

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**天津濱海泰達物流集團股份有限公司**

**Tianjin Binhai Teda Logistics (Group) Corporation Limited\***

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

**(Stock code: 8348)**

## **RENEWAL OF CONTINUING CONNECTED TRANSACTIONS LOGISTICS SERVICE AGREEMENT**

Reference is made to the announcement of the Company dated 6 November 2019 in relation to certain continuing connected transactions between the Group and Toyota Tsusho and its associates.

On 6 November 2019, Tianjin Fengtian Logistics (a non wholly-owned subsidiary of the Company) and Toyota Tsusho entered into the Existing Logistics Service Agreement to renew the Former Logistics Service Agreement relating to the provision of logistics services and supply chain solutions for automobiles and car components by the Group to Toyota Tsusho and its associates. The Existing Logistics Service Agreement will expire on 31 December 2022.

The Board is pleased to announce that on 22 December 2022, Tianjin Fengtian Logistics and Toyota Tsusho entered into the Logistics Service Agreement, pursuant to which Tianjin Fengtian Logistics and Toyota Tsusho conditionally agreed to, upon the expiry of the term of the Existing Logistics Service Agreement, renew the Existing Logistics Service Agreement for a term of three years from 1 January 2023 to 31 December 2025.

Toyota Tsusho, which holds approximately 36.2% equity interest in Tianjin Fengtian Logistics, is a substantial shareholder of Tianjin Fengtian Logistics and thus, a connected person of the Company at the subsidiary level as defined under the GEM Listing Rules.

One of the applicable percentage ratios (as defined under Rule 19.07 of the GEM Listing Rules) in respect of the Continuing Connected Transactions is more than 5%. However, as the Continuing Connected Transactions are only continuing connected transactions between the Group and a connected person at the subsidiary level on normal commercial terms or better, given that (i) the Board has approved the Logistics Service Agreement and the Continuing Connected Transactions; and (ii) the Directors (including the independent non-executive Directors) have confirmed that the terms of the Continuing Connected Transactions together with the proposed annual monetary caps are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole, the Continuing Connected Transactions are exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 20.99 of the GEM Listing Rules.

## **BACKGROUND**

Reference is made to the announcement of the Company dated 6 November 2019 in relation to certain continuing connected transactions between the Group and Toyota Tsusho and its associates.

On 6 November 2019, Tianjin Fengtian Logistics (a non wholly-owned subsidiary of the Company) and Toyota Tsusho entered into the Existing Logistics Service Agreement to renew the Former Logistics Service Agreement relating to the provision of logistics services and supply chain solutions for automobiles and car components by the Group to Toyota Tsusho and its associates. The Existing Logistics Service Agreement will expire on 31 December 2022.

## **THE LOGISTICS SERVICE AGREEMENT**

The Board is pleased to announce that on 22 December 2022, Tianjin Fengtian Logistics and Toyota Tsusho entered into the Logistics Service Agreement, pursuant to which Tianjin Fengtian Logistics and Toyota Tsusho conditionally agreed to, upon the expiry of the term of the Existing Logistics Service Agreement, renew the Existing Logistics Service Agreement for a term of three years from 1 January 2023 to 31 December 2025.

The principal terms of the Logistics Service Agreement are summarized below:

Date	:	22 December 2022
Parties	:	(1) Tianjin Fengtian Logistics (2) Toyota Tsusho
Term	:	Three years commencing from 1 January 2023 to 31 December 2025, subject to any early termination pursuant to the terms of the Logistics Service Agreement, and renewable upon expiry as agreed by the parties.

- Nature : Tianjin Fengtian Logistics will provide logistics services and supply chain solutions for automobiles and car components to Toyota Tsusho and its associates.
- Conditions precedent : The Logistics Service Agreement and the transactions contemplated thereunder are conditional upon:
- (1) the Company making the necessary disclosures of the Continuing Connected Transactions in accordance with the GEM Listing Rules and obtaining the approval of the independent non-executive Directors; and (if applicable) the Company convening an extraordinary general meeting and obtaining the approval by the independent Shareholders for the Continuing Connected Transactions (including but not limited to the service and fees under the Logistics Service Agreement); and
  - (2) the Group obtaining the necessary approval or waiver for the Continuing Connected Transactions, including but not limited to those required under the GEM Listing Rules (if applicable).
- Pricing basis : For all the services provided by Tianjin Fengtian Logistics, the costs will be calculated based on the service contents, including but not limited to, the nature and quantities of goods to be delivered and handled, the time and human resources required for the service, the distance of freight forwarding services and the complexity of the logistics and supply chain solutions (such as transportation cost, the place of storage and its duration, manpower, processing and packaging cost and fees for customs clearance, where applicable). Prices for various services will be determined at a premium of 10%-30% over the costs by reference to the prices for the same kind of services in the market. Such prices are uniform pricing set by Tianjin Fengtian Logistics, of which Tianjin Fengtian Logistics will make adjustment based on the market conditions (including service prices offered by other competitors, oil price, human resource costs, technological advancement and others) from time to time and inform all customers. Such prices are determined based on normal commercial terms. Tianjin Fengtian Logistics will provide services to Toyota Tsusho and its associates and other independent third parties based on such prices.

Toyota Tsusho and its associates will pay Tianjin Fengtian Logistics in accordance with the terms of the invoice issued by Tianjin Fengtian Logistics to Toyota Tsusho and its associates.

Proposed annual monetary caps for the three years ending 31 December 2025 : The proposed annual monetary caps for the three years ending 31 December 2025 are determined based on the Existing Logistics Service Agreement and taking into account the historical transaction amounts for the provision of the services to Toyota Tsusho and its associates, the yearly demand plan of Toyota Tsusho and its associates and expected inflation in the PRC plus a 20% buffer for the unexpected additional logistics and supply chain solution services to be demanded by Toyota Tsusho and its associates. Thus, the Board anticipates that the maximum aggregate annual value will not exceed the following caps:

<b>Year ending 31 December</b>		
<b>2023</b>	<b>2024</b>	<b>2025</b>
<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>

Logistics services and supply chain solutions for automobiles and car components	<u>15,400</u>	<u>16,280</u>	<u>15,980</u>
--	---------------	---------------	---------------

Historical transaction amounts for the three years ended 31 December 2021 : The service fees paid by Toyota Tsusho and its associates to the Group in respect of logistics services and supply chain solutions for automobiles and car components for the three years ended 31 December 2021 are as follows:

<b>Audited historical amount for the year ended 31 December</b>		
<b>2019</b>	<b>2020</b>	<b>2021</b>
<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>

Logistics services and supply chain solutions for automobiles and car components	<u>15,414</u>	<u>12,996</u>	<u>13,739</u>
--	---------------	---------------	---------------

## **REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS**

The Company considers that the Continuing Connected Transactions are in the ordinary course of business of Tianjin Fengtian Logistics and are no different from the business with other customers of Tianjin Fengtian Logistics. The Continuing Connected Transactions are therefore conducive to increasing the revenue of Tianjin Fengtian Logistics.

Except for Mr. Yang Weihong, who is also a director of Tianjin Fengtian Logistics, none of the Directors have any material interest in the Logistics Service Agreement. Mr. Yang Weihong abstained from voting in the Board resolution for approving the Logistics Service Agreement.

## **GEM LISTING RULES IMPLICATIONS**

Toyota Tsusho, which holds approximately 36.2% equity interest in Tianjin Fengtian Logistics, a non wholly-owned subsidiary of the Company, is a substantial shareholder of Tianjin Fengtian Logistics and thus, a connected person of the Company at the subsidiary level as defined under the GEM Listing Rules.

One of the applicable percentage ratios (as defined under Rule 19.07 of the GEM Listing Rules) in respect of the Continuing Connected Transactions is more than 5%. However, as the Continuing Connected Transactions are only continuing connected transactions between the Group and a connected person at the subsidiary level on normal commercial terms or better, given that (i) the Board has approved the Logistics Service Agreement and the Continuing Connected Transactions; and (ii) the Directors (including the independent non-executive Directors) have confirmed that the terms of the Continuing Connected Transactions together with the proposed annual monetary caps are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole, the Continuing Connected Transactions are exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 20.99 of the GEM Listing Rules.

## **INFORMATION ON THE GROUP AND TIANJIN FENGTIAN LOGISTICS**

The principal businesses of the Group are supply chain and logistics services for finished automobiles and components, supply chain and logistics services for electronic components, materials procurement and related logistics services, cold chain logistics services and bonded warehouse services, container yard services and other services such as supervision, agency and transportation services.

Tianjin Fengtian Logistics is principally engaged in the provision of logistics and supply chain solutions for finished automobiles and car components sector.

## INFORMATION ON TOYOTA TSUSHO AND TOYOTA MOTOR CORPORATION

Toyota Tsusho primarily engages in trading of various products in Japan and overseas as well as manufacturing, processing, marketing, investments and providing services in relation to these products.

Toyota Motor Corporation holds approximately 21.69% equity interest in Toyota Tsusho and is the single largest shareholder of Toyota Tsusho. Toyota Motor Corporation is principally engaged in motor vehicle production and sales.

### DEFINITIONS

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

“associate”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Company”	Tianjin Binhai Teda Logistics (Group) Corporation Limited* (天津濱海泰達物流集團股份有限公司), a joint stock limited company incorporated in the PRC with limited liability and whose H shares are listed on the GEM (Stock code: 8348)
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Continuing Connected Transactions”	the transactions contemplated between the Group and Toyota Tsusho and its associates under the Logistics Service Agreement
“controlling shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Logistics Service Agreement”	the logistics service agreement dated 6 November 2019 between Tianjin Fengtian Logistics and Toyota Tsusho to renew the Former Logistics Service Agreement for a term of three years from 1 January 2020 to 31 December 2022
“Former Logistics Service Agreement”	the logistics service agreement dated 26 September 2016 between Tianjin Fengtian Logistics and Toyota Tsusho in relation to the provision of logistics services and supply chain solutions for automobiles and car components by the Group to Toyota Tsusho and its associates for a term of three years from 1 January 2017 to 31 December 2019

“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“Logistics Service Agreement”	the logistics service agreement dated 22 December 2022 between Tianjin Fengtian Logistics and Toyota Tsusho to renew the Existing Logistics Service Agreement for a term of three years from 1 January 2023 to 31 December 2025
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Fengtian Logistics”	Tianjin Fengtian Logistics Co., Ltd.* (天津豐田物流有限公司), a sino-foreign equity joint venture incorporated in the PRC and a non wholly-owned subsidiary of the Company
“Toyota Tsusho”	Toyota Tsusho Corporation (豐田通商株式會社), a company incorporated in Japan with limited liability whose common stock is listed on the Tokyo Stock Exchange and Nagoya Stock Exchange (Stock code: 80150), a shareholder of Tianjin Fengtian Logistics holding approximately 36.2% of its entire registered capital
“%”	per cent

By order of the Board  
天津濱海泰達物流集團股份有限公司  
**Tianjin Binhai Teda Logistics (Group) Corporation Limited\***  
**Yang Weihong**  
*Chairman*

Tianjin, the PRC  
22 December 2022

*As at the date of this announcement, the Board comprises Mr. Yang Weihong as executive Director; Mr. Li Jian, Mr. Jo Shibin, Mr. Zhou Zhiyuan and Mr. Zhang Yan as non-executive Directors; and Mr. Cheng Xinsheng, Mr. He Yongjun, Mr. Japhet Sebastian Law and Mr. Peng Zuowen as independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make this announcement or any statement herein misleading.*

*This announcement will remain on the “Latest Listed Company Announcements” page of the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) for 7 days from the date of its posting. This announcement will also be posted on the Company’s website at [www.tbtl.cn](http://www.tbtl.cn).*

*\* For identification purposes only*