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濱海投資有限公司
BINHAI INVESTMENT COMPANY LIMITED

(Incorporated in the Bermuda with limited liability)
(Stock code: 8035)

**CHANGES TO ANNUAL CAPS
OF CONTINUING CONNECTED TRANSACTIONS
FOLLOWING CHANGE OF FINANCIAL YEAR END**

The Company previously announced certain Continuing Connected Transactions and their respective annual caps. Due to the Change of Financial Year End Date, the relevant periods and (where necessary) the amounts of the annual caps of the Continuing Connected Transactions have been revised as more particularly set out in this announcement.

The Company also provides updates regarding the transactions under the Former Subsidiaries Gas Supply Agreement and the Renewed Office Lease.

Reference is made to the announcement of the Company dated 27 December 2012 regarding the change in the Company's financial year end date from 31 March to 31 December ("**Change of Financial Year End Date**")

The Company previously announced the continuing connected transactions pursuant to the following agreements (the "**Continuing Connected Transactions**") and the annual caps thereunder in accordance with Chapter 20 of the GEM Listing Rules:

- (1) the Former Subsidiaries Gas Supply Agreement;
- (2) the Tianjin Eco-City Gas Supply Agreement;
- (3) the Sai Rui Gas Supply Agreement;
- (4) the Supplemental Agreement to the TEDA-Gas Gas Supply Agreement; and
- (5) the Tianjin Pipe Gas Supply Agreement;
- (6) the Renewed Office Lease.

Due to the Change of Financial Year End Date, the relevant periods and (where necessary) the amounts of the annual caps of such transactions have been changed as set out below.

(1) The Former Subsidiaries Gas Supply Agreement

Reference is made to the announcement of the Company dated 29 March 2012 regarding, among others, the continuing connected transactions under and the annual caps of the Former Subsidiaries Gas Supply Agreement entered into between Tianjin Wah Sang and the Former Subsidiaries (including the Repurchased Subsidiaries) which were all associates of TEDA as at the date of such announcement, in relation to the supply of gas by the Group to the Former Subsidiaries (the “**Former Subsidiaries Gas Supply Agreement**”).

On 26 October 2012, the Company announced that upon completion of the Repurchase Agreement dated 26 October 2012, the Group would regain the management control of the Repurchased Subsidiaries from TEDA Hong Kong Property Company Limited. The Group has already regained control of the Repurchased Subsidiaries and such entities have ceased to be a connected person of the Company, and therefore the transactions with the Repurchased Subsidiaries under the Former Subsidiaries Gas Supply Agreement no longer constitute connected transactions of the Company. The transactions under the Former Subsidiaries Gas Supply Agreement with the remaining two of the Former Subsidiaries continue to constitute connected transactions of the Company.

The aforesaid announcement dated 29 March 2012 set out the annual cap of RMB 7,500,000 for the year ending 31 March 2013 for transactions under the Former Subsidiaries Gas Supply Agreement. Due to the Change of Financial Year End Date, the period of such annual cap has been changed to nine months from 1 April 2012 to 31 December 2012, the period for which the Company will publish its next annual report.

(2) The Tianjin Eco-City Gas Supply Agreement

Reference is made to the announcement of the Company dated 30 December 2011 regarding the continuing connected transactions under and the annual caps of the Tianjin Eco-City Gas Supply Agreement entered into between Tianjin Wah Sang and 天津生態城能源投資建設有限公司(Tianjin Eco-City Energy Investment Construction Company Limited*) in relation to the supply of gas by the Group to Tianjin Eco-City (the “**Tianjin Eco-City Gas Supply Agreement**”).

The aforesaid announcement dated 30 December 2011 set out the annual caps for the transactions under the Tianjin Eco-City Gas Supply Agreement for the years ending 31 March 2013 and 2014 and for the period from 1 April to 30 December 2014 of RMB 37,600,000, RMB 48,100,000 and RMB 36,000,000 respectively. Due to the Change of Financial Year End Date, the periods of these annual caps for the Tianjin Eco-City Gas Supply Agreement have been changed to the periods set out below:

| | | |
|--|---|----------------|
| For the 9 months from 1 April 2012 to 31 December 2012 | - | RMB 37,600,000 |
| For the 12 months ending 31 December 2013 | - | RMB 48,100,000 |
| For the 12 months ending 31 December 2014 | - | RMB 36,000,000 |

(3) The Sai Rui Gas Supply Agreement

Reference is made to the announcement of the Company dated 24 June 2011 regarding, among others, the continuing connected transactions under and the annual caps for the Sai Rui Gas Supply Agreement entered into between Tianjin Wah Sang and 天津賽瑞機械設備有限公司(Tianjin Sai-rui Machinery Company Limited*), an associate of TEDA and a connected person of the Company in relation to the supply of gas by the Group to Tianjin Sai-rui Machinery Company Limited (the “**Sai Rui Gas Supply Agreement**”).

The aforesaid announcement dated 24 June 2011 set out the annual caps for the transactions under the Sai Rui Supply Agreement for the years ending 31 March 2013 and 31 March 2014 of RMB 29,160,000 and RMB 34,020,000 respectively. Due to the Change of Financial Year End Date, the periods of these annual caps for the Sai Rui Gas Supply Agreement have been changed to the periods set out below:

| | | |
|--|---|----------------|
| For the 9 months from 1 April 2012 to 31 December 2012 | - | RMB 29,160,000 |
| For the 12 months ending 31 December 2013 | - | RMB 34,020,000 |

(4) The Supplemental Agreement to the TEDA-Gas Gas Supply Agreement

Reference is made to the announcement of the Company dated 24 June 2011 regarding, among others, the continuing connected transactions under and the annual caps of the Supplemental Agreement to Teda-Gas Gas Supply Agreement entered into between BITCL and Tianjin TEDA Tsinlien Gas Co., Ltd* (天津泰達津聯燃氣有限公司) in relation to the supply of gas by the Group to Tianjin TEDA Tsinlien Gas Co., Ltd (the “**Supplemental Agreement to the TEDA-Gas Gas Supply Agreement**”).

The above announcement dated 24 June 2011 set out the annual caps for the transactions under the Supplemental Agreement to Teda-Gas Gas Supply Agreement for the years ending 31 March 2013 and 31 March 2014 to be RMB 118,000,000 and RMB 127,440,000 respectively. Due to the Change of Financial Year End Date, the periods for annual caps for the Sai Rui Gas Supply Agreement have been revised as follows:

| | | |
|---|---|-----------------|
| For the nine months from 1 April 2012 to 31 December 2012 | - | RMB 118,000,000 |
| For the year ending 31 December 2013 | - | RMB 127,440,000 |

(5) The Tianjin Pipe Gas Supply Agreement.

Reference is made to the announcement of the Company dated 10 September 2010 regarding, among others, the continuing connected transactions under and the annual caps of the Tianjin Pipe Gas Supply Agreement entered into between (1) Tianjin Wah Sang and Wah Sang Energy and (2) Tianjin Pipe (Group) Corporation* (天津鋼管集團股份有限公司) in relation to the supply of natural gas by Tianjin Wah Sang and/or Wah Sang Energy to Tianjin Pipe and its associates (the “**Tianjin Pipe Gas Supply Agreement**”).

The aforesaid announcement dated 24 June 2011 set out the annual caps for the transactions under the Tianjin Pipe Gas Supply Agreement for the year ending 31 March 2013 of RMB 492,000,000. Due to the Change of Financial Year End Date and that the Company has not yet set a cap for the transactions under the Tianjin Pipe Gas Supply Agreement for any period after 31 March 2013, the periods and amounts for annual caps for the Tianjin Pipe Gas Supply Agreement have been revised as follows:

For the nine months from 1 April 2012 to 31 December 2012 - RMB369,000,000
For the three months from 1 January 2013 to 31 March 2013 - RMB123,000,000

The above revised periods and amounts of the annual caps were arrived at on the same basis as disclosed under the announcement dated 10 September 2010. Such revisions have been made to tie the annual caps to the financial year end of the Company, and do not involve any change in the terms of the Tianjin Pipe Gas Supply Agreement.

(6) The Renewed Office Lease

Reference is made to the announcement of the Company dated 8 June 2011 regarding the renewed office lease entered into by Wah Sang Energy (as tenant) and TEDA Real Property (as landlord) in relation to the lease of certain office premises from 1 July 2011 to 31 March 2014 (the “**Renewed Office Lease**”).

The above announcement dated 8 June 2011 set out the annual caps for the transactions under the New Office Lease for the year ending 31 March 2013 and 31 March 2014 of RMB 3,911,170 and RMB 4,003,906 respectively. [The Group no longer use the premises of 25/F, TEDA Building, 256 South of Jiefang Road, Hexi District, Tianjin and the Renewed Office Lease was terminated on 31,October, 2012.

Due to the Change of Financial Year End Date, the period for the annual cap of RMB 3,911,170 for the Renewed Office Lease of the year ending 31 March 2013 has been changed to 9 months from 1 April 2012 to 31 December 2012. As the Renewed Office Lease has already terminated, the annual cap of RMB 4,003,906 for the year ending 31 March 2014 is no longer of any relevance.

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

Hong Kong, 7 February 2013

DEFINITIONS

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|-------------------------------------|---|
| “associate” | has the meaning ascribed to it by the GEM Listing Rules |
| “BITCL” | 濱海投資（天津）有限公司 (Binhai Investment (Tianjin) Company Limited *), a limited liability company established under the laws of the PRC, an indirect wholly-owned subsidiary of the Company |
| “Company” | Binhai Investment Company Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on GEM |
| “connected person” | has the meaning ascribed to it by the GEM Listing Rules |
| “Continuing Connected Transactions” | the continuing connected transactions contemplated under the Former Subsidiaries Gas Supply Agreement, the Tianjin Eco-City Gas Supply Agreement, the Sai Rui Gas Supply Agreement, the Supplemental Agreement to the Supplemental Agreement to Teda-Gas Gas Supply Agreement and the Tianjin Pipe Gas Supply Agreement |
| “Director(s)” | the director(s) of the Company |
| “Former Subsidiaries” | eight former subsidiaries of the Group as at 29 March 2012, namely, the Repurchased Subsidiaries, 邳州華燊燃氣有限公司 (Pizhou Wah Sang Gas Company Limited*) and 博興華燊燃氣有限公司 (Boxing Wah Sang Gas Company Limited*) |
| “GEM” | the Growth Enterprise Market of the Stock Exchange |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “PRC” | the People’s Republic of China |
| “Repurchase Agreement” | the agreement dated 26 October 2012 entered into between Binhai Investment Hong Kong Limited, a wholly-owned subsidiary of the Company, and TEDA Hong Kong Property Company Limited, a wholly-owned subsidiary of TEDA, in relation to regaining the management control of the Repurchased Subsidiaries |
| “Repurchased Subsidiaries” | six former subsidiaries of the Group which have been repurchased by the Group pursuant to the Repurchase Agreement, namely, 安新利華華燊燃氣有限公司 (Anxin Lihua Wah Sang Gas Co., Ltd. *), 豐縣華燊燃氣有限公司 |

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| | (Fengxian Wah Sang Gas Co., Ltd.*), 高安華燊燃氣有限公司(Gaoan Wah Sang Gas Co., Ltd.*), 冀州華燊燃氣有限公司(Jizhou Wah Sang Gas Co., Ltd.*), 瀏陽華燊燃氣有限公司(Liuyang Wah Sang Gas Co., Ltd.*) and 清苑濱海燃氣有限公司(Qingyuan Binhai Gas Co., Ltd.*) |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Shareholders” | the holders of the ordinary shares of HK\$0.01 each in the capital of the Company |
| “TEDA” | 天津泰達投資控股有限公司(Tianjin TEDA Investment Holding Co., Ltd.*), a state-owned enterprise established in the PRC and the ultimate controlling shareholder of the Company |
| “Tianjin Wah Sang” | 天津華燊燃氣實業有限公司(Tianjin Wah Sang Gas Enterprise Company*), a limited liability company established under the laws of the PRC, an indirect wholly-owned subsidiary of the Company |
| “Wah Sang Energy” | 天津華燊能源發展有限公司(Tianjin Wah Sang Energy Development Company Limited*), a limited liability company established under the laws of the PRC, an indirect wholly-owned subsidiary of the Company |

** for identification purposes only*

In this announcement, RMB has been converted to HK\$ at the rate of RMB0.8045=HK\$1 for illustration purpose only. No representation is made that any amounts in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rates or at all.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Zhang Bing Jun and Mr. Gao Liang, five non-executive Directors, namely, Mr. Shen Xiao Lin, Mr. Zhang Jun, Mr. Dai Yan, Mr. Wang Gang and Ms. Zhu Wen Fang, and four independent non-executive Directors, namely, Mr. Ip Shing Hing, J.P., Professor Japhet Sebastian Law, Mr. Tse Tak Yin and Mr. Lau Siu Ki, Kevin.

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