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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)**

**ANNOUNCEMENT**  
**CONNECTED TRANSACTION**  
**INSURANCE SERVICE PROCUREMENT AGREEMENT WITH**  
**BOHAI PROPERTY INSURANCE**

On 28 December 2023, Tianjin Clean Energy and BHI Tianjin (both wholly-owned subsidiaries of the Company) entered into the Insurance Service Procurement Agreement with Bohai Property Insurance, pursuant to which Bohai Property Insurance is engaged to provide insurance coverage and other incidental services to the BHI Tianjin Group under various insurance policies. Each of such insurance policies is for a term of one year commencing from 1 January 2024 up to and including 31 December 2024. The total insurance premium for the insurance coverage under the Insurance Service Procurement Agreement amounts to RMB4,199,231.70 and is payable by Tianjin Clean Energy.

TEDA is the controlling shareholder of the Company indirectly interested in 545,471,305 Shares (representing approximately 40.32% of the total number of Shares in issue), and is thus a connected person of the Company under the Listing Rules. Since Bohai Property Insurance is a non-wholly owned subsidiary of TEDA and thus its associate, it is also regarded as a connected person of the Company. Therefore, the Insurance Service Procurement Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios in respect of the Insurance Service Procurement Agreement and the transactions contemplated thereunder are more than 0.1% but less than 5%, the Insurance Service Procurement Agreement and the transactions contemplated thereunder are only subject to the reporting and announcement requirements, but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **INTRODUCTION**

On 28 December 2023, Tianjin Clean Energy and BHI Tianjin (both wholly-owned subsidiaries of the Company) entered into the Insurance Service Procurement Agreement with Bohai Property Insurance (a non-wholly owned subsidiary of TEDA), pursuant to which Bohai Property Insurance is engaged to provide insurance coverage and other incidental services to the BHI Tianjin Group under various insurance policies.

The principal terms of the Insurance Service Procurement Agreement are set out below.

### **Date**

28 December 2023

### **The parties**

- (a) Tianjin Clean Energy (as the policy-holder);
- (b) BHI Tianjin Group (as the insured); and
- (c) Bohai Property Insurance (as the insurer)

### **Term**

One (1) year commencing from 1 January 2024 to 31 December 2024

### **Consideration**

A single annual premium payment of RMB4,199,231.70, which was determined based on arm's length negotiations and with reference to the guidance rates of the China Banking and Insurance Regulatory Commission for relevant insurance types, insurance amount and insurance period, and after considering market prices by relevant parties.

## **Payment Terms**

Tianjin Clean Energy shall pay the total premium amount in full to the designated account of Bohai Property Insurance within 30 working days after receiving the insurance policies and the policy invoices by Tianjin Clean Energy.

## **Insurance policies**

The respective insurance coverages under each of such insurance policies are summarized as follows:

- (1) provision of properties all risks insurance coverage for the BHI Tianjin Group with insured amount of RMB7,593,012,101.76 at the premium amount of RMB1,594,533;
- (2) provision of machinery breakdown insurance coverage for the BHI Tianjin Group with insured amount of RMB260,228,742.25 at the premium amount of RMB54,648;
- (3) provision of public liability insurance coverage for the BHI Tianjin Group with limit of indemnity for each accident of RMB10,000,000 and aggregate limit of indemnity of RMB30,000,000 at the premium amount of RMB1,200,000;
- (4) provision of cash insurance coverage for the BHI Tianjin Group with insured amount of RMB200,000 for transit claims and limit of indemnity of RMB510,000 for claims in place of business at the premium amount of RMB830.70;
- (5) provision of gas appliances product liability insurance coverage for RMB29,000,000 estimated annual sales of gas products, including gas stove, integrated stove, water heater, wall-mounted stove and commercial gas appliances for the BHI Tianjin Group, with limit of indemnity for each accident of RMB2,000,000 and aggregate limit of indemnity of RMB31,000,000 at the premium amount of RMB188,500; and
- (6) provision of liability insurance of safe production for the BHI Tianjin Group with limit of indemnity of RMB300,000 for each death compensation claim and limit of indemnity of RMB30,000 for each medical compensation claim, such liability insurance of safe production is supplemented with third-party insurance with limit of indemnity for each accident of RMB2,600,000 and aggregate limit of indemnity of RMB10,000,000 at the premium amount of RMB1,160,720.

When an accident which falls within the scope of the insurance coverage under the insurance policies occurs, Bohai Property Insurance shall provide advance compensation based on the preliminarily verified losses within 3 working days after receiving the “Application for Advance Compensation for Accidents” by the BHI Tianjin Group. The advance compensation amount shall not be less than 60% of the assessed loss amount, which shall be used for early emergency response to the accident to prevent the accident from worsening.

## **REASONS FOR AND BENEFITS OF THE ENTERING INTO THE INSURANCE SERVICE PROCUREMENT AGREEMENT**

The various insurance policies with Bohai Property Insurance will provide comprehensive insurance protection to the BHI Tianjin Group, which aligns with the actual situation of the BHI Tianjin Group, and is conducive to the dispersal and offset of various uncertain risks (including risks arising from natural disasters, accidents, and safety production responsibility accident), thereby comprehensively enhancing the risk resistance ability of the Group and is thus beneficial to the Group.

## **OPINION OF THE DIRECTORS**

The Board (including the independent non-executive Directors) are of the view that the Insurance Service Procurement Agreement is entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better, its terms are fair and reasonable and the Insurance Service Procurement Agreement is in the interests of the Company and the Shareholders as a whole.

No Director has a material interest in the Insurance Service Procurement Agreement and the transactions contemplated thereunder. For good corporate governance practices, Mr. Hu Hao, Mr. Wang Gang and Mr. Yu Kexiang, being Directors who also hold executive positions in TEDA or its subsidiaries, have abstained from voting at the resolutions of the Board approving the Insurance Service Procurement Agreement and the transactions contemplated thereunder.

## **LISTING RULES IMPLICATIONS**

TEDA is the controlling shareholder of the Company indirectly interested in 545,471,305 Shares (representing approximately 40.32% of the total number of Shares in issue), and is thus a connected person of the Company under the Listing Rules. Since Bohai Property Insurance is a non-wholly owned subsidiary of TEDA and thus its associate, it is also regarded as a connected person of the Company. Therefore, the Insurance Service Procurement Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios in respect of the Insurance Service Procurement Agreement and the transactions contemplated thereunder are more than 0.1% but less than 5%, the Insurance Service Procurement Agreement and the transactions contemplated thereunder are only subject to the reporting and announcement requirements, but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **INFORMATION ON THE GROUP AND BOHAI PROPERTY INSURANCE**

The Company is an investment holding company. The Group is principally engaged in the sales of piped natural gas, construction and gas pipeline installation service and gas passing through service.

Tianjin Clean Energy is principally engaged in the investment, construction and operation of urban gas pipeline network in Tianjin region, provision of natural gas connection services, supply and sale of natural gas. As at the date of this announcement, Tianjin Clean Energy is a wholly-owned subsidiary of the Company.

Bohai Property Insurance is principally engaged in provision of insurance services. Bohai Property Insurance is owned (i) as to 73.4% in aggregate by subsidiaries of TEDA, which is a PRC state-owned enterprise supervised by the Tianjin Municipal People's Government State-owned Assets Supervision and Administration Commission (天津市人民政府國有資產監督管理委員會); (ii) as to 12.67% by Tianjin Binhai High-tech Zone Asset Management Company Limited\* (天津濱海高新區資產管理有限公司), which is in turn controlled by Tianjin Binhai High-tech Industrial Development Zone Finance Bureau (天津濱海高新技術產業開發區財政局) being a PRC governmental department; and (iii) as to 13.93% by Insurance Australia Group Limited, which is a company listed on the Australian Securities Exchange (ASX: IAG) principally engaged in underwriting general insurance products and provision of insurance management services.

TEDA is a state-owned enterprise established in the PRC and a controlling shareholder of the Company. The principal business areas of TEDA are regional development, public utilities, finance and modern services.

## DEFINITIONS

“associate”	has the meaning ascribed to it under the Listing Rules;
“BHI Tianjin”	Binhai Investment (Tianjin) Company Limited* (濱海投資(天津)有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company and the holding company of Tianjin Clean Energy;
“BHI Tianjin Group”	BHI Tianjin and its subsidiaries, associated companies, branch companies and operating centres;
“Board”	the board of Director;
“Bohai Property Insurance”	Bohai Property Insurance Co., Ltd. (渤海財產保險股份有限公司), a limited liability company established under the laws of the PRC and is a non-wholly owned subsidiary of TEDA;
“Company”	Binhai Investment Company Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (Stock Code: 2886);
“controlling shareholder”	has the meaning ascribed to it by the Listing Rules;
“connected person”	has the meaning ascribed to it by the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC;
“Insurance Service Procurement Agreement”	the insurance service procurement agreement entered into among Tianjin Clean Energy, BHI Tianjin and Bohai Property Insurance on 28 December 2023 in relation to the provision of insurance coverage and other incidental services by Bohai Property Insurance to the BHI Tianjin Group;

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of Shares;
“Share(s)”	ordinary shares of HK\$0.10 each in the capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“TEDA”	Tianjin TEDA Investment Holding Co., Ltd.* (天津泰達投資控股有限公司), a state-owned enterprise established in the PRC;
“Tianjin Clean Energy”	Tianjin TEDA Binhai Clean Energy Group Company Limited* (天津泰達濱海清潔能源集團有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“%”	per cent

By Order of the Board  
**BINHAI INVESTMENT COMPANY LIMITED**  
**Gao Liang**  
*Executive Director*

Hong Kong, 28 December 2023

*As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Hu Hao, Mr. Wang Xin and Mr. Gao Liang, three non-executive Directors, namely, Mr. Wang Gang, Mr. Shen Hong Liang and Mr. Yu Ke Xiang and four independent non-executive Directors, namely, Mr. Ip Shing Hing, B.B.S., J.P., Mr. Lau Siu Ki, Kevin, Professor Japhet Sebastian Law and Dr. Tang Lai Wah.*

\* *For identification purposes only*