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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 TRANSACTION

On 17 March 2011, the Company entered into a business cooperation agreement with Beiren Group, a substantial shareholder of the Company, in respect of the provision of Services by Beiren Group to the Company for a term from 1 January 2011 to 31 December 2011. The consideration under the Agreement shall be payable by the Company by two installments, 50% of which shall be paid to Beiren Group by 15 April 2011 and the remaining balance shall be paid to Beiren Group by 15 June 2011.

As at the date of this announcement, Beiren Group is a substantial shareholder of the Company holding approximately 47.78% of the entire issued share capital in the Company. Therefore, Beiren Group is a connected person of the Company under Chapter 14A of the Listing Rules. The entering into of and the transactions contemplated under the Agreement thus constitute continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in relation to the transactions contemplated under the Agreement are to be more than 0.1% but less than 5% on an annual basis, such transactions are subject to the reporting, annual review and announcement requirements, but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

THE AGREEMENT

On 17 March 2011, the Company entered into a business cooperation agreement with Beiren Group, a substantial shareholder of the Company, in respect of the provision of Services. A summary of the principal terms of the Agreement are as follows:–

Parties: Beiren Group as party providing the Services
The Company as party receiving the Services

Term: From 1 January 2011 to 31 December 2011. The Agreement shall become effective upon signing.

Subject matter: Beiren Group shall provide services to the Company in relation to, including but not limited to:

- (i) the equipment energy business;
- (ii) the physical and chemical measurement business; and
- (iii) the tool and instrument business.

In respect of the provision of Services, the Company shall cooperate with Beiren Group by providing it with sites and equipment. Beiren Group shall only have the right to use the equipment while its ownership shall belong to the Company.

Payment: The consideration under the Agreement shall be payable by the Company by two installments, 50% of which shall be paid to Beiren Group by 15 April 2011 and the remaining balance shall be paid to Beiren Group by 15 June 2011.

ANNUAL CAP

Pursuant to the Agreement, the annual fee payable by the Company to Beiren Group under the Agreement for the year ending 31 December 2011 is RMB1,500,000.

The above annual fee amount is determined with reference to the market price and the technical papers as confirmed by the Company and Beiren Group.

The consideration will be satisfied by the internal resources of the Group.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT

The entering into of the Agreement is to reduce the operation cost of the Company and enhance the Company's business efficiency by separating the non-core business.

The Directors (including the independent non-executive Directors) are of the view that the entering into of and the transactions contemplated under the Agreement are in the ordinary and usual course of business of the Company and are on normal commercial and fair and reasonable terms, and in the interest of the Company and the Shareholders as a whole.

None of the Directors has a material interest in the transactions contemplated under the Agreement. However, as Mr. Zhao Guorong and Mr. Duan Yuangang are the connected directors (for the purpose of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange), they abstained from voting in respect of the board resolutions.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Beiren Group is a substantial shareholder of the Company holding approximately 47.78% of the entire issued share capital in the Company. Therefore, Beiren Group is a connected person of the Company under Chapter 14A of the Listing Rules. The entering into of and the transactions contemplated under the Agreement thus constitute continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in relation to the transactions contemplated under the Agreement are to be more than 0.1% but less than 5% on an annual basis, such transactions are subject to the reporting, annual review and announcement requirements, but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

GENERAL

The Group is principally engaged in the manufacture and sales of printing machines.

Beiren Group is principally engaged in the lease of post-printing facilities and property.

DEFINITIONS

In this announcement, the following terms have the following meanings:

“Agreement”	the business cooperation agreement dated 17 March 2011 entered into between Beiren Group and the Company in relation to the provision of Services
“A Share”	Renminbi ordinary shares of RMB1.00 in the share capital of the Company, which are listed in the Shanghai Stock Exchange
“Beiren Group”	Beiren Group Corporation (北人集團公司), a company incorporated in the PRC and the controlling Shareholder holding approximately 47.78% equity interest in the Company;
“Board”	the board of Directors
“Company”	Beiren Printing Machinery Holdings Limited (北人印刷機械股份有限公司), a joint stock company incorporated in the PRC with limited liability and the shares of which are listed on the Main Board of the Stock Exchange and the Shanghai Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administration Region of the PRC

“H Shares”	the overseas foreign listed shares of nominal value of RMB1.00 each in the share capital of the Company, which are listed in the Main Board of the Stock Exchange subscribed for and traded in HK\$
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purposes of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Services”	Provision of services by Beiren Group to the Company in relation to, including but not limited to: (i) the equipment energy business; (ii) the physical and chemical measurement; and (iii) the tool and instrument business
“Share(s)”	share(s) of the Company, including A Shares and H Shares, unless otherwise specified
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“%”	per cent.

For and on behalf of the Board
Beiren Printing Machinery Holdings Limited
Jiao RuiFang
Company Secretary

Beijing, the PRC, 17 March 2011

As at the date of this announcement, the board of Directors comprises Mr. Zhao Guorong as non-executive Director, Mr. Zhang Peiwu and Mr. Duan Yuangang as executive Directors and Mr. Xu Wencai, Ms. Wang Hui, Mr. Xie Bingguang and Mr. Wang Deyu as independent non-executive Directors.