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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 – (I) TERMINATION AGREEMENT AND (II) NEW TENANCY AGREEMENTS**

#### **CONTINUING CONNECTED TRANSACTIONS – TERMINATION AGREEMENT AND NEW TENANCY AGREEMENT 10**

On 31 October 2017, WSL Logistics entered into termination agreement and New Tenancy Agreement 10 with subsidiaries of Tianjin WSL to re-arrange the tenancies for the premises under the New Tenancy Agreement 9.

#### **CONTINUING CONNECTED TRANSACTIONS – NEW TENANCY AGREEMENT 12**

On 31 October 2017, WSL Logistics entered into the New Tenancy Agreement 12 with Tianjin WSL Huoyun.

## **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 and Jett (Tianjin) International is a wholly owned subsidiary of Tianjin WSL. Tianjin WSL Huoyun is held as to 30% by Tianjin WSL. Therefore, each of Tianjin WSL File Management, Jett (Tianjin) International and Tianjin WSL Huoyun is an associate of Tianjin WSL, which in turn is a connected person of the Company. Accordingly, the New Tenancy Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since the transactions contemplated under the New Tenancy Agreements 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 in respect of the transactions under the termination agreement, the New Tenancy Agreement 10 and the New Tenancy Agreement 12, when aggregated with the Supplemental Tenancy Agreements for the extension of rental period to the New Tenancy Agreement 1, the New Tenancy Agreement 2 and the New Tenancy Agreement 5, together with the New Tenancy Agreement 3, the New Tenancy Agreement 4, the New Tenancy Agreement 6, the New Tenancy Agreement 7, the New Tenancy Agreement 8, the New Estate Management Services Agreement, the Other Existing Agreements and the Phase II Property Management Services Agreement, on an annual basis, is more than 1% but less than 5%, the transactions contemplated under the New Tenancy Agreements are only subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval under Chapter 14A of the Listings Rules.

Reference is made to the announcement of the Company dated 1 August 2016 in relation to the continuing connected transactions of the tenancy agreements renewal and the estate management services agreement renewal, the announcement of the Company dated 30 November 2016 in relation to the continuing connected transaction of the phase II property management services agreement, the announcement of the Company dated 27 January 2017 in relation to the continuing connected transactions of the tenancy agreement, and the announcement of the Company dated 1 June 2017 in relation to the continuing connected transactions of the tenancy agreement, and the announcement of the Company dated 31 July 2017 in relation to the continuing connected transactions of the supplemental agreement for the extension of rental period to the new tenancy agreements (collectively, the “**Announcements**”). Unless otherwise defined, capitalized terms used herein shall have the same meanings as defined in the Announcements.

## **(1) CONTINUING CONNECTED TRANSACTIONS – TERMINATION AGREEMENT AND NEW TENANCY AGREEMENT 10**

On 31 October 2017, WSL Logistics entered into the termination agreement and new tenancy agreement 10 with subsidiaries of Tianjin WSL to re-arrange the tenancies for the premises under the New Tenancy Agreement 9.

### **Termination of the New Tenancy Agreement 9**

On 31 October 2017, WSL Logistics and Tianjin WSL File Management entered into a termination agreement to terminate the New Tenancy Agreement 9.

### **The New Tenancy Agreement 10**

On 31 October 2017, WSL Logistics and Jett (Tianjin) International entered into the New Tenancy Agreement 10 pursuant to which the premises under the New Tenancy Agreement 9 were let to Jett (Tianjin) International for the remaining term of the New Tenancy Agreement 9. The principal terms of the New Tenancy Agreement 10 are as follows:–

Date	:	31 October 2017
Parties	:	Landlord – WSL Logistics Tenant – Jett (Tianjin) International
Premises	:	Warehouse at Zone A13 of the Customs Warehouse
Lettable area	:	Approximately 595.66 square metres

Term : From 1 November 2017 to 31 May 2020 (both dates inclusive, i.e. the remaining term of the New Tenancy Agreement 9), 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 RMB18,117.99 calculated based on the rate of RMB1.0 per square metre per day. The rental shall be payable quarterly in advance. After the first year, the landlord is entitled to adjust the annual 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 New Tenancy Agreement 10**

The annual cap for the continuing connected transactions contemplated under the New Tenancy Agreement 10 shall be RMB239,701.01 (equivalent to approximately HK\$281,577.16), which is derived from and consistent with the annual cap for the continuing connected transactions contemplated under the New Tenancy Agreement 9.

## **(2) CONTINUING CONNECTED TRANSACTIONS – NEW TENANCY AGREEMENT 12**

On 31 October 2017, WSL Logistics entered into the New Tenancy Agreement 12 with Tianjin WSL Huoyun.

#### **The New Tenancy Agreement 12**

Date : 31 October 2017

Parties : Landlord – WSL Logistics  
Tenant – Tianjin WSL Huoyun

Premises	:	Warehouses at Zone C201-202 of the Customs Warehouse
Lettable area	:	Approximately 124.55 square metres
Term	:	One year from 1 November 2017 to 31 October 2018
Rental	:	The annual rental (excluding management service fees and other outgoing charges and expenses) is RMB81,829.32 calculated based on the rate of RMB1.8 per square metre per day.

### **Annual Cap of the Continuing Connected Transactions contemplated under the New Tenancy Agreement 12**

The annual cap for the continuing connected transactions contemplated under the New Tenancy Agreement 12 shall be RMB81,829.32 (equivalent to approximately HK\$96,125.04).

## **INFORMATION ABOUT THE PARTIES**

The Group is principally engaged in the investment, the development and operation of (i) e-commerce and bonded logistics warehouses; (ii) cold chain logistics warehouses; (iii) specialised wholesale market for the trading and distribution of local agricultural products; (iv) modernized industrial plants; and the investment in commercial properties. The Group is active in building up a nationwide logistics network in the PRC. After successful establishments in Beijing, Tianjin, Shanghai, Chengdu, Xiamen, Haikou, Tongliao and Xian in China, the Group currently operates approximately 861,000 square metres of properties for rental purpose and has approximately 1,190,000 square metres of properties under development.

WSL Logistics is principally engaged in operations of logistics properties.

Each of Tianjin WSL File Management, Jett (Tianjin) International and Tianjin WSL Huoyun are principally engaged in provision of logistics and its related value-added service.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

As a result of the internal restructure of Tianjin WSL, WSL Logistics entered into termination agreement and the New Tenancy Agreement 10 with subsidiaries of Tianjin WSL to re-arrange the tenancies for the premises under the New Tenancy Agreement 9.

Since WSL Logistics is engaged in operations of logistics properties business, entering into the transactions contemplated under the said termination agreement, the New Tenancy Agreement 10 and the New Tenancy Agreement 12 is to carry out its principal business. The negotiation of the terms of termination agreement, the New Tenancy Agreement 10 and the New Tenancy Agreement 12 was conducted by the parties on an arm's length basis. The rental for the New Tenancy Agreement 10 was determined with reference to the open market rental of properties of comparable size, location, facilities and use and the rate under the New Tenancy Agreement 9. The rental for the New Tenancy Agreement 12 was determined with reference to the open market rental of properties of comparable size, location, facilities and use.

The Board (including the independent non-executive Directors) consider that the Tenancy Agreements were entered into in the ordinary and usual course of business of WSL Logistics, and the terms contained therein are on normal commercial terms, fair and reasonable, and are 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 and Jett (Tianjin) International is a wholly owned subsidiary of Tianjin WSL. Tianjin WSL Huoyun is held as to 30% by Tianjin WSL. Therefore, each of Tianjin WSL File Management, Jett (Tianjin) International and Tianjin WSL Huoyun is an associate of Tianjin WSL, which in turn is a connected person of the Company. Accordingly, the New Tenancy Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since the transactions contemplated under the New Tenancy Agreements 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 in respect of the transactions under the termination agreement, the New Tenancy Agreement 10 and the New Tenancy Agreement 12, when aggregated with the Supplemental Tenancy Agreements for the extension of rental period to the New Tenancy Agreement 1, the New Tenancy Agreement 2 and the New Tenancy Agreement 5, together with the New Tenancy Agreement 3, the New Tenancy Agreement 4, the New Tenancy Agreement 6, the New Tenancy Agreement 7, the New Tenancy Agreement 8, the New Estate Management Services Agreement, the Other Existing Agreements and the Phase II Property Management Services Agreement, on an annual basis, is more than 1% but less than 5%, the transactions contemplated under the New Tenancy Agreements are only subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval under Chapter 14A of the Listings Rules.

## **DEFINITIONS**

In this announcement, the following expressions have the following meanings, unless the context otherwise requires.

“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Beijing Properties (Holdings) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Customs Warehouse”	a property located at No. 19, Third Avenue, Tianjin Airport International Logistics Zone, the PRC, which is owned by WSL Logistics
“CPI”	Consumer Price Index
“Director(s)”	director(s) of the Company (including independent non-executive director(s))

“Group”	the Company and its subsidiaries
“High Broad”	Hong Kong High Broad International Investment Group Limited (香港海博國際投資集團有限公司), a 70% owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jett (Tianjin) International”	Jett (Tianjin) International Trade Co.,Ltd. (杰特(天津)國際貿易有限公司), a limited company established in the PRC and is wholly owned by Tianjin WSL
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“New Tenancy Agreements”	collectively, the New Tenancy Agreement 10 and the New Tenancy Agreement 12
“New Tenancy Agreement 10”	the tenancy agreement entered into between WSL Logistics and Jett (Tianjin) International on 31 October 2017, the details of which are as set out in paragraph “New Tenancy Agreement 10” above



“New Tenancy Agreement 12”	the tenancy agreement entered into between WSL Logistics and Tianjin WSL Huoyun on 31 October 2017, the details of which are as set out in paragraph “New Tenancy Agreement 12” above
“Tianjin WSL”	天津萬士隆集團有限公司 (Tianjin Wanshilong Group Co., Ltd.*), a limited company established in the PRC
“Tianjin WSL File Management”	天津萬士隆文檔管理服務有限公司 (Tianjin WSL File Management Service Ltd.*), a limited company established in the PRC and is wholly owned by Tianjin WSL
“Tianjin WSL Huoyun”	天津萬士隆貨運有限公司 (Tianjin Wanshilong Huoyun Co., Ltd.), a limited company established in the PRC and its 30% equity interest is held by Tianjin WSL
“WSL Logistics”	天津萬士隆國際物流有限公司 (Tianjin Transwell International Logistics Co., Ltd.), a limited company established in the PRC, and 70% of its shareholdings is held by High Broad which is a wholly owned subsidiary of the Company
“%”	per cent

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

Hong Kong, 31 October 2017

*In this announcement, figures in Renminbi are translated into Hong Kong dollars at the approximate exchange rate of RMB0.85128 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, Mr. Qian Xu, Mr. Hu Yebi, Mr. Li Shuping, Mr. Zhao Jiansuo, Mr. Siu Kin Wai, Mr. Dong Qilin, Mr. Li Changfeng, Mr. Cheng Ching Fu, Mr. Yu Luning and Mr. Ang Renyi are the executive Directors; and Mr. Goh Gen Cheung, Mr. Zhu Wuxiang, Mr. James Chan, Mr. Song Lishui and Mr. Xie Ming are the independent non-executive Directors.*

*\* For identification purpose only*