



北京控股有限公司
BEIJING ENTERPRISES HOLDINGS LIMITED

(Stock Code : 0392.HK)

Press Release
August 30, 2023, Hong Kong

**Beijing Enterprises Holdings Limited
Announces 2023 Interim Results
The Diversified Business Matrix Continues to Exert Efforts
with Overall Stable and Improving Operation**

Results Highlights:

1. In 1H2023, Beijing Gas' combined natural gas sales volume was 12.093 billion cubic metres, including 9.226 billion cubic metres of piped gas sales volume in Beijing, 1.35 billion cubic metres of city gas sales volume outside Beijing, 930 million cubic metres of LNG distribution, and 903 million cubic metres of LNG international trade; It recorded a revenue of HK\$35.87 billion, representing a year-on-year increase of 5%;
2. Beijing Enterprises Water actively revitalized its existing assets, with focus on accounts receivable. The quality of assets continued to improve. Revenue, EBITDA and profit attributable to shareholders all increased in the first half of the year.
3. The environmental sector continued to maintain a steady development trend, with the further consolidation of domestic business's market position and maintain stability of overseas EEW result;
4. Yanjing Brewery adhered to its core strategy, with the sustained growth of main economic indicators. Its sales reached 2.29 million kiloliters, representing a year-on-year increase of 6.4%. Among them, Yanjing U8 achieved sales of 312,000 kiloliters, representing a year-on-year increase of 46%;
5. In order to better give back to shareholders and share development achievements, the Board declared an interim dividend of HK\$93 cents per share, up 86% year-on-year, representing a payout ratio of 30% based on the recurring profit.

Financial Summary:

| Unit: HK\$ million | 1H2023 | 1H2022 | Change |
|--|------------|------------|--------|
| Revenue (Restated) | 48,364 | 46,025 | +5.1% |
| Gross profit (Restated) | 7,166 | 6,782 | +5.7% |
| EBITDA | 9,740 | 9,378 | +3.9% |
| Profit attributable to shareholders of the Company | 4,649 | 5,029 | -7.6% |
| Interim Dividend | HK93 cents | HK50 cents | +86% |

(30 August 2023 — Hong Kong) The Board of Directors of **Beijing Enterprises Holdings Limited** (“BEHL” or the “Company”, stock code: 0392.HK) hereby presents the results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2023. In 1H2023, as the lagging effect of tightening monetary policies by global major central banks gradually emerged, the global economy continued the trend of the decline last year, the stability of energy and resource supply in the international market decreased with increased market volatility. The Chinese economy continued to exhibit strong resilience, with varying degrees of relief from the triple pressures of demand contraction, supply shock, and weakening expectations. 2023 was a crucial year for the Company to implement ‘14th Five-Year Plan’. In terms of market change, each business sector adhered to internal reform and external development and expansion, with solid advancement of various key works and reform tasks, and steady improvement of operating results.

Promoting key projects in an orderly manner to improve the quality and efficiency of gas business

In 1H2023, Beijing Gas Group Company Limited (“Beijing Gas”) was committed to the general principle of seeking stable progress, grasped the development opportunity of “Dual-Carbon”, coordinated development and safety and actively promoted the high-quality transformation of the Company. During the period, Beijing Gas Group Company Limited recorded a revenue of HK\$35.87 billion, representing a year-on-year increase of 5%. Profit before taxation from the principal businesses (including natural gas distribution business, natural gas transmission business and VCNG of Rosneft) was HK\$3.55 billion. Beijing Gas had a total of approximately 7.37 million piped gas subscribers and approximately 32,200 kilometres of natural gas pipelines in operation. The operation development and safety production of Beijing Gas were implemented simultaneously, with the orderly promotion of key projects and works, presenting a good trend of “quality and efficiency improvement”. During the period, the main

business in Beijing maintained steady growth while actively exploring incremental markets; The various production preparations of the first phase of the Tianjin Nangang LNG emergency reserve project were also steadily progressing before it is put into operation; Emerging businesses have grown steadily, with LNG domestic distribution reaching 662,000 tons and international trade reaching 645,000 tons of 10 ships, showing significant growth compared to the same period of last year; The comprehensive energy supply area of 1.49 million square meters was added; In addition, Beijing Gas has also actively carried out special rectification actions for safety production with the effective control of grid's safety risks.

Beijing Gas also participated in upstream resource development, midstream long-distance pipeline operation, and other businesses, achieving the full industry chain development of upstream resources, midstream long-distance pipeline construction, and downstream gas application fields. Among them, Beijing Gas conducted upstream resource development business through PJSC Verkhnechonskneftegaz ("VCNG") project of the Rosneft Oil Company, in which Beijing Gas holds a 20% equity interest. During the period, Beijing Gas accounted for HK\$ 736 million in VCNG's net operating profit after taxation. In terms of long-distance pipeline, Beijing Gas conducted related businesses through PipeChina Group Beijing Pipeline Co., Ltd. ("PipeChina Beijing Pipeline Co."), in which Beijing Gas holds a 40% equity interest. During the period, PipeChina Group Beijing Pipeline Co., Ltd. recorded a gas transmission volume of 37.059 billion cubic meters, representing a year-on-year increase of 16.5%; Beijing Gas's share of net profit after taxation amounted to HK\$1.36 billion, representing an increase of 17.9% when compared with the last year.

Over the past year, the continued sluggish real estate market, coupled with the epidemic factor, led to a decline in the new connection volume of most of the city fuel enterprises. Meanwhile, against the backdrop of tight gas supply, city fuel companies have seen their procurement prices rise but lacked a reasonable price adjustment mechanism, resulting in a significant drop in the price differential between gas sales and an obvious impact on the gas industry. China Gas Holdings Limited ("China Gas", stock code: 0384) respond positively to challenges. By actively obtaining upstream resources, signing a number of long-term LNG contracts, promoting the innovative development of multiple businesses and other measures, ensure stable gas supply, reduce the pressure of rising costs, and achieve coordinated development of multiple business sectors. In the 2023 fiscal year, China Gas' total natural gas sales volume increased by 6.9% to 39.25 billion cubic metres, and its LPG sales volume reached 4.132 million tons, contributed profit before tax of HK\$67.889 million for the period, representing a year-on-year increase of 110%. Approximately 2.30 million households were newly connected, and the cumulative number of households connected reached approximately 45.39 million as at 31 March 2023.

Continuously strengthening fundamentals to enhance the sustainable development of the water business

Based on the current development situation, Beijing Enterprises Water Group Limited (“BE Water”, stock code: 00371.HK) has deepened its reforms and continued to strengthen its fundamentals to promote the sustainable development of BE Water. During the Period, BE Water selected a number of mature wastewater treatment plants as bids to mobilise the inventories through asset-backed note; meanwhile, it comprehensively upgrade the accounts receivable management mechanism to further accelerate payment collection; In addition, it stops new environmental governance projects and promotes inefficient asset management. In the first half of 2023, the operating revenue of BE Water increased by 29% year-on-year to HK\$13.73 billion, and profit attributable to shareholders of the Company increased by 124% year-on-year to HK\$1.56 billion. The net profit attributable to the Group was HK\$640 million, representing a year-on-year increase of 126.8%.

By June 30, 2023, BE Water entered into service concession arrangements and entrustment arrangements for a total of 1,447 water plants, including 1,203 wastewater treatment plants, 174 water supply plants, 69 reclaimed water treatment plants and 1 desalination plants, with a total design capacity of 4,381 million tons/day.

Achieving parallel development in domestic and international environmental businesses and maintain stability in performance indicators

Environmental business is also one of the core business segments of BEHL. By June 30, 2023, the environmental business segment of the Group realised a waste incineration and power generation treatment capacity of 34,307 tons/day.

During the Period, the key performance indicators of EEW Energy from Waste GmbH (“EEW GmbH”), a solid waste platform of the Group, remained stable and accomplished a waste treatment volume of 2.38 million tons, which remained the same year-on-year; the Group achieved energy sales of 2,517 million KWH; and the Group recorded the revenue of HK\$3.09 billion.

The Group’s solid waste projects in China includes Beijing Enterprises Environment Group Limited (“BE Environment”, stock code: 154) and Beijing Enterprises Holdings Environment Technology Co., Ltd (“BEHET”) etc. During the period, the domestic environmental business segment deepened its integration to unleash synergies; meanwhile, continued to promote supply-side structural reforms to further strengthen its market position through scaling up and specialization, and to facilitate the increase of industrial concentration and optimization of the competitive ecosystem of the industry. In the first half of the year, the domestic environmental business segment of

the Group recorded a waste treatment volume of 3.3636 million tons, representing a year-on-year increase of 15.8%. It completed an on grid power generation volume of 1.079 billion kWh, representing a year-on-year increase of 25%. It also achieved a total revenue of HK\$1.64 billion during the period, representing a year-on-year increase of 11.6%. Profit attributable to shareholders of the Group amounted to HK\$269 million, representing a year-on-year increase of 141.6%.

Comprehensive reforms are clearly delivering results and Yanjing Brewery achieved a comprehensive growth in its results

Beijing Yanjing Brewery Co., Ltd. (“Yanjing Brewery”, A share Stock Code: 000729.SZ) is a well-known leader in the domestic beer industry. During the Period, Yanjing Brewery upheld its core strategy and steadily promoted the construction of an excellent management system to continuously improve product quality and operational efficiency; strengthened its brand reputation and refreshed its brand image; systematically strengthened the governance of loss-making enterprises to improve management efficiency; and meanwhile, strengthened corporate governance and improved the quality of information disclosure to enhance market recognition, resulting in continuous growth in its key economic indicators. During the Reporting Period, Yanjing Brewery achieved a sales volume of 2.29 million kilolitres, representing a year-on-year increase of 6.4 %, of which, the sales volume of Yanjing U8 recorded 312,000 kilolitres, representing a year-on-year increase of 46%.

The revenue that Beijing Yanjing Brewery Investments Co., Limited (北京燕京啤酒投资有限公司) (“Yanjing Limited”, the direct holding company of Yanjing Brewery), which is held by the Company, recorded during the period was HK\$7.72 billion, representing a year-on-year increase of 6.3%, with its profit before taxation of HK\$773 million, representing a year-on-year increase of 29.5%.

At present, the prospects of a strong global economic recovery remain uncertain, with inflationary pressures and rising interest rates constraining China's economic growth rate to a certain extent, and the Group's industrial operations are also facing certain challenges. Mr. Xiong Bin, Executive Director and Chief Executive Officer of BEHL, stated, “In the second half of 2023, BEHL will continue to focus on its main responsibilities and main business, promote the upgrading of strategic control, and effectively perform its duties of strategic leadership, value creation, industry synergy and management empowerment. The Group will seize the opportunities and create new innovations to fully unleash new growth momentum and promote the Group's development move up to a new level in quality and efficiency.”

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About Beijing Enterprises Holdings Limited:

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, environment, and beer.

As at 30 June 2023, its core assets included: 100% of the equity in Beijing Gas Group Company Limited, China's largest integrated city gas company; 23.44% of the equity in China Gas Holdings Limited (00384.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 (00371.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 (00154.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>.

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