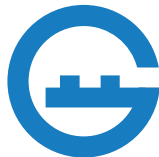


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**秦 皇 島 港 股 份 有 限 公 司**  
**QINHUANGDAO PORT CO., LTD.\***

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

**(Stock Code: 3369)**

**DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION  
ESTABLISHMENT OF A SUBSIDIARY**

The Board is pleased to announce that on 24 April 2015 (after trading hours), the Company entered into the Capital Contribution Agreement with Tangshan Port Group, Caofeidian Port Group, Tangshan Fengnan Construction, Tangshan Haiyida Group and Luannan Enterprise for the establishment of Tangshan Port Investment. Pursuant to the Capital Contribution Agreement, the entire registered capital of Tangshan Port Investment is RMB2 billion, in which the Company agreed to undertake a capital commitment of RMB1.12 billion, representing 56% of the total registered capital of Tangshan Port Investment. Upon the Establishment, Tangshan Port Investment will become a subsidiary of the Company.

According to the entire capital commitment undertaken by the Company under the Capital Contribution Agreement, one or more applicable percentage ratios in respect of the Establishment exceeds 5% but falls below 25%, therefore:

- (1) the Establishment constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules; and
- (2) the Establishment constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules to the extent that Caofeidian Port Group is a connected person at the subsidiary level of the Company, as Caofeidian Port Group is the holding company of Caofeidian Port Shareholding and Caofeidian Port Shareholding is the Substantial Shareholder of Caofeidian Coal, a subsidiary of the Company.

The Board has approved the Establishment, and the independent non-executive Directors of the Company have confirmed that the Capital Contribution Agreement was entered into after arms length negotiation, the terms of which are based on normal commercial terms or more favorable ones, and in the interests of the Company and its shareholders as a whole. Therefore, the Establishment is exempt from compliance with the requirements of a circular, independent financial advice, and shareholders' approval under Rule 14A.101 of the Listing Rules.

## Establishment of Tangshan Port Investment

The Board is pleased to announce that on 24 April 2015 (after trading hours), the Company entered into the Capital Contribution Agreement with Tangshan Port Group, Caofeidian Port Group, Tangshan Fengnan Construction, Tangshan Haiyida Group and Luannan Enterprise for the establishment of Tangshan Port Investment.

### Capital Contribution Agreement

The principal terms of the Capital Contribution Agreement are set out below:

**Date:** 24 April 2015 (after trading hours)

**Parties:** The Company;  
Tangshan Port Group;  
Caofeidian Port Group;  
Tangshan Fengnan Construction;  
Tangshan Haiyida Group; and  
Luannan Enterprise.

*(collectively referred to as “Parties”, and all parties other than the Company referred to as “Other Parties”)*

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, except the Caofeidian Port Group, the Other Parties to the Capital Contribution Agreement and their respective ultimate beneficial owners are Independent Third Parties.

### Registered capital

<b>Name of shareholders</b>	<b>Capital commitment</b> <i>RMB in millions</i>	<b>Percentage of equity interest</b>
The Company	1,120	56%
Tangshan Port Group	260	13%
Caofeidian Port Group	260	13%
Tangshan Fengnan Construction	120	6%
Tangshan Haiyida Group	120	6%
Luannan Enterprise	120	6%
<b>Entire registered capital</b>	<b>2,000</b>	<b>100%</b>

The entire registered capital of Tangshan Port Investment is RMB2 billion, which was determined by the Parties by reference to the funding requirements of Tangshan Port Investment and shall be paid in accordance with the following arrangements:

1. The Parties shall pay 5% of their respective aggregate capital commitments under the Capital Contribution Agreement before 8 May 2015; and
2. The payment arrangement for the remaining registered capital of Tangshan Port Investment shall be determined by the Parties based on project schedule.

The capital to be contributed by the Company will be paid from the Company's internal resources (other than the proceeds raised from the Global Offering). Upon the Establishment, Tangshan Port Investment will become a subsidiary of the Company.

Save for the capital commitments (being RMB2 billion) as stated above, the Parties are not required to make further capital commitments at the current stage. Where the shareholders of Tangshan Port Investment make any further capital commitments, further announcement(s) will be made by the Company in accordance with the Listing Rules as and when necessary.

### **Place of registration of Tangshan Port Investment**

Caofeidian Industrial Zone, Tangshan, Hebei Province, the PRC

### **Business scope**

Subject to approval by and registration with the competent industrial and commercial administrative department, the business scope of Tangshan Port Investment shall include investment in, construction and operation and management of ports, logistics and railway projects. Tangshan Port Investment is proposed to be the exclusive entity in charge of the investment and development of No. 5 and 6 wharfs of Caofeidian port, Fengnan port area and Hanco railway projects.

### **Management structure**

The management structure of Tangshan Port Investment is as follow:

1. Board of directors: the board of directors shall comprise eleven members, six of whom shall be recommended by the Company; and shall comprise one chairman whom shall be elected by the board of directors from the members recommended by the Company.
2. Supervisory committee: the supervisory committee shall comprise three members, two of whom shall be recommended by the Company; and shall comprise one chairman who shall be a supervisor recommended by the Company.
3. One general manager and three deputy general managers (one of whom shall act concurrently as chief financial officer), of whom one general manager and one deputy general managers (other than the one who acts concurrently as chief financial officer) shall be recommended by the Company. The finance manager shall also be appointed by the Company.

## **Other terms**

Upon procurement of the business license, Tangshan Port Investment will commence business operation with an operating period of 20 years.

## **Reasons for and benefits of the Establishment**

As part of the national development strategy of Beijing-Tianjin-Hebei, it is expected that a number of mega-size projects will be undertaken in Caofeidian area. These projects will generate new development opportunities to the logistics sector of Caofeidian, in particular the port transportation industry. Following the establishment of Tangshan Port Investment, on one hand, the Group will formulate a mechanism that shares interests and diversifies risks with other capital contributors, thereby deepening the cooperation between the port and the city. On the other hand, the Group's business presence will be further expanded due to the project investments and developments to be led by Tangshan Port Investment, namely, in No. 5 and 6 wharfs of Caofeidian port in Tangshan, Fengnan port area, and Hanco railway Projects. As a result, there will be more room of development for the Group.

The Board believes that the establishment of Tangshan Port Investment will enable the Group to benefit from new development opportunities arising from Caofeidian port, and facilitate the Group's cooperation with large enterprises within the said area, which in return will improve the utilization rate of port resources, while preventing low-level repetitive constructions and vicious competitions. In addition, the Group will also explore more room of business development by expanding its business presence.

In light of these, the Board, including the independent non-executive Directors of the Company, believes that the terms of the Capital Contribution Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **Implications of the Listing Rules**

According to the entire capital commitment undertaken by the Company under the Capital Contribution Agreement, one or more applicable percentage ratios in respect of the Establishment exceeds 5% but falls below 25%, therefore:

- (1) the Establishment constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules; and
- (2) the Establishment constitutes a connected transaction of the Company under the Chapter 14A of the Listing Rules to the extent that Caofeidian Port Group is a connected person at the subsidiary level of the Company, as Caofeidian Port Group is the holding company of Caofeidian Port Shareholding and Caofeidian Port Shareholding is the Substantial Shareholder of Caofeidian Coal, a subsidiary of the Company.

The Board has approved the Establishment, and the independent non-executive Directors of the Company have confirmed that the Capital Contribution Agreement is entered into after arms length negotiation, the terms of which are based on normal commercial terms or more favorable ones, and in the interests of the Company and its shareholders as a whole. Therefore, the Establishment is exempt from compliance with the requirements of a circular, independent financial advice, and shareholders' approval under Rule 14A.101 of the Listing Rules.

## General

The Group principally engages in the provision of highly-integrated port services including stevedoring, stacking, warehousing, transportation and logistics services, and handling of various types of cargo including coal, metal ores, oil and liquefied chemicals, containers and general cargo.

The principal businesses of Tangshan Port Group include operations of ports and other port facilities; stevedoring, shuttle barge, and warehousing within the port area; tugboat business; vessel port services; port-based machines, facilities, equipment lease and maintenance; imports and exports of cargos and technologies; and sales of construction materials.

Caofeidian Port Group principally engages in the development and construction of ports and the related navigation channels, railways, ancillary facilities, and related facilities nearby ports, as well as warehousing operations.

Tangshan Fengnan Construction principally engages in the consultation and cooperation of economic and technological exchanges; investment, consultation, management, and services of project construction; construction and management of infrastructure; management and operation of urban state-owned assets; and land reserve.

Tangshan Haiyida Group principally engages in domestic trade; non-financial investment in construction projects; land arrangements; construction and management of infrastructures; construction of port engineering; provision of services to small- and medium-sized enterprises for development, economic technological service and consultation, technology introduction, etc.

Luannan Enterprise principally engages in the investment, construction, development, management, and consultation services related to port infrastructure and supporting facilities, as well as purchase, transfer, and lease of port-based facilities and equipment.

## DEFINITION

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

“Board”	the board of Directors of the Company
“Caofeidian Coal”	Tangshan Caofeidian Coal Port Co., Ltd.* (唐山曹妃甸煤炭港務有限公司), a limited liability company incorporated under the laws of the PRC and a subsidiary in which the Company holds 51% equity interest
“Caofeidian Port Group”	Caofeidian Port Group Co., Ltd.* (曹妃甸港集團有限公司), a limited liability company incorporated under the laws of the PRC
“Caofeidian Port Shareholding”	Caofeidian Port Group Shareholding Co., Ltd.* (曹妃甸港集團股份有限公司, previously known as 唐山曹妃甸港口有限公司), a joint stock limited liability company incorporated under the laws of the PRC

“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)”, “Substantial Shareholder(s)”, “holding company” and “subsidiary(ies)”	have the meaning ascribed to them respectively under the Listing Rules
“Capital Contribution Agreement”	the capital contribution agreement in respect of Tangshan Port Investment executed by each of the contributors on 24 April 2015
“Director(s)”	director(s) of the Company
“Global Offering”	the Hong Kong public offering and the international offering of the Company taken place on 12 December 2013
“Establishment”	the establishment of Tangshan Port Investment
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	independent third party(ies) not connected with any of the Directors, chief executive, or Substantial Shareholders of the Company or with any of their respective associates (within the meaning of the Listing Rules)
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Luannan Enterprise”	Luannan Zuidong Port Enterprise Co., Ltd.* (灤南嘴東港口實業有限公司), a limited liability company incorporated under the laws of the PRC
“percentage ratios”	have the meaning ascribed thereto in the Listing Rules
“PRC”	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
“RMB”	the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tangshan Fengnan Construction”	Tangshan Fengnan Construction Investment Co., Ltd.* (唐山市豐南建設投資有限公司), a limited liability company incorporated under the laws of the PRC

“Tangshan Port Group”	Tangshan Port Group Co., Ltd.* (唐山港集團股份有限公司), a joint stock limited liability company incorporated under the laws of the PRC
“Tangshan Port Investment”	Tangshan Port Investment & Development Co., Ltd.* (唐山港口投資開發有限公司) (company name to be approved by and registered with the competent industrial and commercial administrative department), a limited liability company to be incorporated under the laws of the PRC
“Tangshan Haiyida Group”	Tangshan Haiyida Group Co., Ltd.* (唐山海億達集團公司), a limited liability company incorporated under the laws of the PRC; and
“%”	per cent

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

Qinhuangdao, Hebei Province, the PRC  
24 April 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*