



北京控股有限公司
BEIJING ENTERPRISES HOLDINGS LIMITED

(Stock code : 0392.HK)

BEIJING ENTERPRISES HOLDINGS ANNOUNCES 2019 INTERIM RESULTS
Profit attributable to shareholders of the Company and earnings
per share both increase by 11.2%
Stable development is achieved in all business segments and
development quality has been enhanced

Financial summary

	For the six months ended June 30		Changes
	2019 (HKD million)	2018 (HKD million)	
Revenue	34,233	34,345	-0.3%
Profit attributable to shareholders of the Company	4,745	4,267	+11.2%
Basic earnings per share attributable to shareholders of the Company	3.76 HKD	3.38 HKD	+11.2%

(Hong Kong, 29 August 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 unaudited interim condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2019 (the “Period”), together with the comparative figures in 2018.

During the Period, the consolidated revenue of the Group was HK\$34.23 billion, which was basically unchanged as compared with that of the corresponding period in last year. Profit attributable to shareholders of the Company was HK\$4.75 billion, representing an increase of 11.2% over the corresponding period in 2018. An interim cash dividend of HK40 cents per share is declared for the six months ended 30 June 2019.

Natural Gas Distribution Business of Beijing Gas

Beijing Gas Group Company Limited (“Beijing Gas”) recorded a revenue of HK\$24.25 billion in the first half year of 2019. Profit from principal businesses attributable to shareholders of the Company (including natural gas distribution business, natural gas transmission business and VCNG of Rosneft) was HK\$3.01 billion, representing an increase of 5.6% when compared with the same period last year. During the period, Beijing Gas developed approximately

59,000 new household subscribers and 3,208 new public sector subscribers. New heating boiler subscribers with a total capacity of 427 t/h were developed. Up to 30 June 2019, Beijing Gas had a total of approximately 6.31 million piped gas subscribers in Beijing and approximately 23,800 kilometers of natural gas pipelines in operation.

In the first half of 2019, Beijing Gas moved forward the investment projects in markets both within and outside Beijing in an orderly manner and accelerated the establishment of the gas supply security system. While accelerating the takeover of the piped gas assets to expand its market share in Beijing, Beijing Gas proactively participated in the construction of the gas market at Xiong'an New District. In the downstream market, Beijing Gas kept making efforts in pipeline network operation management and continued to propel the construction of several projects such as intelligence gas project of Beijing sub-center, energy center project of Universal Studio.

Natural Gas Transmission Business

PetroChina Beijing Gas Pipeline Co., Ltd. ("PetroChina Beijing Pipeline Co.") recorded a gas transmission volume of 26.46 billion cubic meters in the first half year of 2019, representing a year-on-year growth of 7.5%. During the period, Beijing Gas' share of net profit after taxation was HK\$1.08 billion, which was derived through its 40% equity interests in PetroChina Beijing Pipeline Co., representing an increase of 16.8% when compared with the same period last year.

VCNG of Rosneft

The PJSC Verkhnechonskneftegaz ("VCNG") project of Rosneft Oil Company achieved its petroleum sales of 3.787 million tons in the first half year of 2019. Beijing Gas' share of net operating profit after taxation was HK\$550 million in the first half year, which was derived through its 20% equity interest in VCNG.

China Gas

In the first half of 2019, the Group's share of profit of China Gas Holdings Limited ("China Gas", stock code: 384) was HK\$964 million, which was calculated based on the share of profit attributable to shareholders of China Gas for the six months ended 31 March 2019 and representing an increase of 46% when compared with the same period last year.

With the continuous expansion of the urban gas business, China Gas has comprehensively constructed an integrated energy ecosystem through the continuous promotion of the "coal to gas conversion" projects in industrial and commercial sectors, striving to develop the quality township "gas for coal replacement" and "beautiful villages" businesses, accelerating the development of new businesses such as LPG sales network, value-added services, LNG trading, thermoelectric power, distributed energy resources. During the 2019 financial year, China Gas achieved a sales volume of 24.66 billion cubic meters in natural gas, representing a year-on-year increase of 32.1%. It achieved a sales volume of 3.99 million tons in LPG, representing a year-on-year decrease of 0.9%. Approximately 5.11 million households were newly connected and the cumulative number of households connected reached approximately 29.68 million as at 31 March 2019.

Beer Business

In the first half year of 2019, Beijing Yanjing Brewery Co., Ltd. (“Yanjing Brewery”) comprehensively enhanced its market construction measures and propelled the refined transformation of market management. In the first half of the year, Yanjing Brewery strengthened its brand promotion, developed new products of related themes by leveraging on sponsorship rights of the “CFA Cup”, the Beijing Winter Olympics and the Basketball World Cup 2019 and so on to enrich the content of Yanjing brand. During the reporting period, Yanjing Brewery recorded a beer sales volume of 2.58 million kilolitres, of which, the sales volume of Yanjing main brand was 1.76 million kilolitres, and the sales volume of “1+3” brand was 2.38 million kilolitres. The revenue that Beijing Yanjing Brewery Investments Co., Ltd.* (北京燕京啤酒投资有限公司) (“Yanjing Limited”) recorded was HK\$6.53 billion during the period. Its profit before tax was HK\$753 million.

Water and Environmental Business

In the first half of 2019, Beijing Enterprises Water Group Limited (“BE Water”, stock code: 371) conducted strategic corporation with the China Three Gorges Corporation and had successfully expanded the ecological and environmental protection market in the Yangtze River basin. It jointly established the Yangtze River Green Development Investment Fund with several parties. BE Water further improved the quality of existing assets and promoted the digital upgrading of Smart Water operation. The operating revenue of BE Water increased by 28.2% to HK\$12.83 billion due to operating revenue increase from water treatment services and water environmental management and construction services, and profit attributable to shareholders of BE Water increased by 17.1% to HK\$2.77 billion. The net profit attributable to the Group was HK\$1.14 billion, representing a year-on-year increase of 13.6%. As at 30 June 2019, BE Water already participated in 1,047 water plants which are or will be in operation, including 875 sewage treatment plants, 140 water distribution plants, 30 reclaimed water plants and 2 seawater desalination plants, with a total design capacity of 37.76 million tons/day. The net increase in design capacity for the period was 0.937 million tons/day.

Solid Waste Treatment Business

At the end of the first half of 2019, the solid waste treatment business segment of the Group reached a waste incineration and power generation integrated treatment capacity of 26,932 tons/day. During the reporting period, EEW Energy from Waste GmbH (“EEW GmbH”) achieved an operating revenue of HK\$2.61 billion, representing a year-on-year increase of 3.7%. Beijing Enterprises Environment Group Limited (“BE Environment”, stock code: 154) and Beijing Enterprises Holdings Environment Technology Co., Ltd (“BEHET”) together achieved a total operating revenue of HK\$791 million during the period, and their profit attributable to shareholders of the Group amounted to HK\$49 million. During the period, EEW GmbH accomplished a waste treatment volume of 2.292 million tons, representing a year-on-year increase of 0.5%, sales of electricity of 844 million KWH, representing a year-on-year increase of 1.7%. Also, the domestic solid waste treatment business segment of the Group completed a waste treatment volume of 2.136 million tons, representing a year-on-year increase of 2.5%. It accomplished an on-grid power generation volume of 596 million KWH, representing a year-on-year increase of 8.4%. Active efforts have been made to

explore technological innovation and carry out expansion work for domestic projects so as to cope with new environmental protection and emission standards. The Group further standardized the strategic control, resources integration and professional management intensity of solid waste treatment segment to promote the technology, personal, and management exchange among enterprises as well as cultural integration.

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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 30 June 2019, 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); 23.72% 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.; 41.15% 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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