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北人印刷機械股份有限公司

BEIREN PRINTING MACHINERY HOLDINGS LIMITED

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 187)

ANNOUNCEMENT CONTINUING CONNECTED TRANSACTION TRADEMARK LICENCE AGREEMENT

On 14 April 2009, the Company (as licensee) entered into the Trademark Licence Agreement with Beiren Group (as licensor). As Beiren Group is the controlling shareholder of the Company, the Transaction constitutes continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

Since the Board anticipates that the applicable percentage ratios (other than the profits ratio) for the Transaction on an annual basis will be less than 2.5%, the Transaction will be subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but will be exempt from the independent shareholders' approval.

BACKGROUND

The Company (as licensee) entered into a trademark licence agreement in respect of the use of the Trademark with Beiren Group (as licensor) on 14 July 1993 before the shares of the Company commenced listing on the Stock Exchange. To comply with recent new requirements of the Shanghai Stock Exchange, the Company entered into the Trademark Licence Agreement on 14 April 2009 with Beiren Group with similar terms as those of the one dated 14 July 1993.

THE TRADEMARK LICENCE AGREEMENT

Date:

14 April 2009

Parties:

1. Beiren Group (as licensor)
2. the Company (as licensee)

Subject matter:

Beiren Group, the registered owner of the Trademark, granted to the Group an exclusive right (apart from Beiren Group and its subsidiaries) to use the Trademark on the Trademark Products, which could be sold in the PRC and overseas (except in territories where the Trademark has been registered by any third party(ies)).

Term:

3 years commencing from 1 January 2009 to 31 December 2011.

Price and payment terms:

On or before 10 April, 10 July, 10 October and 10 January of each year, 1% of the sales income of the Group from the Trademark Products in respect of the quarter of a year preceding the relevant payment date shall be payable in cash by the Company to Beiren Group as licence fee, provided that the annual licence fee shall not be lower than RMB15,000 and shall not exceed RMB6,000,000.

THE ANNUAL CAPS AND THE BASIS OF DETERMINATION

The Annual Caps of the Transaction for the financial years ending 31 December 2009, 2010 and 2011 are RMB6,000,000 under the Trademark Licence Agreement.

The trademark licence fees paid by the Company to Beiren Group in respect of the use of the Trademark for the financial years ended 31 December 2006 and 2007 and 2008 were approximately RMB6,440,800, RMB6,364,800 and RMB3,819,000 respectively. The Annual Caps are set by the Board by reference to the above historical figures and the estimated sales of the Trademark Products for the three financial years ending 31 December 2009, 2010 and 2011. Despite the decrease in actual transaction amount for the year ended 2008 due to various factors including increase in production costs, decrease in export volume and the economic downturn in 2008, the Directors believe that with the Group's additional efforts to adapt to the change of market using different strategies, the annual sales volume of the Trademark Products will be increasing throughout the years of 2009, 2010 and 2011.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Trademark is renowned in the printing manufacturing industry and the Board considers that the continuing use of the Trademark by the Group enhances the sales of the Trademark Products.

The Directors (including the independent non-executive Directors) believe that the terms of the Trademark Licence Agreement and the Annual Caps are on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

COMPLIANCE WITH THE LISTING RULES

As Beiren Group is the controlling shareholder of the Company, the Transaction constitutes continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

Since the Board anticipates that the applicable percentage ratios (other than the profits ratio) for the Transaction on an annual basis will be less than 2.5%, the Transaction will be subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but will be exempt from the independent shareholders' approval.

GENERAL

The Group is principally engaged in the manufacture and sales of printing facilities.

Beiren Group is principally engaged in the manufacture and sales of after-printing facilities.

DEFINITIONS

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

“Annual Caps”	the maximum aggregate values of the Transaction for each of the financial years ending 31 December 2009, 2010 and 2011
“Beiren Group”	Beiren Group Corporation 北人集團公司, a company incorporated in the PRC and the controlling shareholder of the Company
“Board”	the board of Directors
“Company”	Beiren Printing Machinery Holdings Limited 北人印刷機械股份有限公司, a joint stock company incorporated in the PRC with limited liability and the shares of which are listed on the Main Board of the Stock Exchange and the Shanghai Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“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
“PRC”	the People's Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trademark”	the trademark 「北人牌」, which is registered and owned by Beiren Group

“Trademark Licence Agreement”	the trademark licence agreement (商標使用許可合同) dated 14 April 2009 entered into between the Company and Beiren Group in relation to the grant of exclusive rights by Beiren Group to the Company and its subsidiaries to use the Trademark
“Trademark Products”	products of the Group on which the Trademark is used
“Transaction”	the transaction as contemplated under the Trademark Licence Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

By order of the Board
Beiren Printing Machinery Holdings Limited
Jiao Ruifang
Company Secretary

14 April 2009

As at the date of this announcement, the Board comprises Mr. Deng Gang, Mr. Bai Fan and Mr. Yu Baogui as non-executive Directors, Mr. Pang Liandong, Mr. Zhang Peiwu, Mr. Yang Zhendong and Mr. Duan Yuangang as executive Directors and Mr. Xu Wencai, Ms. Wang Hui, Mr. Xie Bingguang and Mr. Wang Deyu as independent non-executive Directors.