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## **遠航港口發展有限公司**

**OCEAN LINE PORT DEVELOPMENT LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8502)**

### **DISCLOSEABLE TRANSACTION FORMATION OF JOINT VENTURE COMPANY**

#### **FORMATION OF JOINT VENTURE COMPANY**

The Board is pleased to announce that on 30 June 2023 (after trading hours of the Stock Exchange), Chizhou Port Holdings (an indirect 72%-owned subsidiary of the Company) entered into the JV Agreement with the JV Partners pursuant to which the parties agreed to establish the JV Company with a registered capital of RMB100,000,000. Upon its establishment, the JV Company will be owned as to 26% by Chizhou Port Holdings, 40% by the JV Partner I and 34% by JV Partner II, respectively.

#### **GEM LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios calculated pursuant to GEM Listing Rule 19.07 in respect of the JV Agreement exceeds 5% and all of the percentage ratios are less than 25%, the entering into of the JV Agreement constitutes a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements but is exempted from Shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

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## **The JV AGREEMENT**

Date : 30 June 2023

Parties : (1) Chizhou Port Holdings;  
(2) JV Partner I; and  
(3) JV Partner II

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, the JV Partners and their ultimate beneficial owners are Independent Third Parties.

### **Formation of the JV Company and its registered capital**

Pursuant to the JV Agreement, Chizhou Port Holdings, and the JV Partners agree to establish the JV Company that shall be principally engaged in port operations and waterway general cargo transportation, specifically including port tallying, domestic freight forwarding, general cargo warehousing services and port cargo loading and unloading activities (subject to the approval by the relevant regulatory authority in the PRC).

The registered share capital of the JV Company shall be RMB100,000,000, which will be contributed in cash as to 26% by Chizhou Port Holdings (i.e. RMB26,000,000), 40% by the JV Partner I (i.e. RMB40,000,000) and 34% by JV Partner II (i.e. RMB34,000,000), respectively. Upon its establishment, the JV Company will be owned as to 26% by Chizhou Port Holdings, 40% by the JV Partner I and 34% by JV Partner II, respectively.

Accordingly, the JV Company will be accounted for as an associate of the Group and its financial results will not be consolidated into the consolidated financial statements of the Group. The capital contribution of RMB26,000,000 by Chizhou Port Holdings will be funded by internal resources of the Group.

The amount of capital contributions was determined after arm's length negotiation between the parties to the JV Agreement with reference to the total registered share capital of the JV Company and their respective shareholding interest in the JV Company.

### **Corporate governance**

The board of directors of the JV Company shall comprise five directors. JV Partner I is entitled to nominate two directors and each of Chizhou Port Holdings and JV Partner II is entitled to nominate one director. The employees of the JV Company are also entitled to elect an employee representative who will be appointed as a director. The chairman of the board of directors of the JV Company shall be nominated by JV Partner I. The board meetings of the JV Company shall only be held in the presence of more than half of all directors of the JV Company. Each director of the JV Company shall have one vote. Matters arising in any meeting of the board of directors of the JV Company shall be decided by a majority of votes.

## **Distribution of profit**

Each shareholder of the JV Company shall be entitled to, on a pro rata basis of the contributed registered capital, receive the dividend as the shareholders of the JV Company may decide from time to time in accordance with the laws and regulations of the PRC and the articles of association of the JV Company.

## **Equity transfer**

The transfer of equity interests by a shareholder to a person other than a shareholder shall be subject to the consent of the other shareholders. The shareholder shall notify the other shareholders in writing of (i) its intention to transfer; (ii) the percentage of equity interests it intends to transfer; (iii) the terms and conditions of the transfer; and (iv) the basic information of the proposed transferee, etc. Other shareholders who have not responded within 30 days from the date of receiving the written notice shall be deemed to have agreed to the transfer. If other shareholders do not agree to the transfer, the disapproving shareholders shall purchase the equity to be transferred and if they do not make the purchase, they shall be deemed to have agreed to the transfer.

## **INFORMATION ON THE PARTIES TO THE JV AGREEMENT**

Chizhou Port Holdings is a company established in the PRC with limited liability and is an indirect 72%-owned subsidiary of the Company. It is principally engaged in port operation in the PRC.

JV Partner I is a state-owned enterprise established in the PRC with limited liability and is an investing and financing platform company of Chizhou Municipal Government. JV Partner I is principally engaged in city infrastructure (such as transportation infrastructure) construction.

JV Partner II is a state-owned enterprise established in the PRC with limited liability and is a platform company of 池州經濟技術開發區 (Chizhou Economic Development Zone\*). JV Partner II is principally engaged in infrastructure construction.

## **REASONS FOR AND BENEFITS OF THE FORMATION OF THE JV COMPANY**

The Group is principally engaged in port operation in Chizhou City, Anhui Province, the PRC.

The Group strives to expand its business via collaboration with different potential partners. Each of the parties to the JV Agreement has its own specialization and expertise. With assistance provided by the parties, the JV Company could enhance its competitiveness and have access to greater resources, and could grasp the opportunities brought about by the development of new port, which in turn will offer the Group a good opportunity to gain investment returns and promote the Multi-mode Transport Demonstration Project. The Group will be able to enhance its competitiveness in the inland terminal operators market in Chizhou City, Anhui Province of the PRC.

The terms of the JV Agreement were determined between the parties thereto after arm's length negotiation. In light of the above, the Directors consider that the terms of the JV Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **GEM LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios calculated pursuant to GEM Listing Rule 19.07 in respect of the JV Agreement exceeds 5% and all of the percentage ratios are less than 25%, the entering into of the JV Agreement constitutes a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements but is exempted from Shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

## **DEFINITIONS**

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

“Board”	the board of Directors
“Chizhou Port Holdings”	池州港遠航控股有限公司 (Chizhou Port Ocean Line Holdings Limited*), a company established in the PRC and an indirect 72%-owned subsidiary of the Company
“Company”	Ocean Line Port Development Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM (stock code:8502)
“connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	a third party independent of and not connected with the Company and/or its subsidiaries and their respective connected persons

“JV Agreement”	the joint venture agreement dated 30 June 2023 entered into between Chizhou Port Holdings and the JV Partners in relation to the formation of the JV Company
“JV Company”	the company to be formed under the JV Agreement and to be established under the laws of the PRC with limited liability
“JV Partner I”	池州資產運營集團有限公司 (Chizhou Assets Operation Group Co., Ltd.*), a company established in the PRC with limited liability
“JV Partner II”	安徽平天湖投資控股集團有限公司 (Anhui Pingtian Lake Investment Holding Group Co., Ltd.*), a company established in the PRC with limited liability
“JV Partners”	JV Partner I and JV Partner II
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, Macau and Taiwan
“Shareholder(s)”	shareholders of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

By order of the Board  
**Ocean Line Port Development Limited**  
**Kwai Sze Hoi**  
*Chairman and Executive Director*

Hong Kong, 30 June 2023

*As at the date of this announcement, the executive Directors are Mr. Kwai Sze Hoi and Mr. Huang Xueliang, the non-executive Director is Ms. Cheung Wai Fung, and the independent non-executive Directors are Mr. Nie Rui, Mr. Cheung Sze Ming and Dr. Li Weidong.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) 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 any statement herein or this announcement misleading.*

*This announcement will remain on the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk), on the “Latest Company Announcements” page for at least 7 days from the date of its publication and on the website of the Company at [www.oceanlineport.com](http://www.oceanlineport.com).*

*\* For identification purpose only*