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天津港發展控股有限公司

Tianjin Port Development Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 03382)

CONTINUING CONNECTED TRANSACTIONS

SALES AGREEMENT

On 27 March 2014, Tianjin Zhongtie, a non wholly-owned subsidiary of the Group (as seller), entered into the Sales Agreement with Jutai Gongmao (as purchaser).

LISTING RULES IMPLICATIONS

Jutai Gongmao holds 40% equity interest in Tianjin Zhongtie and is therefore a connected person of the Company as defined in the Listing Rules. Accordingly, the Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios as defined in the Listing Rules in respect of the proposed annual cap for the Transactions are more than 0.1% but less than 5%, the Transactions are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules and are only subject to the reporting, annual review and announcement requirements as set out in Chapter 14A of the Listing Rules.

PRINCIPAL TERMS OF THE SALES AGREEMENT

Date	:	27 March 2014
Parties	:	(1) Tianjin Zhongtie (as seller); and (2) Jutai Gongmao (as purchaser)
Term	:	27 March 2014 to 31 December 2014
Nature of transactions	:	The sale of 120,000 tonnes of coal by Tianjin Zhongtie to Jutai Gongmao
Payment terms	:	Delivery upon payment

The terms of the Sales Agreement is negotiated on an arm's length basis. The price is determined by the parties involved with reference to the market price of the products with same type and quality and the pricing policy adopted is the same as that for the independent third party customers of Tianjin Zhongtie.

HISTORICAL FIGURES, PROPOSED ANNUAL CAP AND BASIS OF PROPOSED CAP

The table below sets out the historical transaction amounts for the sales by Tianjin Zhongtie to Jutai Gongmao for the years ended 31 December 2011, 2012 and 2013 and the proposed annual cap for the year ending 31 December 2014.

Historical figures (RMB in thousands)			Proposed annual cap (RMB in thousands)	
For the year ended 31 December 2011	For the year ended 31 December 2012	For the year ended 31 December 2013	For the year ending 31 December 2014	
38,635	44,706	48,967	83,160	

The proposed cap for the sales is determined by reference to the potential future purchases of coal by Jutai Gongmao from Tianjin Zhongtie, the general current and expected price of coal and the ability of Tianjin Zhongtie to source and supply coal.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SALES AGREEMENT

Entering into the Sales Agreement will bring stable income to the Group and strengthen the cooperation between the Group and Jutai Gongmao.

LISTING RULES IMPLICATIONS

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As the applicable percentage ratios as defined in the Listing Rules in respect of the proposed annual cap for the Transactions are more than 0.1% but less than 5%, the Transactions are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules and are only subject to the reporting, annual review and announcement requirements as set out in Chapter 14A of the Listing Rules.

The Company has applied the exemption under Rules 14A.31(9) and 14A.33(4) of the Listing Rules to the transactions for the year 2013 which exempted them from reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules so long as the transactions for the year 2013 meet the requirements in Rule 14A.31(9) of the Listing Rules.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Transactions are on normal commercial terms, fair and reasonable and in the interests of the Company and shareholders of the Company as a whole.

As at the date of the Board meeting approving the Transactions, none of the Directors had material interest in the Transactions.

GENERAL

The Group is principally engaged in containerised and non-containerised cargo handling services, sales and other port ancillary services at the port of Tianjin in the PRC, primarily through its subsidiaries and associated companies.

Tianjin Zhongtie is principally engaged in the sale of coal and coke.

Jutai Gongmao is principally engaged in the sale of hardware, chemical products, machinery equipment, steel, wood, construction decoration products, vehicle parts, mechanical and electrical products, coal and coke.

DEFINITIONS

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

“Board”	the board of Directors;
“Company”	Tianjin Port Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 03382);
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Jutai Gongmao”	天津開發區聚泰工貿有限公司 (Tianjin Development Zone Jutai Gongmao Co., Ltd.*), a limited liability company incorporated in the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sales Agreement”	the agreement dated 27 March 2014 entered into between Tianjin Zhongtie and Jutai Gongmao, details of which are set out in the section headed “Principal Terms of the Sales Agreement” of this announcement;

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tianjin Zhongtie”	天津中鐵儲運有限公司 (Tianjin Zhongtie Storage & Transportation Co., Ltd.*), a limited liability company incorporated in the PRC and a non wholly-owned subsidiary of the Group;
“Transactions”	the transactions contemplated under the Sales Agreement; and
“%”	per cent.

By Order of the Board
Tianjin Port Development Holdings Limited
Zhang Lili
Chairman

Hong Kong, 27 March 2014

As at the date of this announcement, the Board consists of Ms. Zhang Lili, Mr. Zheng Qingyue, Mr. Li Quanyong, Mr. Wang Rui and Mr. Dai Yan as executive directors; Professor Japhet Sebastian Law, Dr. Cheng Chi Pang, Leslie and Mr. Zhang Weidong as independent non-executive directors.

* *For identification purposes only*