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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03382)

CONNECTED TRANSACTIONS ENGINEERING PROCUREMENT CONSTRUCTION (EPC) CONTRACTS

JINGWEI ROAD RENOVATION EPC CONTRACT

On 15 December 2022, Tianjin Port Pacific, a subsidiary of the Group entered into the Jingwei Road Renovation EPC Contract with the Jingwei Road Renovation EPC Contract's Contractors in respect of the Jingwei Road Renovation Project, pursuant to which the Jingwei Road Renovation EPC Contract's Contractors agreed to provide EPC services to Tianjin Port Pacific at the aggregate consideration of approximately RMB25,023,509 (tax inclusive).

FIELD BRIDGE MAINTENANCE SITE RENOVATION EPC CONTRACT

On 15 December 2022, Tianjin Port Pacific, a subsidiary of the Group entered into the Field Bridge Maintenance Site Renovation EPC Contract with the Field Bridge Maintenance Site Renovation EPC Contract's Contractors in respect of the Field Bridge Maintenance Site Renovation Project, pursuant to which the Field Bridge Maintenance Site Renovation EPC Contract's Contractors agreed to provide EPC services to Tianjin Port Pacific at the aggregate consideration of approximately RMB13,365,509 (tax inclusive).

LISTING RULES IMPLICATIONS

Tianjin Port Engineering is a subsidiary of Tianjin Port Group (which is a controlling Shareholder of the Company), and is therefore a connected person of the Company. As Tianjin Port Engineering is a party to the Jingwei Road Renovation EPC Contract and the Field Bridge Maintenance Site Renovation EPC Contract as one of the Contractors respectively, the Transactions accordingly constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Transactions on an aggregate basis are more than 0.1% but all of the applicable percentage ratios are less than 5%, the Transactions are only subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

PRINCIPAL TERMS OF THE JINGWEI ROAD RENOVATION EPC CONTRACT

- Date : 15 December 2022
- Parties : (a) Tianjin Port Pacific
- (b) a consortium comprising the Jingwei Road Renovation EPC Contract's Contractors (as contractors) as follows:
- (i) Tianjin Port Engineering (as consortium leader); and
 - (ii) Tianjin Engineering of CCCC (as consortium member);

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Tianjin Engineering of CCCC and its ultimate beneficial owner(s) are independent third parties.

- Contract period : The total number of construction days is 671 days.
- Scope of construction services : Tianjin Port Pacific agreed to engage the Jingwei Road Renovation EPC Contract's Contractors to provide EPC services to Tianjin Port Pacific for the Jingwei Road Renovation Project. The maintenance area of construction scope is about 131,400 square meters, along with the reconstruction of the track beams of the A-F field, carry out leveling repair and chain block pavement elevation adjustment on the agreed scope of the Jingwei Road Renovation EPC Contract. The Jingwei Road Renovation EPC Contract's Contractors is responsible for the construction and management work in completing the whole process of design, procurement, and project implementation involved in the scope of the above project, as well as a full set of work content such as completion of formalities, acceptance inspection and delivery for use during the process, until all acceptance requirements are passed and the conditions for the completion of contract are fulfilled.
- Consideration and Payment Method : The consideration payable by Tianjin Port Pacific to the Jingwei Road Renovation EPC Contract's Contractors under the Jingwei Road Renovation EPC Contract shall be RMB25,023,509 (tax inclusive) which comprises (i) the design fee of approximately RMB706,000 (tax inclusive) and (ii) the construction and installation fee of approximately RMB24,317,509 (tax inclusive).

The consideration was determined by the parties after arm's length negotiation and through a tendering selection process. The Group invited public tender for the construction works under the Jingwei Road Renovation EPC Contract, and selected the Jingwei Road Renovation EPC Contract's Contractors as the tender winner after conducting relevant evaluation procedures and taking consideration of various factors, including technical experience, professional qualifications, business reputation and project management abilities of all the tenderers, total expenses and other relevant factors.

The consideration shall be settled in the following manner:

(i) Progress payment

Design fee

After the construction drawing is completed and the external audit certificate is obtained, Tianjin Port Pacific shall pay 90% of the total design fee to Tianjin Engineering of CCCC. The 10% of the total design fee shall be paid after the completion and the passing of acceptance inspection of the project.

Construction and installation fee (being all fees under the contract except the design fee)

Within 30 days after entering into the Jingwei Road Renovation EPC Contract, Tianjin Port Pacific shall pay 30% of the construction and installation fee to Tianjin Port Engineering as advance payment.

Tianjin Port Pacific shall pay in aggregate 80% of the construction and installation fee (inclusive of the advance payment) to Tianjin Port Engineering on a monthly basis in accordance with the progress of the construction works.

Tianjin Port Pacific shall pay in aggregate 97% of the total audited construction value to Tianjin Port Engineering after the completion and the passing of acceptance inspection of the project as well as the project settlement audit has been completed. The final payment of 3% of the total audited construction value shall be paid within 30 days after one year from the completion and the passing of acceptance inspection of the project.

(ii) Quality assurance fund

The 3% balance of the total audited construction value shall be retained by Tianjin Port Pacific as quality assurance fund, which shall be paid within 30 days after the completion and the passing of acceptance inspection of the project for one year, but the payment of such balance sum does not exempt the Jingwei Road Renovation EPC Contract's Contractors from the warranty responsibility within the design services life.

The consideration is expected to be funded by internal resources of the Group.

PRINCIPAL TERMS OF THE FIELD BRIDGE MAINTENANCE SITE RENOVATION EPC CONTRACT

Date : 15 December 2022

Parties : (a) Tianjin Port Pacific

(b) a consortium comprising the Field Bridge Maintenance Site Renovation EPC Contract's Contractors (as contractors) as follows:

(i) Tianjin Port Engineering (as consortium leader); and

(ii) Tianjin Municipal Engineering Design (as consortium member);

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Tianjin Municipal Engineering Design and its ultimate beneficial owner(s) are independent third parties.

Contract period : The total number of construction days is 73 days.

Scope of construction services : Tianjin Port Pacific agreed to engage the Field Bridge Maintenance Site Renovation EPC Contract's Contractors to provide EPC services to Tianjin Port Pacific for the Field Bridge Maintenance Site Renovation Project. The construction scope will mainly consist of the construction and management work in completing the whole process of design, procurement and project implementation involved in the transformation of E11 and E12 areas of the original heavy container storage yard in the site area into a field bridge equipment maintenance site, with a total area of approximately 12,300 square meters, as well as the establishment of supporting facilities such as sewage collection and treatment equipment.

Consideration and
Payment Method

- : The consideration payable by Tianjin Port Pacific to the Field Bridge Maintenance Site Renovation EPC Contract's Contractors under the Field Bridge Maintenance Site Renovation EPC Contract shall be RMB13,365,509 (tax inclusive) which comprises (i) the design fee of approximately RMB496,000 (tax inclusive) and (ii) the construction and installation fee of approximately RMB12,869,509 (tax inclusive).

The consideration was determined by the parties after arm's length negotiation and through a tendering selection process. The Group invited public tender for the construction works under the Field Bridge Maintenance Site Renovation EPC Contract, and selected the Field Bridge Maintenance Site Renovation EPC Contract's Contractors as the tender winner after conducting relevant evaluation procedures and taking consideration of various factors, including technical experience, professional qualifications, business reputation and project management abilities of all the tenderers, total expenses and other relevant factors.

The consideration shall be settled in the following manner:

- (i) Progress payment

Design fee

After the construction drawing is completed and the external audit certificate is obtained, Tianjin Port Pacific shall pay 90% of the total design fee to Tianjin Municipal Engineering Design. The 10% of the total design fee shall be paid after the completion and the passing of acceptance inspection of the project.

Construction and installation fee (being all fees under the contract except the design fee)

Within 30 days after entering into the Field Bridge Maintenance Site Renovation EPC Contract, Tianjin Port Pacific shall pay 30% of the construction and installation fee to Tianjin Port Engineering as advance payment.

Tianjin Port Pacific shall pay in aggregate 80% of the construction and installation fee (inclusive of the advance payment) to Tianjin Port Engineering on a monthly basis in accordance with the progress of the construction works.

Tianjin Port Pacific shall pay in aggregate 97% of the total audited construction value to Tianjin Port Engineering after the completion and the passing of acceptance inspection of the project as well as the project settlement audit has been completed. The final payment of 3% of the total audited construction value shall be paid within 30 days after two years from the completion and the passing of acceptance inspection of the project.

(ii) Quality assurance fund

The 3% balance of the total audited construction value shall be retained by Tianjin Port Pacific as quality assurance fund, which shall be paid within 30 days after the completion and the passing of acceptance inspection of the project for two years, but the payment of such balance sum does not exempt the Field Bridge Maintenance Site Renovation EPC Contract's Contractors from the warranty responsibility within the design services life.

The consideration is expected to be funded by internal resources of the Group.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

Each of the Jingwei Road Renovation EPC Contract's Contractors and the Field Bridge Maintenance Site Renovation EPC Contract's Contractors possesses the skills required for the road renovation project and field bridge maintenance site renovation project, as well as having plentiful experience with the same type of projects. Tianjin Port Pacific would benefit from the professional skills and resources in design and construction of the Jingwei Road Renovation EPC Contract's Contractors and the Field Bridge Maintenance Site Renovation EPC Contract's Contractors, and further enhance the operational capacity of Tianjin Port Pacific, thereby reaping greater benefits for the Group.

The Directors (including the independent non-executive Directors) are of the view that the EPC Contracts and the Transactions are conducted in the ordinary and usual course of business of the Group and on normal commercial terms, and the terms of the EPC Contracts and the Transactions are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Tianjin Port Engineering is a subsidiary of Tianjin Port Group (which is a controlling Shareholder of the Company), and is therefore a connected person of the Company. As Tianjin Port Engineering is a party to the Jingwei Road Renovation EPC Contract and Field Bridge Maintenance Site Renovation EPC Contract as one of the Contractors respectively, the Transactions accordingly constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Transactions on an aggregate basis are more than 0.1% but all of the applicable percentage ratios are less than 5%, the Transactions are only subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

None of the Directors had a material interest in the Transactions. In view of good corporate governance practices, Chu Bin, Luo Xunjie and Sun Bin, the Directors who are also directors and/or senior management of Tianjin Port Group, abstain from voting in the relevant Board resolutions in relation to transactions with Tianjin Port Group and/or its associates.

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 Port Group is the controlling Shareholder. Its principal business includes port handling and stevedoring services, warehousing, logistics, and port area land development at the port of Tianjin in the PRC through its group companies.

Tianjin Port Pacific is principally engaged in container handling and other port ancillary services.

Tianjin Port Engineering is principally engaged in civil and construction engineering, port and coastal projects, mechanical and electrical equipment installation engineering and waterway projects, etc.

Tianjin Engineering of CCCC is principally engaged in undertaking the general contracting of construction projects, project management and related technical and management services, etc.

Tianjin Municipal Engineering Design is principally engaged in undertaking the general contracting of housing construction and municipal infrastructure projects.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“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);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;

“controlling Shareholder”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“EPC”	engineering, procurement and construction;
“EPC Contracts”	the Jingwei Road Renovation EPC Contract and the Field Bridge Maintenance Site Renovation EPC Contract;
“Field Bridge Maintenance Site Renovation EPC Contract”	the EPC agreement entered into between Tianjin Port Pacific (as principal) and the Field Bridge Maintenance Site Renovation EPC Contract’s Contractors (as contractors) dated 15 December 2022 in relation to the Field Bridge Maintenance Site Renovation Project;
“Field Bridge Maintenance Site Renovation EPC Contract’s Contractors”	Tianjin Port Engineering and Tianjin Municipal Engineering Design;
“Field Bridge Maintenance Site Renovation Project”	the engineering, procurement and construction of the renovation project of the original heavy container yard E11 and E12 located in the site at 天津自貿試驗區（東疆保稅港區）美洲路3889號 (No. 3889 Meizhou Road, Tianjin Pilot Free Trade Zone (Dongjiang Free Trade Port Area)*);
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“independent third party(ies)”	third party(ies) independent of the Company and its connected persons;
“Jingwei Road Renovation EPC Contract”	the EPC agreement entered into between Tianjin Port Pacific (as principal) and the Jingwei Road Renovation EPC Contract’s Contractors (as contractors) dated 15 December 2022 in relation to the Jingwei Road Renovation Project;
“Jingwei Road Renovation EPC Contract’s Contractors”	Tianjin Port Engineering and Tianjin Engineering of CCCC;
“Jingwei Road Renovation Project”	the engineering, procurement and construction of the renovation project located at 天津自貿試驗區（東疆保稅港區）美洲路3889號 (No. 3889 Meizhou Road, Tianjin Pilot Free Trade Zone (Dongjiang Free Trade Port Area)*);

“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;
“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tianjin Engineering of CCCC”	中交天津港灣工程設計院有限公司 (Tianjin Port Engineering Design & Consulting Company Ltd. of CCCC First Harbor Engineering Company Ltd.*), a limited liability company incorporated in the PRC;
“Tianjin Municipal Engineering Design”	天津市政工程設計研究總院有限公司 (Tianjin Municipal Engineering Design and Research Institute Co., Ltd.*), a limited liability company incorporated in the PRC;
“Tianjin Port Engineering”	天津港航工程有限公司 (Tianjin Port & Channel Engineering Co., Ltd.*), a limited liability company incorporated in the PRC and a subsidiary of Tianjin Port Group;
“Tianjin Port Group”	天津港（集團）有限公司 (Tianjin Port (Group) Co., Ltd.*), an entity reorganised as a wholly state-owned company in the PRC on 29 July 2004 and holding the business owned and operated by the former government regulatory body of the port of Tianjin; and the indirect holder of 53.5% of the issued share capital of the Company as at the date of this announcement;
“Tianjin Port Pacific”	天津港太平洋國際集裝箱碼頭有限公司 (Tianjin Port Pacific International Container Terminal Co., Ltd.*), a limited liability company incorporated in the PRC and a subsidiary of the Group;
“Transactions”	the transactions contemplated under the EPC Contracts; and
“%”	per cent.

By Order of the Board
Tianjin Port Development Holdings Limited
Chu Bin
Chairman

Hong Kong, 15 December 2022

As at the date of this announcement, the Board comprises Mr. Chu Bin, Mr. Luo Xunjie, Dr. Li Xiaoguang, Mr. Sun Bin and Mr. Yang Zhengliang as executive Directors; and Professor Japhet Sebastian Law, Mr. Cheng Chi Pang, Leslie and Mr. Zhang Weidong as independent non-executive Directors.

** For identification purposes only*