



北京控股有限公司  
BEIJING ENTERPRISES HOLDINGS LIMITED

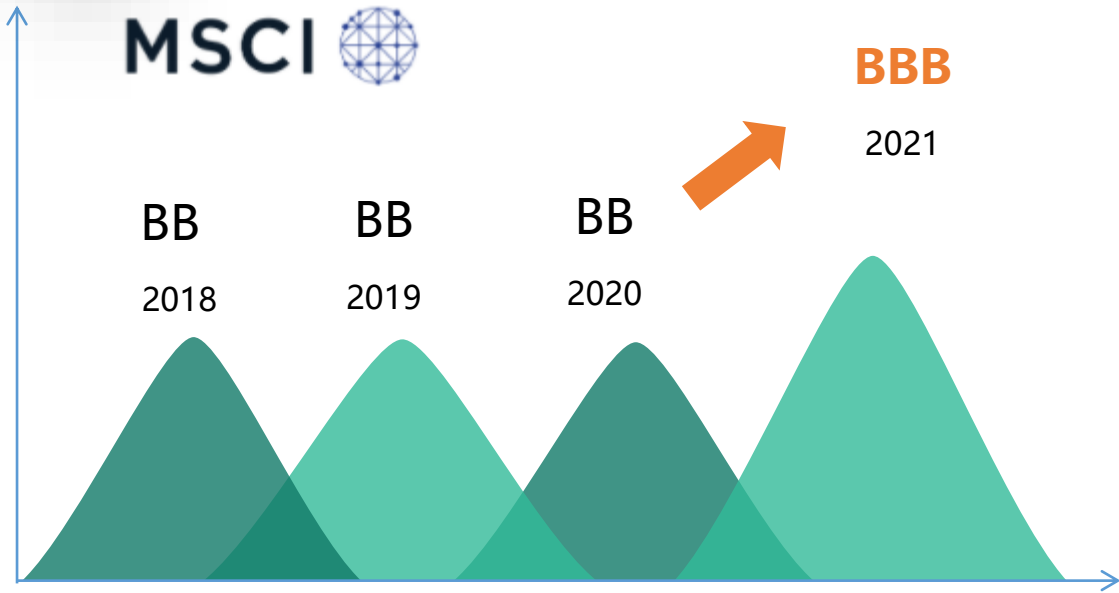
Annual Results 2021

# BEIJING ENTERPRISES HOLDINGS LIMITED

Stock Code : 392



# Promote Sustainable Development and Improve ESG Performance



**TCFD** | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

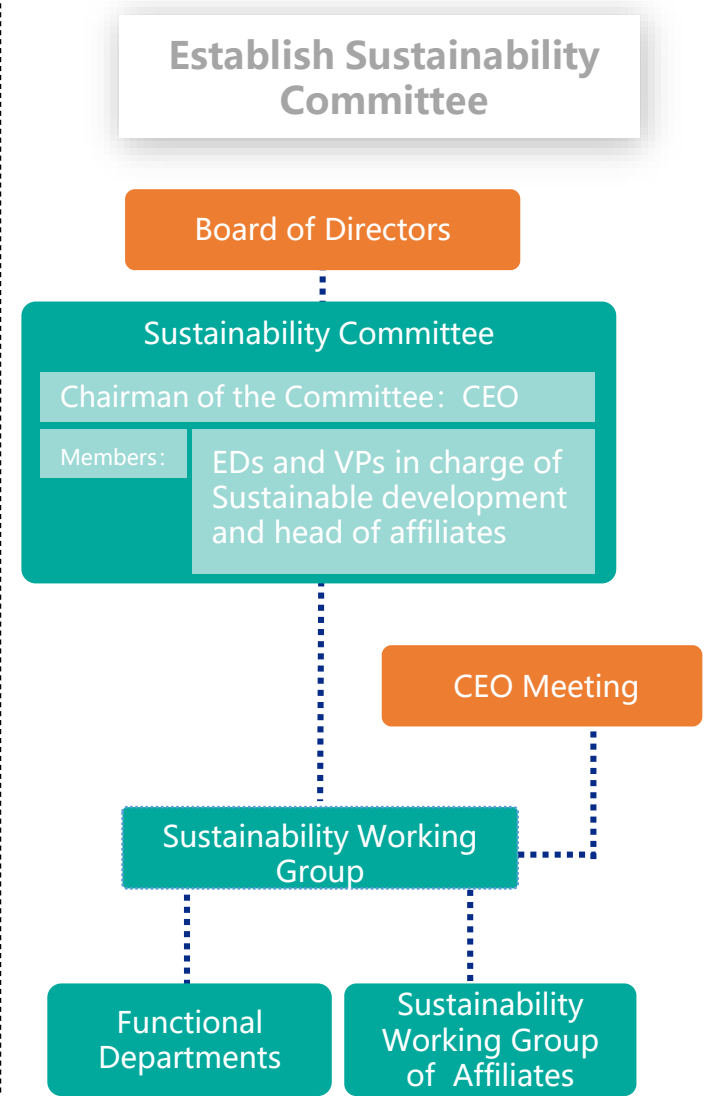
Transitioning to a **TCFD** Disclosure Framework to Address Climate Change Risks

**Systematic Guarantee**

- 《Management Policy of Biodiversity Protection》
- 《Management Policy of Workers' Rights and Interests》
- 《Management Policy of Sustainable Supply Chain》
- 《Management Measures on Sustainable Development System》

## Emission reduction targets for each business segment

Beijing Gas	Methane emission intensity will be reduced to less than 0.12% by 2025 and nearly 0% by 2030
EEW GmbH	Commit to making fossil fuel greenhouse gas emissions "climate neutral" by 2031 and "climate positive" by 2040



# PART 01

## Results Highlights & Business Updates

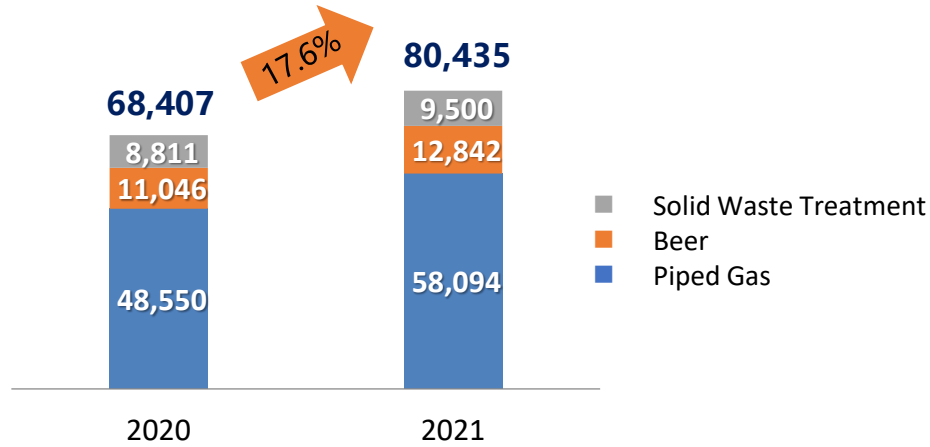
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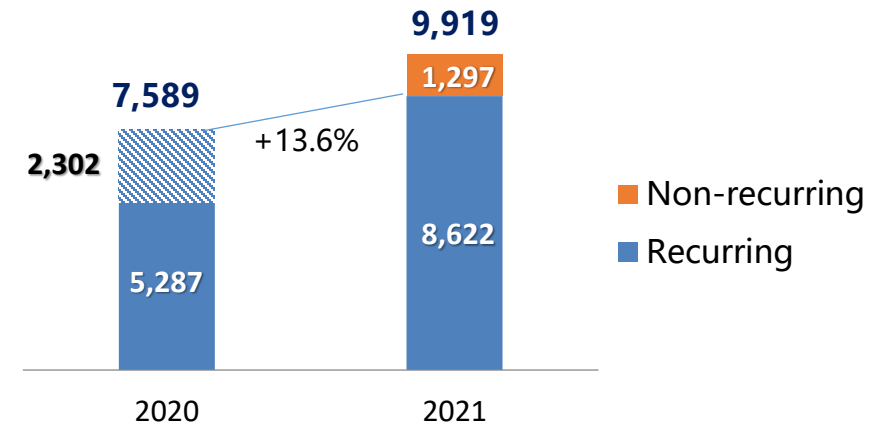


# Results Highlights

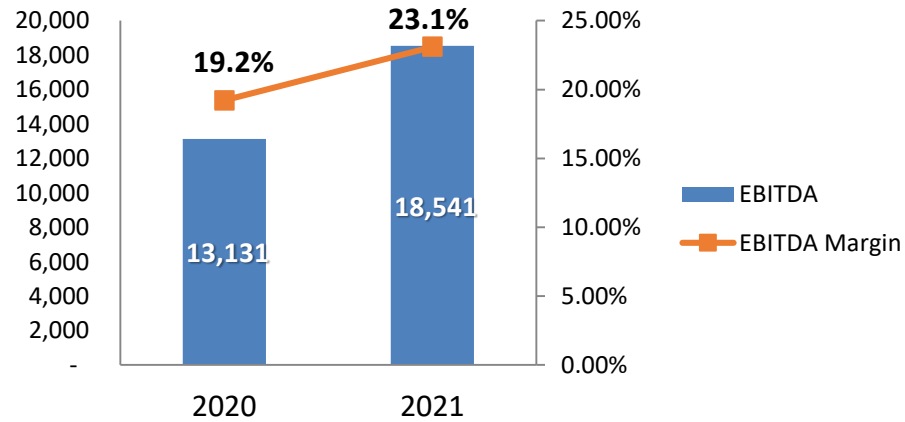
### Revenue (HK\$ mm)



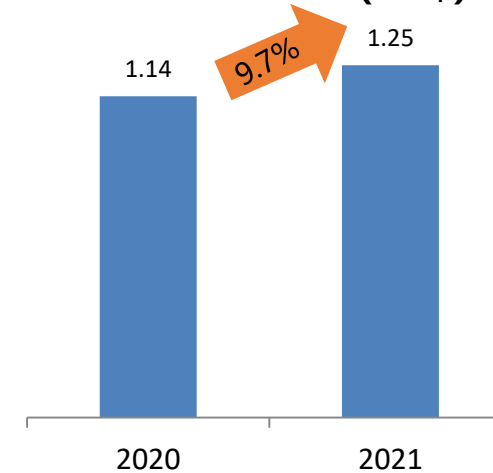
### Profit Attribute to the Company (HK\$ mm)



### EBITDA & EBITDA Margin (HK\$ mm)



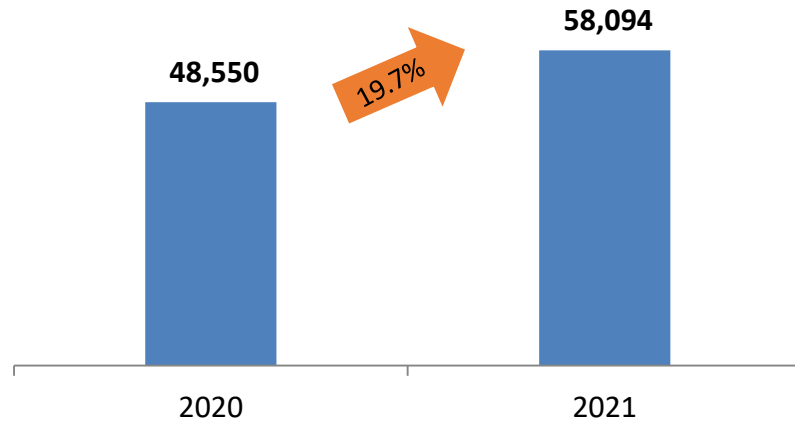
### Dividend Per Share (HK\$)



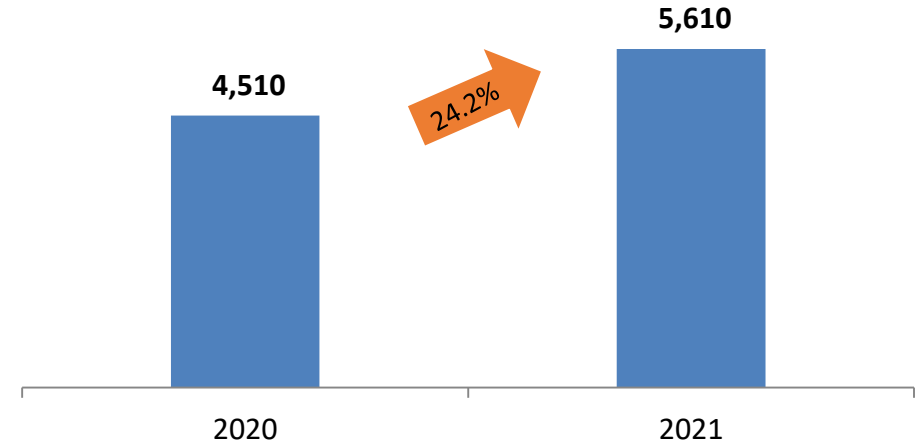


# Results Highlights – Beijing Gas

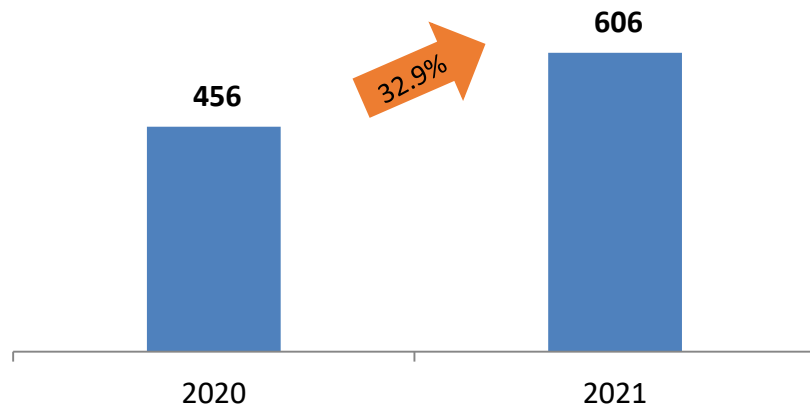
### Revenue (HK\$ mm)



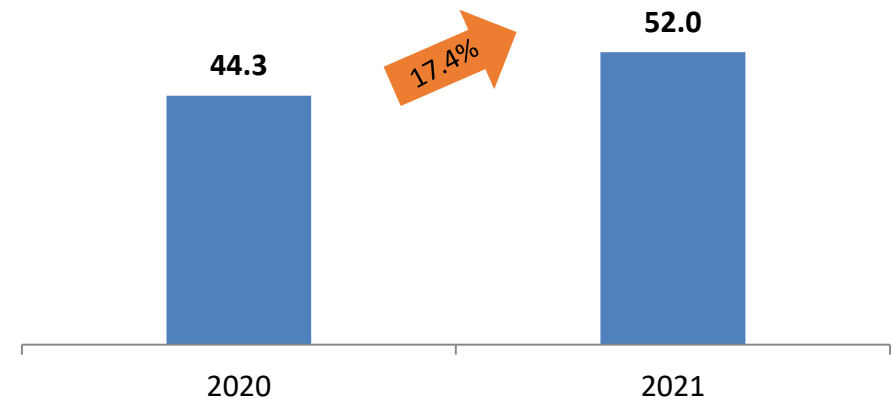
### EBT of Principle Businesses (HK\$ mm)



### Operating Income of Integrated Energy Business (HK\$ mm)



### EBT of Integrated Energy Business (HK\$ mm)





# Results Highlights – Beijing Gas



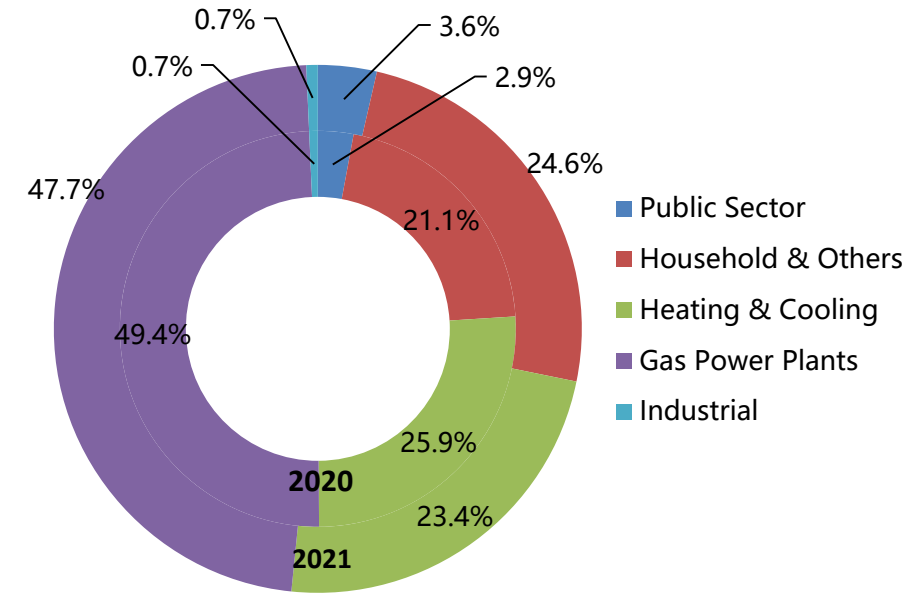
## Total Number of Subscribers (mm)



## Number of New Subscribers in 2021

Household	174.6 thousand
Public Sector	6,961
Heating & Cooling	3,139 t/h

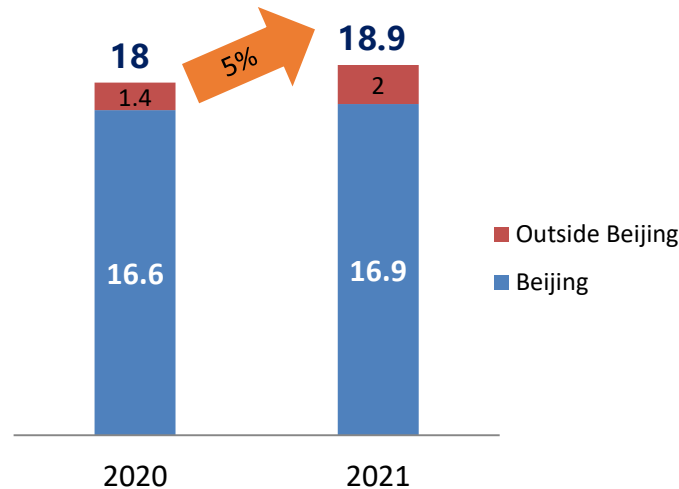
## Gas sales Volume Inside Beijing by User Sector



## Total Length of Pipelines (km)



## Gas Sales Volume (bn m<sup>3</sup>)



Annual CapEx

**7.19** Billion HKD



# Business Updates – Beijing Gas

## Safety Supervision and Management

- Implement the national requirements for gas safety in cities and towns, and comprehensively carry out special campaigns to improve production safety
- Effectively strengthen risk control and control of hidden dangers, and promote essential indoor security

## Beijing, Tianjin and Hebei Market

- Consolidate the development of Beijing market, strengthen the integration of Tangshan natural gas market and expand the third line market in north China

## LNG Business

- International LNG resources procurement is becoming more mature, successfully completed the first phase of competitive negotiation for base volume of long-term LNG resources
- International trade continued to grow, completing 10 vessels of international trade for the year

## Value-added Business

- Rapid growth of value-added business, in accordance with the "product + service" business model, promote the synergistic development of value-added business and main business

## Key Projects

- Four storage tanks in the first phase of Nangang project successfully topped out
- Tangshan LNG Receiving Station Emergency Peaking Guarantee Project put into operation

## Integrated Energy and New Energy Projects

- Provide "ultra low carbon integrated energy system" solution for Beijing Sub-center
- Take photovoltaic power plants, distributed photovoltaic and geothermal projects as the main direction to expand the new energy market in Beijing



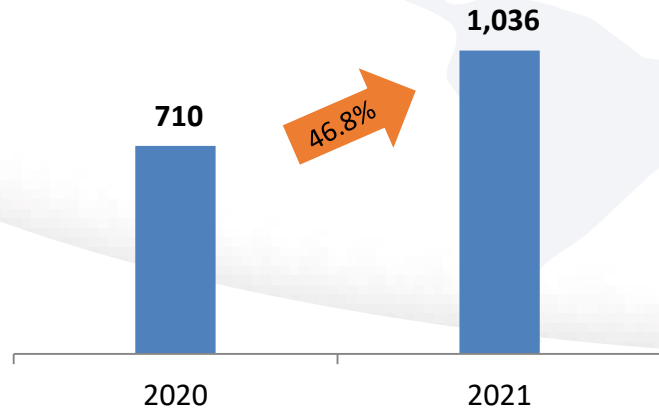
# Results Highlights – Investments on Gas Supply Chain

20%  VCNG of Rosneft  
ROSNEFT

Petroleum Sales (mm tons)

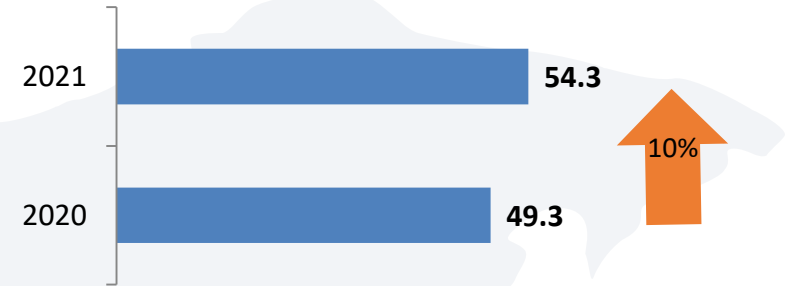


PAT attributable to the Company (HK\$ mm)

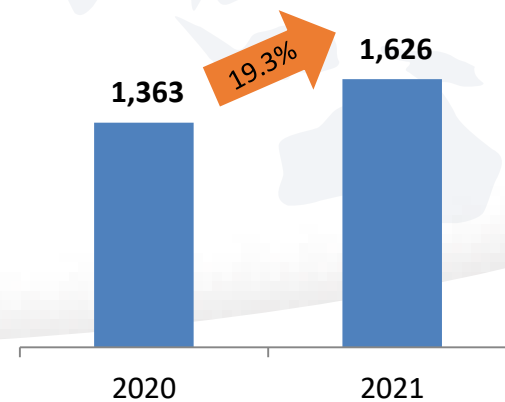


40%  PipeChina Group Beijing Pipeline Co., Ltd.

Gas Transmission Volume (bn m<sup>3</sup>)



PAT attributable to the Company (HK\$ mm)



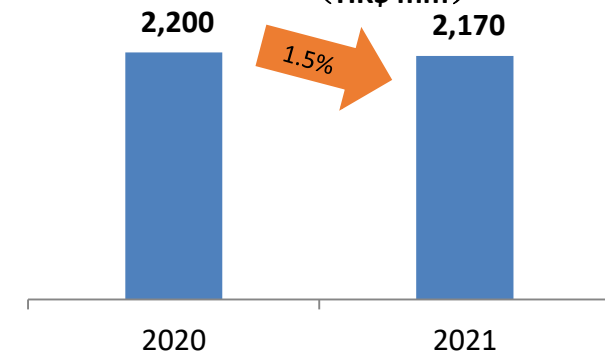




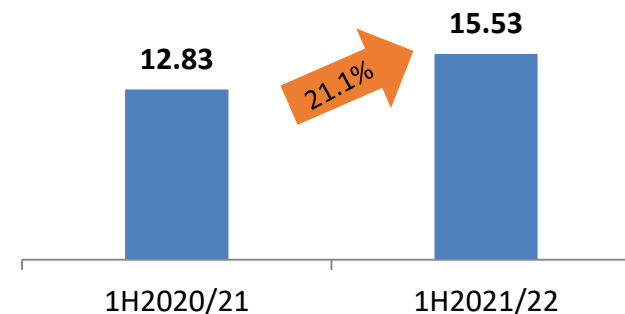
# Results Highlights & Business Updates – China Gas



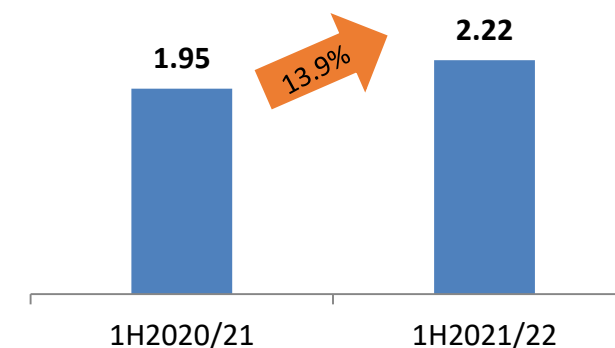
Profit attributable to the Company (HK\$ mm)



Natural Gas Sales Volume (bn m<sup>3</sup>)



LPG Sales Volume (mm tons)



Natural Gas Business	Accumulated User Number as at 30 Sep 2021
Residential	41,880,342
Industrial	18,531
Commercial	285,766
CNG/LNG Refilling Stations	554

LPG Business	Accumulated Number as at 30 Sep 2021
Receiving Terminals	7
Distribution Projects	113
Wholesale Business	1,862,157 tons
Retail Business	355,200 tons

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.

Timely adjust and slow down the connection to the industry average level, take the initiative to reduce the connection of rural gas users.

The value-added business has maintained rapid growth for six consecutive years. 1H21/22 achieved operating profit of HK \$1.3 billion, an increase of 30% compared with the same period last year. It utilized comprehensive solutions of clean energy to layout the Urban Heating business.



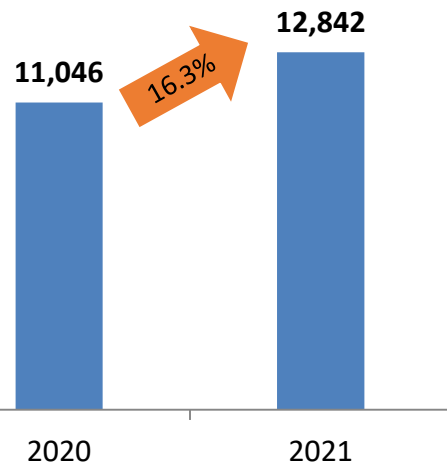
# Results Highlights & Business Updates – Yanjing Brewery



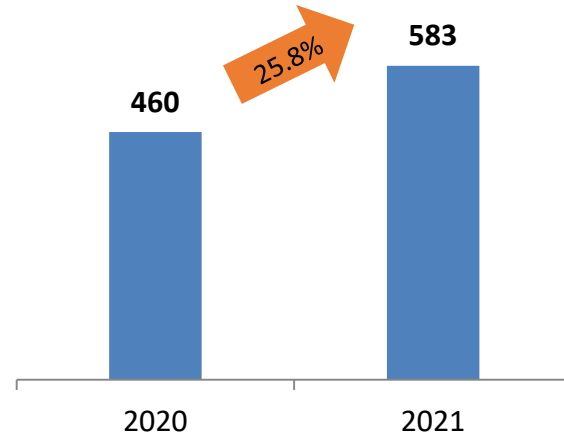
### Beer Sales Volume (mm kilolitres)



### Revenue (HK\$ mm)



### Profit Before Tax (HK\$ mm)



## Implement the Strategy of Bulk Single Product

Highlight the core position of U8 strategy and establish featured product lines with Yanjing refreshing beer, fresh beer, U8, V10, draft and Weissbier



### Carry out Full-chain Branding

The brand structure of "Nationally main brand Yanjing + regional sub-brand Li Quan, Huiquan, nationally sub-brand Xue Lu + strategic cooperation high-end brand HB+ high-end craft brand LionK"

### Comprehensively Upgrade Market Quality

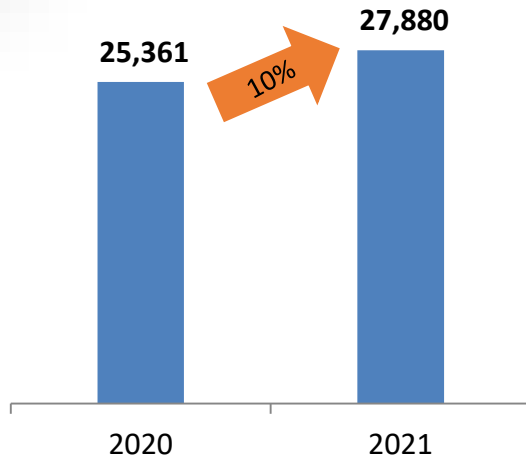
Strengthen base market, enhance advantage and balance market, strengthen weak market, expand reserve market



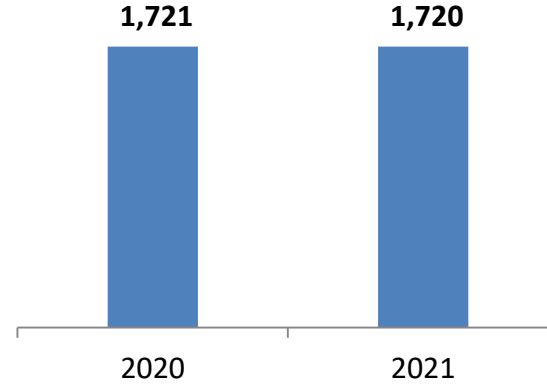
# Results Highlights & Business Updates – BE Water



Revenue (HK\$ mm)



Profit attributable to the Company (HK\$ mm)



Total Design Capacity

**44,885,962** Tons/day

Net Increase in Design Capacity

**2,761,226** Tons/day



**1,116**

Sewage Treatment Plants



**2**

Seawater Desalination Plants



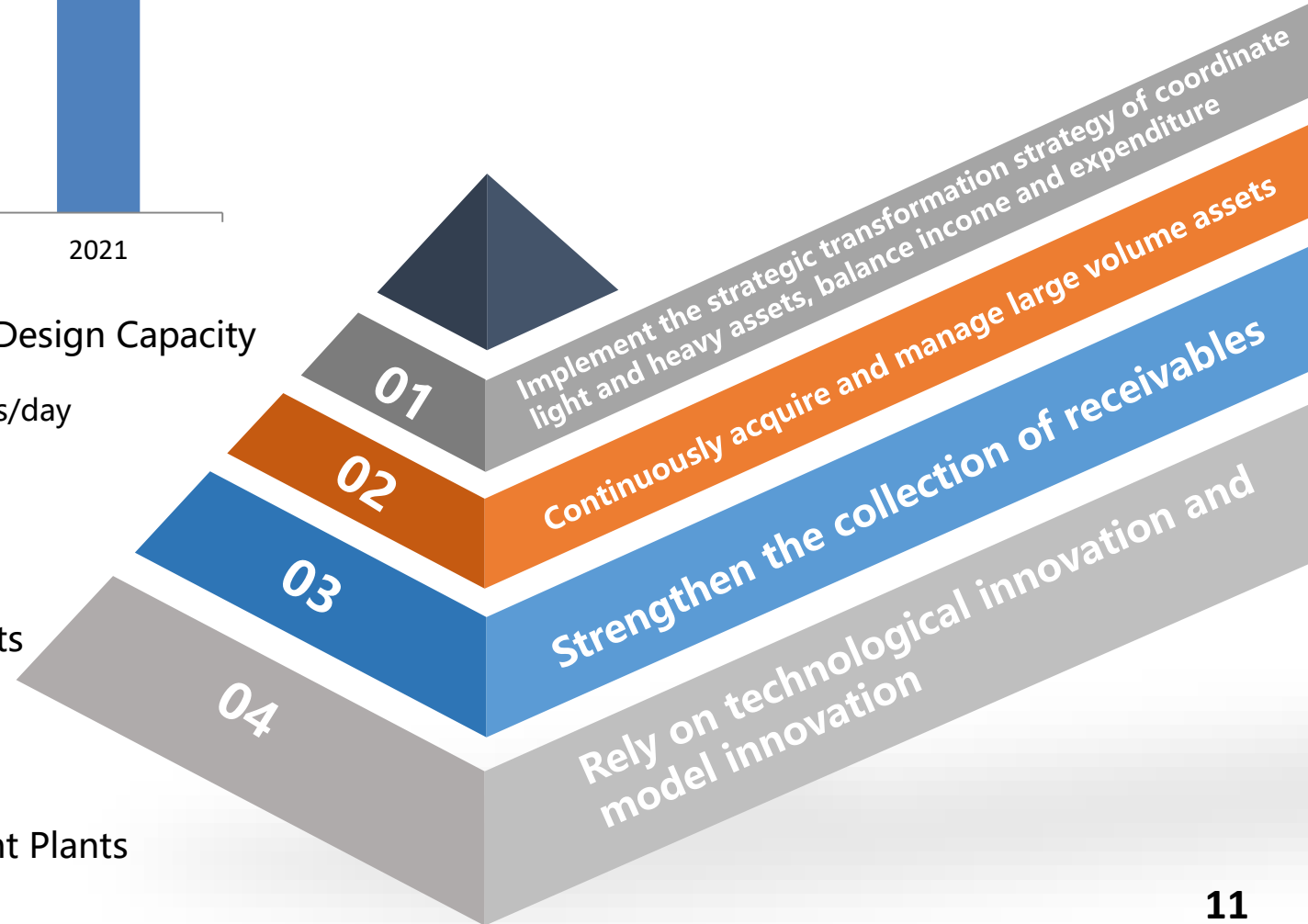
**191**

Water Distribution Plants



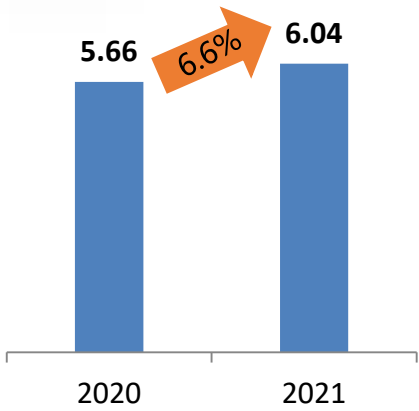
**61**

Reclaimed Water Treatment Plants

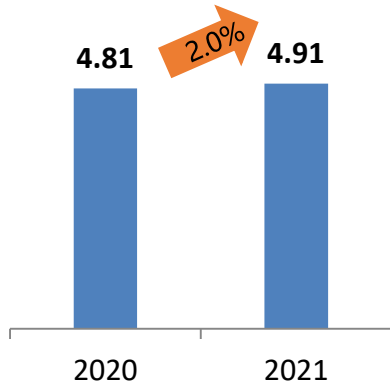


# Results Highlights & Business Updates – Solid Waste Treatment Business

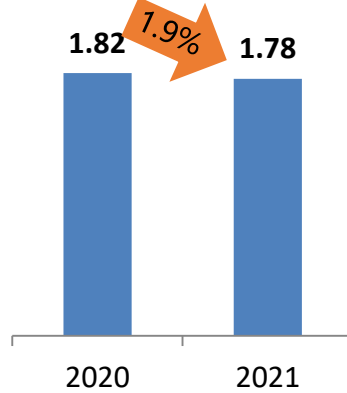
Revenue of EEW (HK\$ bn)



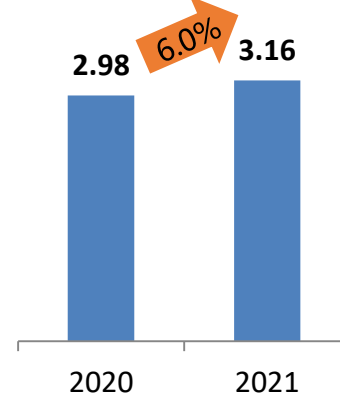
EEW Waste Treatment Volume (mm tons)



EEW Electricity Sales Volume (bn kwh)



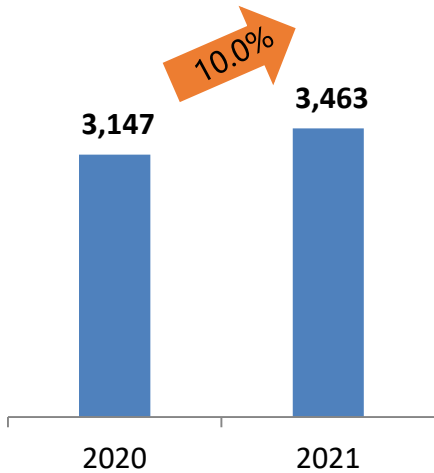
EEW Heat and Steam Sales Volume (bn kwh)



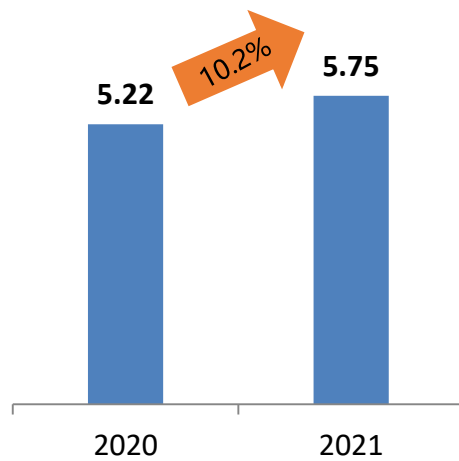
## EEW GmbH

Benefited from the increase in waste treatment volumes, waste treatment fees and revenue from power generation, EEW achieved excellent performance.

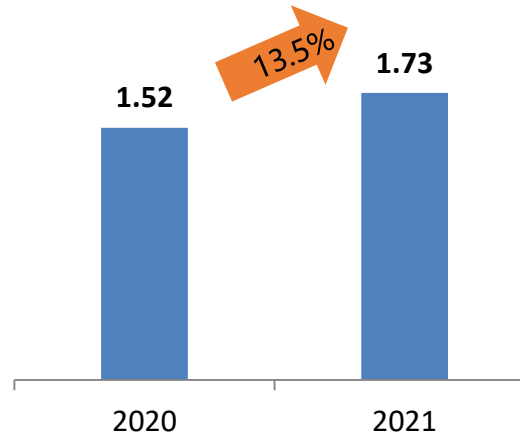
Domestic Project Revenue (HK\$ mm)



Domestic Waste Treatment Volume (mm tons)



Domestic On-grid Power Generation Volume (bn kwh)



## Domestic Solid Waste Treatment Business (BE Environment, BEHET and etc.)

The consolidation of the solid waste sector is being promoted, centralized and unified management of the solid waste segment has been completed, and asset integration is being carried out to revitalize the stock assets so as to improve the overall operation management level and market expansion ability of the solid waste segment.

# PART 02

# Outlook

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# Outlook - Macroeconomic situation



Inflation is intensifying and the Fed is accelerating interest rate hikes and shrinking its balance sheet



Sino-US trade friction  
Russia-Ukraine Conflict intensified  
The geopolitical landscape reshaped



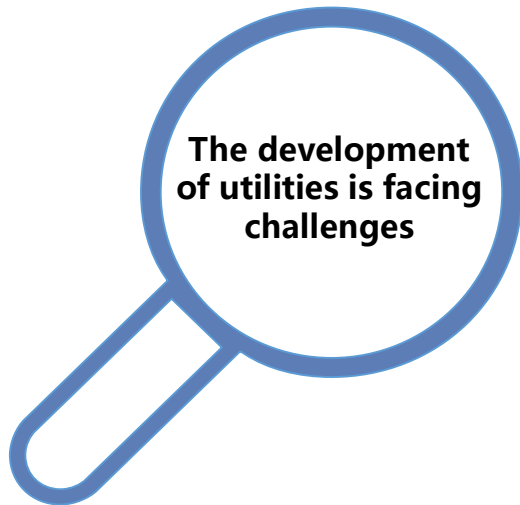
**Prices core of energy, agricultural products and other commodities move up sharply and inflationary pressure rises**



The goal of carbon neutrality is global  
Major governments continue to issue new policies to reduce carbon emissions



A once-in-a-century Pandemic  
Global extreme weather  
Frequent climate events



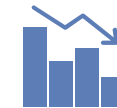
**The development of utilities is facing challenges**



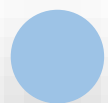
China's demographic structure is about to encounter inflection point



Population is concentrated in large urban agglomerations within metropolitan areas



Urbanization process slows down



# Outlook – Challenges and Opportunities

## Challenges

China's economy faces triple pressures of shrinking demand, supply shocks and weakening expectations

**Gas:** Due to the imbalance between supply and demand in the international energy market, International oil and gas prices running at high levels, and the import cost increases sharply. Meanwhile, there is a risk of Central Asia reducing piped gas supply. The difficulty of LNG/LPG resource procurement and the risk of default have increased, and the price pass-through mechanism of gas distribution for pipelines in some cities needs to be straightened out;

**Beer:** Prices of crude oil, crops, non-ferrous metals, ferrous metals, chemical products and other commodities have risen sharply, putting great pressure on the cost incurred by brewery enterprises;

**Solid Waste Treatment:** Under the influence of multiple factors such as the reduction of national subsidies and waste classification, the growth of domestic energy from waste market slows down; Under the influence of negative population growth, labor shortage and other factors, the growth rate of energy from waste market in Europe slows down;

**Water:** The incremental market of traditional water business is shrinking and industry concentration is urgently needed to improve.

## Opportunities

China's economy is resilient, reform and opening-up are deepening

**Gas:** Promote the coordinated development of natural gas and a variety of energy, addressing natural gas as a transitional energy source to contribute to the transformation of energy structure, and implement the dual tasks of "meeting the rigid growth of energy demand" and "achieving carbon peak carbon neutrality target";

**Beer:** Rising costs may drive industry-wide price increases, with consumption upgrades favoring the mid- to high-end product market and increased marketing efforts to boost tonnage revenue;

**Solid Waste Treatment:** The construction of "waste-free city" is constantly advancing and promoting the development of resource recycling industry. The Company shall pay attention to the upgrading of standards and strengthen business coordination, seize the EU's carbon reduction policy and the rise in energy prices, including electricity prices, to develop and apply carbon capture and new technologies;

**Water:** Water price reform continues to advance, the policy is expected to promote the rapid development of the industry, M&A and restructuring increases, through the development of science and technology, refined operation, efficient equipment, industrial penetration, pulling the industry service paradigm upgrade.



## Strengthen the Defense Line of Production Safety



- Comprehensively strengthen safety management, carry out special rectification of gas safety, and effectively strengthen indoor safety management

## Comprehensively Integrate the Beijing Market and Expand the Size of the Outside Market



- Continue to promote the integration of small gas enterprises in Beijing, and develop markets along the outside pipeline based on Tianjin Nangang Project

## Expand the Scale of Value-added Business

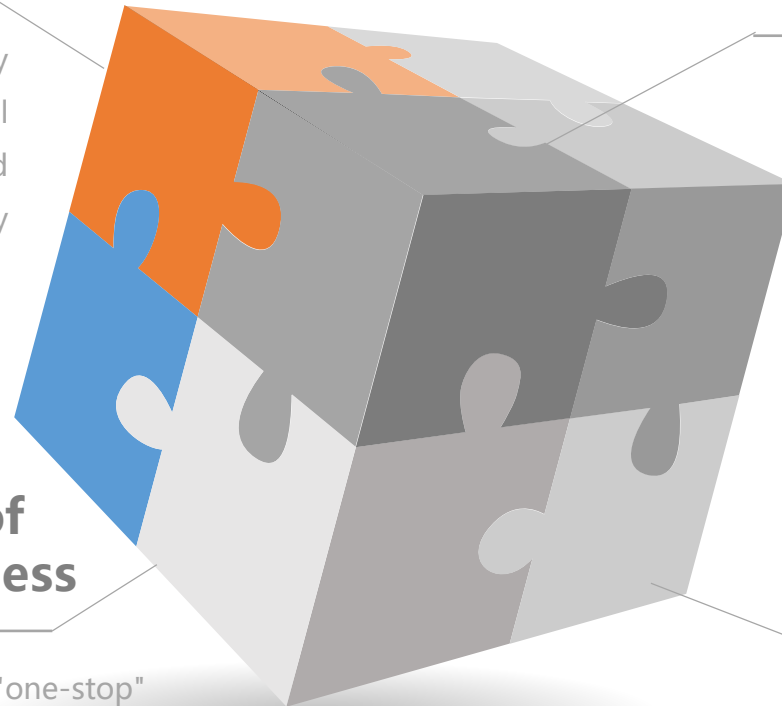


- Promote the formation of a "one-stop" kitchen and bathroom, commercial gas products, gas safety products as the main product system to improve the scale of efficiency contribution

## Ensure the Operation of Tianjin Nangang Project



- The LNG terminal, four storage tanks, receiving station and pipeline will be put into operation







# Outlook – China Gas



Rebuild five systems of "safety, technology, engineering, operation, customer service", effectively improve the level of safety management



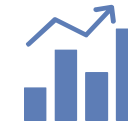
## City Gas

Driving growth in gas sales to residential, commercial and industrial customers



## Value-added Business

High growth in gross profit for the year, promote spin-off listing of Yipin Smart Living Technology Co., Ltd.



## LPG

Comprehensively promote gas growth and establish LPG enterprise group



## Urban Heating

Seize key regions, key cities and target markets



# Outlook – Yanjing Brewery



## Deeply Promote the Strategy of Bulk Single Product

- Continue to expand sales of U8, create super bulk single product, improve product matrix layout, enrich products with various price bands, and accelerate the delisting progress of long-tail products

## Accelerate the Upgrading of Market Quality

- Ensure the stable improvement of Beijing base market, implement the "100 counties project", concentrate superior resources, and quickly explode the market

## Improve Brand Image

- continue to implement the marketing strategy of integrating large single products with open space, deeply bind Yanjing brand culture and sports culture with the help of the Winter Olympics, and accelerate the transformation of brand rejuvenation.



# Outlook – Water and Environment



- With customers as the source, continue to deepen its professional capabilities at the investment, operation and service, and accelerate the iterative upgrading of the "asset-light dual platform" strategy
- Continue to carry out innovation in science and technology, models, production, and management, build platforms for sharing science and technology, and raise the efficiency of R&D



- Based on excellent operation, firmly take the road of product development, and gradually form a series of product lines represented by water plant, system decision support, intelligent plant network and river integration



# Outlook – Solid Waste Treatment Business

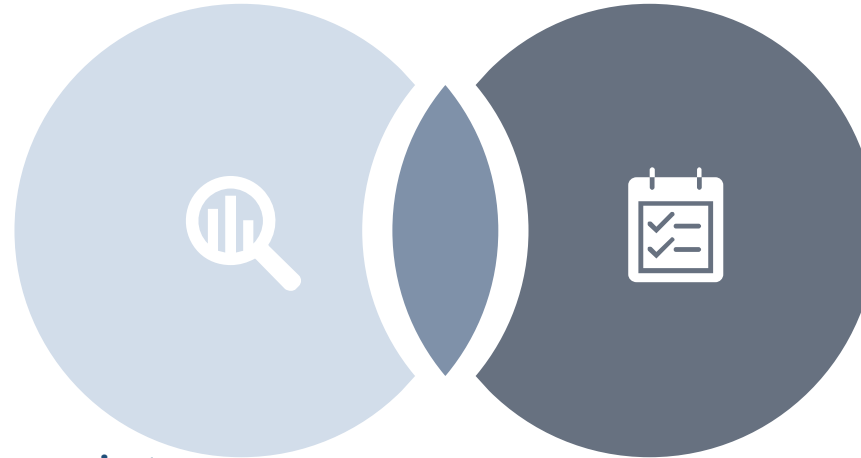
## Domestic Projects

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**Develop sludge disposal business and expand revenue sources**

**Reduce cost and increase efficiency, reasonably control all costs and expenses**

**Ensure the safe operation of existing projects, and advance projects under construction as scheduled**



## EEW GmbH

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**Expand project capacity and performance based on the existing operation scale**

**Expand the scale of sludge incineration and other coordinated disposal to improve the overall income**

# PART 03

## Q&A

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**Thanks for Watching**

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