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北人
BEIREN

北人印刷機械股份有限公司
BEIREN PRINTING MACHINERY HOLDINGS LIMITED

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0187)

CONTINUING CONNECTED TRANSACTIONS

The Board of Directors and all members of the Board of Directors of the Company warrant that this announcement does not contain any false information, misleading statement or material omission and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the contents herein contained.

SUMMARY OF IMPORTANT CONTENTS:

- Description of transactions
 1. Beiren Printing Machinery Holdings Limited (the “Company”) is to act as the global sales agent for all sheet-fed offset printing press models produced by Beiren Group Corporation (hereafter the “Beiren Group ”);
 2. The Company leases part of the buildings and premises to Beijing Jingcheng Nagano Construction Machinery Company Limited (hereafter “Jingcheng Nagano”);
 3. The Company commissioned Beijing Beiying Casting Company Limited (hereafter “Beijing Beiying”) for the processing of casting parts
 4. The Company leases part of the buildings and premises to Beijing Beiying.
- Abstention from voting by connected directors
 1. For the connection transaction in respect of the Company to act as the global sales agent for all sheet-fed offset printing press models produced by Beiren Group being put to vote, Mr. Zhang Peiwu, Mr. Teng Mingzhi, Mr. Li Shenggao and Ms. Wei Li, being connected directors, abstained from voting.
 2. For the connection transaction in respect of the Company to lease part of the buildings and premises to Jingcheng Nagano being put to vote, Mr. Zhang Peiwu, Mr. Teng Mingzhi, Mr. Li Shenggao and Ms. Wei Li, being connected directors, abstained from voting.
- The above connected transactions are entered into pursuant to the “fair, reasonable and equitable” principle with reference to market prices, and the prices of which are fair, which will not have

adverse impact on the profitability of the listing companies and will not give rise to circumstances which may harm the interests of the Company and shareholders, particularly minority shareholders.

1. SUMMARY OF THE CONNECTED TRANSACTIONS

1. The Company is the global sales agent for all sheet-fed offset printing press models produced by Beiren Group and entered into the Printing Equipment Sales Agency Agreement by Beiren Group Corporation and Beiren Printing Machinery Holdings Limited with Beiren Group for a total annual agency sales amount of not more than Renminbi twenty-nine million Yuan (RMB29,000,000) for a term commencing from 1 April 2012 to 31 March 2013.
2. The Company leased part of the Company's production plants and offices located at No.6 Rong Chang Kong Street, Beijing Economic and Technological Development Zone, with a total gross floor area of 10,443 square meters, to Jingcheng Nagano for production purpose and entered into the Office and Plant Lease Agreement for a term from 1 March 2012 to 28 February 2013.
3. Some of the Company's products comprise casting parts. The Company commissioned Beijing Beiyong for the processing of casting parts and entered into the Casting Parts Processing Agreement for a term of one year.
4. The Company leased the buildings and premises including offices and production plants of the Company located at No. 1 Nanhuan Road, Industrial Zone, Yinghai Village, Daxing District, Beijing, with a total site area of 62,000 square meters, to Beijing Beiyong for office and production purposes, and entered into the Property Leasing Agreement for a term of one year.

Beiren Group is the largest shareholder of the Company; Beijing Jingcheng Machinery Electric Holding Co., Ltd. (hereinafter "Jingcheng Holding") is a beneficial controller of the Company. Jingcheng Nagano is a subsidiary of Jingcheng Holding; the Company holds a 20% equity interest in Beijing Beiyong and the Deputy General Manager of the Company was the Chairman of Beijing Beiyong. Therefore, the above transactions constitute connected transactions of the Company in accordance with the Trading Rules Shanghai Stock Exchange.

II. CONNECTED PARTIES

1. Company name: Beiren Group
Ownership: whole people owned
Registered address: No. 44 Guangqu Premise, Chaoyang District, Beijing
Legal representative: Zhang Peiwu
Registered capital: RMB171,267,000
Date of incorporation: 16 July 1992
Principle activities: sales and manufacture of printing machinery, packaging machinery, series products of machine tool and components; electronic

products, electric equipment and accessories, printing machinery; technology development, technology consultancy, technology services, operation of the import and export businesses related to the asset products manufactured by the Group's own enterprises and the relevant technology.

At the end of 2010, net assets of Beiren Group amounted to RMB590,724,000 and net profit amounted to RMB30,520,900.

So far as to this connected transaction, the connected transactions between the Company and a connected person account for less than 5% of the net assets and RMB30,000,000.

2. Company name: Jingcheng Nagano
- Ownership: limited liability company (solely invested by legal entity)
- Registered address: 5/F, Building no. 1, no. 6 Rong Chang Dong Street, Economic and Technological Development Zone, Beijing
- Legal representative: Ren Yaguang
- Registered capital: RMB 200,000,000
- Date of incorporation: 2 November 2011
- Principle activities: engineering machinery and equipment processing (excluding projects involving administrative permissions); sales of machines (excluding cars); machines maintenance (excluding projects involving administrative permissions); technology services, technology consultancy, technology development; import and export of goods, agencies and technology.

At the end of 2011, net assets of Jingcheng Nagano amounted to RMB199,997,700 and net profit amounted to -RMB2,000.

So far as to this connected transaction, the connected transactions between the Company and a connected person account for less than 5% of the net assets and RMB30,000,000.

3. Company name: Beijing Beiying
- Ownership: limited liability company
- Registered address: No. 1 Nanhuan Road, Industrial Zone, Yinghai Village, Daxing District
- Legal representative: Chen Changge
- Registered capital: RMB5,680,000

Date of incorporation: 20 January 2001

Principle activities: manufacture and sale of components and casting parts

At the end of 2011, net assets of Beijing Beiying amounted to RMB32,464,100 and net profit amounted to RMB964,000.

So far as to this connected transaction, the connected transactions between the Company and a connected person account for less than 5% of the net assets and RMB30,000,000.

III. PARTICULARS OF THE CONNECTED TRANSACTIONS

Particulars of connected transactions:

No.	Connected parties	Type of transactions	Description of transactions	Remark
1	Beiren Group	Commissioned sales	Beiren Group commissioned the Company to act as its global sales agent for all sheet-fed offset printing press models produced by it	
2	Jingcheng Nagano	Property leasing	Part of the production plants and offices located at No.6 Rong Chang Kong Street, Beijing Economic and Technological Development Zone, with a total gross floor area of 10,443 square meters, of which plant area amounting to 8,475 square meters whilst office space amounting to 1,968 square meters	
3	Beijing Beiying	Commissioned processing	Purchasing a total of 1,944 tonnes from Beijing Beiying throughout 2012, of which sheet-coiling product amounting to 1,021 and single paper product amounting to 923 tonnes	
		Property leasing	Buildings and premises including offices and plants located at No. 1 Nanhuan Road, Industrial Zone, Yinghai Village, Daxing District, Beijing, with a total site area of 62,000 square meters, of which the total gross floor area of properties amounting to 21,955.8 square meters	

IV. MAIN CONTENTS AND PRICING POLICY OF THE CONNECTED TRANSACTIONS

1. The Company entered into the Printing Equipment Sales Agency Contract by Beiren Group Corporation and Beiren Printing Machinery Holdings Limited with Beiren Group, pursuant to which Beiren Group commissioned the Company to act as its global sales agent for all sheet-fed offset printing press models produced by it for a total annual agency sales amount of not more than Renminbi twenty-nine million Yuan (RMB29,000,000). The term of the contract will be from 1 April 2012 to 31 March 2013. The Company negotiated with Beiren Group to determine the settlement price for the sales of products. The portion which is in excess of the settlement price will be wholly attributable to the Company.
2. The Company entered into the Office and Plant Lease Agreement with Jinacheng Nagano, pursuant to which the Company leased part of the Company's production plants and offices located at No.6 Rong Chang Kong Street, Beijing Economic and Technological Development Zone, with a total gross floor area of 10,443 square meters, to Jingcheng Nagano for production purpose, of which the southern portion of the assembly plant occupies an area of 4,800 square meters, the eastern and western wings of the first floor of the assembly plant occupy an office space of 475 square meters, the western and middle portions of the packaging plant occupy an area of 3,200 square meters, and the fifth floor of the scientific research building occupies an area of 1,968 square meters. The term of the lease is effective from 1 March 2012 to 28 February 2013.

Both parties agreed that rental fee of plants will be charged at RMB1.5/m² per day with total annual rental fee being Renminbi four million six hundred and forty thousand sixty-two Yuan and five Jiao (RMB4,640,062.5). The rental fee of offices will be charged at RMB1.85/m² per day with total annual rental fee being Renminbi one million three hundred and twenty-eight thousand eight hundred and ninety two Yuan (RMB1,328,892). The total rental fee will be Renminbi five million nine hundred and sixty-eight thousand nine hundred and fifty four Yuan and five Jiao (RMB5,968,954.5).

3. The Company entered into the External Processing Agreement with Beijing Beiyong, which will take effect since the date on which it is signed and sealed by both parties for a term of one year. The Company will purchase from Beijing Beiyong for an aggregate volume of 1,944 tonnes, totaling RMB17,530,000 (including tax) throughout 2012, of which sheet-coiling products accounting for 1,021 tonnes with a total amount of RMB9,230,000 (including tax) and single paper products accounting for 923 tonnes with a total amount of RMB8,300,000 (including tax).
4. The Company entered into the Leasing Agreement with Beijing Beiyong with a term of 1 year, pursuant to which the Company leased the buildings and premises including offices and production plants of the Company located at No. 1 Nanhuan Road, Industrial Zone, Yinghai Village, Daxing District, Beijing, with a total site area of 62,000 square meters (of which the total gross floor area of properties amounting to 21,955.8 square meters), to Beijing Beiyong for office and production purposes.

Both parties agreed that the total annual rental fee will be Renminbi four million four hundred and seven thousand sixty-four Yuan and six Jiao and eight Fen (¥4,407,064.68) and payable quarterly in arrears in a total amount of Renminbi one million one hundred and one thousand seven hundred and sixty six Yuan and one Jiao and seven Fen (¥1,101,766.17), with the rental fees to be payable by Beijing Beiyong to the Company when they fall due at the end of each quarter.

V. VOTING DETAILS

The following contracts were considered and passed by 7 directors who attended the 4th meeting of the seventh Board of Directors of the Company in person out of 8 directors who are eligible for the meeting, with Director Ms. Wei Li being unable to attend the meeting due to business engagement who appointed Director Mr. Li Shenggao to attend the meeting and vote on her behalf, the voting particulars of which are as follows:

Resolutions	For	Against	Abstain	Description
The Company acts as the global sales agent for all singlesheet-fed models produced by Beiren Group	4	0	0	Mr. Zhang Peiwu, Mr. Teng Mingzhi, Mr. Li Shenggao and Ms. Wei Li, being connected directors, abstained from voting
The Company leases part of the buildings and premises to Jingcheng Nagano the Company	4	0	0	Mr. Zhang Peiwu, Mr. Teng Mingzhi, Mr. Li Shenggao and Ms. Wei Li, being connected directors, abstained from voting
The Company leases part of the buildings and premises to Beijing Beiyong	8	0	0	
The Company commissions Beijing Beiyong for the processing of casting parts	8	0	0	

VI. PURPOSES OF THE CONNECTED TRANSACTIONS AND IMPACT ON LISTING COMPANY

The Company can generate income for the Company by capitalizing on its own sales network to act as the sales agent of Beiren Group's products, and the transaction with Beiren Group will not have adverse impact to the Company. The connected transaction will not jeopardise the interests of the Company and the unconnected shareholders.

The Company leased part of the idle plants to Jingcheng Nagano and Beijing Beiyong, The rental fee, which is determined by reference to prevailing market rates, does not have any adverse impact to the Company. The connected transaction will not jeopardise the interests of the Company and the unconnected shareholders.

Some of the Company's products comprise casting parts, and the Company commissioned Beijing Beiyong to process casting parts. As the above transaction involves a high degree of expertise, the connected transactions of which will subsist for a long period of time. Since the purchasing cost is not higher than those offered by similar suppliers, it will not have adverse impact to the Company. The connected transaction will not jeopardise the interests of the Company and the unconnected shareholders.

VII. OPINIONS OF THE INDEPENDENT DIRECTORS

The resolutions of the connected transactions of the Company have been considered and passed at the 4th meeting of the seventh Board of Directors of the Company, which is in line with the information disclosure requirement and decision-making policy of the Company.

The objective pricing of the above connected transactions is determined on a fair and reasonable basis, which complies with the provisions of the relevant laws and rules and the Articles of Association.

In reviewing and voting for the particular resolutions, Mr. Zhang Peiwu, Mr. Teng Mingzhi, Mr. Li Shenggao and Ms. Wei Li, being connected directors, have abstained from voting. These connected transactions will not give rise to circumstances which may harm the interests of the Company and shareholders, particularly minority shareholders.

VIII. DOCUMENTS AVAILABLE FOR INSPECTION

1. The signed board resolutions and the signed minutes of the board meeting;
2. The signed letter of advices from the independent directors;
3. The Printing Equipment Sales Agency Contract by Beiren Group Corporation and Beiren Printing Machinery Holdings Limited, the Office and Plant Lease Agreement, the External Processing Agreement and the Property Leasing Agreement.

The Board of Directors of Beiren Printing Machinery Holdings Limited

15 March 2012

As at the date of this announcement, the Board of the Company comprises Mr. Zhang Peiwu as executive director, Mr. Teng Mingzhi, Mr. Li Shenggao and Ms. Wei Li as non-executive directors and Mr. Xu Wencai, Ms. Wang Hui, Mr. Xie Bingguang and Mr. Wang Deyu as independent non-executive directors.