



**北京控股有限公司**  
BEIJING ENTERPRISES HOLDINGS LIMITED  
(Stock code: 0392.HK)

**Beijing Enterprises Holdings Limited Announces 2021 Annual Results  
Steady Growth in Main Business  
Exploring a New Pattern of High-quality Development**

*Financial Highlights*

	For the Twelve Months Ended December 31		Change
	2021 (HK\$ Million)	2020 (HK\$ Million)	
Revenue	80,435	68,407	+17.6%
Profit Attributable to Shareholders of the Company	9,919	5,287	+87.6%
Profit Attributable to Shareholders (After Excluding the Effect of One-off Event)	8,622	7,589	+13.6%
Basic Earnings Per Share	HK\$7.86	HK\$4.19	+87.6%
Annual Dividend	HK\$1.25	HK\$1.14	+9.7%

(31 March 2022 — Hong Kong) The Board of Directors of **Beijing Enterprises Holdings Limited** (“BEHL” or the “Company”, stock code: 0392.HK) hereby present the consolidated results of the Company and its subsidiaries (collectively the “Group”) for the twelve months ended 31 December 2021 (the “Reporting Period”), together with the comparative figures in 2020.

In 2021 (the “Reporting Period”), the global situation of the novel coronavirus (COVID-19) epidemic was volatile. While facing economic development pressure, under the strategy of full implementation of new development thinkings and acceleration of constructing a new development layout, the overall economic development and epidemic control in China remained stable and the fundamentals continued to show stable growth. The Group coordinated the epidemic prevention and control and enterprise management and development, with determination to conduct reform, innovation and upgrade, its corporate operating results recorded a sound growth.

During the Reporting Period, the Group's revenue in 2021 was approximately HK\$80.44 billion, increased by 17.6% when compared with the corresponding period of last year, which was mainly due to the benefits brought by the easing of COVID-19 epidemic. The revenue of gas sales was HK\$58.09 billion, up 19.7% year-on-year. The revenue of beer sales was HK\$12.84billion. The revenue of the solid waste treatment and environment protection businesses was HK\$9.5billion. Profit attributable to shareholders of the Company in 2021 amounted to HK\$9.92billion, representing an increase of 87.6% over the corresponding period of last year. After excluding the effect of a one-off event for the period, profit attributable to shareholders of the Company amounted to HK\$8.62billion, representing an increase of 13.6% over the corresponding period of last year. Basic earnings per share attributable to shareholders of the Company amounted to HK\$7.86, representing a year-on-year increase of 87.6%.

### **Natural Gas Distribution Business of Beijing Gas**

Beijing Gas Group Company Limited ("Beijing Gas") recorded a revenue of HK\$58.09billion in 2021, representing a year-on-year increase of 19.7%. Profit before taxation from the principal businesses (including natural gas distribution business, natural gas transmission business and VCNG of Rosneft) was HK\$5.61 billion, representing a year-on-year increase of 24.2%. Beijing Gas accomplished an aggregate gas sales volume of HK\$18.9 billion cubic meters during the year, after combining with the subsidiaries outside Beijing, representing a year-on-year increase of 5%. Affected by the combining factors such as temperature, increasing demand and market expansion, the natural gas sales volume accomplished inside Beijing increased by 2.2% year-on-year to 16.935 billion cubic meters. An analysis of the same by subscriber sector is shown as follows: Gas power plants (47.7%), heating and cooling (23.4%), households and others (24.6%), public sector (3.6%) and industrial (0.7%).

During the Report Period, Beijing Gas developed approximately 174,600 new household subscribers and 6,961 new business sector subscribers. New heating boiler subscribers with a total capacity of 3,139 t/h were developed. As of 31 December 2021, Beijing Gas had a total of approximately 6.84 million piped gas subscribers in Beijing and approximately 26,900 kilometers of natural gas pipelines in operation. Beijing Gas' capital expenditure for the year amounted to approximately HK\$7.19 billion.

Beijing Gas steadily promoted its Beijing-Tianjin-Hebei market layout in 2021 and its city gas business recorded continuous growth. Beijing Gas' LNG business realised a sound development, with procurement and sales system becoming increasingly matured. During the year, it conducted competitive negotiations on international long-term LNG resource procurement and made a new breakthrough in international trade capacity. The key fundamental projects moved forward smoothly with Tianjin Nangang project completed its construction task for the year and Tangshan

LNG terminal project was put into operation. The value-added business recorded a rapid growth. By focusing on improving the safety of users in consuming gas, it enriched the supply, production, sales and service system gradually under the “product + service” business model, so as to propel the coordinated development of derived business and principal business. It actively promoted integrated energy projects in Xiongan and Huairou, and new energy projects such as distributed photovoltaics and geothermal energy also made new progresses.

### **Natural Gas Transmission Business**

In the Reporting Period, PipeChina Group Beijing Pipeline Co., Ltd. (“PipeChina Beijing Pipeline Co.”) recorded a gas transmission volume of 54.27 billion cubic meters, representing a year-on-year increase of 10%. Beijing Gas’ share of net profit after taxation, through its 40% equity interests in PipeChina Beijing Pipeline Co., amounted to HK\$1.63 billion, representing a year-on-year increase of 19.3%. The total capital expenditure of PipeChina Beijing Pipeline Co., for the year was approximately HK\$1.75 billion.

### **VCNG of Rosneft**

During the Reporting Period, the PJSC Verkhnechonskneftegaz (“VCNG”) project of Rosneft Oil Company achieved its petroleum sales of 6.714 million tons, representing a year-on-year decrease of 9.8%. Beijing Gas shared a net operating profit after taxation of HK\$1.04 billion through its 20% equity interest in VCNG, representing a year-on-year increase of 46.8%, which was mainly affected by the substantial increase in oil prices.

### **China Gas**

China Gas Holdings Limited (“China Gas”, stock code: 384) achieved a profit attributable to the Group of HK\$2.17 billion in 2021, representing a year-on-year decrease of 1.5%. During the six months ended 30 September 2021, China Gas actively adapted to industry changes and market development, adopted a more prudent and pragmatic operation strategy, recalibrated the management of safe operation comprehensively, and organized investigation and rectification for hidden danger stringently, and initiated the reconstruction of the safety system, operation system, customer service system, engineering system and technical system. In addition to optimizing the development model of its principal business, China Gas also endeavored to promote the implementation of new business layouts, laying a solid foundation for the realization of high-quality and sustainable development of the company. During the six months ended 30 September 2021, China Gas’ total natural gas sales volume increased by 21.1% to 15.53 billion cubic meters, and its LPG sales volume increased by 13.9% to 2.22 million tons. Approximately 1.73 million households were newly connected, and the cumulative number of households connected reached approximately 41.88 million as of 30 September 2021.

## **Beer Business**

During the period, Beijing Yanjing Brewery Co., Ltd. (“Yanjing Brewery”) overcame the complicated environment and difficulties such as acute market competition due to the COVID-19 epidemic and increasing raw material costs. With bulk single product as the core driver, it focused on structural adjustments and quality improvement to constantly enhance the comprehensive competitiveness of the enterprise.

During the Reporting Period, Yanjing Brewery achieved a sales volume of 3.621 million kiloliters, representing a year-on-year increase of 2.44%. The operating revenue Beijing Yanjing Brewery Investments Co., Limited (“Yanjing Limited”) recorded was HK\$12.84 billion during the period, representing a year-on-year increase of 16.3%, with its profit before taxation of HK\$583 million, representing a year-on-year increase of 25.8%. The capital expenditure of Yanjing Limited for the year was approximately HK\$424 million.

## **Water and Environmental Business**

During the Reporting Period, Beijing Enterprises Water Group Limited (“BE Water”, stock code: 371) accelerated the transformation and transition of asset-light strategy, actively built the business empowerment platform, promoted the transition of water operation services into products, continued to optimize the revenue and profit structure, and significantly increased the contribution of operating water fee revenue and consulting service revenue year-on-year in the year. At the same time, it increased the collection of account receivables, effectively improved the project income, reduced the financial pressure, and continued to improve the cash flow level. During the year, the development of smart water application products has achieved remarkable achievements, and the digital capability coverage of various formats has been preliminarily realized, which has promoted the transformation of management mode internally, and formed the smart water products and deployment operation and maintenance capability system externally, thus further enhancing the digital competitiveness. In the Reporting Period, BE Water’s revenue increased by 10% year-on-year to HK\$27.88 billion, and profit attributable to its shareholders amounted to HK\$4.2 billion during the year, which remained the same over last year. The net profit attributable to the Group was HK\$1.72 billion, which remained the same over last year.

As of 31 December 2021, BE Water already participated in 1,370 water plants which are or will be in operation, including 1,116 sewage treatment plants, 191 water distribution plants, 61 reclaimed water treatment plants and 2 seawater desalination plants, with a total design capacity of 44.89 million tons/day. The net increase in design capacity for the period was 2.76 million tons/day.

## **Solid Waste Treatment Business**

As at the end of 2021, the waste incineration power generation treatment capacity of the solid waste treatment business segment reached 34,477 tons/day. Benefited from the increase in waste treatment volumes, waste treatment fees and revenue from power generation, revenue of Waste GmbH (“EEW GmbH”) increased by 6.6% year-on-year to HK\$6.04 billion. During the year, it accomplished a waste treatment volume of 4.907 million tons, representing a year-on-year increase of 2.0%. The sales volume of electricity was 1,784 million KWH, a year-on-year decrease of 1.9%. The sales volume of heat was 943 million KWH, a year-on-year increase of 6.3%. The sales volume of steam was 2.221 billion KWH, a year-on-year increase of 6.0%.

During the year, the domestic solid waste treatment business segment of the Group recorded a waste treatment volume of 5.75million tons, representing a year-on-year increase of 10.2%. It completed an on-grid power generation volume of 1.73 billion KWH, representing a year-on-year increase of 13.5%. The domestic solid waste treatment projects including Beijing Enterprises Environment Group Limited (“BE Environment”, stock code: 154) and Beijing Enterprises Holdings Environment Technology Co., Ltd (“BEHET”) achieved a total revenue of HK\$3.46 billion together during the period, representing a year-on-year increase of 10.0%. Profit attributable to shareholders of the Group amounted to HK\$118 million. During the period, the solid waste treatment business segment laid a solid foundation for building “a leading comprehensive environmental services provider with the solid waste treatment and disposal as the core business in the PRC”.

## **Prospects**

2022 marks the 25th anniversary of the Company listing on the Hong Kong capital market, which is also a crucial year for expanding the new development layout under the 14th Five-Year Plan. The Group will give full play to its congenital advantages in capital operation and the functions of investment and financing platforms, firmly respond to the opportunities and challenges under the strategic targets of “emission peak and carbon neutrality”, adhere to the main business lines of energy services and green environmental operation and fully promote strategic upgrading to build more powerful industrial development drivers for the sustainable development of the Group in the future.

1. Beijing Gas will seize the opportunities under the “emission peak and carbon neutrality” targets, expand market potential in all dimensions, speed up the transformation and upgrading of energy services and continuously promote the development of markets both inside and outside Beijing and in the upstream and downstream segments. In terms of Beijing market, Beijing Gas will consolidate the results of the “coal-free” governance in the plain region, seize the market growth

in coal replacement with natural gas and consolidate the free markets outside the supply system. For the market outside Beijing, it will intensify the management and control over investment enterprises outside Beijing and build new growth drivers for revenue and profit. In the upstream market, Beijing Gas will perform well in the long-term international procurement of LNG resources and further expand the capacity of international trade. In the downstream market, it will continue to step up efforts in market development and develop big users along the Nangang gas pipeline targeting the markets along the outbound pipeline. It will expand the new energy business layout and conduct the coupling and utilisation of natural gas and renewable energies. It will take full advantage of value-added service platforms and systems under operation to constantly expand the market and improve the economies of scale and contributions. In line with the “emission peak and carbon neutrality” targets, Beijing Gas will continue to enrich energy service categories, expand the connotation of energy operation services and accelerate the upgrading of the “Focusing on Energy” strategy of Beijing Gas.

2. No direct impact on the production and operation of the VCNG project was resulted from the recent military conflict between Russia and Ukraine. However, due to the significant fluctuation of the ruble exchange rate, the investment in this project carries risks of losses in investment income, and reduction in attributable assets and profit. Beijing Gas will continue to pay attention to the development of the Russia-Ukraine situation and market changes, and actively explore measures to maintain capital security under extreme circumstances.

3. China Gas will actively respond to the crisis in its operation that encountered in 2021 and vigorously reshape the five systems on “safety, technology, engineering, operation and customer services” to practically improve safety management standard. It will move forward to improve the quality and efficiency of its principal businesses and promote the high-quality development of the gas business in rural areas. It will strengthen the coordinated facilitation of industrial chains to achieve the leapfrog development of the LPG business. It will boost efforts to improve the level of digital operation for the value-added business and continue to increase sales in the value-added business. It will focus on the layout in key cities and expand the urban heating business through new measures, innovative approaches and new ideas. It will implement the microgrid policies and actively carry out market-based operation to seize premier markets, and innovate electricity and new energy development models with the operation of light assets as the core.

4. Yanjing Brewery will consolidate its advantages in existing markets, speed up the upgrading of product marketing to reshape the industry leading position of Yanjing Brewery. It will consolidate market fundamentals and deeply promote its strategy of bulk single product to expand sales volume, develop super bulk single product and establish featured product lines with Yanjing Weissbier, draft, V10, U8, fresh beer and refreshing beer. It will establish and enrich brand cells

and fully leverage on the resources of the Winter Olympics in brand publicity and promote the transformation of brand image towards young people. It will accelerate the innovation and upgrading of marketing channels, explore new consumption scenarios and enter new markets through new retail models to constantly develop new customer groups.

5. BE Water will continue to acquire and manage assets in large amounts, apply technology and innovative models to new business growth, boost operational efficiency and realise corporate sustainability. It will establish a good brand image focusing on customers and innovation by strengthening customer engagement, improving customer experience and further boosting customer satisfaction. Efforts will be made to expand new businesses such as sludge treatment, pipe network construction, sewage recycling and urban “water keeper” services. Intrapreneurship and establishment of professional service companies are encouraged and operational efficiency will be further boosted. The human resource system will be restructured, and core capabilities in capital and innovation will be built. The ultimate goal is to become a reliable and leading world-class provider of water and environmental services.

6. For the domestic solid waste treatment business, the Group will consolidate the management integration results, promote the systematic, standardised and information-based construction of operation and management, and further consolidate the management foundations. Meanwhile, the Group will continue to improve the efficiency of existing projects and rapidly enhance the core market competitiveness through various measures such as asset integration, innovation in business models and speeding up the introduction of technology. It will also strive to build an advanced corporate culture and converge the joint forces of organisation. In the overseas markets, EEW GmbH will seize the opportunities under the EU’s climate policies. Leveraging its existing operation scale, the Group will implement the capacities and performance of production expansion projects; and actively carry out the development and application of carbon captured and new technologies, further improve business synergy capability and expand the scale and revenue contribution of sludge incineration and other high value-added businesses.

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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 reorganization, 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 2021, its core assets included: 100% of the equity in Beijing Gas Group Company Limited, China's largest integrated city gas company; 22.96% 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.; 40.66% 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**

Audrey Wang/Fancy Li

Tel: (852) 3970 2270 / (852) 3641 1300

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