



北京控股有限公司
BEIJING ENTERPRISES HOLDINGS LIMITED

(Stock Code: 0392.HK)

BEIJING ENTERPRISES HOLDINGS ANNOUNCES 2018 ANNUAL RESULTS

Revenue Increases by 17.8%

Profit attributable to shareholders of the Company Increases by 10.13%

Basic and diluted earnings per share Increases by 10.1%

**Strive to Promote the Intelligence Energy Construction and
Build a New Ecosystem for Energy Network Development.**

Financial summary

	<i>For the year ended December 31</i>		<i>Changes</i>
	<i>2018 (HKD billion)</i>	<i>2017 (HKD billion)</i>	
Revenue	67.76	57.51	+17.8%
Profit attributable to shareholders of the Company	7.58	6.88	+10.13%
Basic and diluted earnings per share	6HKD	5.45HKD	+10.1%

(Hong Kong, 28 March 2019) The Board of Directors (the “Board”) of **Beijing Enterprises Holdings Limited** (“Beijing Enterprises” or the “Company”, Stock Code: 0392.HK) is pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2018 (the “Period”), together with the comparative figures for the previous year.

The revenue of the Group of 2018 was HK\$67.76 billion, representing an increase of 17.8% as compared to last year. Profit attributable to shareholders of the Company was HK\$7.58 billion, representing an increase of 10.13% as compared to last year. A final dividend of HK73 cents per share is proposed for 2018. In 2018, the Group achieved outstanding performance in the four segments of natural gas business, beer business, water and environmental business and solid waste treatment business.

Natural Gas Distribution Business of Beijing Gas

Beijing Gas Group Company Limited (“Beijing Gas”) recorded a revenue of HK\$48.65 billion in 2018, representing a year-on-year increase of 22.0%. As affected by several factors such as increase in power plant gas consumption, increase in the usage of boilers and rural “coal to gas” conversion projects, the gas sales volume reached 16.83 billion cubic meters for the year, representing a year-on-year increase of 15.4%. In 2018, Beijing Gas developed 190,000 new household subscribers and 8,611 new public sector subscribers. New heating boiler subscribers with a capacity of 5,241 t/h were developed. As at 31 December 2018, Beijing Gas had a total of approximately 6.18 million piped gas subscribers in Beijing and approximately 23,500 kilometers of natural gas pipelines in operation.

In 2018, Beijing Gas steadily propelled the strategic business in the mid-stream market and actively facilitated the investment and construction of Tangshan LNG storage tank phase II project. As for the downstream market, Beijing Gas continued to promote the blue-sky protection tasks and completed the conversion of “coal to gas” development of about 24,600 households in 57 villages. Meanwhile, Beijing Gas also accelerated the investment and construction of intelligence gas project of Beijing sub-center, and rooted the concept of comprehensive energy services and intelligence gas in the energy construction system of Xiong’an New District, thereby laying a foundation for participating in the construction of the New District. In the markets outside Beijing, Beijing Gas successfully acquired 60% controlling interests in Tangshan Natural Gas Company and successfully acquired interests in the inter-provincial pipeline network construction project in Heilongjiang.

Natural Gas Transmission Business

PetroChina Beijing Gas Pipeline Co., Ltd. (“PetroChina Beijing Pipeline Co.”) recorded a gas transmission volume of 49.4 billion cubic meters in 2018, representing a year-on-year growth of 27.9%. As a result of the adjustment of the inter-provincial natural gas pipeline transmission pricing method effective from 1 September 2017, Beijing Gas’s share of net profit after taxation, through its 40% equity interests in PetroChina Beijing Pipeline Co., decreased by 26.6% to HK\$1.67 billion.

VCNG of Rosneft

The PJSC Verkhnechonskneftegaz (“VCNG”) project of Rosneft Oil Company has become a new source of profit for the Group since the second half of 2017. VCNG achieved its petroleum sales of 8.18 million tons in 2018. Beijing Gas shared a net profit after tax of HK\$1.41 billion through its 20% equity interest in VCNG.

China Gas

In 2018, China Gas Holdings Limited (“China Gas”, stock code: 0384.HK) achieved a profit attributable to the Group of HK\$1.7 billion, representing a year-on-year increase of 22.1%. During the six months ended 30 September 2018, China Gas achieved a sales volume of 10.98 billion cubic meters in natural gas, representing a year-on-year increase of 33.1%. Approximately 2.535 million households were newly connected and the cumulative number of households connected reached 27.105 million as at 30 September 2018.

Beer Business

In 2018, as affected by continuous industry adjustments and sustained heavy rains in southern area in summer, Beijing Yanjing Brewery Co., Ltd. (“Yanjing Beer”) still actively tackled the operating pressure it faced, adapted itself to consumption upgrading, expanded business thinkings, therefore maintaining a stable and healthy development. Meanwhile, Yanjing Beer continued to optimize its product structure, with structural price increases for its leading products during the year. In conforming to the new consumption trend, it expanded the supply of personalized high-end products, with the profitability of sales per ton enhanced. Yanjing Beer recorded a sales volume of 3.92 million kilolitres, of which, the sales volume of Yanjing main brand was 2.73 million kilolitres, sales volume of “1+3” brand was 3.65 million kilolitres. The revenue that Yanjing Beer recorded was HK\$12.37 billion during the year and its profit before tax was HK\$410 million.

Water and Environmental Business

In 2018, Beijing Enterprises Water Group Limited (“BE Water”, stock code: 0371.HK), under the strategic goal of “building a dual platform of asset management and operation management”, it continued to expand and strengthen the two core businesses of urban water services and water

environment comprehensive management. BE Water actively studied and implemented the asset-light operation model of water environment projects to improve the investment quality and efficiency of its own funds.

This company's operating revenue increased by 16.1% to HK\$24.6 billion because of operating income increase from integrated treatment projects and water treatment services, and profit attributable to shareholders increased by 20% to HK\$ 4.47 billion. The net profit attributable to the Group was HK\$1.9 billion, a year-on-year increase of 17.4%. As at 31 December 2018, BE Water already participated in 937 water plants which are or will be in operation, including 771 sewage treatment plants, 139 water distribution plants, 25 reclaimed water plants and 2 seawater desalination plants, with a total designed capacity of 36.82 million tons/day. The net increase in daily designed capacity for the year was 5.437 million tons/day.

Solid Waste Treatment Business

At the end of 2018, the solid waste treatment business segment of the Group had realized a waste incineration and power generation integrated treatment capacity of 25,288 tons/day and hazardous waste treatment capacity of 115,000 tons/year. During the year, EEW Energy from Waste GmbH ("EEW GmbH") achieved an operating revenue of HK\$5.12 billion, representing a year-on-year increase of 6.6%. Beijing Enterprises Environment Group Limited ("BE Environment", stock code: 0154.HK) and Beijing Enterprises Holdings Environment Technology Co., Ltd ("BEHET") together achieved a total operating revenue of HK\$1.52 billion and profit attributable to shareholders of the Group of HK\$158 million.

In 2018, EEW GmbH accomplished a waste treatment volume of 4.705 million tons, sales of electricity of 1.699 billion KWH, sales of heat of 775 million KWH and sales of steam of 1.875 billion KWH. Regular technical application and operation management connection with EEW GmbH were carried out for domestic projects to improve the quality of project operation and construction services. The domestic solid waste treatment business of the Group in China completed a waste treatment volume of 4.19 million tons. It accomplished an on-grid power generation volume of 1.11 billion KWH. The most representative Haidian project of BEHET was formally entered the commercial operation phase in late August 2018, and began to contribute stable operating profit for the Group during the year.

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About Beijing Enterprises Holdings Limited (0392.HK)

Beijing Enterprises Holdings Limited ("BEHL") is the largest investment and financing flagship enterprise of the Beijing Municipal Government for channeling capital, technology and management expertise from international markets into Beijing's development priorities. After a series of reforms including reorganization, transformation and resources integration, BEHL has successfully transformed itself into an integrated public utilities operator with focus on gas, water and environment, solid waste treatment and beer business.

As of 31 December 2018, the core assets held by BEHL include: 100% interest in Beijing Gas Group Company Limited (the largest integrated citywide natural gas distributor in the PRC); 24.40% interest in China Gas Holdings Limited (0384.HK); 57.40% interest in the A Share listed Beijing Yanjing Brewery Co., Ltd. (000729.SZ) held through BEHL's 79.77%-held entity Beijing Yanjing Brewery Investment Co., Ltd.; 42.43% interest in Beijing Enterprises Water Group Limited (0371.HK) which is BEHL's major vehicle for investing in the water projects in mainland China; 50.40% interest in Beijing Enterprises Environment Group Limited (0154.HK) which is developing into a flagship company in solid waste treatment industry in the PRC, and 100% interest in EEW Energy from Waste GmbH which is the leading European waste to energy company with headquarter in Germany.

Further information about BEHL can be found at www.behl.com.hk.

This press release is issued by **Wonderful Sky Financial Group Limited** on behalf of Beijing Enterprises Holdings Limited.

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