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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)

CONNECTED TRANSACTIONS

POWER SUPPLY AND DISTRIBUTION EQUIPMENT PURCHASE AGREEMENT

On 26 March 2015, Nanjiang Ore Logistics, a non wholly-owned subsidiary of the Group, entered into the Power Supply and Distribution Equipment Purchase Agreement with Tianjin Port Electric for the purchase and installation of power supply and distribution equipment for the Project at the consideration of approximately RMB9.51 million.

ILLUMINATION EQUIPMENT PURCHASE AGREEMENT

On 26 March 2015, Nanjiang Ore Logistics, a non wholly-owned subsidiary of the Group, entered into the Illumination Equipment Purchase Agreement with Tianjin Port Electric for the purchase and installation of illumination equipment for the Project at the consideration of approximately RMB9.44 million.

LISTING RULES IMPLICATIONS

Tianjin Port Electric 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 defined in the Listing Rules. Accordingly, the transactions contemplated under the Equipment Purchase Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

On 28 August 2014 and 11 December 2014, Nanjiang Ore Logistics entered into the Existing Agreements with several subsidiaries of Tianjin Port Group (which are associates of Tianjin Port Group and are connected persons of the Company as defined in the Listing Rules) relating to the Project, details of which are set out in the announcements of the Company dated 28 August 2014 and 11 December 2014 respectively. Pursuant to Rule 14A.81 of the Listing Rules, the transactions contemplated under the Existing Agreements and the Equipment Purchase Agreements relating to the Project have been aggregated and the total consideration is approximately RMB107.37 million. As the applicable percentage ratios (as defined in the Listing Rules) are, in aggregate, more than 0.1% but less than 5%, the transactions contemplated under the Equipment Purchase Agreements are only subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

PRINCIPAL TERMS OF THE EQUIPMENT PURCHASE AGREEMENTS

1. POWER SUPPLY AND DISTRIBUTION EQUIPMENT PURCHASE AGREEMENT

- Date : 26 March 2015
- Parties : (1) Nanjiang Ore Logistics
(2) Tianjin Port Electric
- Scope : Tianjin Port Electric is responsible for the provision of power supply and distribution equipment for the Project in accordance with the specifications required by Nanjiang Ore Logistics with the provision of installation and related services.
- Consideration : The consideration is approximately RMB9.51 million and shall be paid by instalments in accordance with the progress of the delivery and installation of power supply and distribution equipment for the Project. Such consideration was arrived at through a tender process held by Nanjiang Ore Logistics in accordance with the relevant PRC laws and regulations. It is expected that the consideration would be funded by internal resources and borrowings of the Group.

2. ILLUMINATION EQUIPMENT PURCHASE AGREEMENT

- Date : 26 March 2015
- Parties : (1) Nanjiang Ore Logistics
(2) Tianjin Port Electric
- Scope : Tianjin Port Electric is responsible for the provision of illumination equipment for the Project in accordance with the specifications required by Nanjiang Ore Logistics with the provision of installation and related services.
- Consideration : The consideration is approximately RMB9.44 million and shall be paid by instalments in accordance with the progress of the delivery and installation of illumination equipment for the Project. Such consideration was arrived at through a tender process held by Nanjiang Ore Logistics in accordance with the relevant PRC laws and regulations. It is expected that the consideration would be funded by internal resources and borrowings of the Group.

REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUIPMENT PURCHASE AGREEMENTS

Tianjin Port Electric is one of the largest vendors of electricity system in the port of Tianjin focusing on the purchase and installation of electrical equipment and is experienced in the port electrical projects in the port of Tianjin. The Board considers that by entering into the Equipment Purchase Agreements, Nanjiang Ore Logistics will be able to benefit from the expertise and resources of Tianjin Port Electric in electrical projects and reduce the cost of the Project as a whole.

LISTING RULES IMPLICATIONS

Tianjin Port Electric 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 defined in the Listing Rules. Accordingly, the transactions contemplated under the Equipment Purchase Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

On 28 August 2014 and 11 December 2014, Nanjiang Ore Logistics entered into the Existing Agreements with several subsidiaries of Tianjin Port Group (which are associates of Tianjin Port Group and are connected persons of the Company as defined under in Listing Rules) relating to the Project, details of which are set out in the announcements of the Company dated 28 August 2014 and 11 December 2014 respectively. Pursuant to Rule 14A.81 of the Listing Rules, the transactions contemplated under the Existing Agreements and the Equipment Purchase Agreements relating to the Project have been aggregated and the total consideration is approximately RMB107.37 million. As the applicable percentage ratios (as defined in the Listing Rules) are, in aggregate, more than 0.1% but less than 5%, the transactions contemplated under the Equipment Purchase Agreements are only subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) are of the view that the transactions contemplated under the Equipment Purchase Agreements are in the ordinary and usual course of business of the Group and on normal commercial terms, and the terms are fair and reasonable and in the interests of the Company and shareholders of the Company as a whole.

None of the Directors had material interest in the transactions contemplated under the Equipment Purchase Agreements. However, in view of good corporate governance practices, as Ms. Zhang Lili and Mr. Zheng Qingyue are both directors of the Company and Tianjin Port Group, and Mr. Li Quanyong is a director of the Company and the chief economist of Tianjin Port Group, they had all abstained from voting in respect of such Board resolutions.

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 of the Company. Its principal business includes port handling and stevedoring services, warehousing, logistics, and port area land development at the port of Tianjin in the PRC primarily through its group companies.

Nanjiang Ore Logistics is principally engaged in warehousing, sale, logistics and international trade of ore products.

Tianjin Port Electric is principally engaged in the maintenance of electricity systems, testing and repair of electrical equipment, and electrical engineering projects.

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;
“Equipment Purchase Agreements”	collectively, the Power Supply and Distribution Equipment Purchase Agreement and the Illumination Equipment Purchase Agreement;
“Existing Agreements”	collectively, the design agreement, the supervision agreement, the management agreement and the technical service agreement dated 28 August 2014, and the construction agreement and the tendering agency agreement dated 11 December 2014, entered into between Nanjiang Ore Logistics and certain subsidiaries of Tianjin Port Group for the Project, details of which are set out in the announcements of the Company dated 28 August 2014 and 11 December 2014 respectively;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Illumination Equipment Purchase Agreement”	the agreement dated 26 March 2015 entered into between Nanjiang Ore Logistics and Tianjin Port Electric for the purchase and installation of illumination equipment for the Project, details of which are set out in the section headed “Illumination Equipment Purchase Agreement” of this announcement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

“Nanjiang Ore Logistics”	天津港南疆礦石物流有限公司 (Tianjin Port Nanjiang Ore Logistics Co., Ltd.*), a limited liability company incorporated in the PRC and a non wholly-owned subsidiary of the Group;
“Power Supply and Distribution Equipment Purchase Agreement”	the agreement dated 26 March 2015 entered into between Nanjiang Ore Logistics and Tianjin Port Electric for the purchase and installation of power supply and distribution equipment for the Project, details of which are set out in the section headed “Power Supply and Distribution Equipment Purchase Agreement” of this announcement;
“PRC”	the People’s Republic of China;
“Project”	the construction project of ore depot located at Nanjiang Port Area of the port of Tianjin;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tianjin Port Electric”	天津港灣電力工程有限公司 (Tianjin Port Electricity Project Co., Ltd.*), a company incorporated in the PRC and a wholly-owned 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 the holding company of 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; and
“%”	per cent.

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

Hong Kong, 26 March 2015

As at the date of this announcement, the Board consists of Ms. Zhang Lili, Mr. Zheng Qingyue, Mr. Li Quanyong, Mr. Wang Rui and Ms. Shi Jing 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*