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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)

CONNECTED AND DISCLOSEABLE TRANSACTION SUPPLEMENTAL AGREEMENT ON ACQUISITION OF 49% EQUITY INTEREST IN BELLOMONTE S. A.

SUPPLEMENTAL AGREEMENT

On 23 August 2016, the Purchaser (a wholly owned subsidiary of the Company) and the Vendor entered into the Supplemental Agreement to supplement and amend the terms of the Acquisition Agreement.

IMPLICATION UNDER THE LISTING RULES

The Vendor is a wholly-owned subsidiary of BE Group. BE Group (including its associates) holds about 67.23% of the issued share capital of the Company and is a controlling shareholder of the Company. As such, the Vendor is a connected person of the Company. The Acquisition together with the Capital Contribution to be made by the Foreign Party under the Joint Venture Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the consideration ratio in respect of the Acquisition and the Capital Contribution is more than 5% but all the applicable ratios are less than 25%, the Acquisition and the Capital Contribution constitutes a discloseable transaction under Chapter 14 of the Listing Rules and a non-exempt connected transaction under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and the independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

The Company will send a circular containing, among other things, (i) a letter of advice from the independent financial adviser to both the Independent Board Committee and the Independent Shareholders; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders and, (iii) the details of the Acquisition Agreement and Supplemental Agreement on or before 13 September 2016 as more time is required to prepare the circular.

Reference is made to the announcement of Beijing Properties (Holdings) Limited (the “**Company**”) dated 16 August 2016 (the “**Announcement**”) in relation to the Acquisition. Unless otherwise defined in the announcement, the capitalized terms shall have the same meanings as those stipulated in the Announcement.

THE SUPPLEMENTAL AGREEMENT

On 23 August 2016, the Purchaser entered into a supplemental agreement to the Acquisition Agreement (the “**Supplemental Agreement**”) with the Vendor to supplement and amend the terms of the Acquisition Agreement as follows:

- (1) The completion of the Acquisition is conditional upon the following condition being fulfilled on or before the Long Stop Date:
 - the passing by the Independent Shareholders (as defined below) of ordinary resolution approving the Acquisition (including the Supplemental Agreement) and the transactions contemplated thereunder at a special general meeting of the Company.

If the above condition has not been fulfilled at or before 12:00 noon on 31 December 2016 (or such later date as the Vendor and the Purchaser may agree), this Agreement shall lapse, whereupon all rights and obligations of the parties thereto shall cease to have effect except in respect of any accrued rights and obligations of the Parties. The term “Independent Shareholders” refers to shareholders of the Company other than BE Group and its associates.”

- (2) The Completion shall take place on the Completion Date (which is defined as the 5th business day following the day on which the condition precedent is satisfied in full or such other date as the Vendor and the Purchaser may agree) which is after the satisfaction of the condition precedent mentioned above.

Save as disclosed above, there is no other change to the terms of the Acquisition Agreement and all terms and conditions of the Acquisition Agreement remain unchanged and in full force and effect. The terms of the Supplemental Agreement were arrived at after arm's length negotiations between the Purchaser and the Vendor, and the Directors believe that the terms of the Supplemental Agreement are fair and reasonable and are in the best interests of the Company and its Shareholders as a whole.

REASONS FOR ENTERING INTO THE SUPPLEMENTAL AGREEMENT

Under Rule 14.15(3) of the Listing Rules, the capital contribution (“**Capital Contribution**”) to be made by the Foreign Party under the Joint Venture Agreement should be added to the consideration payable under the Acquisition Agreement for the purpose of calculation of relevant percentage ratios under Rule 14.07 of the Listing Rules in order to determine the types of transaction under Chapters 14 and 14A of the Listing Rules. As the consideration ratio for the Acquisition and the Capital Contribution exceeds 5% but is less than 25%, the Acquisition and the Capital Contribution are subject to the reporting, announcement and independent shareholders' approval requirement. As such, the Purchaser and the Vendor signed the Supplemental Agreement so as to reflect the requirement of independent shareholders' approval.

IMPLICATION UNDER THE LISTING RULES

The Vendor is a wholly-owned subsidiary of BE Group. BE Group (including its associates) holds about 67.23% of the issued share capital of the Company and is a controlling shareholder of the Company. As such, the Vendor is a connected person of the Company. The Acquisition together with the Capital Contribution constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As consideration ratio in respect of the Acquisition and the Capital Contribution is more than 5% but all the applicable ratios are less than 25%, the Acquisition and the Capital Contribution constitutes a discloseable transaction under Chapter 14 of the Listing Rules and a non-exempt connected transaction under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

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By Order of the Board
Beijing Properties (Holdings) Limited
Cheng Ching Fu
Company Secretary

Hong Kong, 23 August 2016

As at the date of this announcement, Mr. Qian Xu, Mr. Hu Yebi, Mr. Zhao Jiansuo, Mr. Siu Kin Wai, Mr. Yu Luning, Mr. Ang Renyi, Mr. Wan Lee Cham, Mr. Dong Qilin and Mr. Li Changfeng are the executive directors; and Mr. Goh Gen Cheung, Mr. Zhu Wuxiang, Mr. James Chan, Mr. Song Lishui and Mr. Chan Yuk Cheung are the independent non-executive directors.