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秦 皇 島 港 股 份 有 限 公 司
QINHUANGDAO PORT CO., LTD.*

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

(Stock Code: 3369)

CONTINUING CONNECTED TRANSACTIONS
TRANSACTION AMOUNT EXCEEDING
2014 ANNUAL CAP

BACKGROUND

Reference is made to the Prospectus in connection with the General Services Agreement entered into between the Company and HPG. Pursuant to which, the Group and HPG have agreed that, among other things, the Group will provide the Services to HPG. For the principal terms and pricing policy of the Services and the relevant reasons, please refer to the section headed “Connected Transactions” of the Prospectus.

In 2014, the total revenue generated from provision of the Services by the Group to HPG was RMB115,468,495.52, exceeding the 2014 Annual Cap of RMB91,590,000.00 as disclosed in the Prospectus.

LISTING RULES IMPLICATIONS

As at the date of the announcement, HPG is interested in 3,104,314,204 Domestic Shares, representing approximately 61.72% of the issued share capital of the Company and hence a controlling shareholder and connected person of the Company. As such, the General Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company.

The General Services Agreement and the Services were entered into on normal commercial terms in the ordinary course of business of the Group. Pursuant to Rule 14A.54(1) of the Listing Rules, the Company is required to re-comply with the reporting and announcement requirements and, where applicable, the independent shareholders' approval requirement in the circumstances that the aggregate amount of any continuing connected transaction exceeds its annual cap. As the applicable percentage ratios calculated with reference to the revenue of RMB115,468,495.52 generated from provision of the Services by the Group in 2014 are more than 0.1% but less than 5%, the Services are only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, and are exempt from the independent shareholders' approval requirement thereunder.

BACKGROUND

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EXCEEDING THE 2014 ANNUAL CAP AND THE REASONS FOR SUCH EXCEEDING

In or around March 2015, in the course of preparing the audited financial statements of the Group for the year ended 31 December 2014 and reviewing all past continuing connected transactions of the Group, the Board noted that the total revenue generated from the Services provided by the Group to HPG under the General Services Agreement in 2014 amounted to RMB115,468,495.52, exceeding the 2014 Annual Cap of RMB91,590,000.00 by RMB23,878,495.52.

The exceeding of the 2014 Annual Cap by the revenue generated from the Services is primarily due to the reason that the 2014 Annual Cap was estimated by the Group with reference to the historical transaction amount in respect of the Services provided by the Group to HPG. However, the demand for the general port services of the Group from Qinhuangdao Ruigang Coal Logistics Co., Ltd., one of the HPG members, increased significantly as a result of its rapid business development near the end of 2014. As the total revenue generated from the Services provided by the Group to Qinhuangdao Ruigang Coal Logistics Co., Ltd. increased from RMB8,805,921.00 in 2012 to RMB34,011,991.12 in 2013 and RMB89,066,340.62 in 2014, the Group overlooked that the total revenue generated from provision of the Services by the Group in 2014 had already exceeded the 2014 Annual Cap.

In future, the Group will closely monitor its continuing connected transactions, negotiate with and request the HPG members to provide the estimates on their demand for the Services (especially the general port services) in advance, and monitor the amounts of its continuing connected transactions on a timely basis. In addition, the Board will consider and, if appropriate, adjust the annual cap for the total revenue generated from provision of the Services by the Group in 2015.

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GENERAL INFORMATION

The Group is engaged mainly in highly integrated port services including stevedoring, stacking, warehousing, transportation and logistics services. The Group handles various types of cargos mainly including coal, metal ores, oil and liquefied chemicals, containers and general cargos.

The business scope of HPG mainly includes: port construction and engineering projects, port machinery and facility installation and maintenance, real estate development, property management and sales, hotel management services, escalator installation and maintenance, logistics services and agency services, coal wholesaling business and property leasing services.

DEFINITIONS

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

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| “Board” | the board of directors of the Company |
| “Company” | Qinhuangdao Port Co., Ltd.* (秦皇島港股份有限公司), a joint stock limited liability company incorporated under the laws of the PRC on 31 March 2008 |
| “connected person(s)” | having the meaning ascribed to it under the Listing Rules |
| “controlling shareholder(s)” | having the meaning ascribed to it under the Listing Rules |
| “Director(s)” | director(s) of our Company |
| “Domestic Share(s)” | ordinary share(s) of nominal value of RMB1.00 each in the capital of the Company, which are subscribed for in RMB by Chinese nationals and/or entities incorporated in PRC and credited as fully paid up |
| “General Services Agreement” | the general services agreement entered into between the Company and Hebei Port Group Co., Ltd. in December 2008 and renewed on 28 March 2011, and supplemented by way of a supplemental agreement on 11 July 2013 |

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| “Group” | the Company and its subsidiaries; “Group member(s)” shall be construed accordingly |
| “HPG” | Hebei Port Group Co., Ltd. (河北港口集團有限公司, a limited liability company incorporated under the laws of the PRC and the controlling shareholder of the Company) and its subsidiaries (excluding the members of the Group); “HPG member(s)” shall be construed accordingly |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “percentage ratio(s)” | having the meaning ascribed to it under the Listing Rules |
| “PRC” or “China” | the People's Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan |
| “Prospectus” | the prospectus of the Company dated 29 November 2013 |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subsidiary(ies)” | having the meaning ascribed to it under the Listing Rules |
| “Services” | the services provided or to be provided by the Group to HPG under the General Services Agreement, including general port services, port electricity management services, transportation services, software services, labor services, leasing services, resources supply services and other relevant or similar services |
| “2012” | for the year ended 31 December 2012 |
| “2013” | for the year ended 31 December 2013 |
| “2014” | for the year ended 31 December 2014 |
| “2015” | for the year ended 31 December 2015 |
| “2014 Annual Cap” | the annual cap for the year ended 31 December 2014 in respect of the Services under the General Services Agreement as disclosed in the Prospectus |

“2015 Annual Cap” the annual cap for the year ended 31 December 2015 in respect of the Services under the General Services Agreement as disclosed in the Prospectus

“%” per cent

By order of the Board
Qinhuangdao Port Co., Ltd.*
XING Luzhen
Chairman

Qinhuangdao, Hebei Province, the PRC
26 March 2015

As at the date of this announcement, the executive Directors of the Company are XING Luzhen, TIAN Yunshan, WANG Lubiao and MA Xiping; the non-executive Directors of the Company are ZHAO Ke, LI Jianping and DUAN Gaosheng; and the independent non-executive Directors of the Company are SHI Rongyao, YU Shulian, ZHAO Zhen and LI Man Choi.

* *For identification purpose only*