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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)

INSIDE INFORMATION ANNOUNCEMENT ON THE POTENTIAL PERFORMANCE OF INDEMNITY OBLIGATIONS

This announcement is made by the board of directors (the “**Directors**”) of Beijing Properties (Holdings) Limited (the “**Company**”) 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 Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the circular of the Company dated 3 March 2022 (the “**Circular**”) in relation to the proposed very substantial disposal through public tender in respect of certain then subsidiaries of the Company at the material time (the “**Disposal**”), and the announcements of the Company dated 23 March 2022 and 17 October 2022 (the “**Announcements**”) in relation to the poll results of the relevant special general meeting and the development of the Disposal. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise specified.

BACKGROUND

As disclosed in the Circular and the Announcements, the shareholders of the Company have approved, among others, the Disposal and the transactions contemplated under the Disposal in a special general meeting held on 23 March 2022. On 17 October 2022, WXYZ I (BVI) Holdings Limited (the “**Purchaser**”) and China Industrial Properties (Holdings) Limited (the “**Seller**”) entered into an agreement in respect of the sale and purchase of the Seller’s shares in the Target Companies (as revised, modified and/or supplemented by the parties from time to time, the “**SPA**”). As at 17 October 2022, SSinolog (Taicang) IV Pte. Ltd. (“**TCIV**”), one of the Target Companies, was owned as to 75% by the Seller and 25% by SCH, and held the

entire equity interest in Sin-Den Logistics Development Pte Ltd* (新丹物流設施發展(蘇州)有限公司) (“**TCIV WFOE**”), a company incorporated in the PRC. On 21 October 2022, the Seller and the Purchaser completed the sale and purchase of 75% equity interest in TCIV.

Pursuant to the SPA, the Seller and SCH agree to provide an indemnity, in the proportion of 75% and 25% respectively, to the Purchaser and/or TCIV WFOE against all losses suffered by them arising out of any monetary claims or obligations due to any disputes with the government of the locality in which TCIV WFOE is located regarding certain industry support funds previously provided to TCIV WFOE (the “**Government Incentive Indemnity**”). The Government Incentive Indemnity is subject to the limitation that the amount of compensation shall not exceed the sum of (i) the principal amount of the industry support funds actually received by TCIV WFOE; and (ii) any interests, fines, costs and expenses (where applicable) as imposed or incurred by the relevant government department in accordance with the SPA (the “**Indemnity Cap**”).

The Company has been informed that an administrative decision was made by Chengxiang Town People’s Government* (城廂鎮人民政府) against TCIV WFOE, whereby TCIV WFOE was requested to return certain industry support funds in an amount of approximately RMB112,000,000 (the “**Relevant Incentive Payments**”) to Chengxiang Town People’s Government (the “**Administrative Decision**”). The Administrative Decision was maintained in a subsequent administrative review conducted by Taicang Municipal People’s Government* (太倉市人民政府).

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Seller and SCH have engaged PRC legal advisers in respect of the Administrative Decision and has appealed the Administrative Decision (the “**Potential Legal Action**”) on 27 March 2023.

POSSIBLE IMPACT ON THE COMPANY

Should it be ultimately determined that TCIV WFOE must return the Relevant Incentive Payments in whole or in part, the Seller, a subsidiary of the Company, may have to perform its respective obligation under the Government Incentive Indemnity subject to the Indemnity Cap.

FOLLOW-UP ACTION TO BE TAKEN BY THE COMPANY

The Company will continue to closely monitor the developments of the Potential Legal Action and will provide assistance or information to the Purchaser and TCIV WFOE in respect of the same as may be necessary from time to time. Further announcement(s) in relation to any material development of the Potential Legal Action will be made by the Company as and when appropriate.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 27 March 2023

As at the date of this announcement, Mr. Qian Xu, Mr. Zhao Jiansuo, Mr. Siu Kin Wai, Mr. Zhang Xudong, Mr. Dong Qilin, Mr. Cheng Ching Fu, Mr. Yu Luning, Mr. Ng Kin Nam and Mr. Ren Lin 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*