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濱海投資有限公司

BINHAI INVESTMENT COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 2886)

**VOLUNTARY ANNOUNCEMENT
ENTERING INTO EQUITY PURCHASE AGREEMENT
IN RESPECT OF NANJING JINPING GAS COMPANY LIMITED**

This announcement is made by Binhai Investment Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

THE ACQUISITION

The board of directors (the “**Board**”) of the Company is pleased to announce that Nanjing Binhai Gas Company Limited* (南京濱海燃氣有限公司) (“**Nanjing Binhai**”), a wholly owned subsidiary of the Company, recently entered into an equity purchase agreement with the shareholders of Nanjing Jinping Gas Company Limited* (南京金屏燃氣有限公司) (the “**Target Company**”, an independent third party of the Group), namely Mr. He Jiajia (何嘉佳) (“**Mr. He**”, holding 60% equity interests of the Target Company) and Ms. He Yu (何羽) (“**Ms. He**”, holding 40% equity interests of the Target Company) and the Target Company (the “**Equity Purchase Agreement**”). According to the Equity Purchase Agreement, Nanjing Binhai agrees to acquire the entire equity interests of the Target Company from Mr. He and Ms. He at a total consideration of RMB34,468,400 (the “**Acquisition**”).

Pursuant to the Equity Purchase Agreement, Nanjing Binhai shall proceed with the approval procedures of the superior State-owned assets administration authority immediately after the signing of the Equity Purchase Agreement. Regarding the specific matters of the Acquisition, another equity purchase contract to be signed by the parties after Nanjing Binhai obtaining the consent of the superior State-owned assets administration authority shall prevail. If the aforesaid consent is not obtained by Nanjing Binhai, or the parties cannot reach agreement to sign the aforesaid equity purchase contract, the Equity Purchase Agreement shall be terminated, and each party shall not be liable to the other parties.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company established in the PRC in 2010. Dongping Subdistrict, where it operates, is located in the northernmost part of Lishui District of Nanjing, the PRC, covering an area of approximately 103.03 square kilometers with a population of approximately 36,000. As a key central town in Jiangsu Province of the PRC, Dongping Subdistrict is mainly engaged in new materials and advanced manufacturing industries, with good prospects for investment attraction and huge potentials in the future.

REASONS FOR AND BENEFIT OF THE ACQUISITION

The acquisition of the Target Company will not only enable the Group to substantially expand its business scope, it will also consolidate the leading position of Nanjing Binhai as a gas operator in Lishui District due to its special geographical location, gaining competitive advantages for the Group to promote integration of the gas market in Lishui District. In addition, the Target Company currently serves nearly 30 industrial users with good profitability. With the tightening of environmental protection policies in the future, the equipment such as biomass boilers used by enterprises in the region will be gradually replaced by gas boilers, which will have a large room for the growth of gas sales, and will improve the operating income and sales profit of the Group.

The Acquisition is subject to fulfilment of condition precedent and entering into of a formal agreement and may or may not proceed to completion. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
BINHAI INVESTMENT COMPANY LIMITED
GAO Liang
Executive Director

Hong Kong, 6 October 2022

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. WANG Zhiyong, Mr. ZUO Zhi Min and Mr. GAO Liang, three non-executive Directors, namely, Mr. WANG Gang, Mr. SHEN Hong Liang and Mr. YU Ke Xiang and three independent non-executive Directors, namely, Mr. IP Shing Hing, J.P., Mr. LAU Siu Ki, Kevin and Professor Japhet Sebastian LAW.

** For identification purpose only*