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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)

FRAMEWORK AGREEMENT IN RESPECT OF THE PROPOSED TRANSACTIONS

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 16 May 2018 (“**Announcement**”) in respect of proposed transactions between CLI, a 65% owned subsidiary of the Company, and ESR. CLI and ESR were not able to agree to the final terms of the proposed transactions prior to expiration of the exclusivity period, being 31 July 2018.

The Board is pleased to announce that on 3 August 2018, CLI and GLP Shanghai entered into the Framework Agreement, the Proposed Transactions of which are substantially the same as that as mentioned in the Announcement.

The Board wishes to emphasize that the Proposed Transactions are subject to, among other things, due diligence and the execution of the Transaction Documents, the terms and conditions of which are yet to be negotiated and agreed upon. It is expected that the Proposed Transactions, if materialize, will constitute notifiable transactions of the Company pursuant to Chapter 14 of the Listing Rules. Further announcement(s) in relation to the Proposed Transactions will be made by the Company as and when appropriate in compliance with the Listing Rules.

Shareholders and potential investors of the Company should note that the Framework Agreement is not legally binding. The Proposed Transactions may or may not proceed or materialize. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

This announcement is made by Beijing Properties (Holdings) Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

LAPSE OF EXCLUSIVITY PERIOD UNDER THE LETTER OF INTENT

Reference is made to the Announcement in respect of proposed transactions between CLI, a 65% owned subsidiary of the Company, and ESR. CLI and ESR were not able to agree to the final terms of the proposed transactions prior to expiration of the exclusivity period, being 31 July 2018.

FRAMEWORK AGREEMENT

On 3 August 2018, China Logistics Infrastructures (Holdings) Limited (“**CLI**”), a 65%-owned subsidiary of the Company, and 普洛斯投資(上海)有限公司 (“**GLP Shanghai**”, together with CLI, the “**Parties**”), a wholly-owned subsidiary of Global Logistic Properties Limited (“**GLP**”), entered into a framework agreement (the “**Framework Agreement**”), the Proposed Transactions of which are substantially the same as that as mentioned in the Announcement.

To the best of knowledge, information and belief of the directors of the Company (the “**Directors**”) having made all reasonable enquiries, GLP Shanghai is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

THE PROPOSED TRANSACTIONS

Pursuant to the Framework Agreement, the Parties intend to jointly establish an entity outside the People’s Republic of China (the “**PRC**”) to act as general partner (the “**Co-GP**”), which will, together with CLI (and/or its affiliate) and GLP Shanghai (and/or its affiliate) as limited partners, jointly establish a privately offered fund structured as a limited partnership outside the PRC (the “**Fund**”) (the “**Proposed Investment in the Fund**”). It is intended that the Fund or its subsidiary shall act as the purchaser in the acquisition of equity interests in a number of subsidiaries directly or indirectly owned by CLI and the Company (the “**Target Companies**”) which own certain plots of land in the PRC (together with the buildings and structures thereon, the “**Properties**”) (the “**Proposed Disposal**”, together with the Proposed Investment in the Fund, the “**Proposed Transactions**”).

Proposed Investment in the Fund

The capital commitments to be made by each limited partner to the Fund shall be determined among the relevant parties through negotiations on an arm’s length basis.

Disposal Consideration

The consideration for the Proposed Disposal shall be determined between the Parties through negotiations on an arm's length basis based on the value of the Properties as set out in the Framework Agreement (the "**Value of the Properties**") and the total value, as at the date of completion of the Proposed Disposal, of the other assets owned by the relevant Target Companies as maybe agreed by the Parties and the direct or indirect holding companies of such Target Companies as maybe agreed by the Parties less the liabilities as at the date of completion of the Proposed Disposal in respect of the relevant Target Company as maybe agreed by the Parties and the direct or indirect holding companies of such Target Company (the "**Disposal Consideration**"). The Value of the Properties as stated in the Framework Agreement is approximately RMB 6.70 billion (equivalent to approximately HK\$7.70 billion).

Deposit

GLP Shanghai shall deposit an amount of RMB550 million (the "**Deposit**") to a bank account to be jointly operated by CLI and GLP Shanghai. CLI shall be entitled to retain the Deposit and the accrued interest if GLP Shanghai intentionally breach any of the terms of the Framework Agreement such that legally binding formal agreements in relation to the Proposed Transactions cannot be executed within 12 months after the execution of the Framework Agreement. On the other hand, if CLI intentionally breach any terms of the Framework Agreement such that legally binding formal agreements in relation to the Proposed Transactions ("**Transaction Documents**") cannot be executed within 12 months after the execution of the Framework Agreement, CLI shall be liable to pay to GLP Shanghai a sum of RMB550 million in addition to return of the Deposit and any interest accrued thereon.

Exclusivity

Within ninety (90) days after the date of execution of the Framework Agreement, unless the prior written consent of GLP Shanghai is obtained, CLI may not directly or indirectly negotiate or agree with any other party on the following matters: (a) the sale or disposal in any manner of any Target Companies (including (i) CLI; (ii) any direct or indirect holding company of the Target Companies or direct or indirect subsidiaries of CLI; (iii) project companies that directly hold the Target Companies; and (iv) sale or disposal of the relevant project of the Target Companies); (b) conduct transactions or cooperation of any kind with any third party with respect to the Target Companies which are similar to or the same as the Proposed Transactions; or (c) any transactions or arrangements which, if carried out, shall hinder or seriously restrict or delay the transactions contemplated under the Framework Agreement.

Binding effect

Save for the provisions relating to due diligence and final transaction documents, exclusivity, the Deposit, usual warranties on execution and performance, confidentiality and governing law and dispute resolution, the Framework Agreement is not legally binding on the Parties.

INFORMATION ABOUT THE PARTIES

CLI is an investment holding company and 65% of its total issued share capital is owned by the Company. CLI is principally engaged in investment, development and operation of high-end and modern general warehouses. CLI possess numerous logistics facilities and warehouses located in Tier 1 cities in the People's Republic of China including Beijing, Tianjin and Shanghai, with an aggregate rentable area of approximately 809,431 square metres, among which 287,131 square metres is operating rentable area and 522,300 square metres is under construction.

GLP Shanghai is an investment holding and management company, the entire issued share capital of which is owned by GLP.

GLP is the leading global provider of modern logistics facilities and technology-led solutions. Through its network of strategically-located properties and ecosystem partners, GLP is able to offer both space and technology-led solutions to drive value for its customers. GLP is one of the world's largest real estate fund managers, with approximately US\$50 billion of assets under management and a global portfolio of approximately 62 million square meters globally.

GLP continues to expand and strengthen the presence and network to provide better solutions to the customers. In China, the properties and land parcels are spread across 267 integrated parks in 38 major cities, covering all major China airports, seaports, highway networks and logistics hubs serving domestic consumption.

GLP's facilities are located in the cities of Beijing, Changchun, Changsha, Changzhou, Chengdu, Chongqing, Dalian, Dongguan, Fuzhou, Greater Guangzhou-Foshan, Greater Hangzhou, Guiyang, Harbin, Hefei, Huai'an, Greater Jinan, Kunming, Langfang, Nanjing, Nanning, Nantong, Ningbo, Qingdao, Shanghai, Shenyang, Shenzhen, Suzhou, Tangshan, Tianjin, Wenzhou, Greater Wuhan, Wuhu, Wuxi, Xiamen, Xi'an, Yangzhou, Zhengzhou and Zhuhai.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in investment, development and operation of (i) high-end and modern general warehouses; (ii) cold chain logistics warehouses; (iii) specialised wholesale market for the trading and distribution of local agricultural products; (iv) modernized industrial plants; and investments in commercial properties and primary land development.

Since the end of 2017, in order to realize strategic transformation of the Group and enable it to develop diversified property business, the Group has been actively seizing the opportunities and seeking suitable investment opportunities with industrial operation and capital operation as growth drivers. It intends to further improve strategic presence in the logistics property, industrial property and cold chain industries in the PRC while actively conducting global allocation of assets to enable the Group to develop into a comprehensive property platform with diversified activities, realize successful transformation from focusing on logistics property into developing comprehensive properties and from generating concentrated fixed income to generating diversified income, and create strong returns to the shareholders of the Company.

The Group believes that the cooperation with GLP, a global provider of modern logistics facilities and technology-led solutions, will enable the overall enhancement of the logistics infrastructure business of the Group in terms of investment, management experience and the establishment of a customer network.

The cooperation does not represent the Group's exit from the logistics infrastructure business. Instead, through establishment of the Fund, disposal of matured assets and recovery of initial investments, the Group will therefore be able to accelerate its capital investment in new projects. After the new projects have become mature, they will then be injected into funds, thus establishing a healthy capital chain cycle for the business model of the Group. In recent years, GLP has also actively expanded into other property business such as industrial property. The cooperation may be considered the commencement of a comprehensive strategic cooperation between the Group and GLP in various property areas.

The Directors consider that the Proposed Transactions represent a good opportunity for the Group to realize its investment in its logistics property business at a fair and reasonable price and would provide capital to the Group in developing the business of the Group after the Proposed Transactions.

GENERAL

The board of Directors (the "**Board**") wishes to emphasize that the Proposed Transactions are subject to, among other things, due diligence and the execution of the Transaction Documents, the terms and conditions of which are yet to be negotiated and agreed upon. It is expected that the Proposed Transactions, if materialize, will constitute notifiable transactions of the Company pursuant to Chapter 14 of the Listing Rules. Further announcement(s) in relation to the Proposed Transactions will be made by the Company as and when appropriate in compliance with the Listing Rules.

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

Hong Kong, 3 August 2018

This announcement contains translation between Renminbi and Hong Kong Dollars at RMB0.87042 = HK\$1, being the exchange rate prevailing on 3 August 2018. The translation should not be taken as a representation that the RMB could actually be converted into Hong Kong Dollars at that rate or at all.

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.