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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)**

## **RENEWAL OF CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the Prospectus, the announcements of the Company dated 12 March 2010 and 9 June 2010 and the circular of the Company dated 20 April 2010 in relation to certain continuing connected transactions between the Group and Toyota Group.

The transactions under the Master Agreement is 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. The revised annual caps for the transactions under the Master Agreement for the years of 2009 and 2010 have been approved at the annual general meeting of the Company on 9 June 2010. The Master Agreement will expire on 31 December 2010.

The Board is pleased to announce that on 23 November 2010 Tianjin Fengtian Logistics and Toyota Tsusho entered into the Logistic Service Agreement to renew the transactions under the Master Agreement for a further term of three years until 31 December 2013.

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. Despite the applicable ratios are less than 25%, the Annual Cap exceeds HK\$10,000,000 and, therefore, 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.

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

## LOGISTIC SERVICE AGREEMENT

Date	:	23 November 2010
Parties	:	(1) Tianjin Fengtian Logistics (2) Toyota Tsusho
Terms	:	3 years commencing from 1 January 2011
Expiry Date	:	31 December 2013
Nature	:	The Group will offer logistics services and supply chain solutions for automobiles and car components to Toyota Group.
Pricing basis	:	The service fees payable by Toyota Group to the Group will be determined by reference to the services specified by Toyota Group, including without limitation, the nature and quantities of goods to be delivered and handled, the time and human resources required, the distance of freight forwarding services 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 Group than those available to independent third parties.
Historical transaction amounts during the Track Record Period	:	The service fees paid by Toyota Group to the Group in respect of logistics services and supply chain solutions for automobiles and car components during the Track Record Period are as follows:

	<b>Audited historical amount from 1 January to 31 December 2008 <i>RMB'000</i></b>	<b>Audited historical amount from 1 January to 31 December 2009 <i>RMB'000</i></b>	<b>Unaudited historical amount from 1 January to 31 August 2010 <i>RMB'000</i></b>
Logistics services and supply chain solutions for automobiles and car components	54,224	65,318	54,304

Proposed annual monetary caps : The proposed annual monetary caps for the three years ending 31 December 2013 are determined based on the Logistic Service Agreement and taking into account the historical figures for the provision of the services to Toyota Group, the anticipated growth in demand in the automobiles and car components industry, and the yearly production plan of Toyota Group and expected inflation in the PRC plus a buffer for the unexpected additional logistics and supply chain solution services to be demanded by Toyota Group. Thus, the Board anticipates that the maximum aggregate annual value will not exceed the following caps:

	Year ended 31 December		
	2011	2012	2013
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Logistics services and supply chain solutions for automobiles and car components	99,000	104,000	108,000

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

The Company considers that the Continuing Connected Transactions are important to the long-term business relationship between the Group and Toyota Group and are one major source of income of the Group. Toyota Group have been paying the Group in accordance with the terms of invoice issued by the Group to Toyota Group.

The Board, including the independent non-executive Directors, considers that the Continuing Connected Transactions are in ordinary course of business of the Group and on normal commercial terms which together with the Annual Cap are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **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. Despite the applicable ratios are less than 25%, the Annual Cap exceeds HK\$10,000,000 and, therefore, 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 adviser will be appointed as to advise the Independent Board Committee and the Shareholders on the same matter.

A circular containing, among other things, further details of the Continuing Connected Transactions, the recommendations from the Independent Board Committee and the opinion from the independent financial adviser in respect of the Continuing Connected Transactions together with a notice of the EGM will be dispatched to the Shareholders 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, materials procurement and related logistic services and bonded warehouse services.

## **INFORMATION ON TOYOTA TSUSHO**

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:

“Annual Cap”	means the proposed annual caps for the Continuing Connected Transactions for the three years ending period 31 December 2013
“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 Group under the Logistic Service Agreement for a term of three years until 31 December 2013

“Director(s)”	means the director(s) of the Company
“Domestic Shares”	means ordinary share(s) of nominal value of RMB1.00 each in the share capital of the Company which are subscribed for or credited as fully paid in RMB
“EGM”	means the extraordinary general meeting to be convened and held to consider and approve, <i>inter alia</i> , the Continuing Connected Transactions and the 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 Shareholders on the Continuing Connected Transactions
“Logistic Service Agreement”	means an agreement dated 23 November 2010 between the Company and Toyota Tsusho in relation to the provision of logistic services and supply chain solutions for automobiles and car components by the Group to Toyota Group for a term of three years until 31 December 2013
“Master Agreement”	means a master 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 Group for a term of three years ending 31 December 2010
“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
“RMB”	means Renminbi, the lawful currency of the PRC
“Shareholder(s)”	means holder(s) of the Shares
“Shares”	means the Domestic Shares and the H shares
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Tianjin 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); and Tianjin Fengtian Logistics is a subsidiary of the Company under the GEM Listing Rules
“Toyota Group”	Toyota Motor Corporation and its subsidiaries and associated companies (including Toyota Tsusho, but for the purpose of this prospectus, excluding the members of the Group) from time to time, being one of the principal group of customers of the Group
“Toyota Tsusho”	means 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 its 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

“Track Record Period” means the period comprising the years of 2008 and 2009 and the first 8 months ending 31 August 2010

“%” means per cent

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

Tianjin, the PRC  
23 November 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, the information contained in this announcement is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or in this announcement misleading.*

*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).*

\* For identification purposes only