



Energy Transfer and ENN Sign 20-Year LNG Sale and Purchase Agreements for Lake Charles LNG

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DALLAS & LANGFANG, China--(BUSINESS WIRE)--Mar. 29, 2022-- Energy Transfer LP (NYSE: ET), ENN Natural Gas (ENN NG 600803.SH) and ENN Energy Holdings Limited (ENN Energy 2688.HK) today announced that ENN NG and ENN Energy have entered into LNG Sale and Purchase Agreements with Energy Transfer LNG Export, LLC (ET LNG), a subsidiary of Energy Transfer LP, related to its Lake Charles LNG project.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20220328005955/en/>

Under the two SPAs, ET LNG is expected to supply 1.8 million tonnes of LNG to ENN NG, and 0.9 million tonnes of LNG to ENN Energy, per annum on a free-on-board (FOB) basis. The purchase price is indexed to the Henry Hub benchmark plus a fixed liquefaction charge. Both SPAs are for a term of 20 years, and first deliveries are expected to commence as early as 2026. The SPAs will become fully effective upon the satisfaction of the conditions precedent by ET LNG, including reaching FID.

"The signing of these long-term SPAs will further enrich ENN's LNG resources, expand resource supply channels, and improve ENN's natural gas supply capacity to meet the rapidly growing natural gas demand in the domestic market," said Zheng Hongtao, President of ENN NG and Vice Chairman of the Board of Directors of ENN Energy Holdings. "It also provides our customers with better resources and services, ensures natural gas supply nationwide, and contributes to the low-carbon transformation of energy structure."

"We are very pleased to have ENN as a customer. The execution of these two SPAs represents a significant event in moving the Lake Charles LNG project towards FID. We are experiencing strong demand for long-term offtake contracts for Lake Charles LNG and we are optimistic that we will be in a position to take a positive FID by year end," said Tom Mason, President of ET LNG. "The Lake Charles LNG project is expected to be financed primarily through infrastructure funds and strategic partners, with Lake Charles LNG retaining an equity stake and operatorship of the liquefaction facility."

Energy Transfer is one of the largest and most diversified midstream energy companies in North America, with a strategic footprint in all of the major U.S. production basins. The core operations include complementary natural gas midstream, intrastate and interstate transportation and storage assets; crude oil, natural gas liquids (NGL) and refined product transportation and terminalling assets; and NGL fractionation. The company owns and operates approximately 120,000 miles of pipelines and associated energy infrastructure across 41 states transporting approximately 30% of the United States' oil and natural gas.

Lake Charles LNG will be constructed on the existing brownfield regasification facility and will capitalize on four existing LNG storage tanks, two deep water berths and other LNG infrastructure. Lake Charles LNG will also benefit from its direct connection to Energy Transfer's existing Trunkline pipeline system that in turn provides connections to multiple intrastate and interstate pipelines. These pipelines allow access to multiple natural gas producing basins, including the Haynesville, the Permian and the Marcellus Shale.

ENN NG has an annual LNG distribution capacity of over 10 bcm and runs the first large-scale private LNG terminal in China -- Zhoushan LNG Terminal. Its business layout covers the entire natural gas value chain, including distribution, trading, storage and transportation, and production and engineering.

Relying on industry best practices, ENN NG has built an intelligent operation platform for the natural gas industry -- GreatGas.cn, which accelerates the aggregation of demand, resources, reserves, and delivery ecology of the natural gas industry. It also innovates and develops digital intelligence services, and promotes the digital intelligence upgrade of the natural gas industry. In 2021, ENN NG's total natural gas sales volume was 37.2 bcm, accounting for approximately 10% of China's total natural gas consumption.

About Energy Transfer

Energy Transfer LP (NYSE: ET) owns and operates one of the largest and most diversified portfolios of energy assets in North America, with a strategic footprint in all of the major U.S. production basins. Energy Transfer is a publicly traded limited partnership with core operations that include complementary natural gas midstream, intrastate and interstate transportation and storage assets; crude oil, natural gas liquids (NGL) and refined product transportation and terminalling assets; and NGL fractionation. Energy Transfer also owns Lake Charles LNG Company, as well as the general partner interests, the incentive distribution rights and 28.5 million common units of Sunoco LP (NYSE: SUN), and the general partner interests and 46.1 million common units of USA Compression Partners, LP (NYSE: USAC). For more information, visit the Energy Transfer LP website at energytransfer.com.

About ENN Natural Gas

As one of the largest independent energy companies in China, ENN Natural Gas's business layout covers the full natural gas value chain, from downstream distribution, to midstream transportation and storage, and upstream production and procurement. As of 31 December 2021, through its subsidiary, ENN Energy Holdings Limited, one of the largest natural gas distributors in China, ENN Natural Gas owns 252 city-gas projects in China, serving a population of 124 million. ENN Natural Gas owns and operates Zhoushan LNG Terminal in Zhejiang Province, China. During 2021, ENN Natural Gas's total natural gas sales volume was 37.2 bcm, accounting for about 10% of China's total consumption.

Forward Looking Statements

This press release may include certain statements concerning expectations for the future that are forward-looking statements as defined by federal law. Such forward-looking statements are subject to a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and many of which are beyond management's control. An extensive list of factors that can affect future results are discussed in the Partnership's Annual Report on Form 10-K and other documents filed from time to time with the Securities and Exchange Commission. In addition to the risks and

uncertainties previously disclosed, the Partnership has also been, or may in the future be, impacted by new or heightened risks related to the COVID-19 pandemic, and we cannot predict the length and ultimate impact of those risks. The Partnership undertakes no obligation to update or revise any forward-looking statement to reflect new information or events.

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