濱 海 投 資 有 限 公 司
BINHAI INVESTMENT COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 2886)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020, the profit attributable to equity holders of the Company for the year ended 31 December 2020 is expected to show a significant increase of over 200% as compared to that for the year ended 31 December 2019.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Binhai Investment Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**").

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020, the profit attributable to equity holders of the Company for the year ended 31 December 2020 is expected to show a significant increase of over 200% as compared to that for the year ended 31 December 2019. Such significant increase was mainly due to the following factors: (1) exchange gains arising from the US$300 million bonds due in November 2020 issued by the Company; (2) vigorous recovery of receivables by the Group which successfully reverted the corresponding bad debt provisions including that in respect of the receivables from Tianjin Steel Pipe Manufacturing Co., Ltd.; and (3) leveraging on the increasing proportion of primary source of gas in gas procurement and other factors, the Group's overall operational results had further improved.

The information contained in this announcement is only based on preliminary assessment by the management of the Company according to the unaudited consolidated management accounts of the Group for the year ended 31 December 2020, which have not been audited, reviewed nor confirmed by the auditor or the audit committee of the Company, and are subject to finalization and necessary adjustments. The annual results announcement of the Group for the year ended 31 December 2020 is expected to be published on 18 March 2021.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 8 February 2021

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Wang Zhiyong, Mr. Zuo Zhi Min and Mr. Gao Liang, three non-executive Directors, namely, Mr. Wang Gang, Mr. Shen Hong Liang and Mr. Yu Ke Xiang, and three independent non-executive Directors, namely, Mr. Ip Shing Hing, J.P., Mr. Lau Siu Ki, Kevin and Professor Japhet Sebastian Law.