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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: 0187)

**CONTINUING CONNECTED TRANSACTIONS
COOPERATION IN SUPPLY AND LOGISTICS**

The Board wishes to announce that on 28 April 2011, the Board approved the Framework Agreement to be entered into between the Company and Jincheng Logistics. Pursuant to the Framework Agreement the Company shall purchase certain goods and spare parts through Jincheng Logistics for a term of 3 years.

As Jincheng Logistics is 74.8% owned by Jincheng Holding, Jincheng Logistics is an associate of Jincheng Holding. Jincheng Holding owns 100% interest in Beiren Group Corporation, which in turn is a substantial shareholder of the Company holding approximately 47.78% interest in the Company. Therefore, Jincheng Logistics is a connected person of the Company under Chapter 14A of the Listing Rules. Since the Transactions involve the purchase of certain goods and spare parts which shall be carried out in the ordinary and usual course of business of the Company and are expected to continue and extend over a period of time, the Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the relevant percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules in respect of the Transactions on an annual basis are more than 0.1% but less than 5%, the Transactions are only subject to the reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE FRAMEWORK AGREEMENT

On 28 April 2011, the Board approved the Framework Agreement to be entered into between the Company and Jincheng Logistics. The Framework Agreement contains, inter alias, the following terms:

Parties:

- (1) the Company; and
- (2) Jincheng Logistics

Term:

A term of 3 years commencing from 1 January 2011 to 31 December 2013 (both days inclusive) unless terminated earlier by either party by giving 60 working days' written notice and after negotiation of the parties.

Transaction nature:

The Company and Jingcheng Logistics shall establish a cooperation relationship for the provision of procurement and distribution services including the supply of raw and auxiliary materials, standard parts, tools and auxiliary electric cabinet for the Company's printing machinery production.

Jingcheng Logistics shall provide to the Company a centralized procurement and purchasing services. Jincheng Logistics would purchase the goods and materials in accordance with the purchase orders or plans as placed by the Company from time to time, and provide the related logistic services to the Company.

Price determination:

The price of the goods and materials to be purchased by the Company from Jincheng Logistics shall be based on the current market price of the relevant goods and materials.

ANNUAL CAPS AND BASIS FOR DETERMINING THE ANNUAL CAPS

It is expected that the maximum aggregate consideration, on an annual basis, payable by the Company in respect of the Transactions for the contract period are as follows:–

	From 1 January 2011 to 31 December 2011	From 1 January 2012 to 31 December 2012	From 1 January 2013 to 31 December 2013
Annual Caps	RMB30,000,000	RMB30,000,000	RMB30,000,000

The Framework Agreement is a new agreement. The above annual caps are determined based on the estimated amount of goods and materials required by the Company according to the Company's strategic development plan.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSACTIONS

The Company and Jingcheng Logistics will establish a cooperation relationship for procurement of supplies and material distribution. Such cooperation could enhance the procurement and supply management of the Group. The advantages of the centralized procurement of certain goods and spare parts could reduce procurement costs of the Company and to safeguard the Group against market risk.

The Directors (including the independent non-executive Directors) considered that the Transactions will be conducted in the ordinary and usual course of business of the Group, and on normal commercial terms, and both the Transactions and the Annual Caps as set out above are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

None of the Directors had material interest in the Transactions. However, in view of good corporate governance practices, as Mr. Zhao Guorong and Mr. Duan Yuangang are directors nominated by the controlling shareholder, in accordance with the requirements of Shanghai Stock Exchange, they had all abstained from voting in the relevant Board resolutions approving the Transactions.

CONTINUING CONNECTED TRANSACTIONS

As Jingcheng Logistics is 74.8% owned by Jingcheng Holding, Jincheng Logistics is an associate of Jingcheng Holding. Jingcheng Holding owns 100% interest in Beiren Group Corporation, which in turn is a substantial shareholder of the Company holding approximately 47.78% interest in the Company. Therefore, Jingcheng Logistics is a connected person of the Company under Chapter 14A of the Listing Rules. Since the Transactions involve the purchase of certain goods and spare parts which shall be carried out in the ordinary and usual course of business of the Company and are expected to continue and extend over a period of time, the Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the relevant percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules in respect of the Transactions on an annual basis are more than 0.1% but less than 5%, the Transactions are only subject to the reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

PRINCIPAL ACTIVITIES OF THE COMPANY AND JINGCHENG LOGISTICS

The principal activities of the Company are manufacture and sale of printing machinery, packaging machinery, series products of machine tool and components, technology development, technology consultancy, services, operation of the import and export businesses related to the production of own enterprises, subcontracting work for overseas printing machinery projects and domestic projects by international tendering.

The principal activities of the Jingcheng Logistics are development, processing and production of parts, structural components and fixtures; general road logistics; import and export business as well as related businesses; provision of information consultancy services for industrial logistics; wholesale of steel, mechanical and electrical products, metals and electrical appliances and related components and medical items and equipments.

DEFINITIONS

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

“associate”	has the meaning as ascribed under the Listing Rules
“Jingcheng Holding”	北京京城機電控股有限公司 (Beijing Jingcheng Machinery Electric Holding Co., Ltd.), a company incorporated in the PRC and holding 100% interest in Jingcheng Logistics and Beiren Group Corporation respectively
“Beiren Group Corporation”	北人集團公司 (Beiren Group Corporation), a company incorporated in the PRC and holding approximately 47.78% interest in the Company
“Board”	the board of Directors
“Company”	北人印刷機械股份有限公司 (Beiren Printing Machinery Holdings Limited), 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 Exchanges
“Directors”	the directors of the Company
“Framework Agreement”	the framework agreement approved by the Board on 28 April 2011 to be entered into between the Company and Jingcheng Logistics, particulars of which are set out in the section headed “Framework Agreement” in this announcement
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jingcheng Logistics”	北京京城工業物流有限公司 (Beijing Jincheng Industrial Logistics Limited), a company incorporated in the PRC and is 74.8% owned by Jingcheng Holding
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transactions”	the procurement of supplies of certain goods and spare parts by Jingcheng Logistics to the Company pursuant to the Framework Agreement
“%”	per cent

For and on behalf of the Board
Beiren Printing Machinery Holdings Limited
Jiao RuiFang
Company Secretary

Beijing, the PRC, 28 April 2011

As at the date of this announcement, the board of Directors comprises Mr. Zhao Guorong as nonexecutive Director, Mr. Zhang Peiwu 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.

English names of the PRC established companies/entities in this announcement are only translations of their official Chinese names. In case of inconsistency, the Chinese names prevail.