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(Incorporated in Hong Kong with limited liability)
(Stock Code: 392)

INSIDE INFORMATION

NDRC APPROVAL ON TIANJIN NANGANG LNG PROJECT

This announcement is made in accordance with the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of Beijing Enterprises Holdings Limited (the “**Company**”) is pleased to announce that Beijing Gas Group Company Limited (“**Beijing Gas**”), a wholly-owned subsidiary of the Company, has received The NDRC’s Approval on the Liquefied Natural Gas Emergency Reserve Project in Tianjin Nangang (Fa Gai Neng Yuan [2020] No. 36) (《國家發展改革委關於北京燃氣天津南港液化天然氣應急儲備項目核准的批覆》(發改能源[2020]36號)) (the “**Approval Document**”) issued by The National Development and Reform Commission of the People's Republic of China (the “**NDRC**”).

According to the Approval Document, the NDRC has approved the construction of the liquefied natural gas emergency reserve project in Tianjin Nangang (the “**Tianjin Nangang LNG Project**”). The project is located at Nangang Industrial Area, Binhai New District, Tianjin (天津市濱海新區南港工業區) and mainly comprises three parts, i.e. the receiving station, the pier and the outbound pipeline. The receiving station mainly comprises ten 200,000-cubic-meter LNG storage tanks and their related unloading, liquidation processing and vehicle loading facilities, and site reserved for further construction of two 200,000-cubic-meter LNG storage tanks. The construction of the pier mainly comprises one LNG unloading pier with a designed capacity of 5,000,000 tons/year. The construction of the outbound pipeline mainly comprises a new 229-kilometer outbound pipeline with a designed transmission capacity of 4.5 billion cubic meter/year passes through both Tianjin City and Hebei Province, and ends at Chengnan Station, Beijing (北京市城南末站). The maximum

capacity of the receiving station is 6,180,000 tons/year. The Tianjin Nangang LNG Project will be constructed in three phases. The first phase of the construction, which is expected to complete by the end of 2022 to form a preliminary emergency supply system, will include one LNG unloading pier, one LNG carrier berth, four storage tanks, certain related facilities for gasification and loading, as well as outbound pipeline connecting to Beijing. The second phase, which is expected to complete by the end of 2023, will include four storage tanks. The third phase, which is expected to complete by the end of 2024, will include two storage tanks.

Beijing Gas intends to establish an independent company to carry out the investment in, and the construction and operation of the Tianjin Nangang LNG Project. By providing services such as unloading, storage, gasification, loading and gas transmission, the company will collect gasification fee, liquidation processing fee and gas transmission fee to cover the total cost and taxes, and to earn a reasonable investment return. The total investment cost of the project is approximately RMB20.13 billion (including a construction cost of RMB19.26 billion, interest expenses of RMB840 million incurred during the construction period, and working capital of RMB30 million). The Beijing Municipal Government will grant to the project a free subsidy amounted to RMB5.78 billion, representing 30% of the construction cost of the project. Beijing Gas plans to finance the funds for the construction of the Tianjin Nangang LNG Project through several means including internal resources and low cost policy loans from financial institutions.

Based on the project's functional positioning set by the Beijing Municipal Government, the promised cost pass-through mechanism and the LNG purchase price subsidy policy, Beijing Gas will be able to obtain a reasonable return on investment under the emergency supply assurance model and achieve its goals in investment return.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Beijing Enterprises Holdings Limited
Hou Zibo
Chairman and Chief Executive Officer

Hong Kong, 3 April 2020

As at the date of this announcement, the board of directors of the Company comprises Mr. Hou Zibo (Chairman and Chief Executive Officer), Mr. Li Yongcheng, Mr. Zhao Xiaodong, Mr. Jiang Xinhao and Mr. Tam Chun Fai as executive directors; Mr. Wu Jiesi, Mr. Lam Hoi Ham, Dr. Sze Chi Ching and Dr. Yu Sun Say as independent non-executive directors.