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北人
BEIREN

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)

**ANNOUNCEMENT
CONTINUING CONNECTED TRANSACTION
IN RELATION TO
OFFICE BUILDING TURNKEY LEASE AGREEMENT**

The Board wishes to announce that on 30 September 2013, the Company entered into the Office Building Turnkey Lease Agreement with Asset Management Company, pursuant to which the Company will lease certain properties to Asset Management Company for a term of 3 years commencing from 1 October 2013 to 30 September 2016 at an aggregate annual rental of RMB10,703,860.43.

As Asset Management Company is a wholly-owned subsidiary of Jingcheng Holding and Jingcheng Holding is the controlling shareholder of the Company holding approximately 47.78% interest in the Company, Asset Management Company is a connected person of the Company under Chapter 14A of the Listing Rules. Since the Office Building Turnkey Lease Agreement shall be carried out on a continuing basis and is expected to extend over a period of time, the Office Building Turnkey Lease Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules. As the relevant percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Office Building Turnkey Lease Agreement on an annual basis are more than 0.1% but less than 5%, the Office Building Turnkey Lease Agreement is only subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

OFFICE BUILDING TURNKEY LEASE AGREEMENT

On 30 September 2013, the Company entered into the Office Building Turnkey Lease Agreement with Asset Management Company and the terms and conditions of the Agreement, among others, are as follows:

Date:

30 September 2013

Parties:

- (1) the Company (as lessor); and
- (2) Asset Management Company (as lessee)

Term:

A term of three years commencing from 1 October 2013 to 30 September 2016

Premises:

Turnkey lease of the office building of the Company located at No. 6 Rong Chang Dong Street, Beijing Economic and Technological Development Zone, Beijing to Asset Management Company with a total turnkey gross floor area of 15,851.7 sq.m. which includes underground car park of 2,864.64 sq.m., first floor of 2,397.15 sq.m., second floor of 2,310.47 sq.m., third floor of 2,203.05 sq.m., fourth floor of 2,253.1 sq.m., sixth floor of 2,203.05 sq.m., seventh floor of 1,620.24 sq.m. and the mutually agreed designated ancillary area.

Rental:

The annual rental is RMB10,703,860.43, which is calculated according to the total turnkey lease gross floor area of 15,851.7 sq.m. and rental of RMB1.85/sq.m. per day. Monthly rental is RMB891,988.37. The consideration was determined after arm's length negotiation between the Company and Asset Management Company with reference to the prevailing market rates of buildings in the vicinity.

Rental payment:

1. Asset Management Company shall make a one-time payment of RMB10,703,860.43 for the turnkey lease from 1 October 2013 to 30 September 2014 within 30 working days from the execution of the Office Building Turnkey Lease Agreement. The subsequent rental shall be paid on a monthly basis and the rental of the following month shall be paid within 7 days from the beginning of each month.
2. Rental shall be paid by cheque or bank wire transfer. The Company shall issue legally valid invoice of equivalent amount to Asset Management Company upon receipt of the rental.

Annual caps and basis of determination

	1 October 2013 to 31 December 2013	1 January 2014 to 31 December 2014	1 January 2015 to 31 December 2015	1 January 2016 to 30 September 2016
Annual caps	RMB2,675,965.11	RMB10,703,860.43	RMB10,703,860.43	RMB8,027,895.32

The Office Building Turnkey Lease Agreement is a new agreement. The abovementioned annual caps were determined based on the annual rental to be received for each of the financial years from 1 October 2013 to 30 September 2016 under the Office Building Turnkey Lease Agreement.

REASONS FOR AND BENEFITS OF ENTERING INTO THE OFFICE BUILDING TURNKEY LEASE AGREEMENT

Entering into the Office Building Turnkey Lease Agreement can make full use of the Company's existing resources to generate stable income for the Company. The Directors (including the independent non-executive Directors) consider that the transactions under the Office Building Turnkey Lease Agreement will be conducted in the ordinary and usual course of business of the Group, and on normal commercial terms, and both the relevant 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 Office Building Turnkey Lease Agreement. However, in view of good corporate governance practices, Mr. Zhang Peiwu, Mr. Teng Mingzhi, Ms. Wu Dongbo, Mr. Li Shenggao and Ms. Wei Li, being directors nominated by the Jingcheng Holding, had all abstained from voting in the relevant Board resolutions approving the Office Building Turnkey Lease Agreement.

IMPLICATIONS UNDER THE LISTING RULES

As Asset Management Company is a wholly-owned subsidiary of Jingcheng Holding and Jingcheng Holding is the controlling shareholder of the Company holding approximately 47.78% interest in the Company, Jingcheng Holding is a connected person of the Company under Chapter 14A of the Listing Rules. Since the Office Building Turnkey Lease Agreement shall be carried out on a continuing basis and is expected to extend over a period of time, the Office Building Turnkey Lease Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules. As the relevant percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Office Building Turnkey Lease Agreement on an annual basis are more than 0.1% but less than 5%, the Office Building Turnkey Lease Agreement is only subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

PRINCIPAL ACTIVITIES OF THE COMPANY AND ASSET MANAGEMENT COMPANY

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

Asset Management Company is principally engaged in asset management, property management, investment management, lease of property, provision of public car park services, technology development, technical training, technical services, economic information consulting, design, production, agency and placing of advertisements, provision of conference service, exhibition service and office service, design and maintenance of machinery and equipment and sales of machinery and equipment, computer, household goods, hardware, construction materials, handicrafts and auto parts.

DEFINITIONS

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

“Asset Management Company”	北京京城機電資產管理有限責任公司 (Beijing Jingcheng Electric Management Co., Ltd.), a company incorporated in the PRC and is 100% owned by Jingcheng Holding
“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 Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jingcheng Holding”	北京京城機電控股有限責任公司 (Beijing Jingcheng Machinery Electric Holding Co., Ltd.), a company incorporated in the PRC and holding 100% interest in Asset Management Company and approximately 47.78% interest in the Company respectively
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Office Building Lease Agreement”	the Office Building Turnkey Lease Agreement dated 30 September 2013 entered into between the Company and Asset Management Company in relation to the lease of certain premises
“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
“sq.m.”	square metre
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“%”

per cent

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

Beijing, the PRC, 30 September 2013

As at the date of this announcement, the Board comprises Mr. Zhang Peiwu, Mr. Chen Bangshe and Ms. Jiang Chi as executive directors, Mr. Teng Mingzhi, Ms. Wu Dongbo, Mr. Li Shenggao and Ms. Wei Li as non-executive directors and Mr. Zhang Shuangru, Ms. Wang Hui, Mr. Xie Bingguang and Mr. Wang Deyu as independent non-executive directors.