We have entered into a number of agreements with our connected persons, the details of which are set out below. The transactions disclosed in this section are expected to continue after [REDACTED] and would have or will constitute our one-off connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules upon [REDACTED].

(A) CONNECTED PERSONS

The following parties will become our connected persons and will have one-off or continuing connected transactions with our Group upon [REDACTED]:

Connected Person	Connected Relationship
Mr. Li	Our Director and Controlling Shareholder, and hence our connected person
Mr. Ng	Our Director and Controlling Shareholder, and hence our connected person
NEKCG	Our Controlling Shareholder, and hence our connected person
Leisure Harvest	Leisure Harvest, a company incorporated in Malaysia with limited liability, is principally engaged in the provision of yard and warehouse rental and maintenance services in Malaysia. It is held as to 37.5% by Mr. Li, 37.5% by Mr. Ng and 25% by Golden Sino Corporation Pte Ltd. Therefore, it is an associate of each of Mr. Li and Mr. Ng and hence our connected person.
Excellent Delight	Excellent Delight, a company incorporated in Malaysia with limited liability, is principally engaged in the provision of yard and warehouse rental and maintenance services in Malaysia. It is held as to 50% by Mr. Li and 50% by Mr. Ng. Therefore, it is an associate of each of Mr. Li and Mr. Ng and hence our connected person.
Mr. Fan	A director of (HK) Gold Prime and (PRC) QD Keyun (our wholly-owned subsidiaries). Hence, Mr. Fan is our connected person at the subsidiary level.
Tianjin Zhongke, Tianjin Keyun Cargo, and Tianjin Keyun Logistics	Tianjin Zhongke, a company established in the PRC with limited liability, is principally engaged in the investment holding business in the PRC. It is wholly owned by Mr. Fan and his spouse.

Tianjin Keyun Cargo, a company established in the PRC with limited liability and is principally engaged in the freight forwarding and warehousing businesses in the PRC. It is held (i) as to 82% by Tianjin Zhongke, and (ii) as to 18% by Tianjin Jixin Enterprise Management Consulting Center (Limited Partnership)* (天津集信企業管理諮詢中心(有限合夥)), which is wholly owned by Mr. Fan and his spouse.

Tianjin Keyun Logistics, a company established in the PRC with limited liability, is principally engaged in the cargo transportation and warehousing businesses in the PRC. It is wholly owned by Tianjin Keyun Cargo.

Therefore, each of Tianjin Zhongke, Tianjin Keyun Cargo, and Tianjin Keyun Logistics is an associate of Mr. Fan and hence our connected person at the subsidiary level.

(B) TRANSACTIONS ENTERED INTO BEFORE [REDACTED] WHICH WOULD OTHERWISE CONSTITUTE CONNECTED TRANSACTIONS

1. Malaysia Tenancy Agreements

On 25 November 2016, (MY) EK Logistics (our subsidiary) entered into a tenancy agreement with Leisure Harvest (our connected person), which was subsequently renewed on 25 October 2019, 21 September 2022 and 12 July 2023 (the "**Leisure Harvest Tenancy Agreement**"). On 1 January 2018, (MY) EK Logistics entered into a tenancy agreement with Excellent Delight, which was subsequently renewed on 20 July 2020 and 12 July 2023 (the "**Excellent Delight Tenancy Agreement**", together with the Leisure Harvest Tenancy Agreement, the "**Malaysia Tenancy Agreements**"). The principal terms of the Malaysia Tenancy Agreements are set out below:

	Leisure Harvest Tenancy Agreement	Excellent Delight Tenancy Agreement
Date of agreement	25 November 2016 (subsequently renewed on 25 October 2019, 21 September 2022 and 12 July 2023)	1 January 2018 (subsequently renewed on 20 July 2020 and 12 July 2023)
Parties	(1) (MY) EK Logistics (as tenant)	(1) (MY) EK Logistics (as tenant)
	(2) Leisure Harvest (as landlord)	(2) Excellent Delight (as landlord)

	Leisure Harvest Tenancy Agreement	**Excellent Delight Tenancy Agreement**
Properties (the "**MTA Properties**")	The industrial land located at Perdana Industrial Park, Port Klang, Selangor, Malaysia, with a total area of approximately 24,507 sq.m, consisting of: (i) PT 64825 Mukim Kapar (Lot A23, Jalan Tun Perak 3), comprising an area of approximately 8,251 sq.m; (ii) PT 64835 Mukim Kapar (Lot C5, Jalan Tun Perak 4), comprising an area of approximately 7,479 sq.m; and (iii) PT 64834 Mukim Kapar (Lot C6, Jalan Tun Perak 4), comprising an area of or approximately 8,777 sq.m.	The industrial land located at Perdana Industrial Park, Port Klang, Selangor, Malaysia, with a total area of approximately 15,864 sq.m, consisting of: (i) PT64837 Mukim Kapar (Lot C3, Jalan Tun Perak 4), comprising an area of approximately 8,418 sq.m; and (ii) PT 64836 Mukim Kapar (Lot C3A, Jalan Tun Perak 4), comprising an area of approximately 7,446 sq.m.
Term of lease	Three years commencing from 1 January 2024 to 31 December 2026	Three years commencing from 1 January 2024 to 31 December 2026
Rent	RM116,781/month (equivalent approximately S$34,100/month)	RM75,593/month (approximately S$22,073/month)
Use of the property	Container depot operations	Container depot operations

Historical Transaction Amounts

For each of the years ended 31 December 2021, 2022 and 2023, the total rent paid by us under the Malaysia Tenancy Agreements are set out below:

	Year ended 31 December		
	2021	**2022**	**2023**
	S$ '000	*S$ '000*	*S$ '000*
Leisure Harvest Tenancy Agreement	394	386	405
Excellent Delight Tenancy Agreement	258	250	235
Total	652	636	640

The rents were determined by the parties through arm's length negotiations with reference to (i) the rentable area of each of the properties leased to our Group under the Malaysia Tenancy Agreements and (ii) the prevailing market rate for similar premises in the vicinity of the MTA Properties, subject to an increase which is capped at 13% of the existing rent.

Reasons for and benefits of the transactions

In view of the long-standing relationship with Leisure Harvest and Excellent Delight for leasing of the MTA Properties for our container depot operations use, the entering into the Malaysia Tenancy Agreements can reduce the cost of our Company to identify suitable premises, thereby ensuring a stable working environment of our Group. Our Directors (including the independent non-executive Directors) consider that the above transactions have been and will be carried out: (i) in the ordinary and usual course of our business; (ii) on normal commercial terms or better; and (iii) in accordance with the respective terms that are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

Estimated Value of the Right-of-use Assets

Pursuant to HKFRS 16, our Group is required to recognise a right-of-use asset representing its right to use the underlying leased asset in relation to the Malaysia Tenancy Agreements. Based on the information currently available to our Company, the estimated value of the right-of-use asset in respect of the Leisure Harvest Tenancy Agreement and the Excellent Delight Tenancy Agreement was approximately S$1.1 million and S$0.7 million, respectively, as at 31 December 2023.

Listing Rules Implications

Pursuant to HKFRS 16, entering into the Malaysia Tenancy Agreements as a lessee will require our Group to recognise the property under the Malaysia Tenancy Agreements as the right-of-use-asset in our consolidated statements of financial position. Entering into of the Malaysia Tenancy Agreements with a fixed term and the transaction contemplated thereunder will be regarded as a one-off acquisition of capital asset for the purpose of the Listing Rules. As the Malaysia Tenancy Agreements were entered into prior to [REDACTED] and the transaction thereunder is one-off in nature, the payment of rental contemplated thereunder will not be classified as a connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules. Accordingly, the transaction under the Malaysia Tenancy Agreements will not be subject to any of the requirements under Chapter 14A of the Listing Rules. If there is any material change to the Malaysia Tenancy Agreements, we will comply with the Listing Rules as and when appropriate, including, where required, seeking independent Shareholders' approval prior to effectuating such change.

2. Tianjin Office Tenancy Agreement

On 10 May 2021, (PRC) TJ Keyun (our subsidiary) entered into a tenancy agreement with Tianjin Keyun Logistics (our connected person at the subsidiary level) which was subsequently renewed on 10 May 2024 (the "**Tianjin Office Tenancy Agreement**"). Pursuant to the Tianjin Office Tenancy Agreement, Tianjin Keyun Logistics (as landlord) agreed to lease to (PRC) TJ Keyun (as tenant) three floors of offices located at rooms 5–5-5, 5–5-6 and 5–5-7, Shipping Trading Building, Tanggu, Binhai New Area, Tianjin (the "**TJ Keyun Office**") with a gross floor area of 850 sq.m at a fixed total rent of RMB1,489,000 (equivalent to approximately S$276,800) for a term of two years commencing from 10 May 2024 to 9 May 2026. The TJ Keyun Office is used as (PRC) TJ Keyun's office premise.

Historical Transaction Amounts

For each of the years ended 31 December 2021, 2022 and 2023, the total amount of rent paid by (PRC) TJ Keyun to Tianjin Keyun Logistics under the Tianjin Office Tenancy Agreement amounted to approximately S$141,000, S$140,000 and S$130,000, respectively.

The rent was determined by the parties through arm's length negotiations with reference to: (i) the rentable area of the TJ Keyun Office leased to (PRC) TJ Keyun under the Tianjin Office Tenancy Agreement; and (ii) the then prevailing market rate for similar premises in the vicinity of the TJ Keyun Office, subject to an increase which is capped at 10% of the existing rent.

Reasons for and benefits of the transactions

Our Group has been leasing TJ Keyun Office for office use during the Track Record Period, and we intend to continue to use the TJ Keyun Office after [REDACTED]. In view of that (i) relocation to other premises will cause unnecessary disruptions to our business and additional costs and expenses, and (ii) the transaction contemplated under the Tianjin Office Tenancy Agreement has been and will be entered into on normal commercial terms or better, the continuation of the lease is convenient for our Group and is in line with our Group's business needs. Therefore, our Directors are of the view that it is in the interest of our Group and our Shareholders as a whole to enter into the Tianjin Office Tenancy Agreement and continue the current arrangement with Tianjin Keyun Logistics in relation to the property lease.

Estimated Value of the Right-of-use Assets

Pursuant to HKFRS 16, our Group is required to recognise a right-of-use asset representing its right to use the underlying leased asset in relation to the Tianjin Office Tenancy Agreement. Based on the information currently available to our Company, the estimated value of the right-of-use asset in respect of the Tianjin Office Tenancy Agreement was approximately S$41,800 as of 31 December 2023.

Listing Rules Implications

Pursuant to HKFRS 16, entering into the Tianjin Office Tenancy Agreement as a lessee will require our Group to recognise the property under the Tianjin Office Tenancy Agreement as the right-of-use-asset in our consolidated statements of financial position. Entering into of the Tianjin Office Tenancy Agreement with a fixed term and the transaction contemplated thereunder will be regarded as a one-off acquisition of capital asset for the purpose of the Listing Rules. As the Tianjin Office Tenancy Agreement was entered into prior to [REDACTED] and the transaction thereunder is one-off in nature, the payment of rental contemplated thereunder will not be classified as a connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules. Accordingly, the transaction under the Tianjin Office Tenancy Agreement will not be subject to any of the requirements under Chapter 14A of the Listing Rules. If there is any material change to the Tianjin Office Tenancy Agreement, we will comply with the Listing Rules as and when appropriate, including, where required, seeking independent Shareholders' approval prior to effectuating such change.

(C) SUMMARY OF OUR CONTINUING CONNECTED TRANSACTIONS

	Nature of transaction	Applicable Listing Rule relating to the exemption	Waiver sought
Fully Exempt Continuing Connected Transactions			
1.	Intellectual Property Licensing Agreement	14A.76(1)(a)	N/A
2.	Shared Administrative Services Framework Agreement	14A.98	N/A
Partially Exempt Continuing Connected Transaction			
1.	Logistic-Related Supporting Service Framework Agreement	14.101	Waiver from strict compliance with the announcement requirement
2.	Subcontracting Services Framework Agreement	14.101	Waiver from strict compliance with the announcement requirement

(D) FULLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

1. Intellectual Property Licensing Agreement

Description of the Transaction

We have historically been licensed and used certain registered and unregistered trademarks and domain name (the "**Licensed Intellectual Properties**") that are owned by Tianjin Keyun Cargo (our connected person) for certain aspects of our PRC operations, pursuant to a license agreement between Tianjin Keyun Cargo (as licensor) and (HK) Gold Prime (as licensee and our subsidiary). Such license has been royalty-free and for a 10-year term which expired on 3 December 2023. Details of the Licensed Intellectual Properties are set out in "Appendix V – Statutory and General Information – B. Further Information about our Business – 2. Intellectual Property Rights of our Group" to this document.

In anticipation of the [REDACTED] and to ensure that we will continue to be able to use the Licensed Intellectual Properties, on 12 June 2024, our Company (as licensee) and Tianjin Keyun Cargo (as licensor) entered into an intellectual property licensing agreement with Tianjin Keyun Cargo (the "**Intellectual Property Licensing Agreement**"), pursuant to which Tianjin Keyun Cargo agreed to grant us (and our subsidiaries from time to time) a non-exclusive, worldwide, royalty-free licence to use and exploit the Licensed Intellectual Properties in connection with any of our business operations and investment activities from time to time.

The Intellectual Property Licensing Agreement has an initial term expiring on 31 December 2028. Further, the parties have agreed that they shall commence discussions and negotiations in good faith regarding the renewal of the Intellectual Property Licensing Agreement at least two years before expiry of the initial term (i.e. by 31 December 2026), and that Tianjin Keyun Cargo must inform us as soon as practicable if it becomes reasonably certain that they will not renew the Intellectual Property Licensing Agreement.

Neither party has the right to terminate the Intellectual Property Licensing Agreement unless the other party is in serious and fundamental breach of the Intellectual Property Licensing Agreement and such breach (if capable of being remedied) is not remedied within a reasonable period of time after notice to such other party.

Historical Transaction Amounts

During the Track Record Period, the total fee paid by us was nil as the Intellectual Property Licensing Agreement was on a royalty-free basis.

Annual Caps

Pursuant to the Intellectual Property Licensing Agreement, the license will continue to be royalty-free.

Reasons for the Transaction

Our Group has been using the Licensed Intellectual Properties on a royalty-free basis for a number of years in the PRC. We intend to continue to use the Licensed Intellectual Properties in such connection after the [REDACTED]. Our Directors consider that entering into the Intellectual Property Licensing Agreement for a duration longer than three years is reasonable and justifiable to ensure the stability of our operations. The term of the Intellectual Property Licensing Agreement ensures our ongoing operations are not interrupted and is a usual business practice. Our Directors consider the Intellectual Property Licensing Agreement to be beneficial to the interests of our Company and our Shareholders as a whole. On the basis that (i) the Intellectual Property Licensing Agreement is beneficial to our business; (ii) a longer duration of the license term will provide a greater degree of stability and continuity to our business, and (iii) the license will be royalty-free, our Directors and the Sole Sponsor are of the view that the duration of longer than three years is in line with normal business practice for agreements of this type.

Listing Rules Implications

As the license for the Licensed Intellectual Properties is royalty-free, the transactions contemplated under the Intellectual Property Licensing Agreement will be within the de minimis threshold under Rule 14A.76 of the Listing Rules upon [REDACTED], and therefore will be exempt from all of the reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

2. Shared Administrative Services Framework Agreement

Description of the Transaction

On [•], our Company entered into a shared administrative services framework agreement (the "**Shared Administrative Services Framework Agreement**") with NEKCG (our Controlling Shareholder), pursuant to which our Company agreed to provide certain support administrative services such as human resource, administration, corporate secretarial services, accounting and finance services (the "**Shared Administrative Services**") to NEKCG for a term commencing from the [REDACTED] until 31 December 2026. The Shared Administrative Services will be charged by our Company on a cost basis, and the relevant costs must be identifiable and allocated to NEKCG based on the actual expenses incurred by NEKCG.

Historical Transaction Amounts

During the Track Record Period, the cost of such Shared Administrative Services was borne by our Company given that we were a wholly-owned subsidiary of NEKCG. As such, the historical amounts received by us from NEKCG for the Shared Administrative Services was nil during the Track Record Period.

Annual Caps

Our Directors estimate that the maximum annual amounts payable by NEKCG to us in relation to the Shared Administrative Services for each of the years ending 31 December 2024, 2025 and 2026 will not exceed S$20,000, S$20,000 and S$20,000, respectively.

Reasons for the Transaction

We have historically provided NEKCG the Shared Administrative Services. We intend to continue such arrangement with NEKCG after [REDACTED]. We believe that the entering into of the Shared Administrative Services Agreement can optimise the overall administrative cost structure and bring administrative convenience to our Group, and is beneficial to us and our Shareholders as a whole.

Listing Rules Implications

As the Shared Administrative Services constitute the sharing of administrative services on a cost basis, and the costs will be identifiable and will be allocated to the parties on a fair and equitable basis, the transaction under the Shared Administrative Services Framework Agreement will be exempt from all of the reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.98 of the Listing Rules.

(E) PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

1. Logistic-Related Supporting Services Framework Agreement

Description of the Transaction

During the Track Record Period, Tianjin Zhongke Group provided certain logistic-related supporting services ("**Logistics Services**"), including (i) transportation and trucking services between our containers depots and the designated port terminals as required by our customers; and (ii) freight forwarding and other ancillary logistic-related supporting services, to our Group. To better regulate our relationship with Tianjin Zhongke Group, which is wholly owned by Mr. Fan, we have entered into a service agreement (the "**Logistic-related Supporting Services Framework Agreement**") with Tianjin Zhongke in order to govern the provisions of services by the Tianjin Zhongke Group to our Group. The principal terms of this Logistic-Related Supporting Services Framework Agreement are:

Date	:	[•]
Customer	:	Our Company (for itself and on behalf of its subsidiaries)
Service provider	:	Tianjin Zhongke (on behalf of its subsidiaries and associates)
Term	:	From the [REDACTED] until 31 December 2026
Pricing	:	The fees to be charged by Tianjin Zhongke Group for the provision of the Logistics Services were determined on arm's length basis. For transportation and trucking services, the services fee payables by our Group to Tianjin Zhongke Group is determined by reference to (i) historical fee rates; (ii) the volume of transportation services we require for the relevant period; and (iii) comparison of the fee quote provided by Tianjin Zhongke Group to our Group with the fee quotes obtained from other suppliers which are Independent Third Parties and provide similar services.

For freight forwarding and other ancillary supporting services, the service fee payables by our Group to Tianjin Zhongke Group is determined by reference to the comparison of the fee quote provided by Tianjin Zhongke Group with the fee quotes obtained from other suppliers which are Independent Third Parties and provide similar services.

When we procure such services in our ordinary and usual course of business, we select the most suitable supplier among those available for selection, which comprise Tianjin Zhongke Group and Independent Third Parties, taking into account the price, scope of services, experience, suitability, efficiency and qualification of the supplier to perform such services in a timely manner.

Payment terms : Tianjin Zhongke Group will provide monthly statement to us, and we shall make payment via bank transfer within 60 days from the receipts of billings.

Historical Transaction Amounts and Annual Caps

The table below sets out the historical amounts paid by us to Tianjin Zhongke Group during the Track Record Period and the expected maximum aggregate service fee payable for each of the three years ending 31 December 2024, 2025 and 2026 which was calculated based on (i) historical transaction amounts for the three years ended 31 December 2021, 2022 and 2023; (ii) the charging rate quoted by Tianjin Zhongke Group in providing the Logistics Services in 2023; (iii) the projected growth rate of our container depot business in the PRC, and, in turn, the estimated growth rate of our demand for Logistics Services; and (iv) margin and/or rates charged by Independent Third Parties that provide similar services:

	Historical Transaction Amount For the year ended 31 December			**Annual Cap For the year ending 31 December**		
	2021	**2022**	**2023**	**2024**	**2025**	**2026**
	S$'000	*S$'000*	*S$'000*	*S$'000*	*S$'000*	*S$'000*
Transportation and trucking services	5,468	5,221	5,360	5,065	5,065	5,065
Freight forwarding and agency services	128	35	107	72	72	72
Total:	5,596	5,256	5,467	5,137	5,137	5,137

Reasons for the Transaction

During the Track Record Period, we had been procuring Logistics Services from Tianjin Zhongke Group. When we procure such services in our ordinary and usual course of business, we select the most suitable service providers among those available for selection, which comprise connected persons and Independent Third Parties, taking into account their fees, payment terms, experience, quality of services and other factors. We had selected members of Tianjin Zhongke Group as our service providers during the Track Record Period in light of their reliability in accepting and delivery of our order request in a timely manner, the quality of their services, their trucking capability and capacity, and their experience in providing these services. The price and quality of services provided by Tianjin Zhongke Group will be under regular review, and in the event that we are able to source a services vendor who is able to offer better quality at a lower price, we will consider replacing the Tianjin Zhongke with such services vendor.

Listing Rules Implications

As (i) each of the applicable percentage ratios in respect of the transactions contemplated under the Logistic-related Supporting Services Framework Agreement is expected to be more than 5% on an annual basis, (ii) Tianjin Zhongke is our connected person at the subsidiary level, (iii) our Board has approved the transactions contemplated under the Logistic-related Supporting Services Framework Agreement, and (iv) all our independent non-executive Directors have confirmed that the terms of the transactions contemplated under the Logistic-related Supporting Services Framework Agreement are fair and reasonable, on normal commercial terms or better, and in the interests of our Group and our Shareholders as a whole, the transactions contemplated under the Logistic-related Supporting Services Framework Agreement will, upon the [REDACTED], be subject to the written agreement, announcement, annual reporting, terms of an agreement, annual caps, changes to cap or terms of agreement and annual review requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

2. Subcontracting Services Framework Agreement

Description of the Transaction

During the Track Record Period, (PRC) TJ Keyun, (PRC) QD Keyun, (PRC) SH Keyun and (PRC) SH Yifa (our subsidiaries) provided (i) freight forwarding and agency services, (ii) warehousing and CFS services, and (iii) transportation services to Tianjin Zhongke Group in the PRC and, upon the request of Tianjin Zhongke Group, (PRC) TJ Keyun also provided container depot handling services for their empty containers before loading and after offloading the cargo in respect to aforementioned CFS services provided to them ("**Subcontracting Services**").

On [•], our Company entered into a subcontracting services framework agreement (the "**Subcontracting Services Framework Agreement**") with Tianjin Zhongke and the principal terms as follow:

Date	:	[•]
Service provider	:	Our Company (for itself and on behalf of its subsidiaries)
Customer	:	Tianjin Zhongke (on behalf of its subsidiaries and associates)
Term	:	From [REDACTED] until 31 December 2026
Pricing	:	The fees to be charged by us for the provision of the Subcontracting Services to Tianjin Zhongke Group were determined on arm's length basis and under reasonable margin taking into account our direct and indirect costs, including (i) the actual warehouse costs incurred by us and in proportion to the storage space occupied by our Group over the total area of the relevant warehouses; (ii) salary and wages; and (iii) freight forwarding fees, agency fees, custom fees incurred by us for providing the Subcontracted Services. Our price would also make reference to (i) historical fee rates; and (ii) comparison of fee quote provided by us to Tianjin Zhongke Group with fee quotes provided by us to other customers which are Independent Third Parties and require similar services.
Payment terms	:	Monthly billing to Tianjin Zhongke Group payable via bank transfer within 60 days from the receipts of billing statement.

Reasons for the Transactions

Tianjin Zhongke Group is the appointed freight forwarding services provider in northern China for a leading global sporting goods company based in Europe. As Tianjin Zhongke Group does not have its own warehousing facilities in Qingdao, it has engaged (PRC) QD Keyun as their subcontractor for the provision of warehousing and CFS services in Qingdao of the PRC (the "**QD Warehouse and CFS Business**") during the Track Record Period. On 25 December 2023, we (through our subsidiary (PRC) QD Keyun) together with an Independent Third Party and a fellow subsidiary of Qingdao Port International Logistics Co., Ltd.* (青島港國際物流有限公司) (being the primary operator of the Port of Qingdao and one of our major suppliers during the Track Record Period), formed the joint venture company (PRC) QD Port Lianyun to further explore and develop the container depot and logistic business in Qingdao in the PRC. Pursuant to the relevant joint venture agreement, (PRC) QD Keyun has transferred the QD Warehouse and CFS Business to (PRC) QD Port Lianyun, and it will not engage in the QD Warehouse and CFS Business after the [REDACTED].

In addition, during the Track Record Period and up to the Latest Practicable Date, (PRC) TJ Keyun has been providing warehousing and CFS services to Tianjin Zhongke Group in other regions of the PRC. Given we operate one of our two warehouses through (PRC) TJ Keyun while Tianjin Zhongke Group does not have its own warehousing facilities, we expect to continue to provide warehousing and CFS services, as part of the Subcontracting Services, to Tianjin Zhongke Group after the [REDACTED].

Our Directors are of the view that the Subcontracting Services Framework Agreement is consistent with the business and commercial objectives of our Company. We have established a long-term business relationship with Tianjin Zhongke Group, which was one of our top five customers during the Track Record Period. We expect to enter into the Subcontracting Services Framework Agreement upon the [REDACTED] to better regulate our provision of the Subcontracting Services to them. The Subcontracting Services Framework Agreement will enhance the development of our Group's business and bring a positive financial impact on our Group.

Historical Transaction Amounts and Annual Caps

The table below sets out the historical transaction amounts paid by Tianjin Zhongke Group for Subcontracted Services during the Track Record Period and the expected maximum aggregate transaction amounts for each of the three years ending 31 December 2024, 2025 and 2026:

	Historical Transaction Amount For the year ended 31 December			Annual Cap For the year ending 31 December		
	2021	**2022**	**2023**	**2024**	**2025**	**2026**
	S$'000	*S$'000*	*S$'000*	*S$'000*	*S$'000*	*S$'000*
Warehouse and CFS services						
– (PRC) QD Keyun*(Note)*	3,200	2,724	196	–	–	–
– (PRC) SH Yifa	66	24	–	–	–	–
– (PRC) TJ Keyun	3,899	4,419	4,235	3,942	3,942	3,942
Freight forwarding and agency services						
– (PRC) QD Keyun	657	44	120	83	83	83
Transportation services						
– (PRC) SH Keyun	–	–	236	247	247	247
Container depot handling services						
– (PRC) TJ Keyun	805	867	535	689	689	689
Total	8,627	8,078	5,322	4,961	4,961	4,961

Note: As at the Latest Practicable Date, (PRC) QD Keyun had transferred the QD Warehouse and CFS Business to (PRC) QD Port Lianyun and will not engage in the QD Warehouse and CFS Business after the [REDACTED]. Please refer to "– (E) Partially Exempt Continuing Connected Transactions – 2. Subcontracting Service Framework Agreement – Reasons for the Transaction" in this section for details.

The above aggregated annual caps were calculated by aggregating the expected maximum transaction amounts in relation to the services charges between each of the subsidiaries or associates of Tianjin Zhongke Group and our Group for the three years ending 31 December 2024, 2025 and 2026. Individual annual caps were in turn determined with reference to (i) the historical transaction amount as set out above; and (ii) the projected services income to be generated for the three years ending 31 December 2024, 2025 and 2026 after taking into account the market development in warehousing and logistic related services demand following the COVID-19 pandemic. Apart from warehousing and CFS service, the annual cap for freight forwarding service was determined with reference to (i) the historical transaction amount during the Track period; and (ii) the prevailing market rate of freight forwarding services. Due to the fluctuating nature of freight forwarding services, the business volume varies with market demand.

Listing Rules Implications

As (i) each of the applicable percentage ratios in respect of the transactions contemplated under the Subcontracting Services Framework Agreement is expected to be more than 5% on an annual basis, (ii) Tianjin Zhongke is our connected person at the subsidiary level, (iii) our Board has approved the transactions contemplated under the Subcontracting Services Framework Agreement, and (iv) all our independent non-executive Directors have confirmed that the terms of the transactions contemplated under the Subcontracting Services Framework Agreement are fair and reasonable, on normal commercial terms or better, and in the interests of our Group and our Shareholders as a whole, the transactions contemplated under the Subcontracting Services Framework Agreement will, upon the [REDACTED], be subject to the written agreement, announcement, annual reporting, terms of an agreement, annual caps, changes to cap or terms of agreement and annual review requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

(F) APPLICATION FOR WAIVER

The transactions described under the paragraph headed "(E) Partially Exempt Continuing Connected Transactions" in this section constitute our continuing connected transactions under the Listing Rules, which are subject to the reporting, announcement and annual review requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As these continuing connected transactions are and will continue to be entered into in the ordinary and usual course of business of our Group on a continuing and recurring basis and are expected to extend over a period of time, our Directors are of the view that compliance with the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules would impose unnecessary administrative costs and burden to our Group and would at times be impracticable.

Accordingly, pursuant to Rules 14A.102 and 14A.105 of the Listing Rules, we [have applied] for, and the Stock Exchange [has granted], a waiver exempting us from strict compliance with the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules. The waiver is valid provided that the total amounts received by us under these partially exempt continuing connected transactions do not exceed their respective annual caps for the relevant periods set out above. After the expiry of the respective term of these partially exempt continuing connected transactions, or if any of their terms are amended before expiry, we will comply with the applicable provisions under Chapter 14A of the Listing Rules as amended from time to time or apply for a new waiver.

(G) DIRECTORS' AND SOLE SPONSOR'S VIEWS

Our Directors (including our independent non-executive Directors) and the Sole Sponsor consider that: (a) the continuing connected transactions described under the paragraph headed ''(E) Partially exempt Continuing Connected Transactions'' in this section have been and will be entered into in the ordinary and usual course of our business and on normal commercial terms or better; (ii) the terms of such partially exempt continuing connected transactions are fair, reasonable and in the interests of our Group and our Shareholders as a whole; and (iii) the annual caps for such partially exempt continuing connected transactions are fair and reasonable and in the interests of our Group and our Shareholders as a whole.

(H) ADDITIONAL OPINION OF OUR INDEPENDENT NON-EXECUTIVE DIRECTORS

Our independent non-executive Directors are of the opinion that: (1) the pricing mechanism and the terms under the continuing connected transactions described under the paragraph headed ''(E) Partially Exempt Continuing Connected Transactions'' in this section and the transactions contemplated thereunder are clear and specific; (2) the proposed annual caps of such partially exempt continuing connected transactions described above is reasonable taking into account historical transaction and management projections; (3) the methods and procedures established by us are sufficient to ensure that such partially exempt continuing connected transactions will be conducted on normal commercial terms and not prejudicial to the interests of our Company and our minority Shareholders; (4) appropriate internal control procedures are in place, and our internal audit will review these transactions; and (5) they are provided by the management of our Company with sufficient information for the discharge of their duties.