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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)

CONNECTED TRANSACTION ACQUISITION OF THE ENTIRE EQUITY INTEREST IN THE TARGET COMPANY

The Board is pleased to announce that, on 12 November 2025, Beijing Gas (as purchaser, a wholly-owned subsidiary of the Company) and Beiran Enterprises (as vendor, a wholly-owned subsidiary of BE Group, the ultimate controlling shareholder of the Company) entered into the Equity Acquisition Agreement, pursuant to which Beijing Gas agreed to purchase 100% equity interest in Beijing Beiran Special Equipment Inspection and Testing Co., Ltd.* (北京北燃特種設備檢驗檢測有限公司), which is held by Beiran Enterprises.

Pursuant to Chapter 14A of the Listing Rules, Beiran Enterprises is a connected person of the Company. The Equity Acquisition constitutes a connected transaction of the Company. Based on the results of the size tests under the Listing Rules, the transaction is subject to the announcement requirement, but is exempt from the independent shareholders' approval requirement.

I. MAIN CONTENT OF THE EQUITY ACQUISITION

The Board is pleased to announce that, on 12 November 2025, Beijing Gas (as purchaser, a wholly-owned subsidiary of the Company) and Beiran Enterprises (as vendor, a wholly-owned subsidiary of BE Group, the ultimate controlling shareholder of the Company) entered into the Equity Acquisition Agreement, pursuant to which Beijing Gas agreed to purchase 100% equity interest in Beijing Beiran Special Equipment Inspection and Testing Co., Ltd.* (北京北燃特種設備檢驗檢測有限公司) (“**Target Company**”), which is held by Beiran Enterprises (“**Equity Acquisition**”), of which:

(I) Consideration

The Consideration for the Equity Acquisition is RMB54.60 million (“**Consideration**”), payable in a single cash instalment within 15 working days after the completion of the change of ownership of the Target Company, which shall be funded by Beijing Gas's internal resources.

The Consideration is based on the valuation of 100% equity interest of the Target Company as assessed by Shanghai Lixin, an independent qualified valuation firm.

(II) Completion

Beiran Enterprises shall, within five working days after obtaining equity acquisition certificate issued by China Beijing Equity Exchange, facilitate the Target Company in processing the registration of change of ownership and shall ensure the process is completed no later than 30 working days thereafter.

Within five working days of the Target Company completing the registration of its change of ownership, Beiran Enterprises shall:

1. transfer control, management rights of assets, operations, and documentation of the Target Company to Beijing Gas;
2. facilitate the Target Company in completing its industrial and commercial registration procedure.

The date of completion of the Equity Acquisition shall be the day that the Target Company completes all the above matters.

II. REASONS FOR AND BENEFIT OF THE EQUITY ACQUISITION

(I) Synergistic Effect

The Equity Acquisition aligns with the overarching requirement in Beijing Gas's development plan to "ensure the safe operation of gas pipelines with high standards and safeguard the secure functioning of urban gas services". It will enhance the safety management and operational efficiency of Beijing Gas's pipeline network, fostering synergistic effects within the enterprise.

(II) Qualification Benefits

As the operational lifespan of natural gas pipeline networks increases, the demand for inspection and testing services continues to grow. Acquiring additional special equipment inspection and testing qualifications will broaden Beijing Gas's natural gas industry chain footprint, holding significant importance for the Company's long-term stable development.

(III) Optimise the Efficiency of Resource Allocation

Following the Equity Acquisition, Beijing Gas may fully leverage its position and resources within the gas industry to facilitate the Target Company's market expansion. Drawing upon extensive corporate management expertise, it shall establish an effective operating profit model, exerting a positive influence on the Target Company's current business operations to steer it towards a sound corporate management framework. This will alleviate the operational burdens faced by units undergoing corporate restructuring within the Target Company's during the transitional period, thereby achieving an optimised allocation of resources within the Target Company's internal structure.

III. REPORT ON THE VALUATION OF THE TARGET COMPANY

(I) Basic Information

According to the Valuation Report issued by Shanghai Lixin, the income approach is adopted as the valuation method for this assessment and the market value of 100% equity interest of the

Target Company is determined as of the Valuation Date. The market approach was not adopted primarily due to the scarcity of comparable domestic transaction cases and market data. The asset-based approach was not adopted as it struggles to comprehensively reflect the established sustainable profitability and future growth potential of the Target Company. Thus, the income approach was adopted as it can fully reflect the company's overall profitability and the present value of future earnings, of which:

1. Basic Assumptions for Valuation

The valuation work is based on fundamental assumptions including going concern (the asset continues to be used for its original purpose and operates on a long-term basis), open market (the asset is freely traded in a competitive market where prices are determined by supply and demand), and transaction assumptions (the asset is deemed to be in the process of transaction and valued according to market conditions). General assumptions include: no material changes in relevant national and local policies, laws, or regulations; the company's operational scale and cooperative models remain stable; and no significant adverse changes occur in external economic conditions such as tax rates and interest rates. Specific assumptions encompass: no alteration to the current use of the company's assets; the management diligently advances development plans; consistent financial policies; sustainable business models and leasing arrangements; and unimpeded financing channels.

2. Valuation Model and Key Core Parameters

This valuation adopts a discounted cash flow model, using the company's free cash flow as the income metric, with the discount rate determined based on the weighted average cost of capital (WACC), of which:

(1) Revenue forecast: Inspection services, driven by underground pressure pipeline network inspection requirements in Beijing, is expected to grow at an annual growth rate of 8%. Training and technical services is expected to grow at an annual growth rate of 5%. The business enters a stable phase from 2030 onwards, with revenue levels maintained at the scale achieved in 2029;

(2) Costs and expenses forecast: Multiple items within operating costs and management expenses are projected based on 2024 figures, with an annual growth rate of 2%. Depreciation is forecast according to fixed asset ledger depreciation schedules. From 2030 onwards, the business enters a stable phase, with all costs and expenses in the perpetual period remaining consistent with 2029 levels. Taxes and surcharges are calculated based on a 6% value-added tax rate and corresponding supplementary levies. The income tax rate is applied at 25%;

(3) Discount rate calculation: Adopting the WACC model, the equity return was determined using the capital asset pricing model (CAPM) at 9.35%, comprising a risk-free rate of 2.17%, β coefficient of 0.9886, a market risk premium of 6.31%, a specific risk premium of 1.5%, and a debt return of 3.85%; the final WACC stands at 8.74%.

3. Valuation Conclusion

Based on the aforementioned model, assumptions and parameters, the value of the Target Company's operating assets was calculated. By incorporating the value of surplus assets, non-operating assets and interest-bearing debt, the final value of 100% equity interest of the company is determined to be RMB54.60 million.

(II) Review and Judgement

The Board has fulfilled its review responsibilities in respect of the Valuation Report and the profit forecast contained therein. To this end, the Board has conducted due diligence, including but not limited to a detailed review of the Valuation Report, a prudent examination of its key assumptions, verification of information and data, and discussions and inquiries with the Valuation Firm.

In addition, to enhance the integrity of the due diligence process, the Board engaged the Company's independent auditor, Deloitte, to conduct an independent verification of the relevant sections within the Valuation Report pertaining to the calculation of discounted future estimated cash flows, and to issue a report. The Board, exercising critical thinking and a discerning approach, conducted an independent and comprehensive assessment of all relevant data.

Both Shanghai Lixin and Deloitte have confirmed to the Company that they are independent third parties to the Company. As at the date of this announcement, neither Shanghai Lixin nor Deloitte holds any equity interest in the Company and any member of the Group, or holds any securities or rights to subscribe for, or to appoint other persons to subscribe for any securities of the Company and any member of the Group.

It has been confirmed that no Directors has any material interest in the transaction of the Equity Acquisition and is required to abstain from voting on the relevant Board resolutions.

Based on the foregoing works, the Board confirms that the profit forecast adopted in the Valuation Report was accepted following careful enquiry by the Board and are considered appropriate. The Directors (including the independent non-executive directors) consider that the Equity Acquisition is fair and reasonable, on normal commercial terms or better, and in the interests of the Company and its shareholders as a whole.

Each of Shanghai Lixin and Deloitte has provided the Company with written consent regarding the arrangements for citing its names and content of report in this announcement, and such consent has not been withdrawn.

The letter from the Board regarding the profit forecast and the independent assurance report of Deloitte are set out in Appendix I and Appendix II to this announcement respectively.

IV. INFORMATION ON THE RELEVANT COMPANIES

(I) Target Company

1. Basic Information

The Target Company is a company established in the PRC with limited liability, which principally engages in the periodic inspection of special equipment (boilers, pipelines, pressure vessels, etc.), safety valve calibration, non-destructive testing, and technical training and services in the PRC. In addition, the Target Company holds a wholly-owned subsidiary Beijing Ke'an'te Non-Destructive Testing Co., Ltd.* (北京科安特無損檢測有限公司), which is a company principally engages in non-destructive testing of special equipment in the PRC.

The Target Company was restructured from a public institution into an enterprise and has no original investment cost.

Prior to the Equity Acquisition, 100% equity interest in the Target Company is held by Beiran Enterprises, a wholly-owned subsidiary of BE Group. Following the completion of the Equity Acquisition, 100% equity interest in the Target Company will be held by Beijing Gas and the Target Company will become an indirect wholly-owned subsidiary of the Company.

2. Financial Information

According to the financial statements of the Target Company prepared in accordance with the Chinese Accounting Standards and subject to statutory audit, the financial information for the years ended 31 December 2023 and 31 December 2024 is as follows:

	For the year ended 31 December 2024 (audited) RMB'000	For the year ended 31 December 2023 (audited) RMB'000
Revenue	32,882	64,407
Profit before tax	4,310	15,996
Profit after tax	3,331	12,073

As at 31 December 2024, the audited consolidated net asset value of the Target Company was RMB33.5632 million.

(II) Beiran Enterprises

Beiran Enterprises principally engages in supplying and selling compressed natural gas and LPG; manufacturing, processing and selling gas equipment and tools; construction of gas pipelines, installation of equipment, 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., in the PRC.

(III) Beijing Gas

Beijing Gas owns over 60 years of history, is responsible for the investment, construction, operation, and servicing of gas projects both within and outside Beijing. Beijing Gas focuses on the gas industry chain, participating in upstream resource development, the construction and operation of long-distance pipelines and gas storage facilities, as well as downstream businesses such as distributed energy and automotive gas. It is an energy enterprise covering the entire natural gas industry chain.

(IV) The Company

The Company is one of the largest overseas investment and financing flagship enterprise under the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality. After undergoing a series of reforms such as restructuring, transformation and resources integration, the Company has successfully transformed into an integrated urban public utility company underpinned by gas, water and environmental sectors

as well as the related upstream and downstream investment as the principal businesses, with the beer business as a complementary, forming a collaborative development layout. Member enterprises are all taking leading position of the industry or the region, and have a strong influence on the market, ecosystem and development of related industries.

V. LISTING RULES IMPLICATIONS

Pursuant to Chapter 14A of the Listing Rules, the Equity Acquisition between Beijing Gas (as purchaser, a wholly-owned subsidiary of the Company) and Beiran Enterprises (as vendor, a wholly-owned subsidiary of BE Group, the ultimate controlling shareholder of the Company) constitutes a connected transaction of the Company as Beiran Enterprises is a connected person of the Company. According to the calculation as required by the Listing Rules, the Equity Acquisition is subject to the announcement requirement, but is exempt from the independent shareholders' approval requirement.

VI. DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“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, is the ultimate controlling shareholder of the Company, wholly-owned by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality
“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, is an indirect wholly-owned subsidiary of the Company
“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, is a wholly-owned subsidiary of BE Group
“Board”	the board of Directors
“Company”	Beijing Enterprises Holdings Limited, 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), is an indirect subsidiary of BE Group
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	has the meaning ascribed to it under the section headed “Consideration” within the “Main Content of the Equity Acquisition” in this announcement

“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Deloitte”	Deloitte Touche Tohmatsu, Certified Public Accountants in Hong Kong, is the independent auditor of the Company
“Director(s)”	the director(s) of the Company
“Equity Acquisition”	has the meaning ascribed to it under the section headed “Main Content of the Equity Acquisition” in this announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Lixin” or “Valuation Firm”	Shanghai Lixin Appraisal Co., Ltd.* (上海立信資產評估有限公司), is an independent qualified asset valuation firm in the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Target Company”	Beijing Beiran Special Equipment Inspection and Testing Co., Ltd.* (北京北燃特種設備檢驗檢測有限公司), a company established in the PRC with limited liability, details of which are disclosed in the section headed “Target Company” within the “Information on the Relevant Companies” in this announcement
“Valuation Date”	30 September 2024
“Valuation Report”	the valuation report dated 29 August 2025 prepared by Shanghai Lixin in relation to the entire equity interest of the Target Company

「%」 per cent.

** For identification purposes only*

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

Hong Kong, 12 November 2025

As at the date of this announcement, the board of directors of the Company comprises: five executive directors, namely Mr. YANG Zhichang (Chairman), Mr. XIONG Bin (Chief Executive Officer), Mr. XU Tong, Mr. GENG Chao and Mr. TUNG Woon Cheung Eric; two non-executive directors, namely Mr. YU Xijian and Mr. SU Junjie; four independent non-executive directors, namely Mr. WU Jiesi, Mr. LAM Hoi Ham, Dr. YU Sun Say and Ms. CHAN Man Ki Maggie.

Appendix I: Letter from the Board



北京控股有限公司
BEIJING ENTERPRISES HOLDINGS LIMITED

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Letter regarding Profit Forecast in the Valuation Report for the Connected Transaction in relation to the Acquisition of the Entire Equity Interest in Beijing Beiran Special Equipment Inspection and Testing Co., Ltd.* (北京北燃特種設備檢驗檢測有限公司) by Beijing Gas Group Company Limited* (北京市燃氣集團有限責任公司), a Subsidiary of Beijing Enterprises Holdings Limited

To Independent Shareholders of Beijing Enterprises Holdings Limited

Regarding the connected transaction in relation to the acquisition of Beijing Beiran Special Equipment Inspection and Testing Co., Ltd.* (北京北燃特種設備檢驗檢測有限公司) by Beijing Gas Group Company Limited* (北京市燃氣集團有限責任公司), a subsidiary of Beijing Enterprises Holdings Limited (the “**Company**”), from Beijing Beiran Enterprises Group Company Limited* (北京北燃實業集團有限公司), where the transaction consideration was determined based on the valuation report dated 29 August 2025 (the “**Valuation Report**”) issued by Shanghai Lixin Appraisal Co., Ltd.* (上海立信資產評估有限公司), an independent qualified valuation firm in the People’s Republic of China (the “**Valuation Firm**”), which adopted the income approach involving profit forecast (the “**Profit Forecast**”) under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company (the “**Board**”) has fulfilled the duty to review the Profit Forecast contained in the Valuation Report. To this end, the Board has conducted due diligence, including but not limited to a detailed review of the Valuation Report, a prudent examination of its key assumptions, verification of information and data, and discussions and inquiries with the Valuation Firm.

Furthermore, to enhance the integrity of the due diligence process, the Board engaged the Company’s independent auditor, Deloitte Touche Tohmatsu, to conduct an independent verification of the relevant sections within the Valuation Report pertaining to the calculation of discounted future estimated cash flows, and to issue a report. The Board, exercising critical thinking and a discerning approach, conducted an independent and comprehensive assessment of all relevant data.

Based on the foregoing works, the Board confirms that the Profit Forecast adopted in the Valuation Report was accepted following careful enquiry by the Board and are considered appropriate.

** For identification purposes only*

Beijing Enterprises Holdings Limited

YANG Zhichang

Chairman of the Board

12 November 2025



**INDEPENDENT ASSURANCE REPORT ON THE CALCULATIONS OF
DISCOUNTED FUTURE ESTIMATED CASH FLOWS IN CONNECTION WITH THE
VALUATION OF 100% EQUITY INTEREST IN 北京北燃特種設備檢驗檢測有限公司**

TO THE DIRECTORS OF BEIJING ENTERPRISES HOLDINGS LIMITED

We have examined the calculations of the discounted future estimated cash flows on which the valuation prepared by 上海立信資產評估有限公司 dated 29 August 2025, of a 100% equity interest in 北京北燃特種設備檢驗檢測有限公司 as at 30 September 2024 (the “**Valuation**”) is based. 北京北燃特種設備檢驗檢測有限公司 is a company incorporated in the People’s Republic of China. The Valuation based on the discounted future estimated cash flows is regarded as a profit forecast under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and will be included in an announcement dated 12 November 2025 to be issued by Beijing Enterprises Holdings Limited (the “**Company**”) in connection with the acquisition of 100% equity interest in 北京北燃特種設備檢驗檢測有限公司 (the “**Announcement**”).

Directors’ Responsibility for the Discounted Future Estimated Cash Flows

The directors of the Company are responsible for the preparation of the discounted future estimated cash flows in accordance with the bases and assumptions determined by the directors and set out in the Announcement (the “**Assumptions**”). This responsibility includes carrying out appropriate procedures relevant to the preparation of the discounted future estimated cash flows for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and

procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibility

Our responsibility is to express an opinion on whether the calculations of the discounted future estimated cash flows have been properly compiled, in all material respects, in accordance with the Assumptions on which the Valuation is based and to report solely to you, as a body, as required by Rule 14.60A(2) of the Listing Rules, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Our engagement was conducted in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the HKICPA. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain reasonable assurance on whether the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled, in all material respects, in accordance with the Assumptions. Our work was limited primarily to making inquiries of the Company's management, considering the analyses and assumptions on which the discounted future estimated cash flows are based and checking the arithmetic accuracy of the compilation of the discounted future estimated cash flows. Our work does not constitute any valuation of 北京北燃特種設備檢驗檢測有限公司.

Because the Valuation relates to discounted future estimated cash flows, no accounting policies of the Company have been adopted in its preparation. The Assumptions include hypothetical assumptions about future events and management actions which cannot be confirmed and verified in the same way as past results and these may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the Valuation and the variation may be material. Accordingly, we have not reviewed, considered or conducted any work on the reasonableness and the validity of the Assumptions and do not express any opinion whatsoever thereon.

Opinion

Based on the foregoing, in our opinion, the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled, in all material respects, in accordance with the Assumptions.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
12 November 2025