



**北京控股有限公司**  
BEIJING ENTERPRISES HOLDINGS LIMITED

(Stock code: 0392.HK)

**Beijing Enterprises Holdings Limited Announces 2019 Annual Results**  
**Stable Revenue, Increase of Profit Attributable to Shareholders by 6.3%**  
**Continuous Promotion of All businesses, Improvement of Development Quality**

*Financial Highlights*

	For the year ended 31 December		Change
	2019 (HK\$ millions)	2018 (HK\$ millions)	
<b>Revenue</b>	67,783	67,765	+0.03%
<b>EBITDA</b>	15,950	15,023	+6.2%
<b>Profit attributable to shareholders of the Company</b>	8,055	7,577	+6.3%
<b>Basic and diluted earnings per share</b>	HK\$6.38	HK\$6.00	+6.3%

(31 March 2020 — Hong Kong) The Board of Directors of Beijing Enterprises Holdings Limited ("BEHL" or the "Company", stock code: 0392.HK) is pleased to present the consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2019 (the "Reporting Period"), together with the comparative figures for the previous year.

During the Reporting Period, the revenue of the Group was approximately HK\$67.78 billion, 0.03% more than last year. EBITDA amounted to approximately HK\$15.95 billion, representing a year-on-year (YOY) increase of 6.2%. Profit attributable to shareholders of the Company was approximately HK\$8.05 billion, representing a YOY increase of 6.3%. Basic and diluted earnings per share amounted to HK\$6.38. A final dividend of HK74 cents per share is proposed for 2019.

**Natural Gas Distribution Business of Beijing Gas**

Beijing Gas Group Company Limited ("Beijing Gas") recorded a revenue of HK\$47.52 billion in 2019, representing a YOY decrease of 2.3%. Profit before taxation from principal businesses (including natural gas distribution business, natural gas transmission business and VCNG of Rosneft) was HK\$ 5.44 billion, representing a YOY decrease of 5.2%. The decrease in both revenue and profit before taxation was mainly due to the depreciation of the

Renminbi against Hong Kong dollars by 4.5% on average from the previous year. Beijing Gas accomplished an aggregate gas sales volume of 17.28 billion cubic meters after combining with that of the subsidiaries outside Beijing, up by 3.3% over the past year. The gas sales volume accomplished inside Beijing was 16.61 billion cubic metres, representing a YOY decrease of 1.3 %, which was mainly due to the relatively warm temperature in winter. In 2019, Beijing Gas developed 142,000 new household subscribers and 7,174 new public sector subscribers. New heating boiler subscribers with a total capacity of 3,029 t/h were developed. At the end of the Reporting Period, Beijing Gas had a total of over 6.33 million piped gas subscribers in Beijing and approximately 23,800 kilometres of natural gas pipelines in operation. Beijing Gas's capital expenditure for the year amounted to approximately HK\$2.73 billion.

Beijing Gas accelerated the construction of its major projects in 2019, including the facilitation of the LNG emergency reserve project in Tianjin Nangang and the Tangshan LNG storage tank phase II project, so as to further improve its ability in assuring the stable supply of natural gas for the capital city. In addition, Beijing Gas devoted enormous resources to the markets in Beijing and strengthened its leading position in natural gas supply in the region through equity acquisitions. It also strived to establish a value-added business system gradually to enrich the sales mix of its own products, such as wall-hung boilers and gas water heaters, so as to expand the service scope. At the same time, Beijing Gas constantly improved its service quality and operational management, and continued to reduce the wastage rate.

### **Natural Gas Transmission Business**

In 2019, PetroChina Beijing Gas Pipeline Co., Ltd. ("PetroChina Beijing Pipeline Co.") implemented enhanced safety management proactively, accelerated interconnected project constructions, and maintained secured and stable pipeline operations, so as to achieve the "dual-improvement" in gas transmission volume and efficiency. PetroChina Beijing Pipeline Co. recorded a gas transmission volume of 51.85 billion cubic metres during the year, representing YOY growth of 4.97%. Beijing Gas's share of net profit after taxation, through its 40% of the equity in PetroChina Beijing Pipeline Co., increased by 10.8% to HK\$ 1.86 billion. The total capital expenditure of PetroChina Beijing Pipeline Co. for the year was HK\$ 3.79 billion.

### **VCNG of Rosneft**

The PJSC Verkhnechonskneftegaz ("VCNG") project of Rosneft Oil Company achieved its petroleum sales of approximately 7.77 million tons in 2019. Beijing Gas shared a net operating profit after taxation of HK\$ 1.21 billion through its 20% of the equity in VCNG, representing a YoY decrease of 10.6%, which was mainly due to the impact of oil price fluctuations.

### **China Gas**

China Gas Holdings Limited ("China Gas", stock code: 384) achieved a profit attributable to the Group of HK\$2.12 billion in 2019, representing a YoY increase of 24.8%. During the six months ended 30 September 2019, China Gas achieved a sales volume of 11.84 billion cubic metres in natural gas, a YoY increase of 7.8%. It achieved a sales volume of 1.97 million tons in LPG, growing by 0.5% YoY. Approximately 2.93 million households were newly connected, and the cumulative number of households connected reached 32.61 million as at 30 September 2019.

## **Beer Business**

In 2019, the beer market consumption in China remained weak due to sluggish economic recovery as well as the adverse effect of rainy summer in Southern China. Beijing Yanjing Brewery Co., Ltd. ("Yanjing Brewery") continued to facilitate its adjustments on product structure, and developed and promoted new products, such as Yanjing U8 (燕京 U8), to expand the supply of personalised high-end products. It explored pilot marketing by integrating the online and offline channels and developed new models for its online customised marketing to create new retail marketing means. In 2019, Yanjing Brewery recorded a sales volume of 3.81 million kilolitres, wherein the sales volume of Yanjing main brand was 2.48 million kilolitres, while that of "1+3" brand was 3.51 million kilolitres. The revenue that Yanjing Brewery recorded was HK\$11.83 billion during the year with its profit before taxation of HK\$407 million. The capital expenditure of Yanjing Brewery for the year was approximately HK\$650 million.

## **Water and Environmental Business**

By adhering to the strategic goal of "building a dual platform of asset management and operation management", Beijing Enterprises Water Group Limited ("BE Water", stock code: 371) implemented its transformation to become an asset-light enterprise, and devoted enormous resources in three professional directions, namely "investment, construction and operations", to ensure the continuous improvement of operating fundamentals. During the year, BE Water and Three Gorges Corporation entered into an agreement to deepen the cooperation and jointly awarded the Yueyang Project tender to launch a pilot project of urban dual platform cooperation model and participate in the formation of an RMB100 billion-security fund for Yangtze River. BE Water's operating revenue in 2019 increased by 15% to HK\$28.19 billion due to the increase in operating income from its integrated treatment projects and water treatment services. And profit attributable to its shareholders increased by 10% to HK\$4.93 billion. The net profit attributable to the Group was HK\$2.03 billion, a YOY increase of 6.8%.

As at 31 December 2019, BE Water already participated in 1,252 water plants which are or will be in operation, including 1,058 sewage treatment plants, 162 water distribution plants, 30 reclaimed water plants and two seawater desalination plants, with a total design capacity of 39.39 million tons/day. The net increase in the daily design capacity for the year was 2.564 million tons/day.

## **Solid Waste Treatment Business**

At the end of the Reporting Period, the solid waste treatment business segment of the Group recorded an integrated treatment capacity of waste incineration and power generation of 26,932 tons/day and a hazardous waste treatment capacity of 115,000 tons/year. During the year, EEW Energy from Waste GmbH ("EEW GmbH") achieved operating revenue of HK\$5.32 billion, representing a YOY increase of 3.9%. Beijing Enterprises Environment Group Limited ("BE Environment", stock code: 154) and Beijing Enterprises Holdings Environment Technology Co., Ltd. ("BEHET") together achieved a total revenue of HK\$1.64 billion. Their profit attributable to shareholders of the Group amounted to approximately HK\$100 million. The capital expenditure of solid waste-related businesses (both domestically and overseas) for the year amounted to approximately HK\$ 2.37 billion.

In 2019, EEW GmbH accomplished a waste treatment volume of 4.717 million tons, sales of electricity of 1.773 billion KWH, sales of heat of 790 million KWH and sales of steam of

2.176 billion KWH. The domestic solid waste treatment business of the Group achieved a waste treatment volume of 4.26 million tons and accomplished an on-grid power generation volume of 1.22 billion KWH. With the gradual advancement of technological transformation and project expansion for a batch of domestic projects in responding to new environmental protection and emission standards, the waste incineration power generation treatment capacity of the Group will also boost up constantly, so as to lay the foundation for sustainable operation returns.

### **Material Capital Operation**

In 2019, the Group invested HK\$550 million to subscribe for the private placement of shares of BE Water together with Three Gorges Corporation at the same price, in support of BE Water's placement financing of approximately HK\$2.57 billion and its strategic cooperation with Three Gorges Corporation of protecting the Yangtze River, which once again demonstrated the Group's confidence in water industry development to the capital market.

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### **About Beijing Enterprises Holdings Limited (0392.HK)**

Beijing Enterprises Holdings Limited ("BEHL") is the largest flagship company for overseas investment and financing of the People's Government of Beijing Municipality. It is designated to attract capital, technology, and management knowledge from the international market to support the priority projects in Beijing. After reforms like reorganisation, transition, and resources integration, BEHL successfully transformed into an integrated public utility company with core businesses covering city gas, water treatment, solid waste treatment, and beer.

As at 31 December 2019, its core assets included: 100% of the equity in Beijing Gas Group Company Limited, China's largest integrated city gas company; 23.72% of the equity in China Gas Holdings Limited (0384.HK); 57.40% of the equity in the A-Share listed company, Beijing Yanjing Brewery Co., Ltd. (000729.SZ), through 79.77% of the equity in Beijing Yanjing Beer Investment Co., Ltd.; 41.13% of the equity in Beijing Enterprises Water Group Limited (0371.HK) which is deemed as a major platform to invest in water projects in Mainland China; 50.40% of the equity in Beijing Enterprises Environment Group Limited (0154.HK) committed to becoming a flagship company in the solid waste treatment industry; and 100% of the equity in EEW Energy from Waste GmbH, a leading European waste recycling company headquartered in Germany.

For more information, please visit <http://www.behl.com.hk>.

This news is released by Wonderful Sky Financial Group Holdings Limited on behalf of Beijing Enterprises Holdings Limited. For more information:

### **Wonderful Sky Financial Group Holdings Limited**

Haley Li/Jocelyn Yiu

Tel: (852) 3970 2132/ (852) 3970 2159

Email: [behl@wsfg.hk](mailto:behl@wsfg.hk)