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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)**

## **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2024**

### **HIGHLIGHTS**

- Revenue for the first half of 2024 amounted to approximately RMB42.32 billion.
- EBITDA amounted to approximately RMB8.15 billion.
- Profit attributable to shareholders of the Company for the first half of 2024 amounted to RMB3.15 billion.
- Basic earnings per share attributable to shareholders of the Company amounted to RMB2.5.
- An interim cash dividend of HK85 cents per share is declared for the six months ended 30 June 2024.

## UNAUDITED INTERIM RESULTS

The Board of Directors (the “Board”) of Beijing Enterprises Holdings Limited (the “Company”) is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2024 (the “Reporting Period”) together with the comparative figures in 2023. The consolidated revenue of the Group for the first half of 2024 was RMB42.32 billion. Profit attributable to shareholders of the Company was RMB3.15 billion, representing a year-on-year decrease of 8.1% after excluding the effect of one-off events in the corresponding period of last year.

Profit after taxation contributed by each business segment attributable to shareholders of the Company during the period was as follows:

	<b>Profit after taxation</b>	<b>Proportion</b>
	<i>RMB'000</i>	<i>%</i>
Gas operation	2,797,377	58.0
Water operation	461,514	9.6
Environmental operation	654,233	13.6
Brewery operation	911,523	18.8
	<hr/>	<hr/>
Profit from major operations	4,824,647	100
Corporate and others	(950,151)	
	<hr/>	
Profit of the Group	3,874,496	
Profit attributable to non-controlling interests	(725,053)	
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Profit attributable to shareholders of the Company	3,149,443	
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# MANAGEMENT DISCUSSION AND ANALYSIS

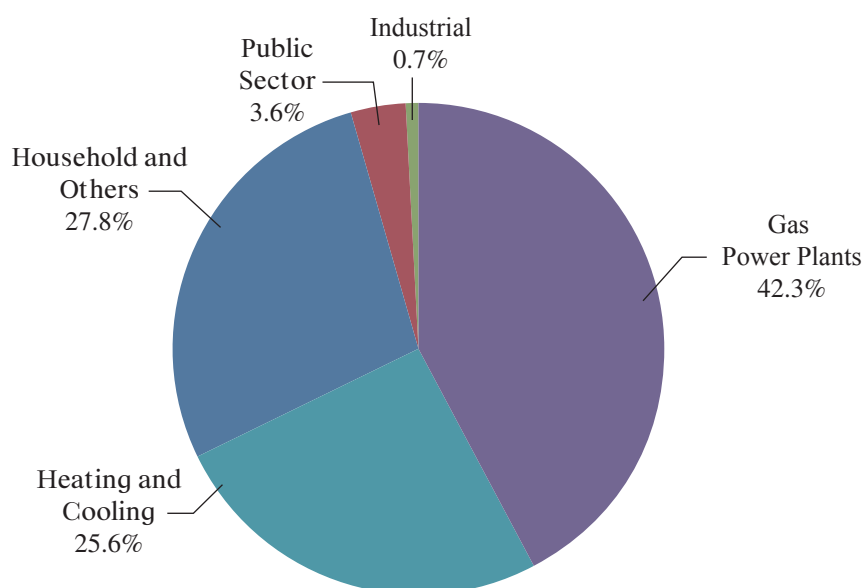
## I. BUSINESS REVIEW

In the first half of 2024 (the “Reporting Period”), global economic activities and trade rebound stably with gradual recovery in major economies. However, the uncertainties linger on. Investment remained weak due to inflation in the service sector and worldwide unyielding high costs in financing amid high interest rates. In facing a more complicated and acute external environment, China accelerated its economic transformation while maintaining a steady performance. During the Reporting Period, the Company proactively responded to internal and external opportunities and challenges. While focusing on cost reduction and efficiency enhancement in all business segments, we persevere in achieving positive interaction between high-quality development and high-level safety by transforming and incubating new quality productivity factors to maintain steady progress in business development.

## ***Natural Gas Distribution Business of Beijing Gas***

Beijing Gas Group Company Limited (“Beijing Gas”) recorded a revenue of RMB30.66 billion in the first half of 2024, representing a year-on-year decrease of 2.9%. Profit before taxation from the principal businesses (including natural gas distribution business, natural gas transmission business and VCNG of Rosneft) was RMB2.56 billion.

In the first half of 2024, Beijing Gas’ combined (excluding duplicate statistics in different categories, and the portion of Beijing Gas Blue Sky Holdings Limited (“Blue Sky”), Stock Code: 6828, was excluded) natural gas sales volume was 11.83 billion cubic metres, including 9.36 billion cubic metres of piped gas sales volume in Beijing, representing a year-on-year increase of 1.4%, 970 million cubic metres of city gas sales volume outside Beijing, 1.42 billion cubic metres of LNG distribution and 800 million cubic metres of LNG international trade. An analysis of the natural gas sales volume accomplished inside Beijing by subscriber sector is shown as follows:



During the Reporting Period, Beijing Gas developed approximately 54,000 new household subscribers and 1,726 new public sector subscribers in Beijing. New heating boiler subscribers with a total capacity of 420 t/h were developed in Beijing. As of 30 June 2024, Beijing Gas had a total of approximately 8.2 million gas subscribers in and outside Beijing. Beijing Gas' capital expenditure in the first half of the year amounted to approximately RMB2.59 billion.

In the first half year, Beijing Gas focused on key issues and continued to enhance its operating efficiency. While maintaining the core business existing market in Beijing, it optimized the layout of the pipeline network in markets outside Beijing. In the LNG business, it completed the signing of upstream long-term resource agreements and carried out diversified innovation in downstream business models to enhance market adaptability. 12 LNG shipments were completed at the receiving terminal of Tianjin Nangang LNG project during the year. Meanwhile, the first and second phases of the storage tanks and the outbound pipelines were put into operation, thus practically fulfilling the role of emergency peak-regulation to ensure sufficient supply. At the same time, it has accelerated its investment in new projects of hydrogen energy, battery charging and replacing, integrated energy, and photovoltaic while expanding its new energy business.

### ***Natural Gas Transmission Business***

PipeChina Group Beijing Pipeline Co., Ltd. ("PipeChina Beijing Pipeline Co.," ) recorded a gas transmission volume of 45.01 billion cubic meters in the first half of 2024, representing a year-on-year increase of 21.5%. During the period, Beijing Gas' share of net profit after taxation, through its 40% equity interests in PipeChina Beijing Pipeline Co., amounted to RMB1.24 billion, representing a year-on-year increase of 3.4%.

### ***VCNG of Rosneft***

During the Reporting Period, the PJSC Verkhnechonskneftegaz ("VCNG") project of Rosneft Oil Company recorded its petroleum sales of 2.90 million tons, representing a year-on-year decrease of 6.8%. Beijing Gas shared a net operating profit after taxation for the first half of the year of RMB464 million through its 20% equity interest in VCNG, representing a year-on-year decrease of 25.1%.

## ***China Gas***

The Group's share of profit of China Gas Holdings Limited ("China Gas", stock code: 384) in the first half of 2024 was RMB280 million, representing an increase of 38.2% when compared with the same period of last year, which was calculated based on the share of profit attributable to shareholders of China Gas for the six months ended 31 March 2024. In the financial year 2024, after assessing the situation, the PRC government introduced a number of policies proactively, thus bringing new momentum to the development of the gas industry. The natural gas pass-through mechanism initially achieved rationalization adjustment, which improved industry-wide dollar margin, further supporting the sound and sustainable development of the gas industry. Adhering to the core spirit of "transforming concepts to strengthen the organization and improving quality for development", China Gas explored new ways to its innovative business growth and realized synergistic development of gas business, value-added business and integrated energy as its core business segments. During the fiscal year ended 31 March 2024, China Gas' total natural gas sales volume increased by 6.2% to 41.7 billion cubic metres, net operating cash flow increased by 13.1% to HK\$11.34 billion and free cash flow surged by 70.2% to HK\$4.29 billion, resulting in the best cash flow performance in history.

## ***Water Business***

By implementing the business strategy of "Survival, Efficiency and Development" during the period, Beijing Enterprises Water Group Limited ("BE Water", stock code: 371) leveraged debt restructuring policies to push forward the collection of large receivables. It optimized the asset structure by disposing of non-core assets and low-efficiency assets in the principal business and optimized debt level by adjusting the currency structure of domestic and overseas debts with compressed capital expenditures and new equity financing. Meanwhile, it advanced regional intensification reform to promote quality improvement, efficiency increase and cost reduction in existing operations. BE Water's revenue for the first half year decreased by 6.4% year-on-year to RMB11.31 billion, and profit attributable to its shareholders decreased by 18% year-on-year to RMB1.12 billion. The net profit attributable to the Group was RMB462 million, representing a decrease of 18% year-on-year.

As at 30 June 2024, BE Water participated in 1,457 water plants that are or will be in operation, including 1,217 sewage treatment plants, 167 water distribution plants, 72 reclaimed water treatment plants and 1 seawater desalination plant, with a total design capacity of 44 million tons/day.

### ***Environmental business***

At the end of the first half of the year, the environmental business segment of the Group realized a waste incineration and power generation treatment capacity of 34,687 tons/day. EEW Energy from Waste GmbH (“EEW GmbH”) recorded year-on-year growth in its primary business indicators, with a 5.5% increase in its waste treatment volume to 2.51 million tons, a 7% increase in its energy sales volume to 2.69 billion kWh, and a 23.1% increase in its revenue to RMB3.34 billion in the first half of the year.

In the first half of the year, the domestic environmental business segment of the Group recorded a waste treatment volume of 3.6181 million tons, representing a year-on-year increase of 7.6%. It completed an on-grid power generation volume of 1.139 billion kWh, representing a year-on-year increase of 5.6%. The solid waste projects in China, including Beijing Enterprises Environment Group Limited (“BE Environment”, stock code: 154) and Beijing Enterprises Holdings Environment Technology Co., Ltd. (“BEHET”) achieved a total revenue of RMB1.15 billion during the period, representing a year-on-year decrease of 20.6%, which was mainly attributable to the year-on-year decrease in construction revenue. The profit attributable to the shareholders of the Group was RMB191 million. During the period, the domestic environmental business segment broadened the market around its main business and tapped into waste incineration resource channels to ensure the stable output of equipment capacity. It successfully won the bidding for the Qidong project, making a major breakthrough in the practice of the light asset operation mode. It deepened the existing projects and facilitated the traditional solid waste projects to carry out technology promotion of heat supply, sludge disposal, and de-nitrification of leachate furnaces segments to name a few to effectively enhance economic value added. The capital expenditure of the Company’s environmental business segment (domestic and overseas) in the first half of the year amounted to approximately RMB1.16 billion.

### ***Beer Business***

Beijing Yanjing Brewery Co., Ltd. (“Yanjing Brewery”) grasped the opportunities arising from the consumption recovery during the period, reduced costs and increased efficiency, and maintained growth in its key performance indicators, with the growth rate of its beer sales volume in the first half of the year outpacing the industry average; steadily pushed forward the forming of a management excellence system; steadfastly implemented the strategy of bulk single product, adding several production bases for U8 bulk single product; and enriched the “on-line + off-line” marketing and diversified communication methods, and laid out new scenarios of e-commerce, new retail and experiential consumption to reshape the image of Yanjing Brewery to be youthful and high-end.

During the Reporting Period, Yanjing Brewery achieved a beer sales volume of 2.3049 million kiloliters, representing a year-on-year increase of 0.65%, and the bulk single product represented by Yanjing U8 also achieved steady growth. The revenue that Beijing Yanjing Brewery Investments Co., Limited\* (北京燕京啤酒投資有限公司) (“Yanjing Limited”) recorded was RMB7.13 billion during the period, representing a year-on-year increase of 5.0%, with its profit before taxation of RMB1.08 billion, representing a year-on-year increase of 58.8%. The capital expenditure of Yanjing Limited for the year was approximately RMB227 million.

## **II. PROSPECTS**

The current global economy is expected to continue its recovery and global inflation may continue to fall. Meanwhile, factors such as trade protectionism and geopolitical conflicts will continue to create greater uncertainty, instability and imbalance, which to a certain extent will also have a series of impacts on the Chinese economy. In the second half of the year, the Group will focus on the established business strategies and enhancement initiatives to explore potentials and increase efficiency to reshape its core competitiveness.

### ***Beijing Gas***

In the second half of the year, Beijing Gas will control its costs effectively while focusing on production safety. It will consolidate the development of the main market in Beijing while gradually expanding the gas market outside Beijing. It will accelerate the expansion of the substitute processing business by facilitating the marketization of the Nangang project. It will leverage its receiving terminal to expand the domestic LNG distribution market scale. It will increase the volume of LNG trade through resale to lock in the profitability. Beijing Gas will drive the resolution of the incremental cost resulted from advance heating last year and promote the study of a long-term cost pass-through mechanism.

### ***China Gas***

In the second half of the year, China Gas will actively promote the implementation of cost pass-through mechanism of city gas projects in various regions and continue to improve the dollar margin level. At the same time, as China’s largest cross-regional integrated energy supplier and service provider, China Gas will continue to explore the growth potential of additional services beyond the gas business by leveraging its huge market and customer advantages. It will also actively respond to the country’s call for developing a green economy by steadily expanding its integrated energy business and realizing high-quality and sustainable growth through digitalized operations.



### ***Water Business***

BE Water will control capital and debt risks stringently and focus on resources to strengthen collection to improve its cash flow. It will accelerate the management of inefficient assets to enhance operational efficiency. By continuously improving the fundamentals of water supply, BE Water will promote the implementation of regional intensive management of sewage business, and enhance the contribution of operating efficiency of the stock assets. It aims to systematically optimize the organization and talent structure through digitalization and intensification of changes to enhance human resources and expense utilization efficiency.

### ***Environmental Business***

Domestic business will continue to carry out the management on benchmarking and refined production to stabilize the efficiency of production of the existing solid waste projects. While actively exploring new quality productivity in energy storage, green steam, green methanol, etc., it will promote the diversification of the value-added business chain, such as sludge collaborative treatment and green power trading. It will continue to control various expenses and strengthen the technological development of energy-saving programme to reduce costs, improve the cash flow structure and increase loan repayments to promote the healthy operation of the projects.

For overseas business, EEW Group will continue to expand its solid waste resource channels to reduce operating costs and reasonably control the growth of labour costs to realize the early launch of the new production lines and increase performance contribution.

### ***Beer business***

Yanjing Brewery will continue to promote its cost reduction and increase efficiency to strengthen production cost management. It will further enhance inefficient enterprise governance by improving the management program for loss-making enterprises. Yanjing Brewery aims to reestablish its industry-leading position by accelerating the strategy of building U8 as a million-ton bulk single product, as well as committing to collaborative efforts in building a premier management regime, product innovation and marketing upgrade.

### III. FINANCIAL REVIEW

#### ***Revenue***

The Group's revenue from operating activities in the first half of 2024 was approximately RMB42.32 billion, a slight decrease of 0.6% when compared with the corresponding period of last year. Of which, the revenue from gas sales was RMB30.66 billion. The revenue from beer sales was RMB7.13 billion. The revenue from the environmental businesses was RMB4.49 billion, which included the revenue of EEW GmbH amounting to RMB3.34 billion and the revenue from other environmental businesses amounting to RMB1.15 billion in total.

#### ***Cost of Sales***

Cost of sales decreased by 1.6% to RMB35.68 billion year-on-year. The cost of sales of the gas distribution business mainly included the purchase costs of natural gas as well as the depreciation charge of the gas pipeline network. The cost of sales of the brewery business included raw materials, wage expenses, and absorption of certain direct overheads. The cost of sales of the environmental businesses included fuel charges, amortization and waste collection costs.

#### ***Gross Profit Margin***

The overall gross profit margin was 15.7%, when compared with the 14.8% of the corresponding period of last year, which was mainly due to the effective cost control by Yanjing Brewery, offsetting the impact of the year-on-year decrease in the gross profit margin of Beijing Gas.

#### ***Other income and gains, net***

Other income and gains, net mainly comprised bank interest income amounting to RMB390 million and government grants of RMB189 million.

### ***Selling and Distribution Expenses***

Selling and distribution expenses of the Group in the first half of 2024 were RMB1.09 billion, increased by 19.3% when compared with the corresponding period of last year, mainly attributable to the increase from Yanjing Brewery.

### ***Administrative Expenses***

Administrative expenses of the Group in the first half of 2024 were RMB3.12 billion, increased slightly by 4.4% when compared with the corresponding period of last year, generally on par with that of the corresponding period of last year.

### ***Other Operating Expenses, net***

Other operating expenses, net for corresponding period of last year mainly represented the reversal of impairment of assets of the environmental business recognised and there were no such reversal of impairment in the first half of this year.

### ***Finance Costs***

Finance costs of the Group in the first half of 2024 were RMB1.21 billion, generally on par with that of the corresponding period of last year. Amid an environment of continuous rising market interest rates, the Group's finance costs were under effective control by adjusting its debt structure.

### ***Share of Profits and Losses of Associates***

Share of profits and losses of associates mainly comprised the 40% share of profit attributable to shareholders of PipeChina Beijing Pipeline Co., the 20% share of profit attributable to shareholders of VCNG, the 23.59% share of profit attributable to shareholders of China Gas and the 41.13% share of profit attributable to shareholders of BE Water.

In the first half of 2024, the Group shared the profit after taxation of PipeChina Beijing Pipeline Co., amounting to RMB1.24 billion, the Group shared the profit after taxation of VCNG amounting to RMB464 million, the Group shared the profit after taxation of China Gas amounting to RMB280 million and the Group shared the net profit of BE Water amounting to RMB462 million.

### ***Taxation***

The effective income tax rate was 33.3%, which was higher than the 20.4% of the corresponding period of last year and was mainly due to certain reversals of impairment not subject to tax in the corresponding period of last year and the increase in withholding tax on dividends in the current period.

### ***Profit Attributable to Shareholders of the Company***

The profit attributable to the shareholders of the Company in the first half of 2024 was RMB3.15 billion, representing a decrease of 23% when compared with the corresponding period of last year. If excluding the one-off factors in the corresponding period of last year, profit attributable to shareholders decreased by 8.1%.

## **IV. CHANGES OF MAJOR ITEMS IN THE INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

### ***Non-current Assets***

The net carrying amount of property, plant and equipment increased by approximately RMB1.2 billion as compared with that at the end of 2023, which was mainly due to increase in construction projects of Beijing Gas.

Other intangible assets were mainly from EEW GmbH.

Investments in associates increased by RMB1.75 billion, which was mainly due to the Group's share of profits of VCNG, PipeChina Beijing Pipeline Co., BE Water and China Gas in the first half of the year.

The balance of prepayments, other receivables and other assets decreased by RMB216 million, which was primarily attributable to the time deposits and certificates of deposit with maturity over one year placed by Beijing Gas in banks.

### ***Current Assets***

Inventories mainly represented the inventory balance of Yanjing Brewery.

The balance of receivables under a finance lease was from EEW GmbH.

The balance of trade receivables increased by RMB487 million, which mainly represented the account receivables of Beijing Gas for selling gas during the heating season.

The balance of prepayments, other receivables and other assets increased by RMB1.49 billion, which was mainly because of the dividends receivables of Beijing Gas from VCNG.

Cash and bank deposits balances amounted to RMB33.78 billion, representing an increase of RMB4.92 billion as compared with that at the end of 2023 and the Company continued to maintain abundant cash resources.

### ***Non-current Liabilities***

The balance of bank and other borrowings increased by RMB4.46 billion, which was mainly due to the replacement of short-term bank loans with higher interest rates with RMB corporate bonds during the period.

The balance of guaranteed bonds and notes decreased by RMB3.75 billion, which was mainly due to the reclassification of guaranteed bonds and notes maturing within one year following the period to current liabilities.

The provision for major overhauls and onerous contracts was mainly from EEW GmbH.

### ***Current Liabilities***

The balance of trade and bills payables increased by RMB215 million, which was basically approximate to that at the end of 2023.

Other payables, accruals and contract liabilities increased by RMB1.98 billion, which was mainly due to the increase in the amount payable by Beijing Gas for the construction works and the increase in the amount payable by Yanjing Brewery for the raw materials.

The balance of bank and other borrowings increased by RMB1.82 billion, which was mainly due to: 1) the addition of approximately RMB3.0 billion of ultra-short-term bank loans by the Company during the period, which offset the impact of the issuance of RMB corporate bonds in exchange for the short-term bank loans, and the relevant ultra-short-term bank loans were repaid after the period; 2) the addition of short-term bank loans by Yanjing Brewery during the period, and the relevant short-term bank loans are expected to be repaid by the end of the year.

### ***Cash and Bank Borrowings***

As at 30 June 2024, cash and bank deposits held by the Group amounted to RMB33.78 billion, representing an increase of RMB4.92 billion as compared with that at the end of 2023.

As at 30 June 2024, the Group's total borrowings amounted to RMB82.31 billion, which mainly comprised guaranteed bonds and notes of US\$1.8 billion in total, Euro guaranteed bonds amounting to EUR900 million, RMB corporate bonds amounting to RMB15.25 billion and offshore RMB bank loans amounting to RMB25.5 billion.

### ***Liquidity and Capital Resources***

The Group maintains sufficient banking facilities both in Chinese Mainland and Hong Kong for its working capital requirements and has abundant cash resources to finance its capital expenditures in the foreseeable future.

As at 30 June 2024, the issued capital of the Company was 1,258,003,268 shares and equity attributable to shareholders of the Company was RMB83.59 billion. Total equity was RMB95.91 billion when compared with RMB93.05 billion as at the end of 2023. The gearing ratio, being all interest bearing borrowings and guaranteed bonds and notes divided by the sum of total equity plus all interest-bearing borrowings and guaranteed bonds and notes, was 46% (31 December 2023: 45%).

### ***Foreign Exchange Exposure***

The majority of the subsidiaries of the Company are operating business in the PRC with most of the transactions denominated and settled in RMB. Currently, the Group is not using any derivative financial instruments to hedge against its risk on foreign exchange rates' fluctuation.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*Six months ended 30 June 2024*

		<b>Six months ended 30 June</b>	
		<b>2024</b>	2023
	<i>Notes</i>	<b>RMB'000</b>	<b>RMB'000</b>
		<b>Unaudited</b>	Unaudited (Restated)
<b>REVENUE</b>		<b>42,324,604</b>	42,560,148
Cost of sales		<u><b>(35,683,938)</b></u>	<u>(36,253,941)</u>
Gross profit		<b>6,640,666</b>	6,306,207
Other income and gains, net	4	<b>894,486</b>	804,201
Selling and distribution expenses		<b>(1,089,833)</b>	(913,197)
Administrative expenses		<b>(3,115,539)</b>	(2,984,927)
Other operating expenses, net		<b>(340,156)</b>	506,863
Finance costs	5	<b>(1,210,621)</b>	(1,212,143)
Share of profits and losses of:			
Joint ventures		<b>(1,966)</b>	(23,949)
Associates		<u><b>2,690,430</b></u>	<u>2,793,130</u>
<b>PROFIT BEFORE TAX</b>	6	<b>4,467,467</b>	5,276,185
Income tax	7	<u><b>(592,971)</b></u>	<u>(511,031)</u>
<b>PROFIT FOR THE PERIOD</b>		<u><b>3,874,496</b></u>	<u>4,765,154</u>
<b>ATTRIBUTABLE TO:</b>			
Shareholders of the Company		<b>3,149,443</b>	4,090,917
Non-controlling interests		<u><b>725,053</b></u>	<u>674,237</u>
		<u><b>3,874,496</b></u>	<u>4,765,154</u>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY</b>	9		
Basic and diluted		<u><b>RMB2.50</b></u>	<u>RMB3.25</u>

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 June 2024

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited (Restated)
<b>PROFIT FOR THE PERIOD</b>	<b><u>3,874,496</u></b>	<b><u>4,765,154</u></b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of foreign operations	(546,755)	(1,448,168)
Share of other comprehensive income/(loss) of associates	<u>(33,141)</u>	<u>193,547</u>
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	<u>(579,896)</u>	<u>(1,254,621)</u>
<i>Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:</i>		
Defined benefit obligations:		
Actuarial gains/(losses), net	(78,662)	61,733
Income tax effect	<u>17,119</u>	<u>(15,360)</u>
	<u>(61,543)</u>	<u>46,373</u>
Equity investments at fair value through other comprehensive income:		
Changes in fair value	210,263	423,819
Income tax effect	<u>(6,970)</u>	<u>(103,808)</u>
	<u>203,293</u>	<u>320,011</u>
Share of other comprehensive income/(loss) of associates	5,909	(7,837)
Exchange differences arising from translation of the Company's financial statements into presentation currency	<u>434,533</u>	<u>1,206,141</u>
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u>582,192</u>	<u>1,564,688</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX</b>	<b><u>2,296</u></b>	<b><u>310,067</u></b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b><u>3,876,792</u></b>	<b><u>5,075,221</u></b>
<b>ATTRIBUTABLE TO:</b>		
Shareholders of the Company	3,199,124	4,306,549
Non-controlling interests	<u>677,668</u>	<u>768,672</u>
	<b><u>3,876,792</u></b>	<b><u>5,075,221</u></b>



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2024

	<i>Notes</i>	<b>30 June 2024 RMB'000 Unaudited</b>	31 December 2023 RMB'000 Audited
<b>ASSETS</b>			
Non-current assets:			
Property, plant and equipment		<b>60,945,831</b>	59,749,529
Investment properties		<b>1,182,708</b>	1,180,403
Right-of-use assets		<b>2,518,599</b>	2,502,633
Goodwill		<b>14,711,347</b>	14,841,407
Operating concessions		<b>5,170,086</b>	4,799,429
Other intangible assets		<b>2,479,661</b>	2,651,019
Investments in joint ventures		<b>259,206</b>	295,703
Investments in associates		<b>60,606,538</b>	58,857,864
Equity investments at fair value through other comprehensive income		<b>1,876,977</b>	1,821,813
Receivables under service concession arrangements	<i>10</i>	<b>3,198,312</b>	3,513,087
Prepayment, other receivables and other assets		<b>5,870,553</b>	6,047,652
Deferred tax assets		<b>2,106,948</b>	2,033,262
		<hr/> <b>160,926,766</b>	<hr/> 158,293,801
Total non-current assets			
Current assets:			
Inventories		<b>6,327,342</b>	5,149,652
Receivables under service concession arrangements	<i>10</i>	<b>133,177</b>	131,246
Receivables under a finance lease		<b>285,395</b>	347,814
Trade receivables	<i>11</i>	<b>4,887,703</b>	4,400,278
Prepayments, other receivables and other assets		<b>7,932,358</b>	6,440,545
Other tax recoverables		<b>464,307</b>	512,188
Financial assets at fair value through profit or loss		<b>1,095,105</b>	–
Restricted cash and pledged deposits		<b>14,189</b>	18,346
Cash and cash equivalents		<b>33,777,153</b>	28,858,361
		<hr/> <b>54,916,729</b>	<hr/> 45,858,430
Non-current assets classified as held for disposal		<b>302,475</b>	302,475
		<hr/> <b>55,219,204</b>	<hr/> 46,160,905
Total current assets			
<b>TOTAL ASSETS</b>		<b>216,145,970</b>	204,454,706

	<i>Notes</i>	<b>30 June 2024 RMB'000 Unaudited</b>	31 December 2023 RMB'000 Audited
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to shareholders of the Company</b>			
Share capital	12	28,340,052	28,340,052
Reserves		<u>55,250,649</u>	<u>52,657,672</u>
		<b>83,590,701</b>	80,997,724
<b>Non-controlling interests</b>		<u>12,320,764</u>	<u>12,051,641</u>
		<b>95,911,465</b>	<b>93,049,365</b>
<b>TOTAL EQUITY</b>			
Non-current liabilities:			
Bank and other borrowings		26,630,789	22,174,394
Guaranteed bonds and notes		15,914,962	19,667,812
Lease liabilities		474,697	449,239
Defined benefit obligations		2,523,618	2,379,977
Provision for major overhauls and onerous contracts		261,282	282,633
Other non-current liabilities		2,411,051	2,083,212
Deferred tax liabilities		<u>2,095,707</u>	<u>2,144,049</u>
Total non-current liabilities		<u>50,312,106</u>	49,181,316
Current liabilities:			
Trade and bills payables	13	4,990,039	4,774,703
Other payables, accruals and contract liabilities		23,404,986	21,422,079
Provision for major overhauls and onerous contracts		43,115	44,477
Income tax payables		939,489	1,020,055
Other tax payables		600,301	378,732
Bank and other borrowings		36,219,786	34,403,393
Guaranteed bonds and notes		3,548,165	–
Lease liabilities		<u>176,518</u>	<u>180,586</u>
Total current liabilities		<u>69,922,399</u>	62,224,025
		<b>120,234,505</b>	<b>111,405,341</b>
<b>TOTAL LIABILITIES</b>			
		<u>216,145,970</u>	<u>204,454,706</u>
<b>TOTAL EQUITY AND LIABILITIES</b>			

## **NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION:**

### **1. BASIS OF PREPARATION AND PRESENTATION**

The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2024 set out in this announcement has been prepared in accordance with the applicable disclosure requirements of Appendix D2 to The Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited.

The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2023.

The accounting policies and basis of preparation used in the preparation of the unaudited interim condensed consolidated financial information are consistent with those adopted in the Group’s annual consolidated financial statements for the year ended 31 December 2023, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, except for the adoption of the new and revised HKFRSs, as disclosed in note 2 below.

In preparing the unaudited interim condensed consolidated financial information, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that its current liabilities exceeded its current assets as at 30 June 2024. Taking into account the historical operating performance of the Group and the following: (a) issued Scientific and Technological Innovation Corporate Bonds (Series 2) in a total principal amount of RMB2 billion to qualified investors in the People’s Republic of China (the “PRC”) on 9 July 2024; (b) issued Scientific and Technological Innovation Corporate Bonds (Series 3) in a total principal amount of RMB2 billion to qualified investors in the PRC on 13 August 2024; and (c) listed investments of the Group could be realised immediately for funds to enable the Group to meet its liabilities as and when they fall due, the directors of the Company considered that the Group will be able to operate as a going concern. Accordingly, the unaudited interim condensed consolidated financial information has been prepared on a going concern basis.

The financial information relating to the year ended 31 December 2023 included in this unaudited interim condensed consolidated financial information as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those consolidated financial statements. Further information relating to those statutory consolidated financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

*The Company has delivered the consolidated financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.*

*The Company's auditor has reported on the consolidated financial statements of the Company for the year ended 31 December 2023. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.*

This interim condensed consolidated financial information has not been audited, but has been reviewed by the Company's audit committee.

## **2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following revised HKFRSs for the first time for the current period's financial information.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The adoption of the above revised HKFRSs has no significant financial effect on this unaudited interim condensed consolidated financial information and there has been no significant changes to the accounting policies applied in this unaudited condensed consolidated financial information.

### **Change of presentation currency**

On 8 December 2023, the Company decided to adopt RMB as the presentation currency of the Group's consolidated financial statements, and the first set of consolidated financial statements of the Group with RMB as the presentation currency was the consolidated financial statements for the year ended 31 December 2023. As most of the Group's transactions are denominated and settled in RMB, the board of directors of the Company (the "Board") considers that RMB is more appropriate to be the presentation currency for the Group's consolidated financial statements. Further, the Board considers that the change of presentation currency will enable the shareholders and potential investors of the Company to have a clearer picture of the Group's actual financial performance and financial position. The effects of the change in the presentation currency have been accounted for retrospectively with comparative figures restated. The comparative amounts in the interim condensed consolidated financial information are presented as if RMB had always been the presentation currency of the consolidated financial statements.

### 3. OPERATING SEGMENT INFORMATION

For management purpose, the Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other operating segments.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit for the period attributable to shareholders of the Company. The segment profit for the period attributable to shareholders of the Company is measured consistently with the Group's profit attributable to shareholders of the Company, except finance costs, share of profits of an associate, as well as head office and corporate income and expenses are excluded from such measurement.

Segment assets and liabilities of each of the reportable operating segments are separately managed by each of the individual operating segments.

The following tables present revenue and profit information regarding the Group's operating segments for the six months ended 30 June 2024 and 2023:

#### Six months ended 30 June 2024

	Gas operation RMB'000 Unaudited	Water operation RMB'000 Unaudited	Environmental operation RMB'000 Unaudited	Brewery operation RMB'000 Unaudited	Others RMB'000 Unaudited	Consolidated RMB'000 Unaudited
Segment revenue	30,662,293	–	4,492,833	7,129,224	40,254	42,324,604
Cost of sales	(28,177,596)	–	(3,200,945)	(4,290,609)	(14,788)	(35,683,938)
Gross profit	<u>2,484,697</u>	<u>–</u>	<u>1,291,888</u>	<u>2,838,615</u>	<u>25,466</u>	<u>6,640,666</u>
Segment result:						
Profit from operating activities	1,129,793	–	952,404	1,095,839	20,974	3,199,010
Finance costs	(271,040)	–	(102,810)	(27,168)	–	(401,018)
Share of profits and losses of:						
Jointly-controlled entities	378	–	(2,344)	–	–	(1,966)
Associates	2,195,292	461,514	13,685	11,052	–	2,681,543
	<u>3,054,423</u>	<u>461,514</u>	<u>860,935</u>	<u>1,079,723</u>	<u>20,974</u>	<u>5,477,569</u>
Corporate and other unallocated income and expenses, net						(209,386)
Share of profits of an associate						8,887
Finance costs						(809,603)
Profit before tax						4,467,467
Income tax						(592,971)
Profit for the period						<u>3,874,496</u>
Profit attributable to shareholders of the Company:						
Operating segments	<u>2,803,259</u>	<u>461,514</u>	<u>460,290</u>	<u>374,531</u>	<u>20,974</u>	<u>4,120,568</u>
Corporate and other unallocated items						(971,125)
						<u>3,149,443</u>

Six months ended 30 June 2023 (restated)

	Gas operation RMB'000 Unaudited	Water operation RMB'000 Unaudited	Environmental operation RMB'000 Unaudited	Brewery operation RMB'000 Unaudited	Others RMB'000 Unaudited	Consolidated RMB'000 Unaudited
Segment revenue	31,563,975	–	4,165,096	6,791,495	39,582	42,560,148
Cost of sales	(28,863,656)	–	(3,029,918)	(4,347,408)	(12,959)	(36,253,941)
Gross profit	<u>2,700,319</u>	<u>–</u>	<u>1,135,178</u>	<u>2,444,087</u>	<u>26,623</u>	<u>6,306,207</u>
Segment result:						
Profit from operating activities	1,469,914	–	1,407,307	703,092	11,949	3,592,262
Finance costs	(190,328)	–	(73,780)	(32,071)	–	(296,179)
Share of profits and losses of:						
Jointly-controlled entities	(26,252)	–	2,303	–	–	(23,949)
Associates	2,187,535	563,380	33,380	8,835	–	2,793,130
	<u>3,440,869</u>	<u>563,380</u>	<u>1,369,210</u>	<u>679,856</u>	<u>11,949</u>	<u>6,065,264</u>
Corporate and other unallocated income and expenses, net						126,885
Finance costs						(915,964)
Profit before tax						5,276,185
Income tax						(511,031)
Profit for the period						<u>4,765,154</u>
Profit attributable to shareholders of the Company:						
Operating segments	<u>3,242,314</u>	<u>563,380</u>	<u>1,014,177</u>	<u>206,774</u>	<u>11,949</u>	5,038,594
Corporate and other unallocated items						(947,677)
						<u>4,090,917</u>

During each of the six months ended 30 June 2024 and 2023, no single external customer contributed 10% or more of the Group's revenue.

#### 4. OTHER INCOME AND GAINS, NET

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited (Restated)
Bank interest income	389,776	366,543
Finance income on the net investment in a finance lease	13,949	15,697
Government grants	189,052	178,699
Transfer of assets from customers	6,849	13,518
Others	294,860	229,744
	<u>894,486</u>	<u>804,201</u>
Other income and gains, net	<u>894,486</u>	<u>804,201</u>

#### 5. FINANCE COSTS

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited (Restated)
Interest on bank loans and other loans	1,012,017	948,346
Interest on guaranteed bonds and notes	261,286	253,034
Interest on lease liabilities	15,635	15,690
	<u>1,288,938</u>	<u>1,217,070</u>
Total interest expenses	1,288,938	1,217,070
Increase in discounted amounts of provision for major overhauls arising from the passage of time	337	286
	<u>1,289,275</u>	<u>1,217,356</u>
Total finance costs	1,289,275	1,217,356
Less: Interest capitalised	(78,654)	(5,213)
	<u>1,210,621</u>	<u>1,212,143</u>

## 6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited (Restated)
Depreciation of property, plant and equipment	<b>2,101,365</b>	1,742,455
Depreciation of right-of-use assets	<b>121,910</b>	124,012
Amortisation of operating concessions	<b>119,937</b>	101,746
Amortisation of other intangible assets	<b>131,352</b>	114,909
Loss on disposal of items of property, plant and equipment, net	<b>112</b>	1,045
Reversal of impairment of operating concessions	<b>–</b>	(577,100)
	<b><u>                    </u></b>	<b><u>                    </u></b>

## 7. INCOME TAX

An analysis of the Group's income tax is as follows:

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited (Restated)
Current:		
Chinese Mainland	<b>433,028</b>	478,382
Germany	<b>57,390</b>	152,530
Others	<b>124,684</b>	13,958
Deferred	<b>(22,131)</b>	(133,839)
	<b><u>                    </u></b>	<b><u>                    </u></b>
Total tax expense for the period	<b><u>592,971</u></b>	<b><u>511,031</u></b>



## **8. INTERIM DIVIDEND**

On 29 August 2024, the Board declared an interim cash dividend of HK85 cents per share (six months ended 30 June 2023: HK93 cents per share), totalling approximately RMB972,093,000 (six months ended 30 June 2023: RMB1,055,846,000 (restated)) for the six months ended 30 June 2024.

## **9. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY**

The calculation of basic earnings per share amount is based on the profit attributable to shareholders of the Company of RMB3,149,443,000 (six months ended 30 June 2023: RMB4,090,917,000 (restated)), and the weighted average number of ordinary shares of 1,259,635,136 (six months ended 30 June 2023: 1,260,203,268) in issue during the period.

No adjustment has been made to the basic earnings per share amounts presented for each of the six months ended 30 June 2024 and 2023 for a dilution as the dilutive potential ordinary shares of associates in issue during these periods either have a minimal impact or have no diluting effect on the earnings per share amounts presented.

## **10. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS**

The Group's receivables under service concession arrangements represented the Group's unconditional right to receive cash or another financial asset for the construction services rendered and/or the consideration paid and payable by the Group for the right to charge users of the public service under service concession arrangements. They were all unbilled as at 30 June 2024 and 31 December 2023.

## 11. TRADE RECEIVABLES

The various group companies have different credit policies, depending on the requirements of their markets and the businesses which they operate. Ageing analysis of trade receivables is prepared and closely monitored in order to minimise any credit risk associated with the receivables. The Group does not hold any collateral or other credit enhancement over its trade receivables.

An ageing analysis of the Group's trade receivables as at the end of the reporting period, based on the invoice date and net of impairment, is as follows:

	<b>30 June 2024 RMB'000 Unaudited</b>	31 December 2023 RMB'000 Audited
Billed:		
Within one year	<b>4,057,537</b>	3,678,540
One to two years	<b>214,148</b>	138,737
Two to three years	<b>31,891</b>	29,399
Over three years	<b>17,647</b>	21,154
	<b>4,321,223</b>	3,867,830
Unbilled*	<b>566,480</b>	532,448
Total	<b>4,887,703</b>	4,400,278

\* *The unbilled balance was attributable to (i) the sale of natural gas near the period/year end date and such sale will be billed in the next meter reading date; and (ii) entitlements to renewable energy tariff subsidies from the sale of electricity generated from waste incineration.*

## 12. SHARE CAPITAL

	<b>30 June 2024 RMB'000 Unaudited</b>	31 December 2023 RMB'000 Audited
Issued and fully paid:		
1,258,003,268 (31 December 2023: 1,260,203,268) ordinary shares	<b><u>28,340,052</u></b>	<b><u>28,340,052</u></b>

A summary of a movement in the Company's share capital is as follows:

	<b>Number of shares in issue</b>	<b>Share capital RMB'000</b>
At 1 January, 31 December 2023 and 1 January 2024	1,260,203,268	28,340,052
Shares repurchased and cancelled ( <i>note</i> )	<u>(2,200,000)</u>	<u>–</u>
At 30 June 2024	<b><u>1,258,003,268</u></b>	<b><u>28,340,052</u></b>

*Note:* During the period ended 30 June 2024, the Company repurchased a total of 2,200,000 ordinary shares of the Company on the Hong Kong Stock Exchange at a weighted average cost of HK\$23.32 per share. All the repurchased shares were cancelled by the Company during the period and the total amount paid for the repurchase of these shares of HK\$51,481,277, including transaction costs of HK\$183,902 (equivalent to RMB46,801,000, including transaction costs of RMB167,000) has been charged to retained profits of the Company in accordance with section 257 of the Hong Kong Companies Ordinance.

### 13. TRADE AND BILLS PAYABLES

An ageing analysis of the Group's trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	<b>30 June 2024 RMB'000 Unaudited</b>	31 December 2023 RMB'000 Audited
Billed:		
Within one year	<b>3,997,271</b>	3,637,593
One to two years	<b>360,809</b>	504,757
Two to three years	<b>22,542</b>	63,508
Over three years	<b>33,281</b>	31,479
	<b>4,413,903</b>	4,237,337
Unbilled*	<b>576,136</b>	537,366
	<b>4,990,039</b>	4,774,703

\* *The unbilled balance was attributable to (i) purchase of natural gas near the period end which was billed subsequently in July 2024; and (ii) accrued extra purchase costs which will be billed when the price is agreed by Beijing Gas with the supplier; and (iii) accrued construction costs for solid waste incineration plant and ecological construction services which have not been billed by the suppliers.*

#### **14. EVENTS AFTER THE REPORTING PERIOD**

- (a) On 9 July 2024, the Company issued Scientific and Technological Innovation Corporate Bonds (Series 2) in a total principal amount of RMB2 billion to qualified investors in the PRC. These Scientific and Technological Innovation Corporate Bonds have a term of 5 and 10 years with the maturity dates in July 2029 and July 2034, bearing interest at the coupon rate of 2.25% and 2.54% per annum, respectively. The proceeds from the issuance of these Scientific and Technological Innovation Corporate Bonds are intended to be used for the repayment of the Group's existing bank loans.
  
- (b) On 13 August 2024, the Company issued Scientific and Technological Innovation Corporate Bonds (Series 3) in a total principal amount of RMB2 billion to qualified investors in the PRC. These Scientific and Technological Innovation Corporate Bonds have a term of 3 and 10 years with the maturity dates in August 2027 and August 2034, bearing interest at the coupon rate of 1.95% and 2.43% per annum, respectively. The proceeds from the issuance of these Scientific and Technological Innovation Corporate Bonds are intended to be used for the repayment of the Group's existing bank loans.

#### **15. COMPARATIVE AMOUNTS**

As further detailed in note 2 to this announcement, the Group changed the presentation currency of the consolidated financial statements from HK\$ to RMB and the effects of which have been accounted for retrospectively with comparative figures restated as if RMB had always been the presentation currency of the consolidated financial statements.

In addition, certain comparative amounts of reportable segments (note 3) have been restated to conform to the current period's presentation. The change in presentation of the reportable segment information would, in the opinion of the directors, provide more relevant information about the Group's operating segments.

## **INTERIM DIVIDEND**

The board of directors of the Company has resolved to declare an interim cash dividend for the six months ended 30 June 2024 (the “Interim Dividend”) of HK85 cents per share (2023: HK93 cents), which will be payable on 1 November 2024 to shareholders whose names appear on the register of members of the Company on 16 September 2024.

The Interim Dividend will be payable in cash to each shareholder in Hong Kong Dollars (“HK\$”) unless an election is made to receive the same in Renminbi (“RMB”).

Shareholders will be given the option to elect to receive all (but not part) of the Interim Dividend in RMB at the exchange rate of HK\$1.0: RMB0.913678, being the average benchmark exchange rate of HK\$ to RMB announced by the People’s Bank of China for the five business days prior to 29 August 2024. If shareholders elect to receive the Interim Dividend in RMB, such dividend will be paid to shareholders at RMB0.7766263 per share. To make such election, shareholders should complete the dividend currency election form, which is expected to be despatched to shareholders on or about Tuesday, 24 September 2024, and return it to the share registrar of the Company, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Thursday, 10 October 2024.

Shareholders who are minded to elect to receive all (but not part) of their dividends in RMB by cheques should note that (i) they should ensure that they have an appropriate bank account to which the RMB cheques for dividend can be presented for payment; and (ii) there is no assurance that RMB cheques can be cleared without material handling charges or delay in Hong Kong or that RMB cheques will be honored for payment upon presentation outside Hong Kong. The cheques are expected to be posted to the relevant shareholders by ordinary post on Friday, 1 November 2024 at the shareholders’ own risk.

If shareholders wish to receive the Interim Dividend in HK\$ in the usual way, no additional action is required.

Shareholders should seek professional advice with their own tax advisers regarding the possible tax implications of the dividend payment.

## **CLOSURE OF REGISTER OF MEMBERS**

The Company's register of members will be closed from Friday, 13 September 2024 to Monday, 16 September 2024, both dates inclusive, during which period, no transfer of shares will be registered. In order to qualify for the Interim Dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Thursday, 12 September 2024.

## **EMPLOYEES**

At 30 June 2024, the Group had approximately 31,000 employees. The employees are remunerated based on their work performance, professional experiences and prevailing industry practices. The Group's employee remuneration policy and package are periodically reviewed by the management. Apart from pension funds, discretionary bonuses and share options are awarded to certain employees according to the assessment of individual performance.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The directors of the Company believe that the Company complied with the code provisions of the "Corporate Governance Code" as set out in Appendix C1 to the Listing Rules during the six months ended 30 June 2024.

## **COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SHARE DEALING**

The Company has adopted Appendix C3 "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") to the Listing Rules to govern securities transactions by the directors of the Company. After having made specific enquiry to all directors of the Company, all directors of the Company confirm that they complied with the "Model Code" during the six months ended 30 June 2024.

## AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors of the Company, namely, Mr. Wu Jiesi, Mr. Lam Hoi Ham (the chairman of the Audit Committee) and Dr. Yu Sun Say. The Audit Committee of the Company has already reviewed the unaudited interim results for the six months ended 30 June 2024 and considers that appropriate accounting policies have been adopted in preparation of the relevant results and sufficient disclosures have been made.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2024, the Company bought back a total of 2,200,000 ordinary shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). All the bought back shares were subsequently cancelled by the Company. Details of the buybacks of such ordinary shares are as follows:

Month	Number of shares bought back	Price per share		Total consideration paid HK\$
		Highest HK\$	Lowest HK\$	
January	100,000	26.30	26.00	2,618,625
March	800,000	23.35	22.10	18,265,000
April	<u>1,300,000</u>	23.95	22.95	<u>30,413,750</u>
<b>Total</b>	<b><u><u>2,200,000</u></u></b>			<b><u><u>51,297,375</u></u></b>

The buy-back of the Company’s shares during the period was effected by the directors of the Company, pursuant to the mandate from shareholders received at the last annual general meeting, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earning per share of the Group.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s securities listed on the Stock Exchange for the six months ended 30 June 2024.



## **PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT**

This interim results announcement is published on the Company's website ([www.behl.com.hk](http://www.behl.com.hk)) and the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)). The interim report will be sent to the shareholders of the Company and will be published on the websites of the Company and the Stock Exchange in due course.

By order of the Board  
**Beijing Enterprises Holdings Limited**  
**Yang Zhichang**  
*Chairman*

Hong Kong, 29 August 2024

*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.*