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Yancheng Port International Co., Limited
鹽城港國際股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8310)

DISCLOSEABLE TRANSACTION
DISPOSAL OF SUBSIDIARY

THE DISPOSAL

The Board hereby announces that on 18 December 2025, the Vendor, a wholly-owned subsidiary of the Company, and the Purchaser entered into the Equity Transfer Agreement, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, 51% equity interest in the Target Company for a consideration of RMB31 million.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Disposal is/are more than 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules, and is subject to the reporting and announcement requirements but exempt from Shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

THE DISPOSAL

The Board hereby announces that on 18 December 2025, the Vendor, a wholly-owned subsidiary of the Company, and the Purchaser entered into the Equity Transfer Agreement, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, 51% equity interest in the Target Company for a consideration of RMB31 million.

The principal terms of the Equity Transfer Agreement are as follows:

Date: 18 December 2025 (after trading hours of the Stock Exchange)

Parties: the Vendor, a wholly-owned subsidiary of the Company; and the Purchaser

Subject of the Disposal

The Vendor agreed to sell, and the Purchaser agreed to purchase, the 51% of the equity interest in the Target Company.

Consideration

The consideration of RMB31 million shall be payable in cash by the Purchaser to the Vendor within 30 working days upon completion of the Disposal.

The consideration for the Disposal was determined based on arm's length negotiations between the Vendor and the Purchaser with reference (i) the financial condition, operating performance and prospects of the Target Company; and (ii) the valuation (the "**Valuation**") of the 51% equity interest of the Target Company at RMB30,515,600 appraised by an independent valuer, Jiangsu Renhe Zhongheng Engineering Consulting Real Estate Appraisal Co., Ltd.* (江蘇仁禾中衡工程諮詢房地產估價有限公司) (the "**Valuer**"), as at 31 August 2025 (the "**Valuation Date**") under the asset-based approach. The consideration of RMB31 million was arrived at after taking into account the above factors.

The Valuation

Valuation approach and methodology

The market value of 100% equity interest in the Target Company as at the Valuation Date (31 August 2025) was RMB48,479,400, as assessed by the Valuer using the asset-based approach. The Valuation Report was issued by the Valuer on 22 November 2025.

In conducting the Valuation, the Valuer considered various commonly adopted valuation approaches, including the market approach, income approach and asset-based approach. The selection of the asset-based approach as the most appropriate methodology for the Valuation was based on the quantity and quality of available information, the accessibility of relevant data, the availability of comparable market transactions, the characteristics of the Target Company's business, the nature of the industry, and the professional judgement and expertise of the Valuer.

The primary reasons for selecting the asset-based approach as the valuation methodology are as follows:

- Market Approach: The market approach was not adopted due to the lack of sufficient comparable companies or transactions in the market with comparable business scope and operating scale to serve as samples, and a smaller sample size would result in a larger deviation between comparison outcomes and actual conditions.

- Income Approach: The income approach was not applied due to significant uncertainty regarding the Target Company's future profit forecasts and risks of the Target Company, and it is difficult for it to provide reliable projections.

- Asset-Based Approach: This approach is based on the balance sheet of the Target Company as at the Valuation Date. The asset-based approach was ultimately selected as the Valuer's decision having regard to the purpose of the Valuation, the subject of the Valuation, the type of value, the collection of data and other relevant conditions, and taking into account conditions including the Target Company's historical operating performance and the sufficiency of the Valuation information obtained.

Under the asset-based approach, the Valuer conducted a detailed review and verification of the Target Company's assets and liabilities as at the Valuation Date, including current assets, long-term equity investments, and fixed assets, which primarily comprise electronic equipment. As for such fixed assets, where prices of comparable brand new equipment were available, the Valuer adopted the cost approach for valuation based on replacement cost and an assessment of the condition of the equipment. For obsolete equipment for which the purchase prices of comparable brand new equipment can no longer be identified, the market approach was adopted for valuation based on comparable recent second-hand transactions. Long-term equity investments were valued with reference to the investee's total shareholders' equity value, taking into account the paid-up status of its registered capital and the shareholding proportion.

Principal assumptions

The principal assumptions adopted in the Valuation included the following:

- The Valuation is based on the going concern assumption, i.e., the Target Company will continue as a going concern and all of its assets will continue to be used for their existing purposes at the current location after the Valuation Date.

- All the subject assets are already in the course of transaction and are assessed by reference to the market with analogy to the transaction terms of the subject assets and other relevant factors.

- The asset to be valued is traded or intended to be traded in an open and fair market where both parties have equal standing and each has the opportunity and sufficient time to obtain adequate market information; so as to make rational judgements on the functions, uses and transaction prices of the assets. The open market assumption is based on the premise that the assets can be openly traded in the market.

- The relevant qualification requirements and market access conditions applicable to the Target Company will remain unchanged, and certifications (such as customs AEO certification) can be normally reviewed and renewed as necessary.

- There will be no material changes in the national laws, regulations, policies, macroeconomic conditions, or the political, economic or social environment of the regions where the parties are located.

- Interest rates, exchange rates, tax bases and tax rates, and policy-driven fees will remain unchanged.

- The Target Company will continue to operate under its current management structure and management level, and its business scope and direction will remain consistent with the current situation. It is assumed that the operators are diligent, the management is competent and diligent, and there is no material adverse change in the core management team.

- The Target Company will continue to comply with all relevant laws and regulations.

- The Target Company will continue to adopt accounting policies consistent with those currently in use.

- There are no other force majeure or unforeseeable factors that would have a material adverse effect on the Target Company.

Directors' opinion

The Board has reviewed the assumptions adopted in the Valuation Report and has been informed that such key assumptions are commonly used in valuations of similar companies. The Directors (including independent non-executive Directors) consider that the assumptions, quantitative inputs and valuation methodology adopted in the Valuation are fair and reasonable. Having considered the Valuation and the independence of the Valuer, the Board is of the view that the basis for determining the consideration for the Disposal is fair and reasonable.

Completion

Within 10 working days after the signing of the Equity Transfer Agreement, the parties shall apply for the industrial and commercial registration for the change of shareholder of the 51% equity interest in the Target Company. Completion of the Disposal will take place upon completion of the industrial and commercial registration.

Upon completion of the Disposal, the Group shall cease to hold any interest in the Target Company and thus the Target Company shall cease to be a subsidiary of the Company.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company incorporated in the PRC and is principally engaged in trading and provision of supply chain management services. As at the date of this announcement, the Target Company is owned as to 51% by the Vendor and 49% by Mingtian Supplier Chain (H.K.) Co., Limited 明天供應鏈(香港)有限公司, a Hong Kong incorporated company which, according to public information, is wholly owned by Zeng Deping (曾德平). To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, both Mingtian Supplier Chain (H.K.) Co., Limited 明天供應鏈(香港)有限公司 and Zeng Deping (曾德平) are third parties independent of the Company and its connected persons.

The financial information of the Target Company for the two years ended 31 December 2024 and the six months ended 30 June 2025 (prepared in accordance with Hong Kong Financial Reporting Standards) is set out below:

	For the year ended 31 December		**For the six months ended 30 June**
	2023	**2024**	**2025**
	(audited)	**(audited)**	**(unaudited)**
	HK$	*HK$*	*HK$*
Net profit / (loss) before taxation	(1,531,012)	(2,370,781)	255,866
Net profit / (loss) after taxation	(1,537,771)	(2,370,781)	255,866

The unaudited net asset value of the Target Company as at 30 June 2025 was approximately RMB49.37 million.

FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

Following the completion of the Disposal, the Target Company will cease to be a subsidiary of the Company and the Group will not hold any equity interest in the Target Company, and accordingly, its financial results will no longer be consolidated into the consolidated financial statements of the Group.

It is estimated that, upon completion of the Disposal, the Company will record an unaudited loss on disposal of approximately HK$629,128. Such loss is calculated based on the difference between the following two amounts: (i) the consideration for the Disposal of RMB31,000,000 (equivalent to approximately HK$33,573,000); and (ii) the aggregate amount of 51% of the accumulated operating profit of the Target Company of HK$4,382,395.59, being HK$2,235,021.75, and the carrying amount of the long-term investment of HK$31,967,106. Shareholders should note that the actual amount of gain or loss and the financial effect as a result of the Disposal to be recorded will be subject to the review and final audit by the auditor of the Company.

The Group intends to use the net proceeds from the Disposal for replenishing the Group's general working capital.

INFORMATION ON THE PARTIES TO THE EQUITY TRANSFER AGREEMENT

The Company and the Vendor

The Group principally engages in trading business and the provision of petrochemical products storage business. The Vendor is a limited company incorporated in Hong Kong wholly-owned by the Company. It principally engages in investment holding.

Purchaser

The Purchaser is a company incorporated in the PRC which principally engages in logistics and trading businesses. It is ultimately wholly owned and controlled by the People's Government of Sheyang County (射陽縣人民政府), holding 100% equity interest.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are independent of and not connected with the Company and its respective connected persons.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Target Company has been adversely affected by the overall downturn in the international supply chain e-trade industry. As a result, its operating performance has remained sluggish for an extended period and it is no longer able to contribute any positive economic benefit to the Group.

The Disposal will enable the Group to recover capital from the equity interest and redeploy these funds into its core businesses. By focusing resources on areas of core strength, the Group can avoid the inefficiencies caused by resource dilution, enhance its core competitiveness, and better position itself for sustainable growth.

Furthermore, the industry in which the Target Company operates is subject to various potential risks and uncertainties. The Disposal will allow the Group to effectively avoid these risks and safeguard the overall stability and healthy development of the Group.

The Directors are of the view that the transaction contemplated under the Equity Transfer Agreement is conducted on normal commercial terms, and the terms of the Equity Transfer Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Disposal is/are more than 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules, and is subject to the reporting and announcement requirements but exempt from Shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

"Board"	the board of Directors
"Company"	Yancheng Port International Co., Limited 鹽城港國際股份有限公司, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange (stock code: 8310)

"connected person(s)"	has the meaning as ascribed in the GEM Listing Rules
"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of 51% equity interest in the Target Company by the Vendor to the Purchaser pursuant to the Equity Transfer Agreement
"Equity Transfer Agreement"	the equity transfer agreement entered between the Vendor and the Purchaser in relation to the Disposal on 18 December 2025
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
"Group"	the Company and its subsidiaries
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"PRC"	the People's Republic of China
"Purchaser"	Sheyang County Jingang Logistics Co., Ltd.* (射陽縣金港物流有限公司), a company incorporated in the PRC
"RMB"	Renminbi, the lawful currency of the PRC
"Shares"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder"	holders of the Shares from time to time
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Qianhai Mingtian Supply Chain (Shenzhen) Company Limited* (前海明天供應鏈(深圳)有限公司), a company incorporated in the PRC and owned as to 51% by the Vendor as at the date of this announcement

"Vendor"	Dafeng Port Heshun International Investments Limited 大豐港和順國際投資有限公司, a wholly-owned subsidiary of the Company incorporated in Hong Kong
"%"	per cent

By order of the Board
Yancheng Port International Co., Limited
Lu Shuai
Chairman

18 December 2025

As at the date of this announcement, the Board comprises the following members:

Executive Directors	*Non-executive Director*	*Independent non-executive Directors*
Mr. Lu Shuai *(Chairman)*	Mr. Ding Anguang	Mr. Lau Hon Kee
Ms. Yuan Xin *(Vice-chairman)*		Mr. Yu Xugang
Mr. Ji Yaosheng		Ms. Hui Alice

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving 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 respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for at least seven days from the date of its publication and on the Company's website at http://ycport.com.hk.

* *For identification purposes only*