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**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)**

**REVISION OF ANNUAL CAPS  
FOR CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the Prospectus where it has been disclosed by the Company that, among other things, certain transactions between the Group and Toyota Tsusho and its associates are regarded as non-exempt continuing connected transactions pursuant to the GEM Listing Rules and a waiver from strict compliance with the requirements under Chapter 20 of the GEM Listing Rules in respect of the Continuing Connected Transactions has been granted by the Stock Exchange.

Due to the unexpected increase in the actual business volume of Toyota Tsusho which leads to the corresponding increase in the demand of the logistics services from the Group, the aggregate transaction value, which has been received by the Group for the financial year ended 31 December 2009, slightly exceeded the annual monetary cap of RMB60,000,000 by approximately RMB5,318,000 and the aggregate transaction value for period from 1 January 2009 to 31 December 2009 is approximately RMB65,318,000. Accordingly, the Company would like to approve and rectify the aggregate transaction value for the period from 1 January 2009 to 31 December 2009 and increase the annual monetary cap for the period from 1 January 2010 to 31 December 2010 so as to reflect the continuing growth in the logistics business.

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 as defined under the GEM Listing Rules. As the previously announced annual cap for the year ended 31 December 2009 was exceeded, the Company will re-comply with the reporting, announcement and independent shareholders' approval requirements under the GEM Listing Rules. Also, since the Revised Annual Cap exceeds 2.5% of the applicable percentage ratio, it constitutes non-exempt continuing connected transactions of the Company under the GEM Listing Rules, which are subject to the reporting, announcement and independent shareholders' approval requirements under the GEM Listing Rules.

\* For identification purposes only

A circular containing, among other things, further details of the Continuing Connected Transactions and the Revised Annual Cap, the recommendations from the Independent Board Committee and the opinion from the independent financial advisor in respect of the Continuing Connected Transactions together with a notice of the EGM will be dispatched to the shareholders of the Company as soon as practicable in accordance with the requirements under the GEM Listing Rules.

Reference is made to the Prospectus where it has been disclosed by the Company that, among other things, certain transactions between the Group and Toyota Tsusho and its associates are regarded as non-exempt continuing connected transactions pursuant to the GEM Listing Rules and a waiver from strict compliance with the requirements under Chapter 20 of the GEM Listing Rules in respect of the Continuing Connected Transactions has been granted by the Stock Exchange.

## **BACKGROUND OF THE CONTINUING CONNECTED TRANSACTIONS**

As disclosed in the Prospectus, the Group has from time to time offered logistics services and supply chain solutions for automobiles and car components to Toyota Tsusho and its associates. The Company entered into the Toyota Services Supply Agreement with Toyota Tsusho on 18 April 2008 for the period up to 31 December 2010 as required by the GEM Listing Rules. Pursuant to the Toyota Services Supply Agreement, the service fees payable by Toyota Tsusho and its associates to the Group shall be determined by reference to the services specified by Toyota Tsusho and its associates, including the nature and quantities of goods to be delivered and handled, the time and human resources required, the distance of freight forwarding and the complexity of the logistics and supply chain solutions (such as processing and packaging cost and fees for customs clearance, where applicable) and on terms no more favourable to Toyota Tsusho and its associates than those available to independent third parties. Please refer to the Prospectus for further details in relation to the Continuing Connected Transactions.

## **REVISION OF ANNUAL CAPS**

Due to the unexpected increase in the actual business volume of Toyota Tsusho which leads to the corresponding increase in the demand of the logistics services from the Group, the aggregate transaction value received by the Group for the financial year ended 31 December 2009 has slightly exceeded the annual monetary cap of RMB60,000,000 by approximately RMB5,318,000 and the aggregate transaction value for period from 1 January 2009 to 31 December 2009 is approximately RMB65,318,000. The aforesaid exceeded amount has come to the attention of the Company in the course of its annual audit and will be further disclosed in the 2009 annual report of the Company.

The Company considers that the aforesaid exceeded amount is mainly due to the unexpected increase in the actual business volume of Toyota Tsusho which leads to the corresponding increase in the demand of the logistics services from the Group. The Continuing Connected Transactions are important to the long-term business relationship between the Group and Toyota Tsusho and its associates and are one major source of income of the Group. Toyota Tsusho and its associates have been paying the Group in accordance with the terms of

invoice issued by the Group to Toyota Tsusho and its associates. As such transactions have been conducted in accordance with the principles as disclosed in the Prospectus, the Board (including the independent non-executive Directors) considers that the aforesaid exceeded amount, is on normal commercial terms, in the ordinary and usual course of business of the Group, fair and reasonable and in the interests of the Company and its shareholders as a whole. Accordingly, the Company would like to approve and rectify the aggregate transaction value for the period from 1 January 2009 to 31 December 2009 and increase the annual monetary cap for the period from 1 January 2010 to 31 December 2010 so as to reflect the continuing growth in the logistics business. Further details in relation to the Continuing Connected Transactions and the Revised Annual Cap will be provided in the circular. The terms of the Toyota Services Supply Agreement as disclosed in the Prospectus will remain unchanged.

## **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 as defined under the GEM Listing Rules. As the previously announced annual cap for the year ended 31 December 2009 was exceeded, the Company will re-comply with the reporting, announcement and independent shareholders' approval requirements under the GEM Listing Rules. Also, since the Revised Annual Cap exceeds 2.5% of the applicable percentage ratio, it constitutes non-exempt continuing connected transactions of the Company under the GEM Listing Rules, which are subject to the reporting, announcement and independent shareholders' approval requirements under the GEM Listing Rules.

The Independent Board Committee, comprising of all the independent non-executive Directors, will be established to advise the independent shareholders on the Continuing Connected Transactions. An independent financial advisor will be appointed to advise the Independent Board Committee and the independent shareholders of the Company on the same matter.

A circular containing, among other things, further details of the Continuing Connected Transactions and the Revised Annual Cap, the recommendations from the Independent Board Committee and the opinion from the independent financial advisor in respect of the Continuing Connected Transactions together with a notice of the EGM will be dispatched to the shareholders of the Company as soon as practicable in accordance with the requirements under the GEM Listing Rules.

## **INFORMATION ON THE GROUP**

The Group is principally engaged in the provision of supply chain logistic services regarding transportation of finished automobiles and automobile components, electronic components, steel procurement and related logistic services and bonded warehouse services.

## INFORMATION ON TOYOTA TSUSHO

Toyota Tsusho and its associates are members of Toyota group. Toyota group is one of the leading manufacturers in the automobiles and car components industry. It has established numerous trade operations, joint ventures and affiliates which engage in the manufacture and trading automobiles and car components in the PRC. Toyota Tsusho has well established transportation network in Shanghai and Guangzhou.

## 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”	means the board of Directors
“Company”	means 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
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Continuing Connected Transactions”	means the transactions as contemplated between the Group and Toyota Tsusho under the Toyota Services Supply Agreement
“Director(s)”	means the director(s) of the Company
“EGM”	means the general meeting to be convened and held to consider and approve the Continuing Connected Transactions and the Revised Annual Cap
“GEM”	means the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	means the Rules Governing the Listing of Securities on the GEM
“Group”	means the Company together with its subsidiaries
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	means an independent committee of the Board comprising all the independent non-executive Directors, namely, Mr. Zhang Limin, Mr. Luo Yongtai and Mr. Liu Jingfu, to be established to advise the independent shareholders on the Continuing Connected Transactions and the Revised Annual Cap

“PRC”	means the People’s Republic of China, which for purpose of this announcement, does not include, Hong Kong, the Macau Special Administrative Region and Taiwan
“Prospectus”	means the prospectus of the Company dated 24 April 2008
“Revised Annual Cap”	means the revised annual cap for the Continuing Connected Transaction for the period from 1 January 2010 to 31 December 2010
“RMB”	means Renminbi, the lawful currency of the PRC
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Toyota Fengtian Logistics”	means 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 on 19 July 1996, which is owned as to 52% by the Company, 36.2% by Toyota Tsusho, 7.3% by Kamigumi Company Limited (日本株式會社上組) and 4.5% by Toyota Transportation Corporation (日本豐田輸送株式會社). Tianjin Fengtian Logistics is a subsidiary of the Company under the GEM Listing Rules
“Toyota Services Supply Agreement”	means a master services agreement entered into between the Company and Toyota Tsusho on 18 April 2008 in relation to the provision of logistics services and supply chain solutions by the Group for automobiles and car components to Toyota Tsusho and/or its associates
“Toyota Tsusho”	Toyota Tsusho Corporation (日本豐田通商株式會社), a company incorporated in Japan with limited liability whose common stock is listed on the first section of Tokyo Stock Exchange and Nagoya Stock Exchange, a shareholder of Tianjin Fengtian Logistics holding 36.2% of its entire registered capital. Toyota Tsusho is owned as to approximately 21.57% by Toyota Motor Corporation and is an associated company of Toyota Motor Corporation. Toyota Tsusho is therefore a member of the Toyota Group. Its principal business includes trading of metals, machinery and electronics products, automotive, energy and chemical products, produce and foodstuffs, consumer products, services and materials
“%”	means per cent

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

Tianjin, the PRC  
12 March 2010

*As at the date of this announcement, the executive Directors are Mr. Zhang Jian and Mr. Wang Wei; the non-executive Directors are Mr. Zhang Jun, Mr. Hu Jun, Mr. Ding Yi and Mr. Zhang Jinming; and the independent non-executive Directors are Mr. Zhang Limin, Mr. Luo Yongtai and Mr. Liu Jingfu.*

*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 Growth Enterprise Market (“GEM”) of the Stock Exchange of Hong Kong Limited for the purpose of giving the information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://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](http://www.tbtl.cn).*