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濱海投資有限公司
BINHAI INVESTMENT COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 2886)

ANNOUNCEMENT

CONNECTED TRANSACTION EMPLOYEE MEDICAL INSURANCE AGREEMENT WITH HENG AN STANDARD LIFE

On 28 December 2023, BHI Tianjin (a wholly-owned subsidiary of the Company) entered into the Employee Medical Insurance Agreement with Heng An Standard Life, pursuant to which Heng An Standard Life is engaged to provide comprehensive medical insurance coverage in Mainland China to the Employees under various types of insurance policies. Each of such insurance policies is for a term of one year commencing from 1 January 2024 up to and including 31 December 2024. The total insurance premium for the insurance coverage under the Employee Medical Insurance Agreement amounts to RMB3,746,800 and is payable by BHI Tianjin.

TEDA is the controlling shareholder of the Company indirectly interested in 545,471,305 Shares (representing approximately 40.32% of the total number of Shares in issue), and thus a connected person of the Company under the Listing Rules. Since Heng An Standard Life is owned by Tianjin TEDA International (a subsidiary of TEDA) as to 50% of its equity interest and thus an associate of TEDA, Heng An Standard Life is also regarded as a connected person of the Company. Therefore, the Employee Medical Insurance Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

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

INTRODUCTION

On 28 December 2023, BHI Tianjin (a wholly-owned subsidiary of the Company) entered into the Employee Medical Insurance Agreement with Heng An Standard Life, pursuant to which Heng An Standard Life is engaged to provide comprehensive medical insurance coverage in Mainland China to the employees of BHI Tianjin under various types of insurance policies.

The principal terms of the Employee Medical Insurance Agreement are set out below.

Date

28 December 2023

The parties

- (a) BHI Tianjin; and
- (b) Heng An Standard Life

Class of Insurance

Group medical insurance

Term

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

Consideration

A single annual premium payment of RMB3,746,800, which was determined based on arm's length negotiations and with reference to the number of the employees to be covered by the policies under the Employee Medical Insurance Agreement and their circumstances, the guidance rates of the China Banking and Insurance Regulatory Commission for relevant insurance types, insurance amount and insurance period, and after considering market prices by the parties.

Payment Terms

BHI Tianjin shall pay the amount of premium in full to Heng An Standard Life within 10 working days after the signing of the Employee Medical Insurance Agreement.

Liability for default

The defaulting party shall bear the economic losses and other legal liabilities of the non-defaulting party resulting from the breach of contract.

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE EMPLOYEE MEDICAL INSURANCE AGREEMENT

The comprehensive medical insurance services as prescribed in the Employee Medical Insurance Agreement will facilitate the Group in attracting and retaining talents, demonstrate the Group's care for its employees, enhance the employees' sense of belonging and accordingly incentivize them to create value for the Group in a better way. At the same time, the comprehensive medical insurance services can provide compensation to employees who may possibly suffer injury or death, which is conducive to the Group in diversifying and avoiding the uncertainty risks which it faces as an employer, and thus effectively improves the ability of the Group in countering against risks, and are thus beneficial to the Group.

OPINION OF THE DIRECTORS

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

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

LISTING RULES IMPLICATIONS

TEDA is the controlling shareholder of the Company indirectly interested in 545,471,305 Shares (representing approximately 40.32% of the total number of Shares in issue), and thus a connected person of the Company under the Listing Rules. Since Heng An Standard Life is owned as to by Tianjin TEDA International (a subsidiary of TEDA) as to 50% of its equity interest and thus an associate of TEDA, it is also regarded as a connected person of the Company. Therefore, the Employee Medical Insurance Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

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

INFORMATION ON THE GROUP AND HENG AN STANDARD LIFE

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

BHI Tianjin is principally engaged in investment and reinvestment in industries such as gas processing and stove production and areas where foreign investment is permitted by the PRC, investment in areas that support the transmission and distribution of urban gas pipeline networks, assisting or acting on behalf of the investee companies for purchase of domestic products and those from abroad, as well as domestic and overseas sale of products produced by the investee companies, and providing after-sales services; investment in consultancy services and technology research and development; operation and sales of liquified natural gas for domestic users.

Heng An Standard Life is principally engaged in provision of insurance services. As at the date of this announcement, Heng An Standard Life is owned as to 50% by Tianjin TEDA International and 50% by Abrdn plc respectively.

Tianjin TEDA International is a subsidiary of TEDA which is a state-owned enterprise established in the PRC supervised by the Tianjin Municipal People's Government State-owned Assets Supervision and Administration Commission (天津市人民政府國有資產監督管理委員會). The principal business areas of TEDA are regional development, public utilities, finance and modern services.

Abrdn plc is United Kingdom based global investment company which is listed on the London Stock Exchange, and its principal businesses include investment, financial advisory and personal wealth planning.

DEFINITIONS

“associate”	has the meaning ascribed to it by the Listing Rules;
“BHI Tianjin”	Binhai Investment (Tianjin) Company Limited (濱海投資(天津)有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Board”	the board of Director;
“Company”	Binhai Investment Company Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (Stock Code: 2886);
“controlling shareholder”	has the meaning ascribed to it by the Listing Rules;

“connected person”	has the meaning ascribed to it by the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Employee(s)”	the employees of the Group;
“Employee Medical Insurance Agreement”	the 2024 employee comprehensive medical insurance agreement entered into between BHI Tianjin and Heng An Standard Life on 28 December 2023 in relation to the provision of comprehensive medical insurance by Heng An Standard Life to the Employees;
“Group”	the Company and its subsidiaries;
“Heng An Standard Life”	Heng An Standard Life Insurance Company (Tianjin Branch)* (恒安標準人壽保險有限公司天津分公司), a limited liability company established under the laws of the PRC;
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	the holder(s) of Shares;
“Share(s)”	ordinary shares of HK\$0.10 each in the capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“TEDA”	Tianjin TEDA Investment Holding Co., Ltd.* (天津泰達投資控股有限公司), a state-owned enterprise established in the PRC;

“Tianjin TEDA International” Tianjin TEDA International (Group) Holding Company Limited* (天津市泰達國際控股(集團)有限公司), a company incorporated in the PRC with limited liability and a subsidiary of TEDA;

“%” per cent

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

Hong Kong, 28 December 2023

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

** For identification purposes only*