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北京控股有限公司
BEIJING ENTERPRISES HOLDINGS LIMITED

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

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE 2024 AGREEMENTS

Reference is made to the announcement of the Company dated 31 December 2020, in relation to, inter alia, certain continuing connected transactions of the Company carried out between Beijing Gas Group Companies and Beiran Enterprises Group Companies for three years from 1 January 2021 to 31 December 2023.

The 2021 Agreements will expire on 31 December 2023. Beijing Gas (an indirect wholly-owned subsidiary of the Company) and Beiran Enterprises (a wholly-owned subsidiary of BE Group) entered into the 2024 Agreements on 28 December 2023, whereby Beijing Gas Group Companies and Beiran Enterprises Group Companies will continue to carry out the transactions in respect of categories (A), (B), (C), (D) and (E) for three years from 1 January 2024 to 31 December 2026, with the terms and conditions substantially the same as those under the 2021 Agreements.

As Beiran Enterprises is a wholly-owned subsidiary of BE Group, and BE Group is the ultimate controlling shareholder of the Company, Beiran Enterprises Group Companies are therefore connected persons of the Company under the Listing Rules. Accordingly, the Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio as defined under Rule 14.07 of the Listing Rules in respect of the Transactions is more than 0.1% but is less than 5%, the Transactions are subject to the reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

BACKGROUND – THE 2021 AGREEMENTS

Reference is made to the announcement of the Company dated 31 December 2020, in relation to, inter alia, certain continuing connected transactions of the Company carried out between Beijing Gas Group Companies and Beiran Enterprises Group Companies for three years from 1 January 2021 to 31 December 2023:

| Category | 2021 Agreements | Parties to the agreements |
|-----------------|---|------------------------------------|
| (A) | 2021 Engineering Services Framework Agreement | Beijing Gas and Beiran Enterprises |
| (B) | 2021 Comprehensive Services Framework Agreement | Beijing Gas and Beiran Enterprises |
| (C) | 2021 Sale and Purchase of Gas Framework Agreement | Beijing Gas and Beiran Enterprises |
| (D) | 2021 Sale and Purchase of Goods Framework Agreement | Beijing Gas and Beiran Enterprises |
| (E) | 2021 Leasing Contract | Beijing Gas and Beiran Enterprises |

THE 2024 AGREEMENTS

The 2021 Agreements will expire on 31 December 2023. Beijing Gas (an indirect wholly-owned subsidiary of the Company) and Beiran Enterprises (a wholly-owned subsidiary of BE Group) entered into the 2024 Agreements on 28 December 2023, whereby Beijing Gas Group Companies and Beiran Enterprises Group Companies will continue to carry out the transactions in respect of categories (A), (B), (C), (D) and (E) for three years from 1 January 2024 to 31 December 2026, with the terms and conditions substantially the same as those under the 2021 Agreements:

| Category | 2024 Agreements | Parties to the agreements |
|-----------------|---|------------------------------------|
| (A) | 2024 Engineering Services Framework Agreement | Beijing Gas and Beiran Enterprises |
| (B) | 2024 Comprehensive Services Framework Agreement | Beijing Gas and Beiran Enterprises |
| (C) | 2024 Sale and Purchase of Gas Framework Agreement | Beijing Gas and Beiran Enterprises |
| (D) | 2024 Sale and Purchase of Goods Framework Agreement | Beijing Gas and Beiran Enterprises |
| (E) | 2024 Leasing Contract | Beijing Gas and Beiran Enterprises |

Category (A): Engineering services

Beijing Gas Group Companies and Beiran Enterprises Group Companies have been providing engineering services to each other. As the 2021 Engineering Services Framework Agreement will expire on 31 December 2023, Beijing Gas entered into the 2024 Engineering Services Framework Agreement with Beiran Enterprises on 28 December 2023 for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which:

- (i) Beiran Enterprises Group Companies may provide various engineering services to Beijing Gas Group Companies, including but not limited to project planning, design and various evaluation and appraisal services, engineering survey and geological exploration and survey services, construction, equipment and facilities installation and construction of pipelines, maintenance and examination services, gas pipeline conjoining engineering services, engineering supervision services, technical consultation services and other engineering services; and
- (ii) Beijing Gas Group Companies may provide various engineering services to Beiran Enterprises Group Companies, including but not limited to entrusted engineering construction services, engineering survey services, technical consultation and technical services, etc.

The transactions under the 2024 Engineering Services Framework Agreement will be conducted on normal commercial terms and conditions and terms which shall be no less favourable to Beijing Gas Group Companies than those similar engineering services offered to/by Independent Third Parties and the price shall be determined according to the following principles:

- (i) price prescribed by the PRC Government;
- (ii) where there is no government-prescribed price but there is a government indicating price, at a price not higher than the indicating price set by the PRC Government;
- (iii) where there is neither a government-prescribed price nor a government indicating price, the market price; and
- (iv) where none of the above is applicable, the price will be agreed between the relevant parties.

Both Beijing Gas Group Companies and Beiran Enterprises Group Companies shall at all times have the right to receive from Independent Third Parties, or provide to Independent Third Parties, the engineering services (as the case may be). The schedule, location, specification, standard, method, examination, pricing and payment of fees regarding the provision of engineering services under the 2024 Engineering Services Framework Agreement will be agreed separately by both parties or their subsidiaries or associates based on normal commercial terms and otherwise in accordance with the provisions of the 2024 Engineering Services Framework Agreement. The parties may enter into detailed engineering services provision agreements for further requirements. However, the agreement for the provision of specific engineering services is subject to the principles under the 2024 Engineering Services Framework Agreement and the relevant requirements under relevant laws and regulations (including but not limited to the Listing Rules).

Historical transaction amounts

The expenditure of Beijing Gas Group Companies for receiving the engineering services provided by Beiran Enterprises Group Companies amounted to approximately RMB150,997,000, RMB124,341,000 and RMB55,879,000 respectively for the year of 2021, the year of 2022 and the six months from 1 January to 30 June 2023. For the corresponding period, the revenue of Beijing Gas Group Companies of providing the engineering services to Beiran Enterprises Group Companies amounted to approximately RMB4,957,000, RMB12,218,000 and RMB9,310,000 respectively.

Annual Caps and basis of determination

The Company expects that the Annual Caps of the expenditure of Beijing Gas Group Companies for receiving the engineering services provided by Beiran Enterprises Group Companies will be RMB550,000,000, RMB550,000,000 and RMB550,000,000 respectively for each of the three years ending 31 December 2024, 2025 and 2026, and the Annual Caps of the revenue of Beijing Gas Group Companies for providing engineering services to Beiran Enterprises Group Companies will be RMB250,000,000, RMB250,000,000 and RMB250,000,000 respectively for the corresponding period.

The above Annual Caps are determined after taking into consideration the followings:

- (i) the historical transaction amounts for the engineering services;
- (ii) the estimates of engineering services for 2024 as determined in the comprehensive plan of Beijing Gas for 2024;
- (iii) the estimated scale of engineering works for the years of 2024 to 2026;
- (iv) the relevant development plan of Beijing Gas for the Fourteenth Five-year Period; and
- (v) the increase in engineering costs in the coming few years due to policy adjustments, increase in raw materials prices and increase in labour costs.

Category (B): Comprehensive services

Beijing Gas Group Companies and Beiran Enterprises Group Companies have been providing certain non-engineering services to each other. As the 2021 Comprehensive Services Framework Agreement will expire on 31 December 2023, Beijing Gas entered into the 2024 Comprehensive Services Framework Agreement with Beiran Enterprises on 28 December 2023 for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which:

- (i) Beiran Enterprises Group Companies may provide various comprehensive services to Beijing Gas Group Companies, including but not limited to training services and employee continuing education services, conference services, labour import/export services, lease of equipment services, property management services (office equipment and facilities maintenance services, heating services, lift maintenance services, planting services and cleaning services, etc.), wastewater treatment services, equipment calibration and inspection services and technology consultation services and other non-engineering services; and

- (ii) Beijing Gas Group Companies may provide various comprehensive services to Beiran Enterprises Group Companies, including but not limited to inspection services before pipeline conjoins up, heating services, pipeline drawing archive inquiry services, technology consultation services and other non-engineering services.

The transactions under the 2024 Comprehensive Services Framework Agreement will be conducted on normal commercial terms and conditions and terms which shall be no less favourable to Beijing Gas Group Companies than those similar services offered to/by Independent Third Parties and the price shall be determined according to the following principles:

- (i) price prescribed by the PRC Government;
- (ii) where there is no government-prescribed price but there is a government indicating price, at a price not higher than the indicating price set by the PRC Government;
- (iii) where there is neither a government-prescribed price nor a government indicating price, the market price; and
- (iv) where none of the above is applicable, the price will be agreed between the relevant parties.

Both Beijing Gas Group Companies and Beiran Enterprises Group Companies shall at all times have the right to receive from Independent Third Parties, or provide to Independent Third Parties, the comprehensive services (as the case may be). The schedule, location, specification, standard, method, examination, pricing and payment of fees regarding the provision of comprehensive services under the 2024 Comprehensive Services Framework Agreement will be agreed separately by both parties or their subsidiaries or associates based on normal commercial terms and otherwise in accordance with the provisions of the 2024 Comprehensive Services Framework. The parties may enter into detailed comprehensive services provision agreements for further requirements. However, the agreement for the provision of specific comprehensive services is subject to the principles under the 2024 Comprehensive Services Framework Agreement and the relevant requirements under relevant laws and regulations (including but not limited to the Listing Rules).

Historical transaction amounts

The expenditure of Beijing Gas Group Companies for receiving the non-engineering services provided by Beiran Enterprises Group Companies amounted to approximately RMB99,398,000, RMB81,816,000 and RMB35,329,000 respectively for the year of 2021, the year of 2022 and the six months from 1 January to 30 June 2023. For the corresponding period, the revenue of Beijing Gas Group Companies for providing non-engineering services to Beiran Enterprises Group Companies amounted to approximately RMB2,993,000, RMB2,000 and RMB505,000 respectively.

Annual Caps and basis of determination

The Company expects that the Annual Caps of the expenditure of Beijing Gas Group Companies for receiving non-engineering services provided by Beiran Enterprises Group Companies will be RMB350,000,000, RMB350,000,000 and RMB350,000,000 respectively for each of the three years ending 31 December 2024, 2025 and 2026, and the Annual Caps of the revenue of Beijing Gas Group Companies for providing non-engineering services to Beiran Enterprises Group Companies will be RMB250,000,000, RMB250,000,000 and RMB250,000,000 respectively for the corresponding period.

The above Annual Caps are determined after taking into consideration the followings:

- (i) the historical transaction amounts for the non-engineering services;
- (ii) the relevant aspects of services to be provided as auxiliary services to Beijing Gas in future;
- (iii) the relevant development plan of Beijing Gas for the Fourteenth Five-year Period; and
- (iv) the increase in engineering costs in the coming few years due to policy adjustments, increase in raw materials prices and increase in labour costs.

Category (C): Sale and purchase of gas

Beijing Gas Group Companies have been selling gas and gas products to Beiran Enterprises Group Companies. As the 2021 Sale and Purchase of Gas Framework Agreement will expire on 31 December 2023, Beijing Gas entered into the 2024 Sale and Purchase of Gas Framework Agreement with Beiran Enterprises on 28 December 2023 for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which, Beijing Gas Group Companies may sell different types of gas products to Beiran Enterprises Group Companies, including but not limited to natural gas products.

The transactions under the 2024 Sale and Purchase of Gas Framework Agreement will be conducted on normal commercial terms and conditions and terms which shall be no less favourable to Beijing Gas Group Companies than those similar products offered to Independent Third Parties and the price shall be determined according to the following principles:

- (i) price prescribed by the PRC Government;
- (ii) where there is no government-prescribed price but there is a government indicating price, at a price not higher than the indicating price set by the PRC Government;
- (iii) where there is neither a government-prescribed price nor a government indicating price, the market price; and
- (iv) where none of the above is applicable, the price will be agreed between the relevant parties.

Both Beijing Gas Group Companies and Beiran Enterprises Group Companies shall at all times have the right to purchase goods from or sell goods to Independent Third Parties (as the case may be). The brand names, specification, standard, method of transportation, examination, pricing and payment of fees of the products under the 2024 Sale and Purchase of Gas Framework Agreement will be agreed separately by both parties or their subsidiaries or associates based on normal commercial terms and otherwise in accordance with the provisions of the 2024 Sale and Purchase of Gas Framework Agreement. The parties may enter into detailed agreements in respect of the sale and purchase of gas for further requirements. However, the sale and purchase agreement for specific products is subject to the principles under the 2024 Sale and Purchase of Gas Framework Agreement and the relevant requirements under relevant laws and regulations (including but not limited to the Listing Rules).

Historical transaction amounts

The revenue of Beijing Gas Group Companies from selling gas products to Beiran Enterprises Group Companies amounted to approximately RMB333,368,000, RMB83,973,000 and RMB136,844,000 respectively for the year of 2021, the year of 2022 and the six months from 1 January to 30 June 2023.

Annual Caps and basis of determination

The Company expects that the Annual Caps of the revenue of Beijing Gas Group Companies from selling gas and gas products to Beiran Enterprises Group Companies will be RMB1,100,000,000, RMB1,100,000,000 and RMB1,100,000,000 respectively for each of the three years ending 31 December 2024, 2025 and 2026.

The above Annual Caps are determined after taking into consideration the followings:

- (i) the historical transaction amounts for the sales of gas and gas products; and
- (ii) the relevant development plan of Beijing Gas for the Fourteenth Five-year Period.

Category (D): Sale and purchase of goods

Beijing Gas Group Companies and Beiran Enterprises Group Companies have been purchasing from and selling to each other non-gas products. As the 2021 Sale and Purchase of Goods Framework Agreement will expire on 31 December 2023, Beijing Gas entered into the 2024 Sale and Purchase of Goods Framework Agreement with Beiran Enterprises on 28 December 2023 for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which:

- (i) Beiran Enterprises Group Companies may sell various goods to Beijing Gas Group Companies, including but not limited to pipes, gas valves, gas equipment, various instrument and metres and spare parts, and other gas-related materials and equipment; and
- (ii) Beijing Gas Group Companies may sell various goods to Beiran Enterprises Group Companies, including but not limited to pipes, gas valves, gas equipment, various instrument and metres, pipe fittings, polyethylene pipes and polyethylene pipe fittings and other gas related materials and equipment.

The transactions under the 2024 Sale and Purchase of Goods Framework Agreement will be conducted on normal commercial terms and conditions and terms which shall be no less favourable to Beijing Gas Group Companies than those available to/by Independent Third Parties for the purchases and sales of similar goods and the price shall be determined according to the following principles:

- (i) price prescribed by the PRC Government;
- (ii) where there is no government-prescribed price but there is a government indicating price, at a price not higher than the indicating price set by the PRC Government;
- (iii) where there is neither a government-prescribed price nor a government indicating price, the market price; and
- (iv) where none of the above is applicable, the price will be agreed between the relevant parties.

Both Beijing Gas Group Companies and Beiran Enterprises Group Companies shall at all times have the right to purchase the goods from or sell the goods to Independent Third Parties (as the case may be). The brand names, specification, standard, method of transportation, examination, pricing and payment of fees of the goods under the 2024 Sale and Purchase of Goods Framework Agreement will be agreed separately by both parties or their subsidiaries or associates based on normal commercial terms and otherwise in accordance with the provisions of the 2024 Sale and Purchase of Goods Framework Agreement. The parties may enter into detailed sale and purchase of goods agreements for further requirements. However, the sale and purchase agreement for specific goods is subject to the principles under the 2024 Sale and Purchase of Goods Framework Agreement and the relevant requirements under relevant laws and regulations (including but not limited to the Listing Rules).

Historical transaction amounts

The expenditure of Beijing Gas Group Companies on goods purchased from Beiran Enterprises Group Companies amounted to approximately RMB89,154,000, RMB79,151,000 and RMB55,560,000 respectively for the year of 2021, the year of 2022 and the six months from 1 January to 30 June 2023. For the corresponding period, the revenue of Beijing Gas Group Companies from selling goods to Beiran Enterprises Group Companies amounted to approximately RMB78,146,000, RMB61,795,000 and RMB45,324,000 respectively.

Annual Caps and basis of determination

The Company expects that the Annual Caps of the expenditure of Beijing Gas Group Companies for purchasing goods from Beiran Enterprises Group Companies will be RMB350,000,000, RMB350,000,000 and RMB350,000,000 respectively for each of the three years ending 31 December 2024, 2025 and 2026, and the Annual Caps of the revenue of Beijing Gas Group Companies from selling goods to Beiran Enterprises Group Companies will be RMB450,000,000, RMB450,000,000 and RMB450,000,000 respectively for the corresponding period.

The above Annual Caps are determined after taking into consideration the followings:

- (i) the historical transaction amounts for the purchases and sales of non-gas products;
- (ii) the relevant development plan of Beijing Gas for the Fourteenth Five-year Period;
- (iii) the infrastructure, technology upgrade and future customer development plan of Beijing Gas;
- (iv) the change of raw materials and the surge of labour costs for manufacturing in future; and
- (v) the operating costs and profit margin in future.

Category (E): Leases of properties

Beijing Gas Group Companies have been leasing from Beiran Enterprises certain properties which are legally owned by Beiran Enterprises. As the 2021 Leasing Contract will expire on 31 December 2023, Beijing Gas and Beiran Enterprises entered into the 2024 Leasing Contract on 28 December 2023, pursuant to which, Beiran Enterprises agreed to lease certain of its legally owned properties to Beijing Gas Group Companies for a term of three years from 1 January 2024 to 31 December 2026.

The 2024 Leasing Contract provides that the rent should be the market rent for similar properties at the time the 2024 Leasing Contract is executed. The specific rent to be paid by Beijing Gas Group Companies to Beiran Enterprises and the manner of payment will be separately agreed in accordance with the provisions of the 2024 Leasing Contract. During the term of the contract, both parties may negotiate and adjust the rent of the properties once every year. The rent to be adjusted shall be the market rent confirmed by any independent valuer recognised by both parties. If Beijing Gas Group Companies terminate the use of certain properties according to the provisions of the 2024 Leasing Contract, the amount of total rent to be paid shall be reduced correspondingly according to the period actually leased.

Historical transaction amounts

The rental expenses paid by Beijing Gas Group Companies to Beiran Enterprises for the leasing of relevant properties were approximately RMB119,000,000, RMB121,892,000 and RMB96,978,000, respectively for the year of 2021, the year of 2022, and the six months from 1 January to 30 June 2023.

Annual Caps and basis of determination

Based on the historical transaction amounts, the current agreed amount of rental payments and the estimated future market rental value of similar properties, it is expected that the Annual Caps of the rent payable by Beijing Gas Group Companies to Beiran Enterprises for the leasing of relevant properties under the relevant leasing contract will be RMB450,000,000, RMB450,000,000 and RMB450,000,000 for each of the three years ending 31 December 2024, 2025 and 2026 respectively.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2024 AGREEMENTS

Categories (A), (B), (C) and (D)

In view of the strengths and scope of Beiran Enterprises Group Companies' business activities and the strong favourable support that the Transactions would bring to the Group's business, the Board considers it to be beneficial for the Group to continue carrying out the continuing connected transactions with Beiran Enterprises Group Companies as the Transactions have been facilitating and will be expected to continue facilitating the operation and growth of the Group's business. The Board is also aware of the long-term smooth cooperation history between the Group and Beiran Enterprises Group Companies in relation to the above transactions.

Category (E)

As Beijing Gas Group Companies have been leasing from Beiran Enterprises certain properties legally owned by Beiran Enterprises at prevailing market rates, the Board is of the view that substantial time and costs can be saved if Beijing Gas entered into the 2024 Leasing Contracts with Beiran Enterprises instead of moving to other properties.

INTERNAL CONTROL MEASURES

To ensure that the Transactions are conducted on normal commercial terms or better and based on the aforesaid pricing principles, the Company has established the following internal control measures to monitor the transactions contemplated under the 2024 Agreements:

- (i) the specific agreements entered into under the 2024 Agreements are subject to prior approval by the relevant personnel and management of the Group in accordance with the internal system to ensure that the continuing connected transactions are carried out in compliance with the terms and conditions set out in the 2024 Agreements;
- (ii) the relevant personnel and management of the Group will continuously monitor and review the pricing terms and actual transaction amounts of the Transactions to ensure that the Transactions are conducted in accordance with the terms of the 2024 Agreements and will not exceed the relevant Annual Caps;
- (iii) the Group will regularly examine prevailing market conditions and practices and make reference to the pricing and terms of similar transactions entered into between the Group and Independent Third Parties to ensure that the pricing and terms of the Transactions are fair and reasonable and no less favourable than those provided to Independent Third Parties; and
- (iv) the independent auditor of the Company and the independent non-executive Directors will conduct annual review on the Transactions in accordance with the Listing Rules.

IMPLICATIONS UNDER THE LISTING RULES

As Beiran Enterprises is a wholly-owned subsidiary of BE Group, and BE Group is the ultimate controlling shareholder of the Company, Beiran Enterprises Group Companies are therefore connected persons of the Company under the Listing Rules. Accordingly, the Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio as defined under Rule 14.07 of the Listing Rules in respect of the Transactions is more than 0.1% but is less than 5%, the Transactions are subject to the reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Directors had material interest in the Transactions and abstained from voting on the relevant Board resolutions. The Directors (including the independent non-executive Directors) consider that the 2024 Agreements is entered into in the ordinary and usual course of business of the Group on normal commercial terms or better and that the terms of the 2024 Agreements (together with the relevant Annual Caps) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE COMPANY AND BEIJING GAS

The Company is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. The Group is principally engaged in gas operation, water operation, environmental operation as well as brewery operation in the PRC. The ultimate controlling shareholder of the Company is BE Group, which is in turn ultimately and beneficially owned by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality (北京市人民政府國有資產監督管理委員會).

Beijing Gas is a company established in the PRC with limited liability. It is principally engaged in supplying and selling piped natural gas and related businesses in Beijing, and is an indirect wholly-owned subsidiary of the Company.

INFORMATION ON BEIRAN ENTERPRISES

Beiran Enterprises is a company established in the PRC with limited liability. The principal businesses of Beiran Enterprises are supplying and selling compressed natural gas and LPG; manufacturing, processing and selling gas equipments and tools; construction of gas pipelines, installation of equipments, municipal gas, planning and design of thermal engineering projects, engineering survey, technical services for gas and heating, production of coke, sales of raw chemical materials; and property management, etc. The ultimate controlling shareholder of Beiran Enterprises is BE Group.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

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| “2021 Agreements” | the 2021 Engineering Services Framework Agreement; the 2021 Comprehensive Services Framework Agreement; the 2021 Sale and Purchase of Gas Framework Agreement; the 2021 Sale and Purchase of Goods Framework Agreement; and the 2021 Leasing Contract |
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| “2021 Comprehensive Services Framework Agreement” | an agreement dated 30 December 2020 entered into between Beijing Gas and Beiran Enterprises in respect of the provision of comprehensive services, details of which are set out in the announcement of the Company dated 31 December 2020 |
| “2021 Engineering Services Framework Agreement” | an agreement dated 30 December 2020 entered into between Beijing Gas and Beiran Enterprises in respect of the provision of engineering services, details of which are set out in the announcement of the Company dated 31 December 2020 |
| “2021 Leasing Contract” | an agreement dated 30 December 2020 entered into between Beijing Gas as the tenant and Beiran Enterprises as the landlord in respect of the leasing of properties, details of which are set out in the announcement of the Company dated 31 December 2020 |
| “2021 Sale and Purchase of Gas Framework Agreement” | an agreement dated 30 December 2020 entered into between Beijing Gas and Beiran Enterprises in respect of the sale and purchase of gas, details of which are set out in the announcement of the Company dated 31 December 2020 |
| “2021 Sale and Purchase of Goods Framework Agreement” | an agreement dated 30 December 2020 entered into between Beijing Gas and Beiran Enterprises in respect of the sale and purchase of goods, details of which are set out in the announcement of the Company dated 31 December 2020 |
| “2024 Agreements” | the 2024 Engineering Services Framework Agreement; the 2024 Comprehensive Services Framework Agreement; the 2024 Sale and Purchase of Gas Framework Agreement; the 2024 Sale and Purchase of Goods Framework Agreement; and the 2024 Leasing Contract |
| “2024 Comprehensive Services Framework Agreement” | an agreement dated 28 December 2023 entered into between Beijing Gas and Beiran Enterprises in respect of the provision of comprehensive services, details of which are set out in the section headed “The 2024 Agreements” in this announcement |
| “2024 Engineering Services Framework Agreement” | an agreement dated 28 December 2023 entered into between Beijing Gas and Beiran Enterprises in respect of the provision of engineering services, details of which are set out in the section headed “The 2024 Agreements” in this announcement |
| “2024 Leasing Contract” | an agreement dated 28 December 2023 entered into between Beijing Gas as the tenant and Beiran Enterprises as the landlord in respect of the leasing of properties, details of which are set out in the section headed “The 2024 Agreements” in this announcement |

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|---|---|
| “2024 Sale and Purchase of Gas Framework Agreement” | an agreement dated 28 December 2023 entered into between Beijing Gas and Beiran Enterprises in respect of the sale and purchase of gas, details of which are set out in the section headed “The 2024 Agreements” in this announcement |
| “2024 Sale and Purchase of Goods Framework Agreement” | an agreement dated 28 December 2023 entered into between Beijing Gas and Beiran Enterprises in respect of the sale and purchase of goods, details of which are set out in the section headed “The 2024 Agreements” in this announcement |
| “Annual Caps” | in respect of each of the five categories of the Transactions, the maximum aggregate annual transaction amount estimated by the Company for each of the three years ending 31 December 2026 |
| “associate(s)” | has the meaning ascribed to it under the Listing Rules |
| “BE Group” | Beijing Enterprises Group Company Limited* (北京控股集團有限公司), a company established in the PRC with limited liability and is the ultimate controlling shareholder of the Company |
| “Beijing Gas” | Beijing Gas Group Company Limited* (北京市燃氣集團有限責任公司), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company |
| “Beijing Gas Group Companies” | Beijing Gas and its subsidiaries |
| “Beiran Enterprises” | Beijing Beiran Enterprises Group Company Limited* (北京北燃實業集團有限公司), a company established in the PRC with limited liability and is a wholly-owned subsidiary of BE Group |
| “Beiran Enterprises Group Companies” | Beiran Enterprises and its associates |
| “Board” | the board of Directors of the Company |
| “Company” | Beijing Enterprises Holdings Limited (北京控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 392) |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “controlling shareholder” | has the meaning ascribed to it under the Listing Rules |

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| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Independent Third Party(ies)” | independent third party(ies) who is/are independent of the Company and its connected persons |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time |
| “PRC” | the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region of China |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Shareholder(s)” | the shareholder(s) of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiaries” | has the meaning ascribed to it under the Listing Rules |
| “Transactions” | the transactions contemplated under the 2024 Agreements |
| “%” | per cent. |

** For identification purposes only*

By Order of the Board
Beijing Enterprises Holdings Limited
YANG Zhichang
Chairman

Hong Kong, 28 December 2023

As at the date of this announcement, the board of directors of the Company comprises Mr. YANG Zhichang (Chairman), Mr. JIANG Xinhao (Vice Chairman), Mr. XIONG Bin (Chief Executive Officer), Mr. GENG Chao and Mr. TAM Chun Fai as executive directors; Mr. WU Jiesi, Mr. LAM Hoi Ham, Dr. YU Sun Say and Ms. CHAN Man Ki Maggie as independent non-executive directors.