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天津濱海泰達物流集團股份有限公司

Tianjin Binhai Teda Logistics (Group) Corporation Limited*

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

(Stock code: 8348)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS LOGISTICS SERVICE AGREEMENT

References are made to the announcement of the Company dated 4 September 2013 and the circular of the Company dated 26 September 2013 in relation to certain continuing connected transactions between the Group and Toyota Group.

On 4 September 2013, Tianjin Fengtian Logistics (a non wholly-owned subsidiary of the Company) and Toyota Tsusho entered into the 2013 Logistics Service Agreement relating to the provision of logistics services and supply chain solutions for automobiles and car components by the Group to Toyota Group. The 2013 Logistics Service Agreement will expire on 31 December 2016.

The Board is pleased to announce that on 26 September 2016, Tianjin Fengtian Logistics and Toyota Tsusho entered into the Logistics Service Agreement pursuant to which Tianjin Fengtian Logistics and Toyota Tsusho conditionally agreed to, upon the expiry of the term of the 2013 Logistics Service Agreement, to renew the 2013 Logistics Service Agreement for a term of three years from 1 January 2017 until 31 December 2019.

Toyota Tsusho, which holds approximately 36.2% equity interest in Tianjin Fengtian Logistics, is a substantial shareholder of Tianjin Fengtian Logistics and thus, a connected person of the Company at the subsidiary level as defined under the GEM Listing Rules.

The applicable ratios (as defined under Rule 19.07 of the GEM Listing Rules) are more than 5%. However, as the Continuing Connected Transactions are only continuing connected transactions between the Company and a connected person at the subsidiary level on normal commercial terms or better, given that (i) the Board has approved the Logistics Service Agreement and the Continued Connected Transactions; and (ii) the Directors, including the independent non-executive Directors have confirmed that the terms of the Continuing Connected Transactions together with the proposed annual monetary caps are fair and reasonable, on normal commercial

terms or better and in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole, the Continuing Connected Transactions are exempted from the circular, independent financial advice and Shareholders' approval requirements under Rule 20.99 of the GEM Listing Rules.

BACKGROUND

References are made to the announcement of the Company dated 4 September 2013 and the circular of the Company dated 26 September 2013 in relation to certain continuing connected transactions between the Group and Toyota Group.

On 4 September 2013, Tianjin Fengtian Logistics (a non wholly-owned subsidiary of the Company) and Toyota Tsusho entered into the 2013 Logistics Service Agreement relating to the provision of logistics services and supply chain solutions for automobiles and car components by the Group to Toyota Group. The 2013 Logistics Service Agreement will expire on 31 December 2016.

THE LOGISTICS SERVICE AGREEMENT

The Board is pleased to announce that on 26 September 2016, Tianjin Fengtian Logistics and Toyota Tsusho entered into the Logistics Service Agreement pursuant to which Tianjin Fengtian Logistics and Toyota Tsusho conditionally agreed to, upon the expiry of the term of the 2013 Logistics Service Agreement, to renew the 2013 Logistics Service Agreement for a term of three years from 1 January 2017 until 31 December 2019.

The principal terms of the Logistics Service Agreement are summarized below:

Date	:	26 September 2016
Parties	:	(1) Tianjin Fengtian Logistics (2) Toyota Tsusho
Term	:	Three years commencing from 1 January 2017 until 31 December 2019, subject to any early termination pursuant to the terms of the Logistics Service Agreement, and renewable upon expiry as agreed by the parties.
Nature	:	Tianjin Fengtian Logistics will provide logistics services and supply chain solutions for automobiles and car components to the Toyota Group.

Conditions precedents : The Logistics Service Agreement and the transactions contemplated thereunder are conditional upon:

- (1) making the necessary disclosures by the Company of the Continuing Connected Transactions in accordance with the GEM Listing Rules and obtaining the approval by the independent non-executive Directors; and (if applicable) the Company to convene an extraordinary general meeting and obtain the approval by the independent Shareholders for the Continuing Connected Transactions (including but not limited to the service and fees under the Logistics Service Agreement); and
- (2) the Group obtaining the necessary approval or waiver for the Continuing Connected Transactions, including but not limited to those required under the GEM Listing Rules (if applicable).

Pricing basis : For all the services provided by Tianjin Fengtian Logistics, the costs will be calculated based on the service contents, including without limitation, the nature and quantities of goods to be delivered and handled, the time and human resources required for the service, the distance of freight forwarding services and the complexity of the logistics and supply chain solutions (such as transportation cost, the place of storage and its duration, manpower, processing and packaging cost and fees for customs clearance, where applicable). Prices for various services will be determined at a premium of 10%-30% over the costs by reference to the prices for the same kind of services in the market. Such prices are uniform pricing set by Tianjin Fengtian Logistics, of which Tianjin Fengtian Logistics will make adjustment based on the market conditions (including service prices offered by other competitors, oil price, human resource costs, technological advancement and others) from time to time and inform all customers. Such prices are determined based on normal commercial terms. Tianjin Fengtian Logistics will provide services to the Toyota Group and other independent third parties based on such prices.

Proposed annual monetary caps for the three years ending 31 December 2019 : The proposed annual monetary caps for the three years ending 31 December 2019 are determined based on the 2013 Logistics Service Agreement and taking into account the historical figures for the provision of the services to Toyota Group, the yearly production plan of Toyota Group and expected inflation in the PRC plus a buffer for the unexpected additional logistics and supply chain solution services to be demanded by Toyota Group. Thus, the Board anticipates that the maximum aggregate annual value will not exceed the following caps:

	Year ending 31 December		
	2017	2018	2019
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Logistics services and supply chain solutions for automobiles and car components	<u>34,000</u>	<u>32,000</u>	<u>31,000</u>

Due to Toyota Group's efforts in promoting the localization of car components, the throughput of the logistics services provided by Tianjin Fengtian Logistics to Toyota Group has been gradually reducing, thus the proposed annual monetary caps shows a downward trend. Meanwhile, by leveraging on its diversified customer structure, the decline of proposed annual monetary caps will not have a material adverse impact on the business of Tianjin Fengtian Logistics.

Historical transaction amounts : The service fees paid by Toyota Group to the Group in respect of logistics services and supply chain solutions for automobiles and car components for the three years ended 31 December 2015 are as follows:

	Audited historical amount for		
	year ended 31 December		
	2013	2014	2015
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Logistics services and supply chain solutions for automobiles and car components	<u>86,911</u>	<u>67,519</u>	<u>39,370</u>

Reasons for and Benefits of the Continuing Connected Transactions

The Company considers that the Continuing Connected Transactions are important to the long-term business relationship between the Group and Toyota Group and they are a major source of income of Tianjin Fengtian Logistics. Toyota Group has been paying Tianjin Fengtian Logistics in accordance with the terms of invoice issued by Tianjin Fengtian Logistics to Toyota Group.

Except for Mr. Zhang Jian, who is also a director of Tianjin Fengtian Logistics, none of the Directors have any material interest in the Logistics Service Agreement. Mr. Zhang Jian abstained from voting in the Board resolution approving the Logistics Service Agreement.

GEM LISTING RULES IMPLICATIONS

Toyota Tsusho, which holds approximately 36.2% equity interest in Tianjin Fengtian Logistics, a non wholly-owned subsidiary of the Company, is a substantial shareholder of Tianjin Fengtian Logistics and thus, a connected person of the Company at the subsidiary level as defined under the GEM Listing Rules.

The applicable ratios (as defined under Rule 19.07 of the GEM Listing Rules) are more than 5%. However, as the Continuing Connected Transactions are only continuing connected transactions between the Company and a connected person at the subsidiary level on normal commercial terms or better, given that (i) the Board has approved the Logistics Service Agreement and the Continued Connected Transactions; and (ii) the Directors, including the independent non-executive Directors have confirmed that the terms of the Continuing Connected Transactions together with the proposed annual monetary caps are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and in the interests of the Company and the

Shareholders as a whole, the Continued Connected Transactions are exempted from the circular, independent financial advice and Shareholders' approval requirements under Rule 20.99 of the GEM Listing Rules.

INFORMATION ON THE GROUP AND TIANJIN FENGTIAN LOGISTICS

The principal businesses of the Group are supply chain and logistics services for finished automobiles and components, supply chain and logistics services for electronic components, materials procurement and related logistics services, and bonded warehouse services, container stack yard service and other services such as supervision, agency and transportation services.

Tianjin Fengtian Logistics is principally engaged in the provision of logistics and supply chain solutions for the automobiles and car components sector.

INFORMATION ON TOYOTA GROUP AND TOYOTA TSUSHO

Toyota Group is one of the leading manufacturers in the automobiles and car components industry. It has established numerous trade operations, joint ventures and affiliates which engage in the manufacture and trading of automobiles and car components in the PRC. Toyota Tsusho has well established transportation networks in Shanghai and Guangzhou. Its principal business includes trading of metals, machinery and electronics products, automotive, energy and chemical products, produce and foodstuffs, consumer products, services and materials.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“2010 Logistics Service Agreement”	means the supplemental logistics service agreement dated 23 November 2010 between Tianjin Fengtian Logistics and Toyota Tsusho in relation to the provision of logistics services and supply chain solutions for automobiles and car components by the Group to Toyota Group for a term of three years from 1 January 2011 to 31 December 2013
“2013 Logistics Service Agreement”	means the supplemental logistics service agreement dated 4 September 2013 between Tianjin Fengtian Logistics and Toyota Tsusho to supplement and amend the 2010 Logistics Service Agreement to extend for term of further three years from 1 January 2014 to 31 December 2016
“Board”	means the board of Directors

“Company”	means Tianjin Binhai Teda Logistics (Group) Corporation Limited* (天津濱海泰達物流集團股份有限公司) a joint stock limited company incorporated in the PRC with limited liability and whose H shares are listed on the GEM (Stock code: 8348)
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Continuing Connected Transactions”	means the transactions as contemplated between the Group and Toyota Group under the Logistics Service Agreement
“Director(s)”	means the director(s) of the Company
“GEM”	means the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	means the Rules Governing the Listing of Securities on the GEM
“Group”	means the Company together with its subsidiaries
“Logistics Service Agreement”	means the logistics service agreement dated 26 September 2016 between Tianjin Fengtian Logistics and Toyota Tsusho to renew the 2013 Logistics Service Agreement for a term of three years from 1 January 2017 until 31 December 2019
“PRC”	means the People’s Republic of China
“RMB”	means Renminbi, the lawful currency of the PRC
“Shareholder(s)”	means holder(s) of the shares of the Company
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Tianjin Fengtian Logistics”	means Tianjin Fengtian Logistics Co., Ltd.* (天津豐田物流有限公司), a sino-foreign equity joint venture incorporated in the PRC on 19 July 1996, which is owned as to 52% by the Company, 36.2% by Toyota Tsusho, 7.3% by Kamigumi Company Limited (日本株式會社上組) and 4.5% by Toyota Transportation Corporation (日本豐田輸送株式會社); and Tianjin Fengtian Logistics is a subsidiary of the Company under the GEM Listing Rules
“Toyota Group”	means Toyota Motor Corporation and its associated companies (including Toyota Tsusho, but for the purpose of this announcement, excluding the members of the Group) from time to time, being one of the principal group of customers of the Group

“Toyota Tsusho” means Toyota Tsusho Corporation (日本豐田通商株式會社) a company incorporated in Japan with limited liability whose common stock is listed on the first section of Tokyo Stock Exchange and Nagoya Stock Exchange (Stock code: 80150), a shareholder of Tianjin Fengtian Logistics holding 36.2% of its entire registered capital. Toyota Tsusho is owned as to approximately 21.70% by Toyota Motor Corporation and an associated company of Toyota Motor Corporation. Toyota Tsusho is therefore a member of the Toyota Group

“%” means per cent

By order of the Board
Tianjin Binhai Teda Logistics (Group) Corporation Limited*
Zhang Jian
Chairman

Tianjin, the PRC
26 September 2016

As at the date of this announcement, the Board of Directors comprises of Mr. Zhang Jian as executive Director; Mr. Cui Xuesong, Mr. Xu Lifan, Mr. Tse Ping and Mr. Yang Xiaoping as non-executive Directors; and Mr. Cheng Xinsheng, Mr. Japhet Sebastian Law, Mr. Mei Xingbao and Mr. Zhou Zisheng as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of the Stock Exchange of Hong Kong Limited for the purpose of giving the information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting. This announcement will also be posted on the Company’s website at www.tbtl.cn.

* For identification purpose only