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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)

PROPOSED MANDATE IN RELATION TO THE POTENTIAL VERY SUBSTANTIAL DISPOSAL THROUGH PUBLIC TENDER

THE POTENTIAL DISPOSAL THROUGH PUBLIC TENDER

Reference is made to the announcement of the Company dated 11 May 2023 in relation to the pre-listing disclosure relating to the Potential Disposal through Public Tender. The Potential Disposal will be effected by disposal of either 75% of issued share capital of Jiaxing or 100% of equity interest in Fortune Land.

Since the Company is a State-owned enterprise, each of the Jiaxing Group and Fortune Land constitutes State-owned assets and the disposal of which is required to undergo the process of Public Tender through an approved equity exchange in accordance with the relevant PRC laws and regulations governing the disposal of State-controlled assets. The Potential Disposal will be carried out through CBEX and the successful bidder(s) will enter into the Asset Transaction Agreement with the Transferor according to the relevant rules and regulations of CBEX.

The Initial Minimum Consideration, (i) in case of 75% of Jiaxing Group, being the minimum bid price of RMB111,389,000 and the shareholder's loan due to CIPH by Jiaxing of RMB162,832,000; or (ii) in case of 100% of Fortune Land, being the minimum bid price of RMB365,550,000. The minimum bid price for 75% of Jiaxing Group and 100% of Fortune Land are determined by reference to 75% of the adjusted consolidated net asset value of Jiaxing Group; and 100% of the adjusted net asset value of Fortune Land.

The Final Consideration shall be equal to the winning bid price of the Public Tender, but in any event, shall not be less than the Initial Minimum Consideration.

IMPLICATIONS UNDER THE LISTING RULES

Based on the amount of the Initial Minimum Consideration, one or more applicable percentage ratio (as defined under the Listing Rules) in respect of the Potential Disposal exceeds 75%. Therefore, the Potential Disposal is expected to constitute a very substantial disposal of the Company and are subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Board would like to seek the Proposed Mandate to be granted in advance by the Shareholders at the SGM for the Directors to enter into and complete the Potential Disposal through the Public Tender.

None of the Directors has material interests in the Potential Disposal and hence no Director is required to abstain from voting on the Board resolutions approving the Potential Disposal and the transactions contemplated thereunder.

A circular containing, among other things, (i) further information of the Potential Disposal; (ii) the valuation report on the Property to be issued by an independent valuer in Hong Kong; (iii) a notice convening the SGM; and (iv) other information required under the Listing Rules, will be despatched to the Shareholders on or before 18 September 2023.

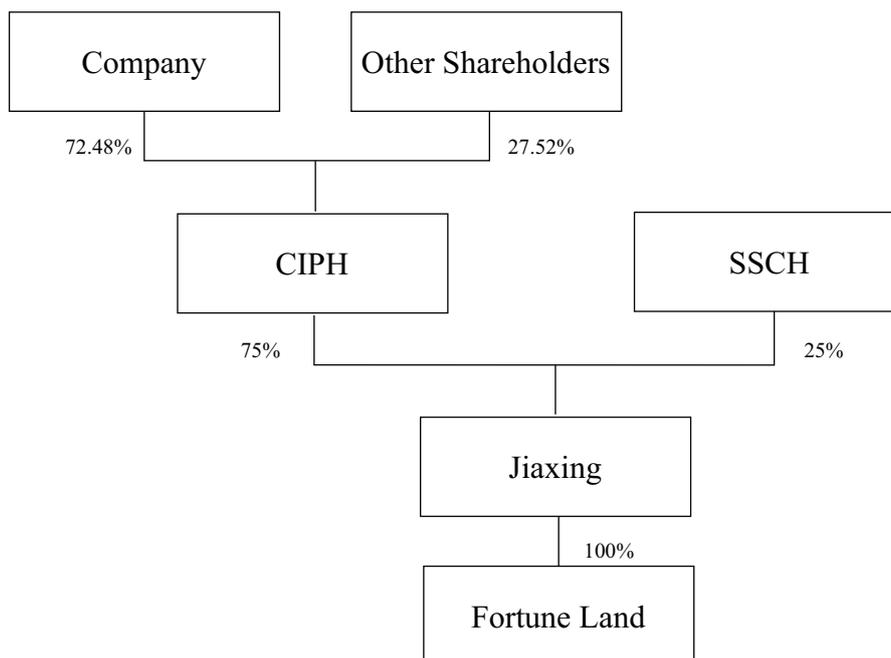
The terms of the Public Tender have yet to be finalised and therefore may be subject to further changes. In addition, as the Potential Disposal may or may not proceed, Shareholders and potential investors should exercise caution when dealing in the securities of the Company. The Company will make further announcement(s) in compliance with the Listing Rules as and when appropriate or required.

Reference is made to the announcement of the Company dated 11 May 2023 in relation to the pre-listing disclosure relating to the Potential Disposal through Public Tender. The Potential Disposal will be effected by disposal of either 75% of issued share capital of Jiaxing or 100% of equity interest in Fortune Land. The Company will make a decision in respect of the disposal of either 75% of Jiaxing Group or 100% of Fortune Land by Public Tender.

Since the Company is a State-owned enterprise, each of the Jiaxing Group and Fortune Land constitutes State-owned assets and the disposal of which is required to undergo the process of Public Tender through an approved equity exchange in accordance with the relevant PRC laws and regulations governing the disposal of State-controlled assets. The Potential Disposal will be carried out through CBEX and the successful bidder(s) will enter into the Asset Transaction Agreement with the Transferor according to the relevant rules and regulations of CBEX.

THE POTENTIAL DISPOSAL THROUGH PUBLIC TENDER

A. The Shareholding Structure of Jiaxing Group



B. Jiaxing Group and Fortune Land

(a) Shareholding Structure

SSinolog (Jiaxing) I Pte Ltd (“**Jiaxing**”) is a company incorporated in Singapore and is owned as to 75% by the CIPH and as to 25% by SSCH. Jiaxing is principally engaged in investment holding. Jiaxing wholly owns Fortune Land Industrial Development (Jiaxing) Pte Ltd (“**Fortune Land**”) which is a company established in the PRC with limited liability which is principally engaged in investment, development and operation of the Property and is the owner of the Property.

(b) *Jiaxing Group*

Set out below is a summary of the consolidated financial information of Jiaxing, based on its unaudited financial statements for the two financial years ended 31 December 2022 and 2021:

| | For the year ended 31 December 2022 | For the year ended 31 December 2021 |
|------------------------------|--|--|
| | <i>RMB million</i> | <i>RMB million</i> |
| | (unaudited) | (unaudited) |
| Net (Loss)/Profit before tax | 64.75 | 9.81 |
| Net (Loss)/Profit after tax | 49.84 | 5.34 |

The unaudited consolidated net asset value of Jiaxing Group as at 30 June 2023 was approximately RMB66,520,000.

(c) *Fortune Land*

Set out below is a summary of the financial information of Fortune Land, based on its unaudited financial statements for the two financial years ended 31 December 2022 and 2021:

| | For the year ended 31 December 2022 | For the year ended 31 December 2021 |
|------------------------------|--|--|
| | <i>RMB million</i> | <i>RMB million</i> |
| | (unaudited) | (unaudited) |
| Net (Loss)/Profit before tax | 64.78 | 9.95 |
| Net (Loss)/Profit after tax | 49.88 | 5.48 |

The unaudited net asset value of Fortune Land as at 30 June 2023 was approximately RMB283,280,000.

During the two years ended 31 December 2021 and 2022, the profit increment is mainly attributable to the fair value increment of the Property for the year ended 31 December 2022.

(d) Property owned by Fortune Land

The site area of the Property is 143,308.8 sq.m., and the lettable area is 90,112.58 sq.m. It is located at No. 685 Fenghua Road, Nanhu District, Jiaxing, Zhejiang Province, the People's Republic of China. Construction of the Property has been completed and currently in operation. The Property is of industrial use.

C. The Transferor

In respect of 75% of Jiaxing Group, the Transferor is China Industrial Properties (Holdings) Limited (“CIPH”), a company incorporated in the British Virgin Islands. It is a non-wholly owned subsidiary of the Group and is principally engaged in investment holding. The Company interest in the CIPH is about 72.48%.

In respect of 100% of Fortune Land, the Transferor is Jiaxing, a company established in Singapore and is principally engaged in investment holding. Jiaxing is a non-wholly owned subsidiary of the Group. Jiaxing owns 75% of the equity interest of Fortune Land.

D. Major Terms of Potential Disposal

Qualification of Potential Bidders

The potential bidders shall satisfy, among others, the following qualifications:

1. the potential bidders must not be connected persons (as defined under Chapter 14A of the Listing Rules) of the Group;
2. the potential bidders shall be financially sound and solvent;
3. the potential bidders shall have good business credibility;
4. the potential bidders shall be validly established enterprises or natural persons who shall have full civil capacity; and
5. other qualifications stipulated under the laws and regulations of the PRC or as may be directed by the relevant PRC governmental authorities including CBEX.

Date and Procedures of the Public Tender

To commence the formal process of the Public Tender in respect of 75% of Jiaxing Group and 100% of Fortune Land, the Transferors will have to submit to CBEX the tender notice setting out, *inter alia*, (a) the minimum consideration; (b) the principal terms of the bid; and (c) descriptions and qualifications of potential bidders. The Transferors will submit the tender notice in respect of the Potential Disposal to CBEX as soon as practicable and in any event, within 15 Business Days after the Shareholders have granted the Proposed Mandate at the SGM.

The Publication Period will initially be not less than 20 Working Days from the date of the tender notice. During the Publication Period, qualified bidders may submit to CBEX their applications for the bids. Upon the close of the Public Tender, CBEX will notify the Transferors of the identity of the successful bidder.

As at the date of this announcement, SSCH owns 25% of the total issued share capital in each of the Jiaxing. Pursuant to the terms of a joint venture agreement entered into between the CIPH and SSCH on 15 November 2016 (the “**JV Agreement**”), each of the CIPH and SSCH has a right of first refusal to acquire the shares held by the other party in priority to any third-party purchaser of those shares. In addition, upon occurrence of a change of control of the Jiaxing, the CIPH or that of SSCH, the non-defaulting shareholder has the right to exercise a call option to require the defaulting shareholder to sell all its shares to the non-defaulting shareholder (the “**Default Call Option**”).

As both SSCH and the CIPH now intend to sell all of their respective shareholdings in the Jiaxing or Fortune Land, both SSCH and the CIPH will waive their respective rights of first refusal and the rights in relation to the Default Call Option under the JV Agreement prior to the formal submission of the tender notice to CBEX.

As at the date of this announcement, material information of the Asset Transaction Agreement including the bidders, final consideration, payment, delivery and closing date have not been finalized. The Transferor will enter into the Asset Transaction Agreement upon confirmation of the successful bidder and the Company will comply with information disclosure obligations under the Listing Rules. As at the date of this announcement, no agreement has been entered into between the Group and any other party in relation to the Potential Disposal.

Consideration

The CIPH and SSCH invited a number of interested buyers to submit a letter of intent in respect of the Potential Disposal, in order to (i) identifying the preference of interested buyers to acquire the Property whether through the acquisition of the Jiaxing or Fortune Land; (ii) if so, soliciting the price they would be willing to offer for the Property; and (iii) negotiating the key terms of the sale and purchase and where appropriate enter into non-legally binding memorandum of understanding.

The Initial Minimum Consideration, (i) in case of 75% of Jiaxing Group, being the minimum bid price of RMB111,389,000 and the Shareholder’s Loan due to CIPH by Jiaxing; or (ii) in case of 100% of Fortune Land, being the minimum bid price of RMB365,550,000. The minimum bid price for 75% of Jiaxing Group and 100% of Fortune Land are determined by reference to 75% of the adjusted consolidated net asset value of Jiaxing Group, which is calculated based on (i) 75% of the unaudited consolidated net asset value of Jiaxing Group as at 30 June 2023 of approximately RMB66,520,000; (ii) addition of 75% of the deferred tax liability of approximately RMB32,723,000 as at 30 June 2023 related to the accumulated fair value increment

of the Property under relevant accounting standards; and (iii) addition of 75% of the deferred revenue of approximately RMB49,275,000 as at 30 June 2023 related to the accumulated government subsidies received that are recognized in profit or loss on the straight-line basis over the expected useful lives of the underlying assets under relevant accounting standards; and 100% of the adjusted net asset value of Fortune Land, which is calculated based on (i) the unaudited net asset value of Fortune Land as at 30 June 2023 of approximately RMB283,280,000; (ii) addition of the deferred tax liability of approximately RMB32,995,000 as at 30 June 2023 related to the accumulated fair value increment of the Property under relevant accounting standards; and (iii) addition of the deferred revenue of approximately RMB49,275,000 as at 30 June 2023 related to the accumulated government subsidies received that are recognized in profit or loss on the straight-line basis over the expected useful lives of the underlying assets under relevant accounting standards.

The preliminary appraised value of the Property as at 30 June 2023 using the market approach in the preliminary valuation report on the Property to be issued by an independent valuer in Hong Kong is RMB368,000,000. The value has been reflected in the unaudited consolidated net asset value of Jiaxing Group and the unaudited net asset value of Fortune Land as at 30 June 2023.

Each of the aforesaid consolidated adjusted net asset value of Jiaxing Group or adjusted net asset value of Fortune Land have taken into account (i) the price submitted from the interested buyers for the Property and the preliminary fair value for the Property done by the independent valuer; (ii) an addition of the deferred tax liability related to the accumulated fair value increment of the investment property under the relevant accounting standards; and (iii) an addition of the received relevant government subsidies.

The Initial Minimum Consideration for 75% of Jiaxing Group or 100% of Fortune Land, as noted in the above paragraphs is indicative minimum consideration and will be adjusted when any proposed price of the investment property from interested buyers are higher than the valuation report of the investment property before the tender notice is submitted to CBEX.

The potential bidders shall pay an amount equivalent to no greater than 30% of the minimum consideration for 75% of Jiaxing Group or 100% of Fortune Land (as the case may be) to a designated account as deposit. Any deposit paid by the successful bidder(s) shall be deemed to be part payment of the final consideration for the purchase of 75% of Jiaxing Group or 100% of Fortune Land. The full amount of the deposit shall be returned to the other bidders within 3 Working Days after the identity of the successful bidder(s) is confirmed by CBEX.

On Completion, in addition to the delivery and exchange of deliverables that are common to transactions of this nature, if the Purchaser elects to acquire the Jiaxing, shall advance to the Jiaxing an amount equivalent to the Shareholder's Loan due to the CIPH calculated up to the date of Completion and CIPH shall, utilising such advances, procure that the shareholder's loans are fully discharged or the Purchaser directly settles the Shareholder's Loan on behalf of Jiaxing to CIPH.

Conditions precedent to the Potential Disposal

The entering into and completion of the Potential Disposal shall be conditional upon, *inter alia*:

- (i) the Company having completed all filing procedures and obtained all necessary consents and approvals regarding the Potential Disposal including the approval by the Shareholders in respect of the Proposed Mandate at the SGM;
- (ii) the Purchaser having all necessary regulatory approval from the relevant authorities for the transfer of the subject shares or equity interest and Shareholder's Loan if required; and
- (iii) the Purchaser shall assess whether, under the relevant PRC anti-trust laws and regulations, anti-trust filings and/or approvals are required in respect of its acquisition of the equity interests of the Jiaxing or Fortune Land. If such filings or approvals are required, the Purchaser is obliged to make the necessary anti-trust filing(s) with the relevant PRC anti-trust authorities and completion of the Potential Disposal shall be conditional upon the Purchaser having completed all necessary filing(s) and obtained all necessary approval(s) from such authorities. If the Purchaser fails to complete the transactions contemplated under the Potential Disposal due to its failure to submit the relevant anti-trust filing(s) or obtain all necessary approval(s) from the PRC anti-trust authorities, the Purchaser shall be liable to compensate the Transferor for damages.

Once a Purchaser for either 75% of Jiaxing Group or 100% of Fortune Land has been identified, the Transferor is unconditionally obliged under the rules of the CBEX to enter into the Asset Transaction Agreement with such Purchaser and shall, subject to the fulfilment of the conditions precedent and the payment of the consideration by the Purchaser, complete the transaction contemplated thereunder.

The Company has consulted CBEX regarding the requirements and tendering procedures applicable to the Potential Disposal and CBEX indicated that a tender conditional on shareholders' approval will not be acceptable under the rules of CBEX. Given such restriction, the Company would not be able to conduct the Proposed Disposal under the public tender process unless a prior mandate is sought.

Rental Guarantee

The CIPH undertakes, or shall procure its affiliated company approved by the Purchaser (the “**Rental Guarantor**”) to undertake that the lettable area of 90,112.58 square meters of the Property will be fully leased during a period of 12 months starting from the completion date in relation to Potential Disposal (the “**Guarantee Period**”). During the Guarantee Period, the Rental Guarantor will pay the rental fee for any unleased area of the Property. The rental fee is calculated by multiplying the rate of RMB26 per square meter per month (including property management fee) by the unleased square meters. The Rental Guarantor shall be responsible for only 75% of the rental fee for the unleased area of the Property. As the date of this announcement, the occupancy rate is approximately 92%.

The interested buyers have offered the price for the Property under the condition that the Property is fully leased. The agreed rental rate has been determined after arm’s length negotiations between the parties with reference to the current market rental rate payable by existing tenants of the Property.

Post-Completion Matters

Completion Accounts

After the Completion, the Transferor shall prepare and deliver to the Purchaser the Completion Accounts and Completion Statement setting out all the assets and all the liabilities in respect of Jiaxing Group or Fortune Land as at the date of Completion. The Purchaser and the Transferor shall attempt in good faith to agree in writing the item(s) in the Completion Accounts and Completion Statement and such agreement shall be final and binding on the Seller and the Purchaser for all purposes.

If the Seller and the Purchaser are unable to reach agreement in respect of the Completion Accounts and Completion Statement, the items in dispute shall be referred to an auditor for review. Such auditor shall provide their determination on the adjustments to the Completion Accounts and Completion Statement arising from the disputed items. The auditors’ determination shall be final and conclusive on the Transferor and the Purchaser.

Representations and Warranties

The Transferor shall give certain representations and warranties in relation to Jiaxing Group or Fortune Land in the Asset Transfer Agreement, including but not limited to (i) due incorporation and valid existence; (ii) title and ownership in relation to the equity interest of Jiaxing or Fortune Land held by the Transferor; (iii) compliance with applicable laws and regulations; (iv) financial conditions and liabilities; and (v) title and ownership of the Property.

E. Taxation

The Potential Disposal is subject to payment of Singapore stamp duty (if the Potential Disposal is effected by transfer of shares of Jiaxing) and PRC tax liabilities in relation to indirect transfer of equity interest in PRC resident enterprises pursuant to the Announcement on Several Issues Concerning Enterprise Income Tax for Indirect Transfer of Assets by Non-Resident Enterprises (《關於非居民企業間接轉讓財產企業所得稅若干問題的公告》) (“**Circular 7**”) issued by the PRC State Taxation Administration on 3 February 2015 and the Announcement on Issues concerning the Withholding of Enterprise Income Tax at Source on Non-Resident Enterprises (《國家稅務總局關於非居民企業間所得稅源泉扣繳有關問題的公告》) (“**Circular 37**”) which became effective on 1 December 2017. In relation to the PRC tax liabilities under Circular 7 and Circular 37, the Transferor and the Purchaser shall report the Potential Disposal to the relevant tax authorities within 30 days from the execution of the Asset Transaction Agreement.

REASONS FOR AND BENEFITS OF THE POTENTIAL 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 (v) investments in commercial properties and primary land development.

The Company positions itself as a developer of specialized real estate in logistics, cold chain, industrial and commercial sectors as well as primary land development. As a developer, profits of the Company are generated primarily from two streams: (i) daily operations such as rental income from hotels, malls, general and cold warehouses and agricultural market, handling and processing income from general and cold warehouses, financing income from trading; and (ii) sales of developed and matured properties and developed land.

The business model of the Company is: (i) to invest in projects at their initial stage; (ii) to cultivate the value of the projects after development; and (iii) to sell the projects at a satisfactory value. The cash returned will be used: (i) to repay the loans of the Group to reduce continuous finance costs and thus increase the profitability of the Group; (ii) to reinvest in new projects to create another future profit-generating opportunity; and (iii) to distribute appropriate returns to the Shareholders as investment returns to investors. According to the business model of the Company, the Company believes the operating gain and the gain in the growing capital value of its projects will eventually bring remarkable returns to its Shareholders following the continuous growth in economy of the PRC as well as the successful implementation of the Belt and Road Initiatives.

Since 2009, the Group has invested substantial amount of capital in investing and developing a variety of projects in prime areas in the PRC and overseas. Following the stable income generated by the projects and the stable economic growth of the PRC, the capital value of certain projects has satisfactory growth compared to the initial investments of the Group. Accordingly, the Board is of the view that it is an appropriate time to dispose of a number of matured projects located in the PRC. The Potential Disposal will generate not less than approximately RMB258,894,000 cash for the Group to achieve the abovementioned purposes of reducing its debts, reinvestments and distributions. The Group will, post Potential Disposal, further make use of its strengths, being a State-owned enterprise, to further acquire land for development in prime locations to further expand its presence in logistics, industrial, cold chain sectors in the PRC to consolidate its long-term profitability and capital gain growing model. The Company will also gradually increase its portfolio of managing third party real estate as an income source, as opposed to substantially relying on asset investment as currently engaged as its income source.

The Potential Disposal is a benchmark of the completed business model of the Group. It is expected that the sale of developed properties and land will become the Group's ordinary activity in future. Following the completion of the Potential Disposal, the profit from the sales of properties which is one of the major income of the Company under its model, can be fairly reflected in its financial statements, its cash position will be strengthened and the continuous positive cash cycle can also be established.

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the key terms of the Potential Disposal are on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

FINANCIAL EFFECTS OF THE POTENTIAL DISPOSAL

The Group is expected to record a gain of approximately RMB45,684,000 from the disposal of Jiaxing Group, if materialised, which is estimated based on the aggregate of (a) the minimum bid price for 75% of Jiaxing Group is RMB111,389,000; less (b) the exchange loss to be released as a result of the disposal from the foreign exchange reserve of approximately RMB4,436,000; and (c) 75% of the carrying amount of the consolidated net asset value of Jiaxing Group as at 30 June 2023 of approximately RMB66,520,000, which is RMB49,890,000; and (d) the relevant transaction expenditures and taxation of approximately RMB11,379,000.

The Group is expected to record a gain of approximately RMB37,741,000 from the disposal of Fortune Land, if materialised, which is estimated based on the aggregate of (a) the minimum bid price for 100% of Fortune Land is RMB365,550,000; less (b) the exchange loss to be released as a result of the disposal from the foreign exchange reserve of approximately RMB29,277,000; and (c) the carrying amount of the 100% equity interest in Fortune Land as at 30 June 2023 of approximately RMB283,280,000; and (d) the relevant transaction expenditures and taxation of approximately RMB15,012,000.

The Initial Minimum Consideration for 75% of Jiaxing Group is approximately RMB274,221,000 before deduction of the expected withholding tax and other transaction expenditures of approximately RMB11,259,000 and the cash and bank balances held by the Jiaxing Group as at 30 June 2023 of approximately RMB5,424,000 which CIPH owns 75% interest in Jiaxing (i.e. being RMB4,068,000). After considering all the abovementioned cash flow, the cash generated for CIPH will be approximately RMB258,894,000.

The Initial Minimum Consideration for 100% of Fortune Land is approximately RMB365,550,000 before deduction of the expected withholding tax and other transaction expenditures of approximately RMB15,012,000 and the cash and bank balances held by Fortune Land as at 30 June 2023 of approximately RMB5,346,000. After considering all the abovementioned cash flow, the cash generated for Jiaxing will be approximately RMB345,192,000. Since CIPH owns 75% interest in Jiaxing, the cash generated for CIPH will be approximately RMB258,894,000 after distribution.

Shareholders should note that the aforementioned estimations are for illustrative purpose only and do not purport to represent how the financial position of the remaining Group (being the Group less Jiaxing Group or Fortune Land) will be upon completion of the Proposed Disposal. The actual amount of the gain from the Potential Disposal to be recognised in the consolidated financial statements of the Group depends on, among others, the final bid price of the Public Tender and the net asset values of Jiaxing Group or Fortune Land (as the case may be) and therefore will be subject to final audit.

Subject to and upon the Completion, each member of Jiaxing Group (if the Potential Disposal is effect by disposal of shares of Jiaxing) or Fortune Land will cease to be subsidiaries of the Company and the financial information of the aforesaid companies will no longer be consolidated into the Group's consolidated financial statements.

INTENDED USE OF PROCEEDS

It is intended that the net proceeds from the Potential Disposal shall be used to repay the loans of the Group to reduce continuous finance costs and thus increase the profitability of the Group.

IMPLICATIONS UNDER THE LISTING RULES

Based on the amount of the Initial Minimum Consideration, one or more applicable percentage ratio (as defined under the Listing Rules) in respect of the Potential Disposal exceeds 75%. Therefore, the Potential Disposal is expected to constitute a very substantial disposal of the Company and are subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The Board would like to seek the Proposed Mandate to be granted in advance by the Shareholders at the SGM for the Directors to enter into and complete the Potential Disposal through the Public Tender.

None of the Directors has material interests in the Potential Disposal and hence no Director is required to abstain from voting on the Board resolutions approving the Potential Disposal and the transactions contemplated thereunder.

A circular containing, among other things, (i) further information of the Potential Disposal; (ii) the valuation report on the Property to be issued by an independent valuer in Hong Kong; (iii) a notice convening the SGM; and (iv) other information required under the Listing Rules, will be despatched to the Shareholders on or before 18 September 2023.

The terms of the Public Tender have yet to be finalised and therefore may be subject to further changes. In addition, as the Potential Disposal may or may not proceed, Shareholders and potential investors should exercise caution when dealing in the securities of the Company. The Company will make further announcement(s) in compliance with the Listing Rules as and when appropriate or required.

DEFINITIONS

In this announcement, unless otherwise indicated in the context, the following terms shall have the meanings as set out below:

| | |
|-------------------------------|--|
| “Asset Transaction Agreement” | asset transaction agreement(s) (產權交易合同) to be entered into between the relevant Transferor and the successful bidder of the Public Tender in respect of either 75% of Jiaxing Group or 100% of Fortune Land (as the case may be), according to the rules and regulations of CBEX |
| “Board” | the board of Directors |
| “Business Days” | a day other than a Saturday or Sunday, on which banks are open in Hong Kong and the PRC to the general public for business |
| “CBEX” | China Beijing Equity Exchange |
| “CIPH” | China Industrial Properties (Holdings) Limited, a company incorporated in the British Virgin Islands and a non-wholly owned subsidiary of the Group |

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|---------------------------------|--|
| “Company” | Beijing Properties (Holdings) Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 925) |
| “Completion” | the completion of the Potential Disposal |
| “Completion Accounts” | the full set of unaudited management accounts of the Jiaxing Group or Fortune Land made up to the date of Completion comprising the unaudited balance sheet, and profit and loss statement of the Jiaxing Group or Fortune Land; and the supporting schedules and ledgers thereto to be prepared by the Transferor and delivered to the Purchaser pursuant to the terms and conditions of the Asset Transfer Agreement |
| “Completion Statement” | the statement in respect of the estimated adjusted net asset value of the Jiaxing Group or Fortune Land to be prepared by the Transferor and delivered to the Purchaser pursuant to the terms and conditions of the Asset Transfer Agreement |
| “connected persons” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | director(s) of the Company |
| “Final Consideration” | the winning bid price of the 75% of Jiaxing Group and the Shareholder’s Loan or 100% of Fortune Land (as the case may be) |
| “Fortune Land” | Fortune Land Industrial Development (Jiaxing) Pte Ltd* (寶地工業地產發展(嘉興)有限公司), a company incorporated in the PRC and a non-wholly owned subsidiary of the Group |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Initial Minimum Consideration” | (i) in case of 75% of Jiaxing Group, being the minimum bid price of RMB111,389,000 and the shareholder’s loan due to CIPH by Jiaxing; or (ii) in case of 100% of Fortune Land, being the minimum bid price of RMB365,550,000 |

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| “Jiaxing” | SSinolog (Jiaxing) I Pte Ltd, a company incorporated in Singapore and a non-wholly owned subsidiary of the Group |
| “Jiaxing Group” | Jiaxing and its subsidiary which is Fortune Land |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Potential Disposal” | the potential disposal of either 75% of Jiaxing Group or 100% of Fortune Land by Public Tender |
| “PRC” | People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purpose of this announcement only |
| “Property” | the property owned by Fortune Land with details set out in the paragraph headed “B. Jiaxing Group and Fortune Land – (d) Property owned by Fortune Land” in this announcement |
| “Proposed Mandate” | a general mandate proposed to be granted in advance by the Shareholders at the SGM to the Directors to enter into and complete the Potential Disposal through Public Tender |
| “Public Tender” | the public tender for the Potential Disposal through CBEX |
| “Publication Period” | the publication period for the Public Tender during which qualified bidders may submit to CBEX their applications for the bid |
| “Purchaser” | the successful bidder of the Public Tender |
| “SASAC” | the Stated-owned Assets Supervision and Administration Commission of the PRC |
| “Seller” | the Transferor |
| “SGM” | the special general meeting to be convened and held by the Company for the Shareholders to consider and, if thought fit, approve the resolution(s) in relation to the grant of the Proposed Mandate |
| “Shareholders” | holders of the share(s) of HK\$0.10 each in the share capital of the Company |

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| “Shareholder’s Loan” | the shareholder’s loan owed by Jiaxing to CIPH of approximately RMB162,832,000 |
| “SSCH” | SSinolog (China) Holding Pte Ltd., a company incorporated in Singapore and a shareholder of Jiaxing |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Transferor” | CIPH (in case of disposal of 75% of Jiaxing Group) or Jiaxing (in case of disposal of 100% of Fortune Land) |
| “Working Day(s)” | a day of days other than Saturday or Sunday, on which banks are open in the PRC to general public for business |
| “%” | per cent |

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

Hong Kong, 28 August 2023

As at the date of this announcement, Mr. Zhu Yingying, Mr. Xu Zhigang, 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*