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)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of the companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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 GEM of the Stock Exchange of Hong Kong Limited 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 is not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

FINANCIAL HIGHLIGHTS

- Revenue increased approximately 55% to RMB2,683,423,000
- The gross margin rate was approximately 3.53%
- Profit attributable to shareholders decreased approximately 27% to RMB47,003,000
- Earnings per share was RMB0.13
- The Board recommended the payment of a final dividend of RMB0.02 per share

ANNUAL RESULTS

The Board of Directors (the "Board") of Tianjin Binhai Teda Logistics (Group) Corporation Limited (the "Company") is pleased to announce the audited comprehensive results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2013, together with the comparative figures for the corresponding period in 2012. The comparative figures are restated as a result of adoption of new accounting standards as stated in Note 2.1 and Note 14 to this announcement.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2013

	Note	**2013** **RMB'000**	2012 RMB'000 (Restated)
Revenue	3	**2,683,423**	1,736,450
Cost of sales	10	**(2,588,574)**	(1,678,398)
Gross profit		**94,849**	58,052
Administrative expenses	10	**(55,461)**	(42,050)
Other income	4	**13,879**	20,033
Other gains/(losses) – net	5	**1,209**	7,250
		54,476	43,285
Finance costs	6	**(11,614)**	(14,969)
Share of results of investments accounted for using the equity method		**26,318**	48,333
Profit before income tax		**69,180**	76,649
Income tax expense	7	**(13,096)**	(5,500)
Profit/total comprehensive income for the year		**56,084**	71,149
Profit/total comprehensive income attributable to:			
Owners of the Company		**47,003**	64,664
Non-controlling interests		**9,081**	6,485
		56,084	71,149
Earnings per share (RMB cents)	9		
– Basic		**13**	18
– Diluted		**13**	18
Dividends	8	**35,430**	17,715

CONSOLIDATED BALANCE SHEET

As at 31 December 2013

	Note	As at 31 December 2013 RMB'000	As at 31 December 2012 RMB'000 (Restated)	As at 1 January 2012 RMB'000 (Restated)
ASSETS				
Non-current assets				
Land use rights		**101,737**	104,324	146,432
Property, plant and equipment		**201,854**	213,561	321,097
Investment properties		**83,896**	88,340	92,784
Investments accounted for using the equity method		**272,321**	294,986	167,391
		659,808	701,211	727,704
Current assets				
Inventories		**125,378**	145,553	27,534
Trade and other receivables	11	**1,033,713**	640,009	506,298
Amounts due from related parties		**8,000**	9,491	–
Pledged bank deposits		**138,214**	123,007	67,552
Cash and cash equivalents		**238,090**	274,067	248,119
		1,543,395	1,192,127	849,503
Total assets		**2,203,203**	1,893,338	1,577,207
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Ordinary shares		**354,312**	354,312	354,312
Other reserves	12	**82,918**	77,746	62,594
Retained earnings		**317,632**	297,053	272,342
		754,862	729,111	689,248
Non-controlling interests		**87,818**	83,358	86,781
Total equity		**842,680**	812,469	776,029

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2013

	Note	As at 31 December 2013 RMB'000	As at 31 December 2012 RMB'000 (Restated)	As at 1 January 2012 RMB'000 (Restated)
LIABILITIES				
Non-current liabilities				
Deferred income		**6,951**	7,308	10,063
		6,951	7,308	10,063
Current liabilities				
Trade and other payables	13	**1,067,650**	844,996	538,460
Amounts due to related parties		**1,600**	–	15
Current income tax liabilities		**14,322**	850	2,640
Dividend payables		**–**	17,715	–
Borrowings		**270,000**	210,000	250,000
		1,353,572	1,073,561	791,115
Total liabilities		**1,360,523**	1,080,869	801,178
Total equity and liabilities		**2,203,203**	1,893,338	1,577,207
Net current assets		**189,823**	118,566	58,388
Total assets less current liabilities		**849,631**	819,777	786,092

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2013

1. General information

Tianjin Binhai Teda Logistics (Group) Corporation Limited (the "Company") and its subsidiaries (collectively the "Group") are principally engaged in provision of logistics and supply chain solutions services and trading and related logistics services in the People's Republic of China (the "PRC").

The Company was established as an investment holding company in the PRC by its promoters, Tianjin Teda Investment Holding Co., Ltd. (天津泰達投資控股有限公司) ("TEDA Holding") and Tianjin Economic and Technological Development Area State Asset Operation Company (天津經濟技術開發區國有資產經營公司) ("TEDA Asset Company") as a joint stock limited company on 26 June 2006. Both TEDA Holding and TEDA Asset Company are controlled by Tianjin Economic and Technological Development Area Administrative Commission ("TEDA Administrative Commission").

Pursuant to the Group reorganisation (the "Reorganisation") in preparation for the listing of the Company's overseas listed foreign shares ("H shares") on the Growth Enterprises Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company became the holding company of the Group in June 2006. The Company's H shares were listed on the GEM of the Stock Exchange on 30 April 2008.

On 18 November 2011, TEDA Holding entered into a share transfer agreement with Chia Tai Land Company Limited ("Chia Tai Company"), while TEDA Asset Company entered into a share transfer agreement with Chia Tai Pharmaceutical Investment (Beijing) Co., Ltd. ("Chia Tai Investment Company"). Accordingly, TEDA Holding and TEDA Asset Company agreed to transfer 28,344,960 (8% of ordinary shares) and 77,303,789 (21.82% of ordinary shares) domestic shares of the Company to Chia Tai Company and Chia Tai Investment Company respectively. In 2012, the two aforementioned domestic share transfers were approved by the relevant state-owned assets supervision and administration authorities of the PRC. The registration procedures of the related transfers have been completed on 7 June 2013.

As at 31 December 2013, the Directors of the Company consider TEDA Holding as the immediate holding company and the ultimate holding company of the Company.

These financial statements are presented in Renminbi ("RMB") unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on 21 March 2014.

2. Basis of preparation and accounting policies

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS). The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

2. **Basis of preparation and accounting policies (Continued)**

2.1 Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Group

The following standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2013 and have a material impact on the Group:

Amendment to IAS 1, 'Financial statement presentation' regards other comprehensive income. The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).

IFRS 10, 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. See Note 14 for the impact of adoption on the consolidated financial statements.

IFRS 11, 'Joint arrangements' focuses on the rights and obligations of the parties to the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. A joint operator accounts for its share of the assets, liabilities, revenue and expenses. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. Proportional consolidation of joint arrangements is no longer permitted. See Note 14 for the impact of adoption on the consolidated financial statements.

IFRS 12, 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, structured entities and other off balance sheet vehicles.

IAS 28, (revised 2011), 'Associates and joint ventures' includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.

2. Basis of preparation and accounting policies (Continued)

2.1 Changes in accounting policy and disclosures (Continued)

(b) The following new standards and amendments to standards which are relevant to the Group and are mandatory for the first time for the financial year beginning 1 January 2013 but have no material impact on the Group:

- Amendment to IFRS 1, 'First time adoption', on government loans
- Annual improvements 2011
- IAS 27, (revised 2011), 'Separate financial statements'
- IFRS 13, 'Fair value measurements'
- Amendment to IAS 19, 'Employee benefits'
- IFRS 7, 'Financial instruments: Disclosures' on asset and liability offsetting
- IFRIC – Int 20, 'Stripping costs in the production phase of a surface mine'
- Annual improvement 2012 – Amendment to IFRS 13, 'Fair value measurement'
- Annual improvement 2013 – Amendment to IFRS1, 'First time adoption'

(c) New and amended standards have been issued but are not effective for the financial year beginning 1 January 2013 and have not been early adopted:

- Amendment to IAS 32, 'Financial instruments: Presentation' on asset and liability offsetting [1]
- Amendments to IFRS 10, 12 and IAS 27, 'Consolidation for investment entities' [1]
- Amendment to IAS 36, 'Impairment of assets' on recoverable amount disclosures [1]
- Amendment to IAS 39, 'Financial Instruments: Recognition and Measurement' – 'Novation of derivatives' [1]
- IFRIC21, 'Levies' [1]
- Amendment to IAS 19, 'Employee benefits' regarding defined benefit plans [2]
- Annual improvements 2012 [2]
- Annual improvements 2013 [2]
- IFRS 9, 'Financial Instruments' [3]

[1]. Changes effective for annual periods beginning on or after 1 January 2014
[2]. Changes effective for annual periods beginning on or after 1 July 2014
[3]. Changes effective for annual periods beginning on or after 1 January 2015

The Group is in the process of assessing the impact of these new standards, interpretations and amendments. None of these is expected to have a significant effect on the results and financial position of the Group.

3. Segment information

The Group reports two operating segments; these are managed independently by the responsible segment management bodies in line with the products and services offered and the distribution channels and customer profiles involved. Components of entity are defined as segments on the basis of the existence of segment managers with revenue and segment results (profit before tax less interest income, finance cost and corporate expenses) responsibility who report directly to the Group's senior management who make strategic decisions.

Principal activities of the Group's two reportable segments are as follows:

Logistics and supply chain service for finished automobiles and components – Provision of logistics services and supply chain management, i.e. planning, storage and transportation management for finished automobile and components;

Materials procurement services – Sales of raw materials to customers comprising principally trading companies and provision of related services of transportation management, storage, warehouse supervising and management.

The investments accounted for using the equity method mainly carry out provision of logistics services, supply chain management and agency service for electronics components; and provision of cold warehouse operating and logistic services.

3. **Segment information (Continued)**

	For the year ended 31 December 2013				
	Logistics and supply chain service for finished automobiles and components RMB'000	**Materials procurement and related logistics services RMB'000**	**Reportable segments subtotal RMB'000**	**All other segments RMB'000**	**Total RMB'000**
Revenue	**904,752**	**1,716,567**	**2,621,319**	**76,553**	**2,697,872**
Inter-segment revenue	**(17)**	**–**	**(17)**	**(14,432)**	**(14,449)**
Revenue from external customers	**904,735**	**1,716,567**	**2,621,302**	**62,121**	**2,683,423**
Segment results	**31,838**	**21,777**	**53,615**	**(615)**	**53,000**
Share of results of investments accounted for using the equity method					**26,318**
Unallocated other income					**4,841**
Unallocated corporate expenses					**(3,365)**
Finance costs					**(11,614)**
Profit before income tax					**69,180**
Income tax expense					**(13,096)**
Profit for the year					**56,084**
Other information:					
Depreciation and amortisation	**(13,445)**	**(183)**	**(13,628)**	**(14,598)**	**(28,226)**
Income tax expense	**(8,809)**	**(3,744)**	**(12,553)**	**(543)**	**(13,096)**

3. Segment information (Continued)

	For the year ended 31 December 2012 (Restated)				
	Logistics and supply chain service for finished automobiles and components RMB'000	Materials procurement and related logistics services RMB'000	Reportable segments subtotal RMB'000	All other segments RMB'000	Total RMB'000
Revenue	985,456	701,026	1,686,482	54,327	1,740,809
Inter-segment revenue	–	–	–	(4,359)	(4,359)
Revenue from external customers	985,456	701,026	1,686,482	49,968	1,736,450
Segment results	16,147	13,052	29,199	9,936	39,135
Share of results of investments accounted for using the equity method					48,333
Unallocated other income					6,286
Unallocated corporate expenses					(2,136)
Finance costs					(14,969)
Profit before income tax					76,649
Income tax expense					(5,500)
Profit for the year					71,149
Other information:					
Depreciation and amortisation	(13,463)	(291)	(13,754)	(13,266)	(27,020)
Income tax expense	(3,178)	(275)	(3,453)	(2,047)	(5,500)

Sales between segments are carried out based on mutually agreed price. The revenue from external parties reported to the senior management is measured in a manner consistent with that in the statement of comprehensive income.

Total segment assets and liabilities are not disclosed as they are not regularly provided to and reviewed by the Group's senior management.

4. Other income

	2013 RMB'000	2012 RMB'000 (Restated)
Interest income from bank deposits	**4,841**	6,286
Government grant (note)	**8,492**	12,953
Others	**546**	794
	13,879	20,033

Note:

Government grant represents subsidies and awards from local government authorities for the Group's contribution to the development of the local economies.

5. Other gains/(losses) – net

	2013 RMB'000	2012 RMB'000 (Restated)
Gain on deemed disposal of interest in a former subsidiary (Note 14)	**–**	7,474
Gains/(losses) on disposal of property, plant and equipment	**176**	(59)
Net foreign exchange gains/(losses)	**456**	(92)
Others	**577**	(73)
	1,209	7,250

6. Finance costs

	2013 RMB'000	2012 RMB'000 (Restated)
Interest on bank borrowings	**11,614**	16,250
Less: Amount capitalised in construction in progress	**–**	(1,281)
	11,614	14,969

7. Income tax expense

	2013 RMB'000	2012 RMB'000 (Restated)
Current tax:		
Current tax on profits for the year	**13,096**	5,500

Under the prevailing tax law in the PRC, the Enterprise Income Tax rate of the Company and the subsidiaries is 25%.

Pursuant to the relevant approval by the tax authorities, Tianjin Fengtian Logistics Co., Ltd, a subsidiary of the Group, was recognised as a new high-tech enterprise, entitled to a preferential tax rate of 15% from 2010 to 2012. The preferential tax treatment is subject to review by the relevant tax authority on an annual basis and the tax rate of 2013 is 25%.

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	2013 RMB'000	2012 RMB'000 (Restated)
Profit before income tax	**69,180**	76,649
Tax at the domestic income tax rate of 25% (2012: 25%)	**17,295**	19,162
Tax effect of:		
– Associates and joint ventures' results reported net of tax	**(6,580)**	(12,083)
– Expenses not deductible for taxation purpose	**1,019**	547
– Utilisation of tax losses previously not recognised	**–**	(154)
– Tax losses for which deferred tax assets are not recognised	**1,362**	145
– Preferential tax rates of subsidiaries	**–**	(2,168)
– Others	**–**	51
Income tax expense	**13,096**	5,500

8. **Dividends**

	2013	2012
	RMB'000	RMB'000
		(Restated)
First interim dividend (note a)	**10,629**	17,715
Second interim dividend (note b)	**10,629**	–
Third interim dividend (note c)	**7,086**	–
Final dividend (note d)	**7,086**	–
	35,430	17,715

(a) On 23 May 2013, the Company announced that an interim dividend of RMB0.03 per share, totalling RMB10,629,360 was approved at an extraordinary general meeting held on 11 July 2013, and paid in August 2013.

Pursuant to the extraordinary general meeting held on 20 December 2012, It was approved that an interim dividend of RMB0.05 per share, totalling RMB17,715,600 and paid in 16 January 2013.

(b) On 26 September 2013, the Company announced that a second interim dividend of RMB0.03 per share, totalling RMB10,629,360 was approved at an extraordinary general meeting held on 12 November 2013 and paid in December 2013.

(c) On 25 November 2013, the Directors of the Company proposed the distribution of a third interim dividend of RMB0.02 per share for the period ended 30 September 2013. The extraordinary general meeting approved and declared the proposal on 10 January 2014. The total amount was RMB7,086,240 and was paid in March 2014 to shareholders whose names appeared on the register of members of the Company on 22 January 2014.

(d) The Directors of the Company proposed a final dividend of RMB0.02 per share for the year ended 31 December 2013 (2012: Nil). These financial statements do not reflect this dividend payable.

9. **Earnings per share**

The calculation of the basic and diluted earnings per share is based on the following data:

	2013	2012
	RMB'000	RMB'000
		(Restated)
Earnings		
Profit attributable to owners of the Company	**47,003**	64,664
Number of shares (thousands)		
Weighted average number of ordinary shares for calculating basic and diluted earnings per share	**354,312**	354,312

There are no diluted earnings per share presented as there are no potential dilutive ordinary shares outstanding for both 2012 and 2013.

10. Expenses by nature

Profit before income tax is arrived at after charging:

	2013 RMB'000	2012 RMB'000 (Restated)
Auditor's remuneration	**1,600**	1,500
Cost of materials purchased	**1,684,108**	687,053
Subcontracting charges	**646,575**	728,525
Employee benefits expenses	**147,948**	127,685
Depreciation	**25,639**	24,406
Amortisation	**2,587**	2,614
Fuel	**20,046**	18,788
Transportation	**15,097**	6,773
Operating lease charges	**3,585**	4,243
Business tax	**2,838**	13,755
Others	**94,012**	105,106
Total cost of sales, distribution costs and administrative expenses	**2,644,035**	1,720,448

11. Trade and other receivables

The Group	2013 RMB'000	2012 RMB'000 (Restated)
Trade receivables	**331,781**	120,019
Less: allowance for impairment	**(930)**	–
	330,851	120,019
Bills receivables	**17,630**	18,370
	348,481	138,389
Prepayment to suppliers	**644,568**	479,279
Other receivables	**40,830**	22,584
Less: allowance for impairment	**(166)**	(243)
	1,033,713	640,009

11. Trade and other receivables (Continued)

The following is an aging analysis of trade and bills receivables at the balance sheet date:

The Group	**2013** **RMB'000**	2012 RMB'000 (Restated)
0 – 90 days	**285,514**	112,463
91 – 180 days	**61,215**	21,575
181 – 365 days	**1,314**	2,791
Over 1 year	**1,368**	1,560
	349,411	138,389

In general, the Group allows an average credit period ranging from 30 to 90 days to its trade customers. Bills receivables have a maturity of 180 days.

12. Other reserves

The Group	**Share premium** RMB'000	**Statutory reserves** RMB'000	**Other reserves** RMB'000	**Total** RMB'000
At 1 January 2012 (Restated)	55,244	47,970	(40,620)	62,594
Transfer from retained earnings	–	15,152	–	15,152
At 31 December 2012 (Restated)	55,244	63,122	(40,620)	77,746
Capital contribution by non-controlling interests	–	–	6	6
Transfer from retained earnings	–	5,166	–	5,166
At 31 December 2013	55,244	68,288	(40,614)	82,918

(a) Statutory reserves

Reserve fund and Enterprise expansion fund

According to the relevant PRC rules and their articles of association, appropriations from net profit should be made to the Reserve Fund and the Enterprise Expansion Fund. The percentages to be appropriated to the Reserve Fund and Enterprise Expansion Fund are determined by the respective board of directors. Upon approval, the Reserve Fund can be used to offset accumulated losses or be converted into capital.

12. **Other reserves (Continued)**

(a) *Statutory reserves (Continued)*

Statutory surplus reserve

The Company and certain of its subsidiaries are domestic limited liability companies established under the PRC Company Law. According to the relevant PRC rules and their articles of association, statutory surplus reserve should be appropriated from net profit of management account under China Accounting Standard before distribution. The amount of appropriation should be 10% of profit after taxation, calculated in accordance with the PRC accounting rules and regulations, applicable to enterprises in the PRC, of the Company and its subsidiaries. The appropriation may cease to apply if the balance of the statutory surplus reserve has reached 50% of the entity's registered capital. Statutory surplus reserve can be used to make up prior year losses, to expand operation or to increase share capital. The Company or its subsidiaries may capitalise the statutory surplus reserve by way of bonus issues provided that the amount of the statutory surplus reserve remaining after such appropriation shall not be less than 25% of the registered capital of the Company or its subsidiaries.

(b) *Other reserves*

Other reserves as at 31 December 2012 and 2013 represent the difference between the paid up capital of the subsidiaries and the nominal value of the Company's shares issued in exchange for the equity interest in the subsidiaries upon the reorganisation of the Group prior to listing.

13. **Trade and other payables**

	2013	2012
	RMB'000	RMB'000
The Group		(Restated)
Trade payables	**145,632**	58,041
Bills payables	**687,484**	612,534
	833,116	670,575
Deposits from customers	**178,300**	125,954
Other payables	**56,234**	48,467
	1,067,650	844,996

13. **Trade and other payables (Continued)**

The aging analysis of the trade payables and bills payables at the balance sheet dates is as follows:

	The Group	
	2013	2012
	RMB'000	RMB'000
		(Restated)
0 – 90 days	**532,255**	429,214
91 – 180 days	**296,295**	241,104
181 – 365 days	**496**	35
Over 1 year	**4,070**	222
	833,116	670,575

14. **Changes in accounting policies**

The Group adopted IFRS 10, 'Consolidated financial statements', IFRS 11, 'Joint arrangements', IFRS 12, 'Disclosure of interests in other entities', and consequential amendments to IAS 28, 'Investments in associates and joint ventures' on 1 January 2012. The new accounting policies had the following impact on the consolidated financial statements.

(a) Deconsolidation of a subsidiary

As at 1 January 2012, the Group held 100% equity interest in Tedahang. During 2012, the Group's equity interest in Tedahang was reduced to 60% upon contribution of additional capital by two non-controlling interests. Tedahang was treated as subsidiary by the Group in 2012. As at 1 January 2013, upon adoption of IFRS10, the Group considers the purpose and design of Tedahang and the relevant activities directed by means of contractual arrangements and treats Tedahang as a joint venture. A gain on deemed disposal was recorded in 2012 when the control was lost.

(b) Joint ventures accounted for using the equity method

The Group has joint control over Tianjin Alps and Dalian Alps by virtue of its 50% share in the equity shares of the arrangements and the requirement for unanimous consent by all parties over decisions related to the relevant activities of the arrangement. The investment have been classified as a joint venture under IFRS 11 and therefore the equity method of accounting has been used in the consolidated financial statements. Prior to the adoption of IFRS 11, the Group's interest in joint venture was proportionately consolidated.

The Group recognised its investment in the joint ventures at the beginning of the earliest period presented (1 January 2012), as the total of the carrying amounts of the assets and liabilities previously proportionately consolidated by the Group. This is the deemed cost of the Group's investment in the joint ventures for applying equity accounting.

The effects of the changes to the accounting policies to the Group is shown in the following tables.

14. Changes in accounting policies (Continued)

Impact of change in accounting policy on consolidated balance sheet

	As at 31 December 2012 (Previously reported) RMB'000	Deconsolidation of a subsidiary RMB'000	Equity accounting for joint ventures RMB'000	As at 31 December 2012 (Restated) RMB'000	As at 1 January 2012 (Previously reported) RMB'000	Equity accounting for joint ventures RMB'000	As at 1 January 2012 (Restated) RMB'000
ASSETS							
Non–current assets							
Land use rights	146,207	(38,671)	(3,212)	104,324	149,759	(3,327)	146,432
Property, plant and equipment	544,158	(306,799)	(23,798)	213,561	346,206	(25,109)	321,097
Investment properties	88,340	–	–	88,340	92,784	–	92,784
Investments accounted for using the equity method	62,532	110,629	121,825	294,986	56,046	111,345	167,391
Deferred tax assets	–	–	–	–	–	–	–
Goodwill	105	–	(105)	–	105	(105)	–
	841,342	(234,841)	94,710	701,211	644,900	82,804	727,704
Current assets							
Inventories	159,763	–	(14,210)	145,553	41,752	(14,218)	27,534
Trade and other receivables	698,199	(2,938)	(55,252)	640,009	566,120	(59,822)	506,298
Amounts due from related parties	9,480	–	11	9,491	–	–	–
Pledged bank deposits	136,507	(13,500)	–	123,007	67,552	–	67,552
Cash and cash equivalents	385,941	(47,786)	(64,088)	274,067	296,419	(48,300)	248,119
	1,389,890	(64,224)	(133,539)	1,192,127	971,843	(122,340)	849,503
Total assets	2,231,232	(299,065)	(38,829)	1,893,338	1,616,743	(39,536)	1,577,207

14. Changes in accounting policies (Continued)

Impact of change in accounting policy on consolidated balance sheet (Continued)

	As at 31 December 2012 (Previously reported) RMB'000	Deconsolidation of a subsidiary RMB'000	Equity accounting for joint ventures RMB'000	As at 31 December 2012 (Restated) RMB'000	As at 1 January 2012 (Previously reported) RMB'000	Equity accounting for joint ventures RMB'000	As at 1 January 2012 (Restated) RMB'000
EQUITY AND LIABILITIES							
Equity attributable to owners of the Company							
Ordinary shares	354,312	–	–	354,312	354,312	–	354,312
Other reserves	70,864	–	6,882	77,746	55,712	6,882	62,594
Retained earnings	298,349	5,586	(6,882)	297,053	279,224	(6,882)	272,342
	723,525	5,586	–	729,111	689,248	–	689,248
Non-controlling interests	163,112	(79,754)	–	83,358	86,781	–	86,781
Total equity	886,637	(74,168)	–	812,469	776,029	–	776,029
LIABILITIES							
Non-current liabilities							
Borrowings	143,138	(143,138)	–	–	–	–	–
Deferred income	25,768	(18,460)	–	7,308	10,063	–	10,063
	168,906	(161,598)	–	7,308	10,063	–	10,063
Current liabilities							
Trade and other payables	941,778	(63,299)	(33,483)	844,996	572,386	(33,926)	538,460
Amounts due to related parties	–	–	–	–	15	–	15
Current income tax liabilities	4,310	–	(3,460)	850	5,730	(3,090)	2,640
Dividend payables	17,715	–	–	17,715	–	–	–
Borrowings	211,886	–	(1,886)	210,000	252,520	(2,520)	250,000
	1,175,689	(63,299)	(38,829)	1,073,561	830,651	(39,536)	791,115
Total liabilities	1,344,595	(224,897)	(38,829)	1,080,869	840,714	(39,536)	801,178
Total equity and liabilities	2,231,232	(299,065)	(38,829)	1,893,338	1,616,743	(39,536)	1,577,207

14. Changes in accounting policies (Continued)

Impact of change in accounting policy on the consolidated statement of comprehensive income:

	For year ended 31 December 2012 as previously reported RMB'000	Deconsolidation of a subsidiary RMB'000	Equity accounting for joint ventures RMB'000	For year ended 31 December 2012 as restated RMB'000
Revenue	2,016,408	–	(279,958)	1,736,450
Cost of sales	(1,912,860)	–	234,462	(1,678,398)
Gross profit	103,548	–	(45,496)	58,052
Administrative expenses	(56,526)	(51)	14,527	(42,050)
Other income	17,826	3,306	(1,099)	20,033
Other gains/(losses) – net	(800)	7,474	576	7,250
	64,048	10,729	(31,492)	43,285
Finance costs	(12,235)	(2,793)	59	(14,969)
Share of results of investment accounted for using the equity method	24,949	(243)	23,627	48,333
Profit before income tax	76,762	7,693	(7,806)	76,649
Income tax expense	(11,445)	(1,861)	7,806	(5,500)
Profit/total comprehensive income for the year	65,317	5,832	–	71,149
Profit/total comprehensive income attributable to:				
Owners of the Company	59,078	5,586	–	64,664
Non-controlling interests	6,239	246	–	6,485

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of the Company (the "Board"), I am pleased to present the audited consolidated financial results of the Group for the year ended 31 December 2013 to all shareholders.

Results of the Year

For the year ended 31 December 2013 (the "Year"), turnover of the Group amounted to approximately RMB2,683,423,000 (2012: RMB1,736,450,000), representing an increase of approximately 55% as compared with the corresponding period of last year. Profit attributable to the shareholders was approximately RMB47,003,000 (2012: RMB64,664,000) and the earnings per share was approximately RMB0.13 (2012: RMB0.18).

As at 31 December 2013, the total assets and current assets of the Group were approximately RMB2,203,203,000 (2012: RMB1,893,338,000) and approximately RMB1,543,395,000 (2012: RMB1,192,127,000), respectively, representing increases of RMB309,865,000 and RMB351,268,000 from 31 December 2012, respectively. Our net assets attributable to the parent company and net assets per share at the end of the period were approximately RMB754,862,000 (2012: RMB729,111,000) and approximately RMB2.13 (2012: RMB2.06) respectively, both representing an increase of 3.5% from 31 December 2012.

Review for the Year

The overall situation in 2013 was broadly in line with our expectation made at the beginning of the year. As the international situation was still unstable, China-Japan political relationship remained tense, and regional conflicts kept escalating, growth in emerging markets and developing countries slowed down, while the overall domestic economy showed signs of steady and positive growth. However, the pressure from rising cost remained tense, and the economic restructuring has not been in place with increasingly prominent environmental problems. Benefiting from the favorable development of Tianjin Binhai New Area, the optimization of our business structure and enhancement of our operation efficiency, the Group achieved a significant growth in its revenue for the year. The Group's materials procurement logistics business developed rapidly with more business types and customers. Fengtian Logistics overcame difficulties to achieve a substantial growth in profits. Our traditional logistics business also showed a good development momentum through adjustments. Profits generated from our main business increased, but investment income declined as compared with last year due to various unfavorable factors.

Favorable development of new projects

As He Guang Trade and Business, Teda International Forwarding and Tedahang, all of which are the Company's newly-operated entities, are still in the initial stage of development, they have suffered different degree of loss, but they will become a new profit growth point of the Company in the future. He Guang Trade and Business has started its import agency business which has taken shape. Teda International Forwarding started its operation in May 2013 and maintained good development momentum with smooth operation of all businesses, so that it gained considerable revenue. Having started its operation on 1 January 2013, Tedahang began to undertake all inspections of all imported meat and frozen products in Tianjin Port in May 2013, recognized by the relevant government authorities. With equipments and facilities in normal operation, Tedahang continued to promote safe production management. Through persisting efforts throughout the year, Tedahang achieved a significant reduction in loss, compared to the budget target.

Introducing advanced logistics infrastructure

Having successfully passed the inspections of multiple departments under General Administration of Customs, "H986" vehicle-mounted computer inspection system was officially installed in the import and export container clearance center of the Group in the customs in Tianjin Economic and Technological Development Zone. This is the only one vehicle-mounted computer inspection equipment in Tianjin Economic and Technological Development Area and the first one in North China, as well as the most advanced customs inspection system in China at present. It will drastically improve the level of supervision and inspection efficiency of the customs in the Development Zone and achieve both close supervision and speedy customs clearance so as to provide more conveniences in respect of customs clearance for the enterprises in the Development Zone.

Exploring new business areas

With the great support from Tianjin Customs, China Railway Special Cargo and other relevant parties, the Company developed a new programme with an aim to transport the commercial automobiles made in China or in transit through railway. Currently, the Company has completed the market research, programme design and infrastructure transformation and is putting the programme into practice.

Intensifying resources integration

Under the work guideline of "defining strategic positioning, integrating critical resources, expanding systematic operation, enhancing comprehensive capability", the Group achieved centralized operation, uniform quotation and unified integrated solutions in multiple projects. Leveraging on the strengths of each subsidiary, the Group achieved collaboration between departments and subsidiaries, unified coordination as well as decentralized management, and initially formed an integrated business model.

While integrating internal resources, the Group made full use of available external resources. The Company has obtained an unsecured and unguaranteed line of credit of RMB3.39 billion from 21 banks, which gives strong support for the development of the Group's procurement logistics business.

Strengthening internal management

During the reporting period, the Company developed a number of measures to improve the incentive effects on operational staff, intensify the personnel training, establish internal personnel selection system and strengthen the management of subsidiaries and assigned managers so as to promote the common development of employees and the Group.

The Group attaches great importance to safe production management. During the reporting period, the Group held a number of field work meetings regarding safe production, organized safety exercises and developed emergency response plan, focusing on the entity whose production is related to ammonia. The Group also promoted the compliance with safe production standards. Currently, one of our subsidiaries has been certified in respect of compliance with safe production standards.

Prospects and Outlook

In 2014, it is expected that the global economic situation will be better than last year, the market will improve gradually, and domestic system reform will drive economic growth, however, there are great uncertainties due to the complicated international political situation and persistent regional conflicts, especially the geopolitical conflicts around China. With many contradictions and problems in the fiscal and financial field of China, the overall economic restructuring has not been in place, inflation risks remain high, while the overcapacity is still a serious problem. These could increase the likelihood of large fluctuations in the economy.

Despite a lot of challenges, the good opportunities offered by Tianjin and Binhai New Area will be favorable to the Company's development. Meanwhile, as the Group keeps improving its risk resistance capability over years, it is able to effectively resist all kinds of adverse external factors. In 2014, the Company put forward a work thinking of "innovating business model, expanding integration of operations, strengthening risk control, paying close attention to personnel training" with an aim to improve the integrated business model, integrate all advantages of resources, promote the development of new projects and new business areas, strengthen internal management and personnel training and enhance the overall operational capability through the following measures:

– To promote the cultivation of new projects so as to shorten their initial development period as much as possible and ensure the stability of the Group's results;

– To further improve the management of cold chain logistics business, diversify business types, study the operation model of combining cold chain logistics business with existing businesses, improve revenue structure and enhance profitability;

– Under innovative business model, to enhance the competitiveness of procurement logistics business and introduce relevant policies to encourage new models, services and initiatives which can improve the efficiency of resource utilization;

– To continue to promote the project of transporting commercial automobiles through railway and ensure the smooth operation of the project;

– To keep promoting consumer goods logistics business, promote the consumer goods-related projects and expand the relevant business layout so as to build a platform for future growth;

– To give full play to the Group's advantages in resources, improve the integrated business model, enhance the profitability of traditional logistics business, as well as expand our external influence;

– To leverage on the Group's technological strengths in automobile logistics and electronic components logistics to seek new customers and partners;

– To strengthen personnel training, further improve the establishment of human resources and payroll management system and encourage talents to stand out.

According to ChinaIRN.com, in 2014, China's logistics industry will continue to advance steadily to achieve industrial upgrading. In this environment, the Group is also facing a new turning point in respect of exploration of new business, business restructuring and other new development opportunities. The requirements on business operation will be higher with more sophisticated processes. In view of the smooth operation of new projects like Tedahang, the Company is confident in its long-term development in the future. Based on its advanced market insights, the Company will remain cautious and make persisting efforts with an exceptional spirit of innovation to achieve the balanced development of all parties involved.

Finally, I would like to express my sincere gratitude on behalf of the board to all our staff for their excellent performance and dedicated efforts.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The principal businesses of the Group are logistics and supply chain services for transportation of finished automobiles and components, logistics and supply chain services for electronic components, materials procurement and related logistics services, cold chain logistics services and other services such as bonded warehouse, container yard, supervision, agency and transportation services. The major customers of the Group included Tong Fang Global (Tianjin) Logistics Co., Ltd. (同方環球(天津)物流有限公司), Tianjin Tongguang Group Digital Communication Co., Ltd. (天津通廣集團數字通訊有限公司), Zhonghai Jiaye International Trading Company Limited (中海嘉燁國際貿易有限公司), Yingtan Tianfu Ecological Technology Co., Ltd. (鷹潭市天富生態科技有限公司), Tianjin Jinghai Storage Centre (天津京海儲運中心), Wuxi Leyejia Commercial Co., Ltd. (無錫樂業家商業有限公司), Jin Heng Tai (Tianjin) Trade Development Co., Ltd. (錦亨泰(天津)貿易發展有限公司) and Toyota Tsusho (Tianjin) Co., Ltd. (豐田通商(天津)有限公司), etc.

During the reporting period, our logistics and supply chain services for transportation of finished automobiles and components overcame various challenges and recovered rapidly, achieving a significant growth in its operating profits as compared with the corresponding period of last year. With adjustments made to the business direction last year and through expanding our customer base, the operating income and operating profits of the Group's materials procurement and related logistics services increased significantly as compared with the corresponding period of last year. With the influence of domestic macroeconomic situation, there was a fall in the logistics and supply chain services for electronic components and logistics services for imported automobiles transportation of the Group's associates as compared with the corresponding period of last year. Other services such as bonded warehouse, container yard, supervision, agency and transportation services maintained a good development momentum with further expansion of business scale. With short period of operation, the Group's cold chain logistics services recorded a loss during the reporting period.

While consolidating the traditional logistics businesses, the Group has actively expanded new areas of the logistics businesses, made use of synergy of its internal resources and acquired quality infrastructure logistics resources to achieve steady but yet rapid growth.

Logistics and Supply Chain Services for Transportation of Finished Automobiles and Components

During the reporting period, the logistics and supply chain services for transportation of finished automobiles and components overcame the negative impact of various challenges and recovered rapidly, achieving a principal business income of RMB904,735,000, which was substantially the same as compared to last year. Net profit increased by 73% as compared with the corresponding period of last year.

Materials Procurement and Related Logistics Services

During the reporting period, with adjustments made to the business direction last year and through expanding our customer base, the scale of materials procurement and related logistics services expanded substantially as compared with the corresponding period of last year. Its principal business income amounted to RMB1,716,567,000, representing an increase of RMB1,015,541,000 or 145% as compared with last year.

Warehouse, Supervision, Agency and Other Income

During the reporting period, other services such as bonded warehouse, container yard, supervision, agency and transportation services maintained a good development momentum with further expansion of business scale. Its operating income amounted to RMB62,121,000, representing an increase of RMB12,153,000 or 24% as compared with last year.

Logistics and Supply Chain Services for Electronic Components (conducted through Investments in Joint Ventures)

During the reporting period, due to the influence of domestic macroeconomic situation, there was a decline in the electronic components logistics service business with net profit decreasing by approximately 18% as compared with the corresponding period of last year.

Financial Review

Turnover

For the year ended 31 December 2013, turnover of the Group was RMB2.683 billion, representing an increase of RMB947 million or 55% as compared to RMB1.736 billion last year. The significant increase in turnover is mainly attributable to the substantial growth of materials procurement and related logistics services compared to last year.

Cost of sales and gross profit

For the year ended 31 December 2013, the cost of sales of the Group was RMB2.588 billion, representing an increase of RMB910 million or 54% as compared to RMB1.678 billion of the corresponding period of last year, which was broadly in line with the growth of turnover for the year.

For the year ended 31 December 2013, gross profit margin of the Group was 3.53%, substantially the same as compared to last year.

Administrative expenses

The administrative expenses of the Group amounted to RMB55,461,000 in 2013, representing an increase of RMB13,411,000 or 32% as compared to RMB42,050,000 in last year. The Group will continue to strengthen its control over part of its administrative expenses.

Finance costs

The Group's finance costs during 2013 amounted to RMB11,614,000, representing a decrease of RMB3,355,000 or 22% as compared to RMB14,969,000 in last year. The Group will continue to improve the efficiency of capital utilization and strive for the most favorable conditions for bank credits so as to reduce the finance costs.

Taxation expenses

The taxation expenses of the Group for 2013 were RMB13,096,000, representing an increase of RMB7,596,000 as compared to RMB5,500,000 last year. The significant increase in taxation expenses was mainly attributable to the improvement of operating results of the Group and Tianjin Fengtian Logistics Co., Ltd. (a subsidiary of the Group) as compared to last year, which led to an increase in the income tax expenses accordingly.

Share of results of associates and joint ventures

The share of results of associates of the Group for 2013 was RMB26,318,000, representing a decrease of RMB22,015,000 or 46% as compared to last year. The decrease was mainly due to the decrease in gains from the Group's investments in Tianjin Port International Automobile Logistics Co., Ltd. (天津港國際汽車物流公司), Tianjin Alps Teda Logistics Co., Ltd. (天津泰達阿爾卑斯物流公司) and Dalian Alps Teda Logistics Co., Ltd. (大連泰達阿爾卑斯物流公司), respectively an associate and two joint ventures of the Group, which recorded decreases in operating results by different levels as compared to last year, and due to the Group's share of investment loss in respect of its equity interests in newly-operated Tedahang Cold Chain Logistic Co., Ltd. (泰達行(天津)冷鏈物流公司) which recorded large amount of loss during the reporting period.

Profit for the period and earnings attributable to the equity holders of the Company

For the year ended 31 December 2013, total profits for the period amounted to RMB56,084,000, representing a decrease of RMB15,065,000 or 21% as compared to last year. Earnings attributable to the equity holders of the Company were RMB47,003,000, decreased by RMB17,661,000 or 27% as compared to RMB64,664,000 last year. The decrease of earnings attributable to the equity holders of the Company was mainly due to the significant decline in share of investment gain of associates and joint ventures as compared to last year.

Dividend

The Board proposes the payment of a final dividend of RMB0.02 per share (corresponding period of 2012: nil), which shall be subject to the approval by the shareholders at the Company's annual general meeting of 2013. Information about the date of the annual general meeting and arrangement on closure of register of member will be announced in due course.

Liquidity and financial resources

For the year ended 31 December 2013, the Group maintained a sound financial position. As at 31 December 2013, the cash and bank deposit of the Group was RMB238,090,000 (31 December 2012: RMB274,067,000). As at 31 December 2013, the total assets of the Group were RMB2,203,203,000 (31 December 2012: RMB1,893,338,000). Capital was sourced from current liabilities of RMB1,353,572,000 (31 December 2012: RMB1,073,561,000), non-current liabilities of RMB6,951,000 (31 December 2012: RMB7,308,000), shareholder's equity attributable to the shareholders of the Group of RMB754,862,000 (31 December 2012: RMB729,111,000) and minority interests of RMB87,818,000 (31 December 2012: RMB83,358,000).

Capital structure

For the year ended 31 December 2013, there was no change in the capital structure of the Company. The share capital of the Company comprised only ordinary shares.

Loans and borrowings

As at 31 December 2013, the balance of bank loans of the Group was RMB270,000,000 (31 December 2012: RMB210,000,000).

Gearing ratio

As at 31 December 2013, the ratio of total liabilities to total assets of the Group was 62% (31 December 2012: 57%). The gearing ratio (ratio of short-term bank loans to total equity) of the Group was 32% (31 December 2012: 26%).

Charge on assets

As at 31 December 2013, there was no charge on assets of the Group.

Exchange loss or gain

All operating revenues and expenses of the Group are denominated in Renminbi.

The Group has no significant investments outside Mainland China. The Group, however, may be exposed to certain extent of foreign currency exchange loss or gain mainly because the Group and the subsidiaries of the Group, Tianjin TEDA General Bonded Warehouse Co., Ltd. (天津泰達公共保稅倉公司) and Tianjin Fengtian Logistics Co., Ltd. (天津豐田物流公司), have transactions denominated in United States Dollar, the Japanese Yen and Hong Kong Dollar. For the twelve months ended 31 December 2013, the Group had an exchange gain of RMB456,000 after offsetting the exchange loss.

Contingent liabilities

As at 31 December 2013, the Group had no material contingent liabilities.

Operating lease commitments

As at 31 December 2013, the Group had the following operating lease commitments:

	2013
	RMB'000
Future minimum lease payments due under the signed irrevocable operating leases contracts	4,615

Major Acquisition or Disposal of Subsidiaries and Associated Companies

During the year, there was no major acquisition or disposal of subsidiaries and associated companies by the Group.

Employees

As at 31 December 2013, the Company employed 2,371 employees (31 December 2012: 2,323).

	As at 31 December 2013	As at 31 December 2012
Administration	**389**	383
Finance	**63**	64
Consulting Technology	**21**	21
Sale and Operation	**1,898**	1,855
Total	**2,371**	2,323

Remuneration Policy

The remunerations of the employees of the Company shall be determined by reference to the market rate, and the performance, qualification and experience of the relevant staff. Also, a discretionary bonus based on individual performance during the year will be distributed as a reward for the contributions made by the employees to the Company. Other staff benefits include pension insurance, unemployment insurance, labour injury insurance, medical insurance, maternity insurance and housing fund, etc.

OTHER CORPORATE INFORMATION

Competition and Conflict of Interests

Competing Interests

None of the Directors, management shareholders, substantial shareholders of the Company or their respective associates have interest in business that competes or may compete with the business of the Group or has any other conflicts of interests with the Group.

Directors', Chief Executive's and Supervisors' Interests in the Company and its Associated Corporations

As at 31 December 2013, none of the directors, chief executives or supervisors of the Company had any interest or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which were (a) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the directors and supervisors are taken or deemed to have under such provisions of the SFO); or (b) recorded in the register required to be kept pursuant to Section 352 of the SFO; or (c) otherwise required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

As at 31 December 2013, none of the directors, chief executives or supervisors of the Company hold any beneficial interests in the equity interests of any member of the Group, or had any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group, or had any interest, directly or indirectly, in any assets acquired or disposed of or leased or proposed to be acquired or disposed of or leased since 1 January 2013.

Substantial shareholders and Persons holding Interests and Short Position in the Shares and Underlying Shares of the Company

So far as is known to the directors, chief executives and supervisors of the Company, as at 31 December 2013, the following person had interests or short positions in the shares and underlying shares of the Company, which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or which were required to be recorded in the register referred to in Section 336 of the SFO:

Long position in Shares

Name	**Capacity**	**Number and class of shares** (Note 1)	**Approximate percentage of shareholding in the same class of shares**	**Approximate percentage of shareholding to the Company's total issued share capital**
Tianjin Teda Investment Holding Co., Ltd.	Beneficial owner	150,420,051 (L) Domestic shares	58.74%	42.45%
Chia Tai Pharmaceutical Investment (Beijing) Co., Ltd.	Beneficial owner	77,303,789 (L) Domestic shares	30.19%	21.82%
Chia Tai Land Company Limited	Beneficial owner	28,344,960 (L) Domestic shares	11.07%	8%
Tianjin Port Development Holdings Limited	Beneficial owner	20,000,000 (L) H shares	20.36%	5.64%
Hongkong Topway Trading Co., Limited	Beneficial owner	10,000,000 (L) H shares	10.18%	2.82%
The National Council for Social Security Fund of the People's Republic of China	Beneficial owner	8,931,200 (L) H shares	9.09%	2.52%

On 7 June 2013, Tianjin Teda Investment Holding Co., Ltd. and Tianjin Economic and Technological Development Area State Asset Operation Company transferred 28,344,960 and 77,303,789 domestic shares of the Company held by them to Chia Tai Land Company Limited and Chia Tai Pharmaceutical Investment (Beijing) Co., Ltd., respectively and completed the transfer of the shares. So far as is known to the directors, chief executives and supervisors of the Company, as at 31 December 2013, the deemed interests of Chia Tai Land Company Limited, Chia Tai Pharmaceutical Investment (Beijing) Co., Ltd. and their associates under Part XV of the SFO are as follows:

Name	Capacity	Number and class of shares (Note 1)	Approximate percentage of shareholding in the same class of shares	Approximate percentage of shareholding to the Company's total issued share capital
Chia Tai Land Company Limited 正大置地有限公司	Beneficial owner	28,344,960(L) Domestic shares	11.07%	8%
Fortune (Shanghai) Limited 富泰(上海)有限公司	Interest of corporation controlled by a substantial shareholder	28,344,960(L) Domestic shares	11.07%	8%
Charoen Pokphand Group Company Limited 正大集團(BVI)控股有限公司	Interest of corporation controlled by a substantial shareholder	28,344,960(L) Domestic shares	11.07%	8%
CPG Overseas Company Limited	Interest of corporation controlled by a substantial shareholder	28,344,960(L) Domestic shares	11.07%	8%
Charoen Pokphand Group Co., Ltd.	Interest of corporation controlled by a substantial shareholder	28,344,960(L) Domestic shares	11.07%	8%
Chia Tai Pharmaceutical Investment (Beijing) Co. Ltd. 正大製藥投資(北京)有限公司	Beneficial owner	77,303,789(L) Domestic shares	30.19%	21.82%
Sino Biopharmaceutical Limited 中國生物製藥有限公司	Interest of corporation controlled by a substantial shareholder	77,303,789(L) Domestic shares	30.19%	21.82%

Note:

1. The letter "L" represents the shareholders' long position in the share capital of the Company.

Save as disclosed in this report, so far as is known to the directors and chief executives of the Company, as at 31 December 2013, no any other persons (other than directors or chief executives or supervisors of the Company) had interests or short positions which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO or, who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company and/or any subsidiary of the Company or, which were required to be recorded in the register referred to in Section 336 of the SFO.

Corporate governance report

The Company believes that stringent corporate governance practices could enhance credibility and transparency and are in the interests of the shareholders of the Company. The Company has established a complete set of code on corporate governance practices – "Handbook of Corporate Governance Practices" pursuant to the requirements of the GEM Listing Rules. Save as disclosed below, the Company has complied with all the requirements of the Corporate Governance Code ("the Code") set out in Appendix 15 of the GEM Listing Rules throughout the reporting year, save for the deviation of Code A.2.1 and Code A.6.7.

Pursuant to Code A.2.1, the roles of the chairman of the Board (the "Chairman") and the chief executive officer (the "CEO") should be separated and should not be performed by the same individual. The division of responsibilities between the Chairman and Chief Executive Officer should be clearly established and set out in writing. As at 31 December 2013, the roles of the Chairman and the CEO of the Company have been performed by Mr. Zhang Jian and he has been responsible for the management of the Board and the operation of the Group. The Board considered that Mr. Zhang Jian has thorough understanding and expertise regarding the business operations of the Group and thus enabling him to make appropriate decisions which are in the interests of the shareholders as a whole on a timely and effectively basis. The Company believes that the combination of the roles of the Chairman and the CEO helps effectively formulating and implementing the Group's strategies as well as quickly responding to the ever-changing markets. The Board also considers that, at this moment, it is not necessary to separate the roles of the Chairman and the CEO. However, the Board will continue to review the effectiveness of the corporate governance structure of the Group in order to decide whether the roles of the Chairman and the CEO should be separated.

Code A.6.7 (as amended) is related to attendance by the independent non-executive directors and the non-executive directors to general meetings. The non-executive director of the Company Mr. Tse Ping did not attend the annual general meeting held on 15 May 2013 and the third extraordinary general meeting held on 12 November 2013 due to personal reasons, the non-executive director, Mr. Zhang Jun did not attend the extraordinary general meeting held on 11 July 2013 due to personal reasons, non-executive director Mr. Hu Jun did not attend the extraordinary general meetings held on 11 July 2013 and 12 November 2013 respectively due to personal reasons, and independent non-executive director Mr. Zhang Limin did not attend the extraordinary general meeting held on 20 August 2013 due to personal reasons, which are not in compliance with Code A.6.7. The Company will continue to create excellent conditions for non-executive directors to attend general meetings, so as to support non-executive directors to respond to shareholders' questions in the general meetings.

Audit Committee

The Company has set up an audit committee pursuant to the requirements under Rule 5.28 of the GEM Listing Rules and the "Guidelines for the Establishment of Audit Committees" prepared by the Hong Kong Institute of Certified Public Accountants, with written terms of reference in compliance with Rule 5.29 of the GEM Listing Rules. The audit committee currently comprises all independent non-executive directors namely Mr. Zhang Limin, Mr. Liu Jingfu and Mr. Luo Yongtai, among which the chairman of the committee, Mr. Zhang Limin, has the competent professional qualification and financial experience. The members of the audit committee convene meetings regularly with the management and external auditors and review the internal audit report and the quayerly, interim and annual reports of the Group. The audit committee reviewed the audited financial statements for the year ended 31 December 2013 and recommended approval to the Board. In 2013, the audit committee held a total of 5 meetings, in which two meetings were convened with the auditor, to review the financial information and the internal control system of the Company. For the year ended 31 December 2013, the Company complied with the requirements of Rules 5.28 of the GEM Listing Rules in respect of the audit committee. The annual results for the year ended 31 December 2013 have been reviewed by the Audit Committee.

Securities Transaction by Directors

The Group has adopted a code of dealing in securities by the Directors of the Group, which was formulated in accordance with Rules 5.48 to 5.67 of the GEM Listing Rules for the purpose of setting out its own required standards for assessment of the conduct of the Directors in dealings in the securities of the Group. Upon enquiries made to each Director by the Company, all Directors confirmed that they have complied with the code of dealing in securities by the Directors.

Purchase, Sale or Redemption of Securities

During the year ended 31 December 2013, neither the Company nor any of its subsidiaries has purchased, redeemed or sold or cancelled any listed securities of the Company.

Preliminary Announcement of the Results

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2013 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

As at the date of this announcement, the executive Director is Mr. Zhang Jian; the non-executive Directors are Mr. Zhang Jun, Mr. Hu Jun, Mr. Tse Ping and Mr. Yang Xiaoping; and the independent non-executive Directors are Mr. Zhang Limin, Mr. Liu Jingfu, Mr. Luo Yongtai and Mr. Japhet Sebastian Law.

By the Order of the Board
Tianjin Binhai Teda Logistics (Group) Corporation Limited*
Zhang Jian
Chairman

Tianjin, 21 March 2014

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for 7 days from the date of its posting. This announcement will also be posted on the Company's website at www.tbtl.cn.

* *For identification purpose only*