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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 TRANSACTION

EQUIPMENT PURCHASE AGREEMENT

On 12 October 2018, First Company, a subsidiary of the Group, entered into the Equipment Purchase Agreement with Tianjin Port Electric for the purchase and installation of the Equipment for Onshore Power Supply System at the consideration of approximately RMB5.94 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 Transaction constitutes a connected transaction 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 Transaction are more than 0.1% but less than 5%, the Transaction is only subject to the reporting and announcement requirements, but is 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 AGREEMENT

- Date : 12 October 2018
- Parties : (1) First Company
(2) Tianjin Port Electric
- Scope : Tianjin Port Electric is responsible for the provision of the Equipment for Onshore Power Supply System (including installation and related services) in accordance with the specifications required by First Company.

Consideration : The consideration is approximately RMB5.94 million, and is payable by instalments in accordance with the progress of the delivery and installation of the Equipment for Onshore Power Supply System. Such consideration was arrived at through a tender process held by First Company in accordance with the relevant PRC laws and regulations. It is expected that the consideration would be funded by internal resources of the Group.

REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUIPMENT PURCHASE AGREEMENT

Purchase and installation of the Equipment for Onshore Power Supply System and the use of shore power can reduce carbon dioxide emissions, control air pollutants and improve air quality, which can in turn achieve environmental benefits.

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

None of the Directors had material interest in the Transaction. In view of good corporate governance practices, Zhang Ruigang, Li Quanyong and Yu Houxin, the Directors, abstain from voting in respect of Board resolutions in relation to transactions with Tianjin Port Group and/or its associates (as defined in the Listing Rules).

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.

First Company is principally engaged in cargo handling and other port ancillary services.

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 for Onshore Power Supply System”	the equipment for onshore power supply system for vessels, to be purchased by First Company pursuant to the Equipment Purchase Agreement;
“Equipment Purchase Agreement”	the agreement dated 12 October 2018 entered into between First Company and Tianjin Port Electric for the purchase and installation of the Equipment for Onshore Power Supply System, details of which are set out in the section headed “Principal terms of the Equipment Purchase Agreement” of this announcement;
“First Company”	天津港第一港埠有限公司(Tianjin Port No. 1 Stevedoring Co., Ltd.*), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Group;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of 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;
“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 limited liability 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;
“Transaction”	the transaction contemplated under the Equipment Purchase Agreement; and
“%”	per cent.

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

Hong Kong, 12 October 2018

As at the date of this announcement, the Board comprises Mr. Zhang Ruigang, Mr. Li Quanyong, Mr. Wang Rui, Mr. Yu Houxin and Ms. Shi Jing as executive Directors; Professor Japhet Sebastian Law, Mr. Cheng Chi Pang, Leslie and Mr. Zhang Weidong as independent non-executive Directors.

* *For identification purposes only*