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# 新奧能源控股有限公司 ENN Energy Holdings Limited

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2688)**

## **INSIDE INFORMATION UPDATE ON PROPOSED REORGANISATION AT CONTROLLING SHAREHOLDER LEVEL**

This announcement is made by ENN Energy Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company respectively dated 30 August 2019 and 10 September 2019 (the “**Previous Announcements**”) in relation to, amongst others, the proposed transfer of shares in the Company (the “**Shares**”) by its controlling shareholder to a company listed on the Shanghai Stock Exchange as part of an intra-group restructuring (the “**Proposed Transfer**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Previous Announcements.

As disclosed in the Previous Announcements, EGII, the controlling shareholder of the Company, proposed to transfer all 369,175,534 Shares (representing approximately 32.80% of the Company’s total issued share capital as at the date of this announcement) (the “**Target Assets**”) held by it directly and indirectly to the Purchaser as part of an intra-group restructuring.

According to the announcement published by the Purchaser on 21 November 2019 (the “**Purchaser Announcement**”), the consideration for the Proposed Transfer will be RMB25,840,270,000, which was determined based on the valuation of the Target Assets as at 30 June 2019 performed by an independent valuer engaged by the Purchaser, and will be settled by the Purchaser to EGII as vendor by way of (i) swap of assets (100% equity interest in United Faith Ventures Limited, an indirect wholly-owned subsidiary of the Purchaser which indirectly holds 9.97% equity interest in a listed company in Australia named Santos Limited, amounting to RMB7,086,310,000); (ii) newly-issued shares of the Purchaser (amounting to RMB13,253,960,000); and (iii) RMB5,500,000,000 in cash.

In connection with the Proposed Transfer and in accordance with the relevant PRC regulatory requirements that the Purchaser is subject to, consolidated financial information of the Company and its subsidiaries for the two years ended 31 December 2017 and 2018 and the 6 months ended 30 June 2019 (the “**PRC GAAP Financial Information**”) have been prepared in accordance with the Generally Accepted Accounting Principles in the PRC (the “**PRC GAAP**”) and accounting policies consistent with those adopted by the Purchaser, which are different from the basis of preparation of the consolidated financial statements as included in the Company’s interim and annual reports previously published by the Company. As the users of the PRC GAAP Financial Information are PRC regulatory authorities and domestic investors, in order for such users to have a better understanding of the overall financial position and operating results of the Target Assets, the PRC GAAP Financial Information adopted accounting policies consistent with those adopted by the Purchaser and was audited by the PRC auditor engaged by the Purchaser. As a result, the scope of consolidation of the PRC GAAP Financial Information is different from that of the consolidated financial information for the corresponding periods previously published by the Company and the key operating data previously disclosed by the Company.

The PRC GAAP Financial Information was set out in the Purchaser Announcement and the key items of which are extracted as follows:

*Unit: RMB0’000*

	<b>As at 30 June 2019 / For the six months ended 30 June 2019</b>	<b>As at 31 December 2018 / For the year ended 31 December 2018</b>	<b>As at 31 December 2017 / For the year ended 31 December 2017</b>
<b>Balance sheet items</b>			
Total assets	7,807,763.96	7,586,506.17	6,412,501.30
Total liabilities	5,084,088.89	5,091,216.37	4,172,819.41
Owner's equity attributable to the parent company	2,107,766.35	1,898,555.23	1,731,534.42
Debt-to-asset ratio	65.12%	67.11%	65.07%
<b>Income statement items</b>			

Operating income	3,918,537.23	6,760,749.74	5,561,910.19
Operating profit	529,579.49	635,302.35	601,573.28
Total profit	532,899.22	631,113.34	599,233.55
Net profit attributable to the parent company	336,865.58	284,949.23	297,507.67
Net profit attributable to the parent company after deducting non-recurring gain and loss	243,004.17	360,616.26	332,918.27

**Shareholders and potential investors of the Company should note that the PRC GAAP Financial Information is different from the consolidated financial information for the corresponding periods previously published by the Company. As such, Shareholders and potential investors of the Company are hereby reminded of the risks which may result from inappropriate reliance upon the PRC GAAP Financial Information.**

For further details of the Proposed Transfer, please refer to the Purchaser Announcement on the website of the Shanghai Stock Exchange at [www.sse.com.cn](http://www.sse.com.cn).

As disclosed in the Purchaser Announcement, the Proposed Transfer is still subject to the approval by the shareholders' meeting of the Purchaser and certain PRC regulatory approvals and/or filings. The Company will, if necessary, make further announcement(s) on the progress of the Proposed Transfer as and when appropriate in accordance with the Listing Rules.

**Shareholders and potential investors of the Company should note that it is uncertain as to whether and how the Proposed Transfer will proceed and are therefore reminded to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**ENN ENERGY HOLDINGS LIMITED**  
**LIANG Hongyu**  
*Company Secretary*

Hong Kong, 21 November 2019

*As at the date of this announcement, the board of the Company comprises the following directors:*

*Executive Directors:*

*Mr. Wang Yusuo (Chairman)*

*Mr. Cheung Yip Sang (Vice Chairman)*

*Mr. Wang Zizheng (Executive Chairman)*  
*Mr. Han Jishen (Chief Executive Officer)*  
*Mr. Liu Min (President)*  
*Mr. Wang Dongzhi*

*Independent Non-executive Directors:*

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