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**CONNECTED TRANSACTION
ENGINEERING PROCUREMENT CONSTRUCTION (EPC)
SUPPLEMENTAL CONTRACT**

THE EPC SUPPLEMENTAL CONTRACT

On 29 December 2023, Tianjin Wuze, a subsidiary of the Company, entered into the EPC Supplemental Contract with the Contractors in respect of the Additional Works, pursuant to which the Contractors agreed to provide EPC services to Tianjin Wuze at the aggregate consideration of not exceeding RMB48,000,000.

LISTING RULES IMPLICATIONS

Tianjin Port Engineering is a subsidiary of Tianjin Port Group (which is a controlling shareholder of the Company), and is therefore a connected person of the Company. Since Tianjin Port Engineering is one of the Contractors under the EPC Supplemental Contract, the Transaction accordingly constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As disclosed in the Previous Announcement and the Previous Circular, the Previous Transaction constituted a discloseable and connected transaction of the Company and the Company had therefore complied with all the applicable reporting, announcement, circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules in respect of the Previous Transaction. The Transaction, even if aggregated with the Previous Transaction, would not fall within a higher transaction classification pursuant to Rule 14.06 of the Listing Rules and would not be subject to additional disclosure requirements under the Listing Rules.

Accordingly, since all of 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 independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

References are made to the Previous Announcement and Previous Circular in relation to the Previous Transaction conducted pursuant to the EPC Contract. Reference is also made to the announcement of the Company dated 14 March 2023 in relation to the poll results of the EGM, which mentioned that an ordinary resolution was passed by the Independent Shareholders at the EGM to approve EPC Contract and the Previous Transaction .

On 29 December 2023, Tianjin Wuze, a subsidiary of the Company, entered into the EPC Supplemental Contract with the Contractors in respect of the Additional Works, pursuant to which the Contractors agreed to provide EPC services to Tianjin Wuze at the aggregate consideration of not exceeding RMB48,000,000.

PRINCIPAL TERMS OF THE EPC SUPPLEMENTAL CONTRACT

Date : 29 December 2023

Parties : (a) Tianjin Wuze (as principal)

(b) a consortium comprising the Contractors (as contractors) as follows:

- (i) Tianjin Port Engineering (as consortium leader); and
- (ii) CCCC First Harbor (as consortium member)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, CCCC First Harbor and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

Expected date of completion of works : It is expected the date of completion of works will be on 30 June 2024.

Scope of construction : Tianjin Wuze agreed to engage the Contractors to provide EPC services to Tianjin Wuze for the Additional Works. The construction scope of the Additional Works mainly relates to the adjustment of new seismic activity parameter, aesthetic optimisation, and construction of the training building and inspection room, etc.

Consideration and payment method : The Consideration payable by Tianjin Wuze to the Contractors under the EPC Supplemental Contract shall not exceed RMB48,000,000.

The Consideration was determined in accordance with the terms of the EPC Contract by the parties after arm's length negotiation and after (i) the chief supervising engineer of the Dangerous Goods Container Yard Project has been consulted of the Additional Works; (ii) the Contractors have submitted the work proposal to cater for such the Additional Works and to minimise the Consideration (or expedite the construction progress); and (iii) taking into account the reasonable profit margin.

In any event, the Consideration is a preliminary valuation of the construction value and the payment of the Consideration is subject to the actual amount of engineering work involved as verified pursuant to the project settlement audit.

The Consideration shall be settled in the following manner:

(a) Progress payment

In aggregate up to 80% of the Consideration (inclusive of the advance payment) shall be paid on a monthly basis in accordance with the progress of the construction works. In aggregate 97% of the audited construction value shall be paid after the completion and passing of acceptance inspection of the Additional Works and the project settlement audit has been completed.

(b) Quality assurance fund

3% of the audited construction value shall be retained by Tianjin Wuze as quality assurance fund, which shall be paid (without interests) within 30 days after the expiration of the warranty period (which is 2 years from the completion and passing of acceptance inspection of the Additional Works).

The Consideration is expected to be funded by internal resources of the Group.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Additional Works can strengthen the seismic safety structure of the Site, optimize the overall construction and supporting facilities, promote the training of operating staff, and professionalise the quality of dangerous goods management, which are conducive to further enhancing the operational capacity of Tianjin Wuze, thereby reaping greater benefits for the Group.

Each Contractor possesses the skills required for the Additional Works, as well as having plentiful experience with the same type of projects. Tianjin Wuze will benefit from the professional skills and resources in survey, design, construction of the Contractors through the Transaction, which ensures the overall quality of and accelerates the progress of the Additional Works as well as the Dangerous Goods Container Yard Project.

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

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None of the Directors had a material interest in the Transaction. In view of good corporate governance practices, Chu Bin, Luo Xunjie and Sun Bin, the Directors who are also directors and/or senior management of Tianjin Port Group, have abstained and will abstain from voting in the relevant Board resolutions in relation to transactions with Tianjin Port Group and/or its associates.

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

Tianjin Wuze is principally engaged in port operation services.

Tianjin Port Engineering is principally engaged in civil engineering construction, water supply and drainage engineering, port and coastal engineering, mechanical and electrical equipment installation engineering and waterway engineering, etc.

CCCC First Harbor is principally engaged in construction engineering design, construction engineering survey, contract foreign projects and project management services, etc.

DEFINITIONS

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

“Additional Works”	the additional EPC works required for the Dangerous Goods Container Yard Project;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“CCCC First Harbor”	中交第一航務工程勘察設計院有限公司 (CCCC First Harbor Consultants Co., Ltd.*), a company established in the PRC;
“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);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Contractors”	Tianjin Port Engineering and CCCC First Harbor;
“controlling Shareholder”	has the meaning ascribed to it under the Listing Rules;
“Consideration”	RMB48,000,000, being the maximum aggregate consideration payable by Tianjin Wuze to the Contractors in respect of the EPC services for the Additional Works under the EPC Supplemental Contract;
“Dangerous Goods Container Yard Project”	the engineering, procurement and construction of the Tianjin Nangang Industrial Zone’s new dangerous goods container yard project located at the Site;
“Director(s)”	the director(s) of the Company;

“EGM”	the extraordinary general meeting of the Company held on 14 March 2023 where the Independent Shareholders passed an ordinary resolution to, among others, approve the EPC Contract and the Previous Transaction;
“EPC”	engineering, procurement and construction;
“EPC Contract”	the EPC agreement entered into between Tianjin Wuze (as principal) and the Contractors (as contractors) dated 15 December 2022 in respect of the Dangerous Goods Container Yard Project, details of which were set out in the Previous Announcement and Previous Circular;
“EPC Supplemental Contract”	the EPC supplemental agreement entered into between Tianjin Wuze (as principal) and the Contractors (as contractors) dated 29 December 2023 in relation to the Additional Works;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Shareholders”	Shareholders, other than Tianjin Port Group and its associates, who were entitled to attend and vote at the EGM;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“Previous Announcement”	the announcement of the Company dated 15 December 2022 in relation to the EPC Contract and the Previous Transaction;
“Previous Circular”	the circular of the Company dated 22 February 2023 in relation to the EPC Contract and the Previous Transaction;
“Previous Transaction”	the transaction contemplated under the EPC Contract;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	the shareholder(s) of the Company;
“Site”	the intersection of Nangang 14th Street and Gangqu Ring Road, Nangang Industrial Zone, Tianjin, the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tianjin Port Engineering”	天津港航工程有限公司 (Tianjin Port & Channel Engineering Co., Ltd.*), a limited liability company incorporated in the PRC and a 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 holding 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;
“Tianjin Wuze”	天津物澤物流有限公司 (Tianjin Wuze Logistics Co., Ltd.*), a limited liability company incorporated in the PRC and a subsidiary of the Company;
“Transaction”	the transaction contemplated under the EPC Supplemental Contract; and
“%”	per cent.

By Order of the Board
Tianjin Port Development Holdings Limited
Chu Bin
Chairman

Hong Kong, 29 December 2023

As at the date of this announcement, the Board comprises Mr. Chu Bin, Mr. Luo Xunjie, Mr. Teng Fei, Mr. Sun Bin, Mr. Lou Zhanshan and Mr. Yang Zhengliang as executive Directors; and Professor Japhet Sebastian Law, Mr. Cheng Chi Pang, Leslie, Mr. Zhang Weidong and Ms. Luo Laura Ying as independent non-executive Directors.

** For identification purposes only*