businesses with total natural gas sales volume up by 25.9% to 10.12 billion m^3."

As at the end of December, the Group had approximately RMB10.50 billion cash on hand while its total debts amounted to RMB14.50 billion. Our net gearing ratio was 27.5%. The Group has sufficient sources of funds and unutilized banking facilities to meet the future capital expenditure and working capital requirements. During the Year, the Group's investment grade credit ratings were reaffirmed by three leading rating agencies, including Moody's: Baa3 (stable), S&P: BBB (stable) and Fitch: BBB (stable).

City-gas distribution business

During the Year, revenue attributable to piped gas sales amounted to RMB17.49 billion, representing an increase of 24.0% over last year and accounting for 60.1% of the total revenue, showing the Group's more stable revenue structure. It completed new piped natural gas connections to 8,660 C/I customers (with total installed designed daily capacity of 8.32 million cubic meters), bringing the accumulated number of connected C/I customers to 47,503 (with total installed designed daily capacity of 50.19 million cubic meters). The Group conducted new piped natural gas connections to 1.32 million residential households, bringing the accumulated number of natural gas residential households to 10.52 million. The Group's connection fee revenue thereby increased 14.6% year-on-year to RMB4.40 billion.

New projects acquisition

In line with its strategy of building a city-gas network around major project cities, the Group stepped up its expansion effort in major cities and peripheral industrial parks, development zones, towns and counties. In the increasingly competitive market with fewer acquisition and merger opportunities, the Group managed to acquire 8 new projects and 36 new concessions in close proximity to existing projects during the Year leveraging its outstanding management system, solid track record and secured gas supply. The high concentration of C/I users of the above projects and their close proximity to the Group's existing projects will help increase the Group's gas sales volume and further lower the operating costs through economies of scale. As of 31 December 2014, the Group had 142 projects under management, covering a population of 65.38 million people in China, with an average gas penetration rate of 48.7%.

Vehicle/ship refuelling business

During the Year, the Group's revenue attributable to vehicle gas sales increased by 24.8% to RMB3.85 billion, accounting for 13.2% of the total revenue. Vehicular natural gas sales volume in the PRC rose by 21.1% to 1.42 billion m^3. The Group constructed and put into operation 18 CNG and 61 LNG refuelling stations in the PRC during the Year. We have altogether 286 CNG and 241 LNG stations in the PRC. The Group's LNG bunkering business made some major breakthroughs during the Year. It continued refuelling LNG for 11 dredgers in Xinyi, Jiangsu Province and Dongping, Shandong Province using the Group's two LNG bunkering barges. Yangzhou ENN completed bunkering for an LNG-fuelled ocean-going vessel of a Norway shipliner DSD Shipping in Zhangjiagang, making it the first bunkering for LNG-fuelled ocean-going vessel in China. In addition, 5 projects of the Group were included in the first 16 pilot projects for LNG application in water transportation announced by Ministry of Transport, establishing the Group as the dominant participant in the programme and demonstrating its leadership in LNG bunkering.

Vehicles using clean energy have become a ubiquitous trend amid the further efforts of the Chinese government to optimise energy structure and control pollution. Starting from this year, drivers in many cities are required to upgrade to National IV diesel oil and National V gasoline to reduce the emission, which will enhance the price advantage of natural gas. Moreover, under the Administrative Measures of Standardised Subsidies for River Vessels issued by Ministry of Finance in 2014, each newly-built LNG-fuelled vessel will be eligible for a subsidy ranging from RMB630,000 to RMB1,400,000 to fund most of the additional investment required in replacing a traditional diesel-fuelled vessel. The Group is convinced that the adoption of new LNG-fuelled vessels will foster. It will continue to collaborate with shipping companies, port authorities and provincial and municipal transportation departments to develop more LNG-fuelled vessels and prepare for the rapid growth of its LNG bunkering business.

Committed to develop downstream core businesses

During the Year, the Group announced to sell its LNG processing plants in Beihai, Qinshui and Ningxia in order to better allocate its resources and focus on expanding the downstream core businesses. Under the first state-owned enterprise reform project that introduces private capital, the Group also acquired an equity interest in Sinopec Marketing Company in order to strengthen the further cooperation between the two parties in clean energy sector. On the other hand, the Group acquired the refuelling station business in North America. Leveraging the region's abundant natural gas resources, huge market potential, the Group's solid experience in operating refuelling stations and outstanding execution ability, the Group can expand its geographical coverage, diversified its operational risks and created a new source of profit growth through the acquisitions. The Group also invested in the Shanghai Oil & Gas Exchange Centre. By investing in the national natural gas trading platform, the Group is able to keep abreast of first-hand market information, underpin its influence in the industry and drive the growth of energy trading business which can enhance its bottom line. At the same time, the Group took advantage of the global LNG price weakness and imported 60,000 tons of LNG for the first time, supplementing the gas supply of the Group's gas projects and LNG refuelling stations.

Mr. Wang Yusuo concluded, "In 2014, China promulgated a number of policies encouraging the use of clean energy and optimisation of energy structure, providing broad prospect for the sustainable development of natural gas industry. With the construction and operation of West-East Pipeline III, Shaanxi-Beijing Pipeline IV, China-Russia East Pipelines and more LNG import terminals, along with the acceleration of unconventional natural gas exploration and production, China's natural gas supply will become more diversified and adequate. The Group will import more LNG from overseas when appropriate and leverage its massive non-pipeline transportation system to provide effective support for its business expansion. Looking forward to 2015, in addition to the development of core businesses, such as C/I and residential gas connection and vehicle/ship refuelling business, the Group will also proactively promote the growth of natural gas distributed energy business, the sale of its "GREAT" branded gas appliances and the related business, and seize the business opportunities presented by over 10 million existing residential customer base so as to boost its profit. The Group is confident that innovation of business model and enhancement of operating efficiency will drive its rapid development and create higher returns for shareholders!"

(The End)

About ENN Energy Holdings Limited

ENN Energy is one of the largest 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/ship gas refuelling stations, wholesale of gas, the sales and distribution of piped gas and other energy, 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. The Group also operates vehicle/ship refuelling business in Europe and North America. As of 31 December 2014, the Group has 142 project cities in China in 16 provinces, municipalities and autonomous regions, namely Anhui, Beijing, Fujian, Guangdong, Guangxi, Hainan, Hebei, Henan, Hunan, Inner Mongolia, Jiangsu, Liaoning, Sichuan, Shandong, Yunnan and Zhejiang, covering a connectable urban population of over 65.38 million. The Group has an offshore gas project in Vietnam located in Ho Chi Minh, Hanoi and Danang, covering a connectable urban population of over 9 million. The Group's total coverage of connectable urban population in China and overseas reaches over 74.38 million.

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Financial and Operational Data for 2014 Annual Results

(As of 31 December)	2014	2013	+/-
Business Development			
No. of project cities (China projects)	142	134	8
Connectable urban population (China projects)	65,375,000	61,015,000	7.1%
Gas penetration rate (China projects)	48.7%	45.6%	3.1%
Revenue Analysis (RMB million)			
Gas connection	4,403	3,843	14.6%
Sales of piped gas	17,485	14,102	24.0%
Vehicle gas refuelling stations	3,849	3,085	24.8%
Wholesale of gas	2,898	1,551	86.8%
Sales of other energy (Bottled LPG)	54	61	-11.5%
Sales of gas appliances and material	398	324	22.8%
Percentage of Segment Income by Revenue (%)			
Gas connection	15.1	16.7	-1.6
Sales of piped gas	60.1	61.4	-1.3
Vehicle gas refuelling stations	13.2	13.4	-0.2
Wholesale of gas	10.0	6.8	3.2
Sales of other energy (Bottled LPG)	0.2	0.3	-0.1
Sales of gas appliances and material	1.4	1.4	0.0
Gas Infrastructure			
Total length of pipeline (km)	27,065	23,907	13.2%
Gas processing stations	149	137	12
-Daily capacity (m^3)	73,617,000	58,088,000	26.7%
Vehicle gas refuelling stations	527	448	79
New Connection of Piped Natural Gas			
Residential households (Households)	1,322,723	1,220,411	8.4%
Commercial/Industrial customers (“C/I”) (Sites)	8,660	7,700	960
Installed designed daily capacity for C/I (m^3)	8,317,243	8,045,922	3.4%
Accumulated Connection of Piped Gas (Incl. Natural Gas)			
Residential households (Households)	10,604,598	9,274,794	14.3%
C/I (Sites)	47,689	38,939	8,750
Installed designed daily capacity for C/I (m^3)	50,243,155	41,864,127	20.0%
Sales of Gas (million m^3)			
Total gas sales (incl. natural gas)	10,148	8,125	24.9%
Sales of natural gas	10,120	8,037	25.9%
-Residential	1,221	1,026	19.0%
-C/I	6,675	5,469	22.1%
-Wholesale of gas	804	370	117.3%
-Vehicle gas refuelling stations	1,419	1,172	21.1%