June 26, 2023

Cheniere and ENN Sign Long-Term LNG Sale and Purchase Agreement

20-plus Year SPA Expected to Support Sabine Pass Expansion Project

HOUSTON--(BUSINESS WIRE)-- Cheniere Energy, Inc. (“Cheniere” or the “Company”) (NYSE American: LNG) announced today that Cheniere’s subsidiary, Cheniere Marketing, LLC (“Cheniere Marketing”), has entered into a long-term liquefied natural gas (“LNG”) sale and purchase agreement (“SPA”) with ENN LNG (Singapore) Pte. Ltd. (“ENN”), a wholly-owned subsidiary of ENN Natural Gas Co., Ltd. (“ENN Natural Gas”).

Under the SPA, ENN has agreed to purchase approximately 1.8 million tonnes per annum (“mtpa”) of LNG from Cheniere Marketing on a free-on-board (“FOB”) basis for a purchase price indexed to the Henry Hub price, plus a fixed liquefaction fee. Deliveries will commence in mid-2026, ramping to 0.9 mtpa in 2027. Delivery of the remaining 0.9 mtpa, which is subject to, among other things, a positive Final Investment Decision with respect to the first train (“Train Seven”) of the Sabine Pass Liquefaction Expansion Project (“SPL Expansion Project”), will commence upon the start of commercial operations of Train Seven. The term of the SPA extends until the 20th anniversary of the start of commercial operations of Train Seven.

“We are pleased to build upon our existing long-term relationship with ENN, a leader in China’s rapidly growing natural gas industry, with this 20-plus year agreement signed today,” said Jack Fusco, Cheniere’s President and Chief Executive Officer. “This SPA further supports China’s structural shift to natural gas as a growing primary energy source, powering its economy while enabling improved environmental performance with flexible, reliable and cleaner LNG. This SPA accelerates Cheniere’s commercial momentum on the SPL Expansion Project, demonstrating the market’s need for additional LNG capacity, and the value of Cheniere’s unique capability to tailor long-term solutions for customers worldwide.”

This is the second long-term SPA signed between ENN and Cheniere Marketing. The long-term SPA signed in October 2021 initiated the first cooperation between two parties in the LNG business.

Wang, Yusuo, Chairman of the Board of ENN Natural Gas said, “At present, China is moving forward with the implementation of ‘carbon peaking & carbon neutrality,’ further accelerating the energy transformation, and China’s natural gas market is full of potential. As a leading global LNG supplier, Cheniere’s stable LNG production and supply capacity are highly compatible with China’s fast growing natural gas market. The signing of this long-term SPA marks another milestone in the establishment of good strategic cooperation between two parties, contributes to ENN Natural Gas’ establishment of an intelligent ecological operator in the field, provides customers with quality services and resources, and promotes the low-carbon transformation and upgrade of all industries.”
The SPL Expansion Project is being developed to include up to three natural gas liquefaction trains with an expected total production capacity of approximately 20 mtpa of LNG. In May 2023, certain subsidiaries of Cheniere Energy Partners, L.P. (NYSE American: CQP) entered the pre-filing review process with respect to the SPL Expansion Project with the Federal Energy Regulatory Commission under the National Environmental Policy Act.

About Cheniere

Cheniere Energy, Inc. is the leading producer and exporter of LNG in the United States, reliably providing a clean, secure, and affordable solution to the growing global need for natural gas. Cheniere is a full-service LNG provider, with capabilities that include gas procurement and transportation, liquefaction, vessel chartering, and LNG delivery. Cheniere has one of the largest liquefaction platforms in the world, consisting of the Sabine Pass and Corpus Christi liquefaction facilities on the U.S. Gulf Coast, with total production capacity of approximately 45 mtpa of LNG in operation and an additional 10+ mtpa of expected production capacity under construction. Cheniere is also pursuing liquefaction expansion opportunities and other projects along the LNG value chain. Cheniere is headquartered in Houston, Texas, and has additional offices in London, Singapore, Beijing, Tokyo, and Washington, D.C.

For additional information, please refer to the Cheniere website at www.cheniere.com and Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, filed with the Securities and Exchange Commission.

About ENN Natural Gas

As one of the largest private energy companies in China, ENN Natural Gas Co., Ltd. (ENN Natural Gas, stock code 600803.SH) operates over 250 city gas projects nationwide, has annual LNG distribution capacity over 10 bcm, runs the first large-scale private LNG terminal in China – ENN Zhoushan LNG Receiving Terminal. Its business layout covers the entire natural gas value chain, including distribution, trading, storage and transportation, production and engineering. Based upon the innovation practices in the field, ENN Natural Gas has built an intelligent operation platform for natural gas industry. It accelerates the aggregation of demand, resources, reserves, and delivery ecology of the natural gas industry, innovates and develops digital intelligence services, promotes the digital intelligence upgrade of the natural gas industry. In 2022, ENN Natural Gas’s total natural gas sales volume was 36.2 bcm, accounting approximately 10% of China’s total natural gas consumption.

Forward-Looking Statements

This press release contains certain statements that may include “forward-looking statements” within the meanings of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical or present facts or conditions, included herein are “forward-looking statements.” Included among “forward-looking statements” are, among other things, (i) statements regarding Cheniere’s financial and operational guidance, business strategy, plans and objectives, including the development, construction and operation of liquefaction facilities, (ii) statements regarding regulatory authorization and approval expectations, (iii) statements expressing beliefs and expectations regarding the development of Cheniere’s LNG terminal and pipeline businesses, including liquefaction facilities, (iv) statements regarding the
business operations and prospects of third-parties, (v) statements regarding potential financing arrangements, (vi) statements regarding future discussions and entry into contracts, and (vii) statements relating to Cheniere’s capital deployment, including intent, ability, extent, and timing of capital expenditures, debt repayment, dividends, share repurchases and execution on the capital allocation plan. Although Cheniere believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Cheniere’s actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in Cheniere’s periodic reports that are filed with and available from the Securities and Exchange Commission. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Other than as required under the securities laws, Cheniere does not assume a duty to update these forward-looking statements.

View source version on businesswire.com:

Cheniere Energy, Inc.

Investors
Randy Bhatia 713-375-5479
Frances Smith 713-375-5753

Media Relations
Eben Burnham-Snyder 713-375-5764

Source: Cheniere Energy, Inc.