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BEIJING PROPERTIES (HOLDINGS) LIMITED

北京建設（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 925)

CONTINUING CONNECTED TRANSACTIONS (1) TERMINATION AGREEMENTS AND NEW TENANCY AGREEMENTS AND (2) PROPERTY MANAGEMENT SERVICES AGREEMENT

(1) CONTINUING CONNECTED TRANSACTIONS – TERMINATION AGREEMENTS AND NEW TENANCY AGREEMENTS

As a result of the internal restructure of Tianjin WSL, WSL Logistics entered into termination agreements and new tenancy agreements with subsidiaries of Tianjin WSL to re-arrange the tenancies for the premises under the Tenancy Agreement 2 and the Tenancy Agreement 5.

(2) CONTINUING CONNECTED TRANSACTION – PROPERTY MANAGEMENT SERVICES AGREEMENT

On 20 November 2014, TYWL entered into the Property Management Services Agreement with Tianjin WSL Estate Management.

IMPLICATIONS UNDER THE LISTING RULES

WSL Logistics is held as to 70% indirectly by the Company and 30% by Tianjin WSL. Each of Tianjin WSL File Management, Tianjin Junrong and Tianjin WSL Estate Management is a wholly owned subsidiary of Tianjin WSL. Therefore, each of Tianjin WSL File Management, Tianjin Junrong and Tianjin WSL Estate Management is an associate of Tianjin WSL, which in turn is a connected person of the Company. Accordingly, the New Tenancy Agreements and the Property Management Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since the transactions contemplated under the New Tenancy Agreements and the Property Management Services Agreement are entered into on normal commercial terms and one or more of the applicable percentage ratios as set out in Rule 14.07 of the Listing Rules are, on an annual basis, less than 5% and the total annual consideration is less than HK\$3,000,000, the transactions contemplated under the New Tenancy Agreements and the Property Management Services Agreement are fully exempt from shareholders' approval, annual review and all disclosure requirement under Chapter 14A of the Listings Rules.

Reference is made to the announcement of the Company dated 1 August 2013 (the “**Announcement**”) in relation to the Tenancy Agreement and the Estate Management Services Agreement. Unless otherwise defined, capitalized terms used herein shall have the same meanings as defined in the Announcement.

(1) CONTINUING CONNECTED TRANSACTIONS – TERMINATION AGREEMENTS AND NEW TENANCY AGREEMENTS

As a result of the internal restructure of Tianjin WSL, WSL Logistics entered into termination agreements and new tenancy agreements with subsidiaries of Tianjin WSL to re-arrange the tenancies for the premises under the Tenancy Agreement 2 and the Tenancy Agreement 5.

Termination of the Tenancy Agreement 2

On 3 November 2014, WSL Logistics and Tianjin WSL Estate Management entered into a termination agreement to terminate the Tenancy Agreement 2.

The Tenancy Agreement 7

On 3 November 2014, WSL Logistics and Tianjin WSL File Management Service Ltd.* (天津萬士隆文檔管理服務有限公司, a company established in the PRC with limited liability and wholly owned by Tianjin WSL, “**Tianjin WSL File Management**”) entered into a new tenancy (the “**Tenancy Agreement 7**”) pursuant to which the premises under the Tenancy Agreement 2 were let to Tianjin WSL File Management for the remaining term of the Tenancy Agreement 2. The principal terms of the Tenancy Agreement 7 are as follows:

| | | |
|---------------|---|--|
| Date | : | 3 November 2014 |
| Parties | : | Landlord – WSL Logistics Tenant – Tianjin WSL File Management |
| Premises | : | Office at Zone E2-101 of the Customs Warehouse |
| Lettable area | : | Approximately 182.45 square metres |
| Term | : | From 3 November 2014 to 31 July 2016 (both dates inclusive, i.e. the remaining term of the Tenancy Agreement 2), subject to renewal upon its expiry for a term not exceeding three years |
| Rental | : | The monthly rental (excluding management service fees and other outgoing charges and expense) is RMB9,989.14 calculated based on the rate of RMB1.8 per square metre per day. The rental shall be payable in quarterly in advance. After the first year, the landlord is entitled to adjust the rental (subject to a maximum of 5% increase per year) with reference to the market rate and the CPI in the PRC |

Annual cap of the continuing connected transactions contemplated under the Tenancy Agreement 7

The annual cap for the continuing connected transactions contemplated under the Tenancy Agreement 7 shall be RMB132,519 (equivalent to approximately HK\$167,986), which is derived from and consistent with the annual cap for the continuing connected transactions contemplated under the Tenancy Agreement 2.

Supplemental Agreement to the Tenancy Agreement 7

On 1 January 2015, WSL Logistics and Tianjin WSL File Management entered into a supplemental agreement (the “**Supplemental Agreement**”) pursuant to which the lettable area of the premises under the Tenancy Agreement 7 was reduced from approximately 182.45 square metres to approximately 85.59 square metres with effect from 1 January 2015. Accordingly, the monthly rental (excluding management service fees and other outgoing charges and expense) is adjusted to RMB4,686.05, which is calculated based on the rate of RMB1.8 per square metre per day. The other terms of the Tenancy Agreement 7 remain unchanged.

Revised annual cap of the continuing connected transactions contemplated under the Tenancy Agreement 7 and the Supplemental Agreement

The revised annual cap for the continuing connected transactions contemplated under the Tenancy Agreement 7 and the Supplemental Agreement shall be RMB62,167 (equivalent to approximately HK\$78,805), which is derived as follows:

the revised annual cap = the original annual cap under the Tenancy Agreement 7/the total lettable area under the Tenancy Agreement 7 × the reduced lettable area under the Supplemental Agreement

The Tenancy Agreement 8

On 1 January 2015, WSL Logistics and Tianjin Junrong entered into a new tenancy (the “**Tenancy Agreement 8**”) pursuant to which WSL Logistics agreed to let the remaining part of the Premises under the Tenancy Agreement 7 to Tianjin Junrong for the remaining term of the Tenancy Agreement 7. The principal terms of the Tenancy Agreement 8 are as follows:

| | | |
|---------------|---|--|
| Date | : | 1 January 2015 |
| Parties | : | Landlord – WSL Logistics Tenant – Tianjin Junrong |
| Premises | : | Office at Zone E2-101-1 and E2-101-2 of the Customs Warehouse |
| Lettable area | : | Approximately 96.86 square metres |
| Term | : | From 1 January 2015 to 31 July 2016 (both dates inclusive, i.e. the remaining term of the Tenancy Agreement 7), subject to renewal upon its expiry for a term not exceeding three years |
| Rental | : | The monthly rental (excluding management service fees and other outgoing charges and expense) is RMB5,303.09 calculated based on the rate of RMB1.8 per square metre per day. The rental shall be payable in quarterly in advance. After the first year, the landlord is entitled to adjust the rental (subject to a maximum of 5% increase per year) with reference to the market rate and the CPI in the PRC |

Annual cap of the continuing connected transactions contemplated under the Tenancy Agreement 8

The annual cap for the continuing connected transactions contemplated under the Tenancy Agreement 8 shall be RMB70,352 (equivalent to approximately HK\$89,181), which is derived as follows:

The annual cap = the original annual cap under the Tenancy Agreement 7/the total lettable area under the Tenancy Agreement 7 × the lettable area under the Tenancy Agreement 8

Termination of the Tenancy Agreement 5

On 1 January 2015, WSL Logistics and Tianjin WSL Estate Management entered into a termination agreement to terminate the Tenancy Agreement 5.

The Tenancy Agreement 9

On 1 January 2015, WSL Logistics and Tianjin WSL File Management entered into a new tenancy agreement (the “**Tenancy Agreement 9**”) pursuant to which the premises under the Tenancy Agreement 5 were let to Tianjin WSL File Management for the remaining term of the Tenancy Agreement 5. The principal terms of the Tenancy Agreement 9 are as follows:

Date : 1 January 2015

Parties : Landlord – WSL Logistics
Tenant – Tianjin WSL File Management

Premises : Warehouse at Zone A16 of the Customs Warehouse

Lettable area : Approximately 601.5 square metres

- Term : From 1 January 2015 to 31 July 2016 (both dates inclusive, i.e. the remaining term of the Tenancy Agreement 5), subject to renewal upon its expiry for a term not exceeding three years
- Rental : The monthly rental (excluding management service fees and other outgoing charges and expense) is RMB18,295.63 calculated based on the rate of RMB1.0 per square metre per day. The rental shall be payable in quarterly in advance. After the first year, the landlord is entitled to adjust the rental (subject to a maximum of 5% increase per year) with reference to the market rate and the CPI in the PRC

Annual cap of the continuing connected transactions contemplated under the Tenancy Agreement 9

The annual cap for the continuing connected transactions contemplated under the Tenancy Agreement 9 shall be RMB242,715 (equivalent to approximately HK\$307,674), which is derived from and consistent with the annual cap for the continuing connected transactions contemplated under the Tenancy Agreement 5.

(2) CONTINUING CONNECTED TRANSACTION – PROPERTY MANAGEMENT SERVICES AGREEMENT

On 20 November 2014, 天域萬隆物流(天津)有限公司 (Transwealth Logistics (Tianjin) Co., Ltd., a 70% owned subsidiary of the Company, “TYWL”) entered into a property management services agreement with Tianjin WSL Estate Management (the “Property Management Services Agreement”).

Property Management Services Agreement

Date : 20 November 2014

Parties : Landlord – TYWL

Tenant – Tianjin WSL Estate Management

| | | |
|-----------------------|---|--|
| Nature of transaction | : | Provision of property management services by Tianjin WSL Estate Management to TYWL in respect of the property comprising warehouses and offices located at No. 1, No. 1 Road, Second Avenue, Tianjin Airport International Logistics Zone, the PRC |
| Term | : | Three years from 20 November 2014 to 19 November 2017 (both dates inclusive) |
| Consideration | : | The annual property management fee is RMB200,000 and should be payable within the first ten working days of each quarter in advance. |

Annual cap of the continuing connected transactions contemplated under the Property Management Services Agreement

The annual cap for the continuing connected transactions contemplated under the Property Management Services Agreement shall be RMB200,000 (equivalent to approximately HK\$253,527).

INFORMATION ABOUT THE PARTIES

The Group is principally engaged in investment, development and operation of logistics, commercial, residential and industrial properties, provision of logistics services, including leasing of warehouse facilities and provision of related management services.

WSL Logistics and TYWL, the subsidiaries of the Company, are principally engaged in operations of logistics properties.

Tianjin WSL and Tianjin Junrong are principally engaged in provision of logistics and its related value-added service.

Tianjin WSL File Management is principally engaged in provision of file management service.

Tianjin WSL Estate Management is principally engaged in provision of estate management and other related value-added services.

Each of Tianjin Junrong, Tianjin WSL File Management and Tianjin WSL Estate Management is a wholly owned subsidiary of Tianjin WSL.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

As a result of the internal restructure of Tianjin WSL, WSL Logistics entered into termination agreements and the new tenancy agreements (including the Tenancy Agreement 7, the Supplemental Agreement, the Tenancy Agreement 8 and the Tenancy Agreement 9, the “**New Tenancy Agreements**”) with subsidiaries of Tianjin WSL to re-arrange the tenancies for the premises under the Tenancy Agreement 2 and the Tenancy Agreement 5.

Since WSL Logistics is engaged in operations of logistics properties business, entering into the transactions contemplated under the said termination agreements and the New Tenancy Agreements is to carry out its principal business. The negotiation of the terms of termination agreements and the New Tenancy Agreements was conducted by the parties on an arm’s length basis and the rental was determined with reference to the open market rental of properties of comparable size, location, facilities and use and the rate under the Tenancy Agreement 2 and the Tenancy Agreement 5.

TYWL entered into the transactions contemplated under the Property Management Services Agreement to outsource property management services to a professional service provider aiming to save the management time and resources. The negotiation of the terms of Property Management Services Agreement was conducted by the parties on an arm’s length basis and the property management fee was determined with reference to the property management market rate for the properties of comparable size, location and facilities.

No Directors has any material interest in the transactions contemplated under the said termination agreements, the New Tenancy Agreements and the Property Management Services Agreement. The Board (including the independent non-executive Directors) considers that the termination of the Tenancy Agreement 2 and the Tenancy Agreement 5 has no material adverse impact on the Company, the relevant termination agreements, the New Tenancy Agreements and the Property Management Services Agreement were entered into in the ordinary and usual course of business of WSL Logistics and TYWL, and the terms contained therein are fair and reasonable, and such transactions are on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

WSL Logistics is held as to 70% indirectly by the Company and 30% by Tianjin WSL. Each of Tianjin WSL File Management, Tianjin Junrong and Tianjin WSL Estate Management is a wholly owned subsidiary of Tianjin WSL. Therefore, each of Tianjin WSL File Management, Tianjin Junrong and Tianjin WSL Estate Management is an associate of Tianjin WSL, which in turn is a connected person of the Company. Accordingly, the New Tenancy Agreements and Property Management Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since the transactions contemplated under the New Tenancy Agreements and the Property Management Services Agreement are entered into on normal commercial terms and one or more of the applicable percentage ratios as set out in Rule 14.07 of the Listing Rules are, on an annual basis, less than 5% and the total annual consideration is less than HK\$3,000,000, the transactions contemplated under the New Tenancy Agreements and the Property Management Services Agreement are fully exempt from shareholders' approval, annual review and all disclosure requirement under Chapter 14A of the Listings Rules.

By Order of the Board
Beijing Properties (Holdings) Limited
Siu Kin Wai
Company Secretary

Hong Kong, 15 January 2015

In this announcement, figures in Renminbi are translated into Hong Kong dollars at the approximate exchange rate of RMB0.78887 to HK\$1.0000, for the illustration purpose only. In addition, all the English translation of certain Chinese names, address and words in this announcement is included for information only and should not be regarded as the official English translation of such Chinese names, address of words.

As at the date of this announcement, the Board comprises thirteen directors, of whom Mr. Yu Li, Mr. Qian Xu, Mr. Jiang Xinhao, Mr. Siu Kin Wai, Mr. Yu Luning, Mr. Liu Xueheng and Mr. Ang Renyi are executive directors; and Mr. Goh Gen Cheung, Mr. Zhu Wuxiang, Mr. James Chan, Mr. Song Lishui and Mr. Chan Yuk Cheung are independent non-executive directors.