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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Tianjin Binhai Teda Logistics (Group) Corporation Limited*, you should at once hand this circular to the purchaser or the transferees or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee(s).

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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)

**(1) MAJOR AND CONNECTED TRANSACTION
IN RELATION TO DEEMED DISPOSAL OF SUBSIDIARY
(2) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Terms used in this cover page shall have the same meaning as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 5 to 14 of this circular.

A letter from the Independent Board Committee containing its recommendation to the Shareholders is set out on page 15 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Shareholders is set out on pages 16 to 24 of this circular.

A notice convening an Extraordinary General Meeting of Tianjin Binhai Teda Logistics (Group) Corporation Limited* to be held at the Conference Room at No.39 Bohai Road, Tianjin Economic and Technological Development Zone, Tianjin, the PRC on Tuesday, 18 January 2011 at 9:30 a.m. is set out on pages 34 to 36 of this circular.

A form of proxy for use at the Extraordinary General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tbtl.cn). Whether or not you intend to attend the Extraordinary General Meeting, you are requested to complete and return (i) the enclosed reply slip in accordance with the instructions printed thereon not later than Wednesday, 29 December 2010 and (ii) the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the Extraordinary General Meeting or any adjournment thereof (as the case may be).

This circular will remain on the "Latest Company Announcement" page of the GEM website at www.hkgem.com and on the Company's website at www.tbtl.cn for at least 7 days from the date of its publication.

29 November 2010

* For identification purpose only

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

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 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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:-

“Alps Group”	means Alps Electric Co. Ltd. and its subsidiaries and associated companies (including Alps Logistics but excluding any member of the Group)
“Alps Logistics”	means Alps Logistics Co., Ltd. (株式會社阿爾卑斯物流), is a company with limited liability incorporated in Japan, whose common stock is listed on the second section of the Tokyo Stock Exchange. Alps Logistics is owned as to approximately 46.6% by Alps Electric Co. Ltd. and according to the annual report of Alps Electric Co. Ltd. for the year of 2009, is regarded as a consolidated subsidiary of Alps Electric Co. Ltd.
“Annual Cap”	means the proposed annual caps for the Continuing Connected Transactions for the three years ending period 31 December 2013
“Articles”	means the articles of association of the Company currently in force
“associate”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	means the board of Directors
“Capital Contribution”	means the total capital contribution in the sum of approximately RMB6,558,704 to be paid by Alps Logistics to Tianjin Alps pursuant to the Capital Increase Agreement
“Capital Increase Agreement”	means an agreement in relation to increase to the registered capital and alteration to the capital contributions of Tianjin Alps Co., Ltd. (天津泰達阿爾卑斯物流有限公司註冊資本及出資比例變更協議) entered into between the Company and Alps Logistics on 2 July 2010
“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
“Completion”	means the completion of the Proposed Capital Increase pursuant to the Capital Increase Agreement
“connected person”	has the meaning ascribed to it under the GEM Listing Rules

DEFINITIONS

“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 Share(s)”	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 paid up in Renminbi
“Extraordinary General Meeting” or “EGM”	means an extraordinary general meeting of the Company to be held at No. 39 Bohai Road, Tianjin Economic and Technological Development Zone, Tianjin, the PRC on Tuesday, 18 January 2011 at 9:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the extraordinary general meeting which is set out on pages 34 to 36 of this circular, or any adjournment thereof
“GEM”	means the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	means the Rules Governing the Listing of Securities on the GEM
“GEM website”	means http://www.hkgem.com , being the internet website operated by the Stock Exchange for GEM
“Group”	means the Company together with its subsidiaries
“H Shares”	means overseas-listed foreign shares of the Company with a nominal value of RMB1.00 each, which are listed on the GEM board of the Stock Exchange
“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, established to advise the Shareholders on the Proposed Capital Increase
“Independent Financial Adviser”	means KBC Bank N.V., acting through its Hong Kong branch, a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) and a registered institution registered for Type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser to the Independent Board Committee and the independent Shareholders

DEFINITIONS

“Latest Practicable Date”	means 26 November 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Logistic Service Agreement”	means an agreement dated 23 November 2010 between the Company and Toyota Tsusho in relation to the provision of logistics services and supply chain solutions for automobiles and car components by the Group to Toyota Group
“Master Agreement”	means a master agreement entered into between the Company and Toyota Tsusho on 18 April 2008 in relation to the provisions of logistics services and supply chain solutions for automobiles and car components by the Group to Toyota Group for a term of three years ending 31 December 2010
“Parties”	means the Company and Alps Logistics
“PRC”	means the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Capital Increase”	means the proposed increase of the registered capital of Tianjin Alps and capital contribution of Alps Logistics as contemplated under the Capital Increase Agreement
“RMB”	means Renminbi, the lawful currency of the PRC
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shareholders”	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 Alps”	means Tianjin Alps Teda Logistics Co., Ltd. (天津泰達阿爾卑斯物流有限公司), a Sino-foreign equity joint venture incorporated in the PRC on 27 October 1992, which is owned as to 52% by the Company and 48% by Alps Logistics as at the date of this circular. Tianjin Alps is a non-wholly owned subsidiary of the Company under the GEM Listing Rules (and accounted for as a jointly controlled entity in the latest consolidated financial statement of the Company)

DEFINITIONS

“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”	means 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 it 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
“Track Record Period”	means the period comprising the years of 2008 and 2009 and the first 8 months ended 31 August 2010
“USD” or “US Dollar”	means the lawful currency of the United States of America
“%”	means per cent.

For the purpose of illustration only and unless otherwise specified in this circular, amounts denominated in USD have been converted into RMB at a rate of USD1.00 to RMB6.7720.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Zhang Jian
Mr. Wang Wei

Non-executive Directors:

Mr. Zhang Jun
Mr. Ding Yi
Mr. Hu Jun
Mr. Zhang Jinming

Independent non-executive Directors:

Mr. Zhang Limin
Mr. Luo Yongtai
Mr. Liu Jingfu

*Registered office and Principal place
of Business in the PRC:*

No. 39, Bohai Road
Tianjin Economic and
Technological Development Zone
Tianjin
The PRC

*Principal place of business
in Hong Kong:*

Suite 2008, 20/F Jardine House
1 Connaught Place
Central
Hong Kong

29 November 2010

To the Shareholders

Dear Sir or Madam,

**(1) MAJOR AND CONNECTED TRANSACTION
IN RELATION TO DEEMED DISPOSAL OF SUBSIDIARY
(2) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding, among other things, (i) details of the Proposed Capital Increase and the Continuing Connected Transactions, (ii) recommendations from the Independent Board Committee in relation to the Proposed Capital Increase and the Continuing Connected Transactions, (iii) letter from the Independent Financial Adviser to the Independent Board Committee containing its advice on the Proposed Capital Increase and the Continuing Connected Transactions and (iv) notice of the EGM.

* For identification purposes only

LETTER FROM THE BOARD

2. PROPOSED CAPITAL INCREASE

Reference is made to the announcement dated 2 July 2010, whereby the Board announced that on 2 July 2010, the Company and Alps Logistics entered into the Capital Increase Agreement, pursuant to which the Parties agreed to increase the registered capital of Tianjin Alps from USD6,000,000 to USD6,240,000 and Alps Logistics agreed to make an additional capital contribution into Tianjin Alps subject to the terms and conditions thereof.

The Capital Increase Agreement

Date : 2 July 2010

Parties : (1) The Company
(2) Alps Logistics

Capital Increase : The registered capital of Tianjin Alps as at the date hereof is USD6,000,000 and its equity interest holders are as follows:

	Contribution to registered capital before the Proposed Capital Increase	Shareholding in the registered capital before the Proposed Capital Increase
The Company	USD3,120,000	52%
Alps Logistics	USD2,880,000	48%

The registered capital of Tianjin Alps will be increased from USD6,000,000 to USD6,240,000. Based on the appraised value of Tianjin Alps under the valuation report which has been approved by the relevant PRC authorities, Alps Logistics will pay to Tianjin Alps a sum of approximately RMB6,558,704 as the Capital Contribution, out of which RMB1,625,280 (equivalent sum of USD240,000) will be applied to the registered capital of Tianjin Alps and RMB4,933,424 will be applied to the capital reserve of Tianjin Alps.

After Completion, the contribution and shareholding in the registered capital of Tianjin Alps will be distributed as follows:

LETTER FROM THE BOARD

	Contribution to registered capital after the Proposed Capital Increase	Shareholding in the registered after the capital Proposed Capital Increase
The Company	USD3,120,000	50%
Alps Logistics	USD3,120,000	50%

Capital Contribution : The amount of the Capital Contribution has been arrived at after arm's length negotiations between the Parties with reference to the valuation of Tianjin Alps conducted by an independent appraiser who was approved by the relevant PRC authorities and engaged by Alps Logistics in order to comply with the applicable PRC laws and regulations. According to the valuation report, which has been duly approved by the relevant PRC authorities, the net asset value of Tianjin Alps as at 31 December 2009 is approximately RMB163,967,600. The net asset value of Tianjin Alps was different from the previously proposed figure of RMB154,509,800 as contained in the announcement dated 2 July 2010 due to the changes to valuation method used in preparing the valuation report at the request of the relevant PRC authorities.

Accordingly, the Capital Contribution will be in the sum of approximately RMB6,558,704 (representing 4% of the net asset value of Tianjin Alps) and paid by Alps Logistics as follows:

- (i) the payment of dividend for the financial year of 2009 in the sum of RMB4,800,000 (pre-tax) distributed by Tianjin Alps will be set off against the Capital Contribution; and
- (ii) the outstanding amount will be payable by Alps Logistics within 30 days from the date of fulfilment of all the conditions precedent.

The exchange rate between USD and RMB will be determined by reference to the relevant exchange rate published by the People's Bank of China on the date of approval from the relevant PRC authorities in respect of the Proposed Capital Increase.

LETTER FROM THE BOARD

- Conditions Precedent : The Proposed Capital Increase will be conditional upon fulfilment of all the following conditions:
- (a) the Company has obtained all necessary approvals from its independent non-executive Directors and Shareholders in respect of the transactions under the Capital Increase Agreement (including but not limited to the Proposed Capital Increase) in compliance with the requirements under the GEM Listing Rules; and
 - (b) the board of directors of Tianjin Alps has approved the transactions under the Capital Increase Agreement (including but not limited to the Proposed Capital Increase); and
 - (c) the Company has obtained all necessary approvals from the relevant PRC authorities in respect of the Proposed Capital Increase.

Effect of the Proposed Capital Increase

Upon Completion, Tianjin Alps will cease to be a non-wholly owned subsidiary of the Company under the GEM Listing Rules (but will continue to be accounted for as a jointly controlled entity in the consolidated financial statement of the Company). The composition of the board of directors of Tianjin Alps will remain unchanged.

For purpose of the consolidated financial statements of the Company, Tianjin Alps will remain as a jointly controlled entity of the Group after completion of the transaction, i.e. consolidated as to 52% before completion of the transaction and 50% after completion of the transaction. Consequently, the total assets and total liabilities of the Group would be reduced by RMB4,254,000 and RMB1,098,000 respectively, which are calculated based on the unaudited financial statements of Tianjin Alps for the 9 months ended 30 September 2010.

There is a slight gain of approximately RMB300,000 expected to be recognised in the consolidated financial statements of the Company for this transaction for the reason that the Capital Contribution is based on the appraised net asset value of Tianjin Alps as at 31 December 2009. The Capital Contribution will be used by Tianjin Alps as its working capital. The remaining 50% equity interest held by the Company in Tianjin Alps will be retained after the Completion.

Reasons for and Benefits of the Proposed Capital Increase

Prior to the Group's reorganisation in 2006, the predecessor of the Group has established its business relationship with Alps Logistics since 1990s through formation of Tianjin Alps as a Sino-foreign equity joint venture in Tianjin, the PRC. As part of the Group's reorganisation for IPO, the Company acquired 52% equity interest in Tianjin Alps from its controlling shareholder, Tianjin Teda Investment Holding Co., Ltd. (天津泰達投資控股有限公司) in June 2006 and thereafter, continue to be holder of 52% equity interest in Tianjin Alps up to today.

LETTER FROM THE BOARD

The Board considers that it is beneficial to the Company to maintain a long-term and positive cooperative relationship between the Company and Alps Logistics, which will promote further business development of Tianjin Alps in the future. It is also the common intention of both the Company and Alps Logistic to have the same control and interest in Tianjin Alps so as to achieve further business growth of Tianjin Alps.

The Board (including the independent non-executive Directors) considers that the Proposed Capital Increase is on normal commercial terms and in the ordinary and usual course of business, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Information on Tianjin Alps

Tianjin Alps is a Sino-foreign joint venture established by the Company and Alps Logistics in the PRC. It is regarded as a subsidiary under the GEM Listing Rules and accounted for as a jointly controlled entity in the consolidated financial statement of the Company. Its principal business includes the provision of logistics and supply chain services in relation to electronic products.

According to the financial statements of Tianjin Alps for the year ended 31 December 2009, the net asset value of Tianjin Alps as at 31 December 2009 is approximately RMB147,533,500. According to the valuation report, the appraised value of Tianjin Alps as at 31 December 2009 is approximately RMB163,967,600.

The net profits of Tianjin Alps for the financial year of 2008 before and after taxation and extraordinary items are RMB43,191,250 and RMB34,112,530 respectively. The net profits of Tianjin Alps for the financial year of 2009 before and after taxation and extraordinary items are RMB25,122,840 and RMB19,004,522 respectively.

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 Alps Group

Alps Group is one of the principal group of customers of the Group. Its principal business includes manufacturing and sales of electronic products.

LETTER FROM THE BOARD

Waiver from Strict Compliance with Requirements related to Profit Forecast under the GEM Listing Rules

As the controlling shareholders of the Company, namely, Tianjin Teda Investment Holding Co., Ltd. (天津泰達投資控股有限公司) 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) are the state-owned enterprises, the equity interest in Tianjin Alps held by the Company would constitute the state-owned assets and the Proposed Capital Increase is subject to approval by the relevant PRC authorities in accordance with the applicable PRC laws and regulations. In order to comply with the applicable PRC laws and regulations, Alps Logistics has engaged an independent appraiser (which was approved by the relevant PRC authorities) to prepare a valuation report on Tianjin Alps. Such valuation report contains the projection of earnings of Tianjin Alps and accordingly, constitutes profit forecast under Rule 19.61 of the GEM Listing Rules.

The preparation of the valuation report was for the purpose of compliance with the applicable PRC laws and regulations. The Board has not considered profit forecast in the valuation report to determine the Proposed Capital Increase. The Board has mainly considered other factors, including the profits and business operations of Tianjin Alps in the past years, the dividends receivable from Tianjin Alps in the past years, the effect to the financial conditions and business operations of Tianjin Alps due to the Proposed Capital Increase, the effect to the financial conditions and business operations of the Company due to the 2% decrease in the equity interest of Tianjin Alps and the future business opportunities between the Company and Alps Group after the Proposed Capital Increase, in its determination of the Proposed Capital Increase. Further, the Company has not prepared or provided any projection of earnings of Tianjin Alps in the valuation report.

In light of the aforesaid circumstances, the Company has applied to the Stock Exchange and has been granted a waiver from strict compliance with the requirements under Rules 19.62, 19.66(3), 20.56(8) and paragraph 29(2) of Appendix 1B of the GEM Listing Rules in respect of the profit forecast in the valuation report on Tianjin Alps.

GEM Listing Rules Implications

As at the date hereof, the Company owns 52% interest in the registered capital of Tianjin Alps, which is a non-wholly owned subsidiary of the Company, while Alps Logistics owns 48% interest in the registered capital of Tianjin Alps. After the Completion, the Company and Alps Logistics will respectively own 50% interest in the registered capital of Tianjin Alps, which will cease to be a non-wholly owned subsidiary of the Company.

LETTER FROM THE BOARD

Since the shareholding of the Company in Tianjin Alps will be diluted by 2% to 50% after Completion, the Proposed Capital Increase constitutes a deemed disposal by the Company of its interest in Tianjin Alps under Rule 19.29 of the GEM Listing Rules. As the applicable ratios under the GEM Listing Rules in relation to the Proposed Capital Increase are more than 25% but less than 75%, it constitutes a major transaction of the Company under Rule 19.06 of the GEM Listing Rules, which is subject to the reporting, announcement and shareholders' approval requirements under the GEM Listing Rules.

Alps Logistics, which holds 48% interest in the registered capital of Tianjin Alps, a non-wholly owned subsidiary of the Company, is a substantial shareholder of Tianjin Alps and thus, a connected person of the Company as defined under the GEM Listing Rules. Consequently, it also constitutes non-exempt connected transactions of the Company under the GEM Listing Rules, which is subject to the reporting, announcement and independent shareholders' approval requirements under the GEM Listing Rules.

3. RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

Reference is made to the Announcement dated 23 November 2010, whereby the Board announced that the Company and Toyota Tsusho have entered into Logistic Service Agreement on 23 November 2010 to renew certain transactions under the Master Agreement for a further term of three years expiring on 31 December 2013.

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.

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.

LETTER FROM THE BOARD

Pricing basis : The service fees payable by Toyota Group to the Group shall 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:

Audited historical amount from 1 January to 31 December 2008 <i>RMB'000</i>	Audited historical amount from 1 January to 31 December 2009 <i>RMB'000</i>	Unaudited historical amount from 1 January to 31 August 2010 <i>RMB'000</i>
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Logistics services and supply chain solutions for automobiles and car components	54,224	65,318	54,304
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Proposed annual monetary caps for the three years ending 31 December 2013 : 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 the Toyota Group, the anticipated growth in demand in the automobiles and car components industry, and the yearly production plan of Toyota Tsusho and its associate and expected inflation in the PRC, plus a buffer for the unexpected additional logistics and supply chain solution services to be demanded by Toyota Tsusho and its associates. Thus, the Board anticipates that the maximum aggregate annual value will not exceed the following caps:

Year ended 31 December		
2011 <i>RMB'000</i>	2012 <i>RMB'000</i>	2013 <i>RMB'000</i>

Logistics services and supply chain solutions for automobiles and car components	99,000	104,000	108,000
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LETTER FROM THE BOARD

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 transaction 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.

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 the 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.

4. EXTRAORDINARY GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the EGM is set out on pages 34 to 36 of this circular. At the EGM, resolutions will be proposed to approve, amongst others, the Proposed Capital Increase and the Continuing Connected Transactions.

LETTER FROM THE BOARD

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tbtl.cn). Whether or not you intend to attend the EGM, you are requested to complete and return (i) the enclosed reply slip in accordance with the instructions printed thereon not later than Wednesday, 29 December 2010 and (ii) the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending the EGM and voting in person if you so wish.

To the best of the Director's knowledge, information and belief and having made all reasonable requires, neither any Director nor any Shareholder has a material interest in the resolutions proposed at the EGM, and neither any Director nor any Shareholder is required to abstain from voting on any of the resolutions at the EGM in accordance with the GEM Listing Rules.

5. PROCEDURES FOR DEMANDING A POLL BY SHAREHOLDERS

According to GEM Listing Rule 17.47(4), any vote of the Shareholders at a general meeting must be taken by poll.

6. RECOMMENDATION

Your attention is drawn to the recommendations of the Independent Board Committee as set out in its letter on page 15 of this circular. Your attention is also drawn to the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Shareholders in respect of the Proposed Capital Increase and the Continuing Connected Transactions on pages 16 to 24 of this circular.

The Directors consider that all resolutions proposed for consideration and approval by the Shareholders at the EGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all the Shareholders to vote in favour of all the resolutions to be proposed at the EGM as set out in the notice of the EGM.

7. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,

By order of the Board

天津濱海泰達物流集團股份有限公司

Tianjin Binhai Teda Logistics (Group) Corporation Limited*

Zhang Jian

Chairman

* *For identification purpose only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



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)

29 November 2010

To the Shareholders

Dear Sir or Madam,

**(1) MAJOR AND CONNECTED TRANSACTION
IN RELATION TO DEEMED DISPOSAL OF SUBSIDIARY
AND
(2) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS**

We refer to the circular issued by the Company to the Shareholders dated 29 November 2010 (the "Circular") of which this letter forms part. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Circular.

We have been appointed by the Board to advise you on the terms of the Proposed Capital Increase and the Continuing Connected Transactions. KBC Bank N.V. Hong Kong Branch has been appointed as the independent financial adviser to advise you and us in this regard. Details of its advice, together with the principal factors and reasons it has taken into consideration in giving such advice, are set out from pages 16 to 24 of the Circular and the additional information set out in the appendix thereto.

Having considered the terms of the Proposed Capital Increase and the Continuing Connected Transactions and taking into account the independent advice of KBC Bank N.V. Hong Kong Branch set out in its letter from pages 16 to 24 of the Circular, we consider that the terms of the Proposed Capital Increase and the Continuing Connected Transactions are fair and reasonable as far as the Shareholders are concerned and the entering into of the Proposed Capital Increase and the Continuing Connected Transactions by the Company is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend you to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Proposed Capital Increase and the Continuing Connected Transactions.

Yours faithfully,
For and on behalf of
The Independent Board Committee
Mr. Zhang Limin
Mr. Luo Yongtai
Mr. Liu Jingfu

* *For identification purpose only*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter received from KBC Bank setting out its advice to the Independent Board Committee and the independent Shareholders for inclusion in this circular.



39/F Central Plaza
18 Harbour Road
Hong Kong

29 November 2010

To the Independent Board Committee and the independent Shareholders

CONNECTED TRANSACTION AND MAJOR TRANSACTION IN RELATION TO THE PROPOSED CAPITAL INCREASE AND THE DEEMED DISPOSAL OF A SUBSIDIARY AND CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the independent Shareholders in connection with the Proposed Capital Increase and the Continuing Connected Transactions, details of which, among other things, are set out in the section headed "Letter from the Board" as contained in the circular dated 29 November 2010 (the "Circular"), of which this letter forms a part. Unless otherwise defined herein, terms used in this letter shall have the same meanings as those defined in the Circular.

On 2 July 2010, the Company and Alps Logistics entered into the Capital Increase Agreement, pursuant to which Alps Logistics has agreed to contribute RMB6,558,704 to Tianjin Alps, a 52% owned subsidiary of the Company under the GEM Listing Rules but being accounted for as a jointly controlled entity in the Company's consolidated financial statements, of which USD240,000 (or RMB1,625,280) will be applied to the registered capital of Tianjin Alps and the remaining balance of RMB4,933,424 will be applied towards its capital reserve. Upon Completion, the registered capital of Tianjin Alps will be increased from US\$6,000,000 to US\$6,240,000 and equally owned by the Company and Alps Logistics.

Since the shareholding of the Company in Tianjin Alps will be diluted by 2% upon Completion, the Proposed Capital Increase constitutes a deemed disposal by the Company under Rule 19.29 of the GEM Listing Rules. Since Alps Logistics is a substantial shareholder of Tianjin Alps and the applicable ratios (as defined under the GEM Listing Rules) in respect of the Proposed Capital Increase are more than 25% but less than 75%, the Proposed Capital Increase also constitutes a major transaction and a non-exempt connected transaction of the Company under Chapters 19 and 20 of the GEM Listing Rules and is subject to the reporting, announcement and independent Shareholders' approval requirements under the GEM Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

On 23 November 2010, Tianjin Fengtian Logistics, a non-wholly owned subsidiary of the Company, entered into the Logistics Service Agreement with Toyota Tsusho to renew the Master Agreement for another three years ending 31 December 2013. By virtue of Toyota Tsusho's holding of 36.2% equity interest in Tianjin Fengtian Logistics, Toyota Tsusho is a connected person of the Company. Accordingly, the Continuing Connected Transactions constitute continuing connected transactions of the Company under the GEM Listing Rules. As the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Annual Caps are more than 5% and the Annual Caps are greater than HK\$10 million, (i) the entering into of the Logistics Service Agreement; and (ii) the Annual Caps are subject to the reporting, announcement and independent Shareholders' approval requirements under the GEM Listing Rules.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Liu Jingfu, Mr. Luo Yongtai and Mr. Zhang Limin, has been formed to advise the independent Shareholders in respect of the Proposed Capital Increase and the Continuing Connected Transactions. We, KBC Bank N.V. Hong Kong Branch, have been appointed as the independent financial adviser to advise the Independent Board Committee and the independent Shareholders as to whether (i) the Proposed Capital Increase and the Continuing Connected Transactions are conducted in the Group's ordinary and usual course of business and on normal commercial terms; and (ii) the terms of the Capital Increase Agreement, Logistics Service Agreement and the Annual Caps are fair and reasonable in so far as the independent Shareholders are concerned; and (iii) the entering into of the Capital Increase Agreement and the Logistics Service Agreement are in the interests of the Company and the Shareholders as a whole.

In formulating our recommendation, we have relied on the information and facts supplied to us by the Company. We have reviewed, among other things, (i) the Capital Increase Agreement; (ii) the Logistics Service Agreement; (iii) the prospectus of the Company dated 24 April 2008 (the "Prospectus"); (iv) the Circular; and (v) the Company's annual reports covering the two years ended 31 December 2009 and its interim report for the six months ended 30 June 2010 (collectively, the "Financial Reports"). We have assumed that all information and facts supplied to us by the Company are true, complete and accurate in all material aspects and we have relied on the same. Also, we have relied on the representations made by the management of the Company that having made all due enquiries and careful decisions, and to the best of their information, knowledge and belief, there is no other fact or representation or the omission of which would make any statement contained in the Circular, including this letter, misleading. We have also assumed that all information, statements and representations made or referred to in the Circular, which have been provided to us by the Company, and for which it is wholly responsible, are true, complete and accurate in all material aspects at the time they were made and continue to be so at the date of despatch of the Circular.

We consider that we have reviewed sufficient information to enable us to reach an informed view to provide us with a reasonable basis for our recommendation. We have no reason to suspect that any material facts have been omitted or withheld, nor are we aware of any facts or circumstances, which would render the information and the representations made to us untrue, inaccurate or misleading. We have not, however, carried out any independent verification of the information provided by the Company; nor have we conducted any independent in-depth investigation into the business and affairs of the Company and its respective associates.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating and giving our independent financial advice to the Independent Board Committee and the independent Shareholders, we have taken into account the following principal factors:

1. Background of the Group

The Group is principally engaged in the provision of supply chain logistic services regarding transportation of finished automobiles and car components, electronic components, materials procurement and related logistic services and bonded warehouse services. The Group's logistics and supply chain services are mainly carried out by its joint ventures with multi-national conglomerates, including Tianjin Alps and Tianjin Fengtian Logistics.

Set out below is a summary of the financial performance of each of the Group for each of the two years ended 31 December 2009 and the six months ended 30 June 2010:

	For the year ended 31 December		For the six months ended 30 June	
	2008 <i>RMB'000</i>	2009 <i>RMB'000</i>	2009 <i>RMB'000</i>	2010 <i>RMB'000</i>
Revenue				
Logistics and supply chain service				
– finished automobiles and car components	754,214	743,840	296,319	462,062
– electronic components	445,903	377,792	147,155	248,958
Materials procurement and related logistics services	929,340	1,707,241	485,303	778,924
	<u>2,129,457</u>	<u>2,828,873</u>	<u>928,777</u>	<u>1,489,944</u>
Revenue from the Group's reportable segment	2,129,457	2,828,873	928,777	1,489,944
Add: Other segments	33,853	25,512	11,941	15,080
Less: Revenue attributable to joint venture partners	(216,477)	(183,179)	(71,277)	(120,787)
	<u>(216,477)</u>	<u>(183,179)</u>	<u>(71,277)</u>	<u>(120,787)</u>
Total revenue	<u><u>1,946,833</u></u>	<u><u>2,671,206</u></u>	<u><u>869,441</u></u>	<u><u>1,384,237</u></u>
Segment Results				
Logistics and supply chain service				
– finished automobiles and car components	50,525	31,567	3,199	29,127
– electronic components	46,022	29,420	4,042	21,418
Materials procurement and related logistics services	21,754	18,951	3,340	10,766
	<u>21,754</u>	<u>18,951</u>	<u>3,340</u>	<u>10,766</u>
Segment results from the Group's reportable segment	118,301	79,938	10,581	61,311
Add: Other segments	(260)	250	(2,934)	600
Less: Segment results attributable to joint venture partners	(22,195)	(14,324)	(1,939)	(10,336)
	<u>(22,195)</u>	<u>(14,324)</u>	<u>(1,939)</u>	<u>(10,336)</u>
Total segment results	<u><u>95,846</u></u>	<u><u>65,864</u></u>	<u><u>5,708</u></u>	<u><u>51,575</u></u>

Source: the Financial Reports

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As noted from the above, the logistics and supply chain services for automobiles and car components segment and electronic components segment are two major contributors of the Group's revenue and profit. The logistics and supply chain services for automobiles and car components, which are carried out by Tianjin Fengtian Logistics, have accounted for approximately 35.4%, 26.3% and 31.0% of the Group's total revenue from its reportable segment and over 40% of the Group's total segment results from its reportable segments for each of the two years ended 31 December 2009 and the six months ended 30 June 2010, respectively. The logistics and supply chain services for electronics components segment, which are carried out by Tianjin Alps, have accounted for approximately 20.9%, 13.4% and 16.7% of the Group's total revenue from its reportable segments and over 30% of the Group's total segment results from its reportable segments for each of the two years ended 31 December 2009 and the six months ended 30 June 2010, respectively.

2. Outlook of the logistics industry of the PRC

Robust economic growth in the PRC

The PRC's economy has recorded continuous growth after the financial turmoil which occurred in late 2008 with its adverse impact to global business activities continued into early 2009. The PRC has recorded an 8.7% year-on-year growth in its gross domestic products for 2009 and 11.1% for the first half of 2010, primarily attributable to the numerous measures announced by the PRC government to stimulate domestic consumption and the gradual recovery of the worldwide economy. With its rebound in exports and resilient domestic demand, the PRC economy is expected to grow at the pace of 10.5% in 2010 and 9.6% in 2011 according to the "World Economic Outlook" report published by the International Monetary Fund in October 2010.

Sustainable growth momentum in the logistics industry in the PRC

In March 2009, the State Council of the PRC issued the 物流業調整和振興規劃 ("The National Plan for Adjustment and Stimulation of the Logistics Industry") which aimed to further expand the logistics industry in the PRC and had specifically identified Tianjin to be one of the major cities within the nine key logistics centers of the PRC. With the implementation of such measures, together with the 4 trillion stimulus package promulgated by the PRC government, the logistics industry in the PRC has been recovering fast amid the financial turmoil occurred during the second half of 2008 with its adverse effect extended to early 2009. According to the China Federation of Logistics and Purchasing, the PRC's national logistics expenditure and value of the logistics industry rose by 7.2% and 7.4% from 2008 to approximately RMB6.08 trillion and RMB96.7 trillion in 2009, respectively. In addition, the PRC's national logistics expenditure during the first half of 2010 reached approximately RMB3.1 trillion (representing an increase of 17.8% as compared to first half of 2009) and it is expected that the overall national logistics expenditure in 2010 will be increased by 12% from 2009.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

3. The Proposed Capital Increase

(i) *Reasons for and benefits of the Proposed Capital Increase*

Intention between the Company and Alps Logistics in respect of Tianjin Alps

As disclosed in the Circular, prior to the Group's reorganisation in 2006, the predecessor of the Group, Tianjin Teda Investment Holding Co., Ltd. ("Tianjin Teda Investment") has established its business relationship with Alps Logistics since the 1990s through the formation of Tianjin Alps as a Sino-foreign equity joint venture in Tianjin, the PRC. As part of the Group's reorganisation for its listing on GEM, the Company acquired 52% equity interest in Tianjin Alps from Tianjin Teda Investment in June 2006 and remains as the 52% shareholder of Tianjin Alps thereafter. It has been the intention of both the Company and Alps Logistics to have the same control and interest in Tianjin Alps since its establishment and such intention has been reflected in the joint venture agreement entered into between the Company and Alps Logistics in respect of their investments in Tianjin Alps, e.g. each of the Company and Alps Logistics will appoint an equal number of directors to the board of directors of Tianjin Alps and the chairman of its board of directors will not have any casting or second vote in case of equality of votes in the board meeting. Since the Group does not have controlling power to govern the financial and operating policies of Tianjin Alps, Tianjin Alps is accounted for as a jointly controlled entity in the Company's consolidated financial statements.

We understand that the Proposed Capital Increase is for the purpose of having the registered capital of Tianjin Alps equally owned by the Company and Alps Logistics to reflect the equal cooperative relationship between the Company and Alps Logistics and Tianjin Alps will continue to be accounted for as a jointly controlled entity in the Company's consolidated financial statements. Having considered the principal business of the Group, the nature of the Proposed Capital Increase and the intention of the Company and Alps Logistics regarding Tianjin Alps, we consider that the Proposed Capital Increase is conducted in the ordinary and usual course of business of the Group.

The Group's strategic alliance relationship with Alps Logistics

As described above, the Group's business in the provision of logistics and supply chain services for electronic components is one of its key profit contributors and accounted for approximately 39%, 37% and 35% of the Group's total segment results from reportable segments for each of the two years ended 31 December 2008 and 2009 and the six months ended 30 June 2010, respectively. The Group, through Tianjin Alps has established long term business relationship with Alps Group, a key customer and business partner of the Group in respect of its logistics and supply chain solution business for electronic components. Alps Logistics is the logistic arm and a member of Alps Group and specialises in the provision of global integrated logistics services for electronic components with an established extensive logistic network spanning across Asia, Southeast Asia, North America and Europe, and its controlling shareholder, Alps Electric Co. Ltd., is a multi-national conglomerate listed on the first market of the Tokyo

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Stock Exchange and a leading comprehensive manufacturer of electronic components for computers, mobile phones, home appliances and automobiles. The management of the Company considers the Group's strategic alliance relationship with Alps Group being one of its key competitive advantages in the PRC's logistics industry because it does not only allow the Group to gain access to Alps Logistic's expertise (managerial, technical and operational) in providing logistics services for electronic components, but also enables the Group to enhance its market image and its potential customers' confidence in the Group's logistics services. Given the above, we concur with the view of the management of the Company that the Proposed Capital Increase will be beneficial to the Group in maintaining a long term, positive and equal cooperative relationship between the Company and Alps Logistics which will in turn promote further business development of Tianjin Alps, and the expected continuous commitment and contribution from Alps Group after the Proposed Capital Increase will also facilitate the future development of Tianjin Alps (and thus benefit the business/financial performance of the Group), which is in the interests of the Company and the Shareholders as a whole.

(ii) The Capital Contribution

The amount of Capital Contribution has been arrived at after arm's length negotiation between the Company and Alps Logistics with reference to (i) the valuation of Tianjin Alps of approximately RMB163,967,600 (the "Valuation") as at 31 December 2009 prepared by an independent valuer approved by the relevant PRC authorities for compliance with the relevant PRC laws and regulation and (ii) the difference between the percentages of shareholding in Tianjin Alps owned by the Company and Alps Logistics of 4%.

Having considered that the Valuation, which represented a premium of approximately 11.1% over the net asset value of Tianjin Alps as at 31 December 2009 and the benefits to be brought about from the Proposed Capital Increase in the future development of Tianjin Alps as mentioned above, we are of the view that the terms of the Capital Increase Agreement (including the amount of the Capital Contribution) are fair and reasonable in so far as the independent Shareholders are concerned.

(iii) Financial impacts of the Proposed Capital Increase

Earnings and net asset value

Upon Completion, the Company's shareholding in Tianjin Alps will be decreased by 2% to 50% and will continue to be accounted for as a jointly controlled entity in the Company's consolidated financial statements. As such, both the revenue and the profit of Tianjin Alps attributable to the Company will be reduced by 2% after Completion. Based on the net asset value of Tianjin Alps of approximately RMB147.53 million as at 31 December 2009 and the Capital Contribution of approximately RMB6.6 million, it is expected that the Group will record an one-off gain of approximately RMB0.3 million from the Proposed Capital Increase and its consolidated net asset value will be increased by the same amount accordingly.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Gearing Ratio

According to the Financial Reports, the Group had net cash of approximately RMB225.79 million as at 30 June 2010. Following the Completion, the additional cash proceeds from the Capital Contribution will further enhance the working capital position of Tianjin Alps.

4. The Continuing Connected Transactions

(i) *Reasons for and benefits of the Continuing Connected Transactions*

Business relationship between the Group and Toyota Tsusho

Toyota Tsusho, a member of the Toyota Group which is principally engaged in the manufacturing and sales of automobiles, is a renowned Japanese enterprise principally engaged in the trading of metals, machinery and electronic products, automotive, energy and chemical products, and its shares are listed on the first section of the Tokyo Stock Exchange and the Nagoya Stock Exchange. Toyota Tsusho has been carrying out its logistics business in the PRC, Japan, the Republic of India, the Republic of Indonesia and the Republic of Colombia through formation of joint ventures with local partners.

As described in the Prospectus, the Group diversified its logistics services in automobiles and related components by establishing Tianjin Fengtian Logistics with Toyota Tsusho as a Sino-foreign equity joint venture in 1996. Tianjin Fengtian Logistics has been providing logistics services and supply chain solutions for automobiles and car components to the Toyota Group for over a decade and the Toyota Group (including Toyota Tsusho) has become a key business partner and customer of the Group, particularly after the commencement of commercial production of the Toyota Group's automobile manufacturing plant in Tianjin in 2002. For each of the two years ended 31 December 2009, revenue from the logistics services and supply chain solutions provided by the Group to the Toyota Group amounted to approximately RMB54.22 million and RMB65.32 million, respectively. In addition, the strategic business relationship with the Toyota Group, which enables the Group to enjoy a strong brand recognition and gain access to management and operation practices of the Toyota Group, has been important to the Group in developing its logistics services and supply chain solutions business and capturing the growing business opportunities since it allows.

Having considered the principal business of the Group and the nature of the Logistics Service Agreement, together with the fact that (i) the Continuing Connected Transactions have been conducted since the establishment of Tianjin Fengtian Logistics; (ii) the entering into of the Logistics Service Agreement is a natural extension to the Master Agreement; and (iii) the Group's long-term business collaboration with the Toyota Group has become increasingly important to the Group's operating and financial performance, we are of the view that the Continuing Connected Transactions are conducted in the ordinary and usual course of business of the Group.

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High growth potential of the automobile-related logistics industry in the PRC

The PRC has overtaken the United States of America as the world's largest producer and consumer of automobiles in 2009. The growth of both production and sales of automobiles have remained strong in the PRC in 2010. According to the statistics of China Association of Automobile Manufacturers, approximately 13.08 million units of automobiles were produced and approximately 13.14 million units of automobiles were sold in the PRC in the first nine months of 2010, up 36.10% and 35.97% from the same period of last year, respectively.

Based on the above, we concur with the management of the Company that the entering into of the Logistics Service Agreement will allow the Group to capture the growth potential of the automobiles industry in the PRC and, therefore, is in the interests of the Company and the Shareholders as a whole.

(ii) Pricing basis of the Logistics Service Agreement

We noted that the pricing basis under the Logistics Service Agreement is the same as those under the Master Agreement, where the fees payable by the Toyota Group for the Continuing Connected Transactions will be determined with reference to the services specified by the Toyota Group, including the nature and the quantities of goods to be delivered and handled, the time and the human resources required, the distance of freight forwarding and the complexity of the logistics and supply chain solutions (such as processing and packaging costs and fees for customs clearance, where applicable) and on terms no more favourable to the Toyota Group than those available to independent third parties. We have also reviewed the invoices of certain sample transactions under which the Group provided logistics services and supply chain solutions to the Toyota Group and independent third parties and noted that the Continuing Connected Transactions are conducted on normal commercial terms which are no more favourable to the Toyota Group than those available to independent third parties.

Having considered the above, we are of the view that the terms of the Logistics Service Agreement are fair and reasonable in so far as the independent Shareholders are concerned.

(iii) The Annual Caps

Set out below is the summary of the actual amounts of the Continuing Connected Transactions for each of the three years ended 31 December 2010 and the Annual Caps for the three years ending 31 December 2013:

	For the year ended 31 December					
	2008	2009	2010	2011	2012	2013
<i>(RMB' 000)</i>						
Annual caps	55,000	60,000	109,000	99,000	104,000	108,000
Utilization rate	98.6%	108.9%#	74.7%*	N/A	N/A	N/A

* being the annualized amount based on the actual transaction amount for the eight months ended 31 August 2010

the annual cap of RMB60 million for the year ended 31 December 2009 has been revised up and the revised cap has been approved by the then independent Shareholders

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As disclosed in the Circular, the Annual Caps are determined based on the Logistics Service Agreement and taking into account the historical figures for the provision of the services to the Toyota Group, the anticipated growth in demand in the automobiles and car components industry, the yearly production plan of the Toyota Group, and the expected inflation rate in the PRC, plus a buffer for the unexpected additional logistics and supply chain solution services to be demanded by the Toyota Group. Having reviewed the projections of the annual demand for the Continuing Connected Transactions provided by the Company and taken into account the above factors, we consider that it is reasonable for the management of the Company to adopt such bases and assumptions in determining the Annual Caps.

RECOMMENDATION

Having considered the above principal factors and reasons, we are of the opinion that (i) the Proposed Capital Increase and the Continuing Connected Transactions are conducted on normal commercial terms and in the ordinary and usual course of business of the Group; (ii) the terms of the Capital Increase Agreement, the Logistics Service Agreement and the Annual Caps are fair and reasonable in so far as the independent Shareholders are concerned; and (iii) the entering into of the Capital Increase Agreement and the Logistics Service Agreement are in the interests of the Company and the Shareholders as a whole. Accordingly, we would recommend the Independent Board Committee to advise the independent Shareholders to vote in favour of the resolution in respect of the Proposed Capital Increase Agreement and the Logistics Service Agreement at the EGM.

Yours faithfully,

For and on behalf of

KBC Bank N.V. Hong Kong Branch

Kenneth Chan

Head of Corporate Finance, Greater China

Gaston Lam

Corporate Finance

STATEMENT OF INDEBTEDNESS**Borrowings**

As at the close of business on 31 October 2010, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had outstanding bank borrowings of approximately RMB143 million, all being unsecured loans.

Capital Commitments

As at 31 October 2010, the Group has the following capital commitments:

	<i>RMB'000</i>
Contracted but not provided for – property, plant and equipment	<u>22,665</u>

Statements

Save as aforesaid and apart from intra-group liabilities and general trade payables, as at the close of business on 31 October 2010, the Group did not have any mortgages, pledges, encumbrances, outstanding loan capital issued or agreed to be issued, bank overdrafts, debt securities or other similar debts, financial leases or hire purchase commitments, liabilities under acceptances (other than normal trade bills) or acceptance credits or any guarantees or other material contingent liabilities.

The Directors confirm that no material changes to the borrowings and liabilities of the Group have occurred since 31 October 2010.

Working Capital

The Directors are of the opinion that in the absence of unforeseen circumstances and after taking into account the effect of the deemed disposal of subsidiary and the financial resources available to the Group, including the internally generated funds and the banking facilities currently available to the Group, the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of this circular.

Financial and Trade Prospects

The principal businesses of the Group is the provision of supply chain logistic services regarding finished automobiles and automobile components, electronic components, materials procurement and related logistics services and bonded warehouse services. Since 2010, with the recovery of global business, the endeavors devoted by the Group in business expansion and enhancement in operation and management, the Group has attained certain recovery in operating income and profit in the its various segments of business.

The Group will keep on integrating its available resources and exploring the opportunities to work with business partners on profit-oriented projects. The Group is now conducting preliminary research at Phase 2 of Tianjin Port Operation Center. In addition, the Group also proactively sought to have part of its current yard designated as inspection site by the Customs at Tianjin Development Zone. Prospectively, with the consolidation of basic logistics service lines, the development of new logistics business, the integration of logistics resources as well as the utilization of logistics infrastructures, the Group will optimize comprehensive strength in logistics industry to realize sustainable growth in the market.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARE CAPITAL OF THE COMPANY AND ITS ASSOCIATES

As at the Latest Practicable Date, none of the Directors, supervisors and chief executive of the Company or their respective associates (with the meaning of the GEM Listing Rules) held interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (with the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were required to be notified to the Company and the Stock Exchange under the provisions of Divisions 7 and 8 of Part XV of the SFO (Chapter 571 of the Laws of Hong Kong) (including interests and short positions which they have taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were otherwise required to be notified to the Company and Stock Exchange pursuant to Rules 5.46 to 5.67.

SUBSTANTIAL SHAREHOLDER'S INTERESTS

So far as is known to the Directors, supervisors and chief executive of the Company, as at the Latest Practicable Date, the following person (other than a Director or a Supervisor or chief executive of the Company) held or deemed to hold 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 which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

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 Company Limited	Beneficial owner	178,765,011 (L) Domestic Shares	69.81%	50.45%
Tianjin Economic and Technological Development Area State Asset Operation Company	Beneficial owner	77,303,789 (L) Domestic Shares	30.19%	21.82%
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%

Note:

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

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any persons (other than a Director or a Supervisor or chief executive of the Company) who held, or deemed to hold interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

DIRECTORS' AND SUPERVISORS' INTERESTS IN ASSETS AND CONTRACTS

As at the Latest Practicable Date, none of the Directors and the supervisors of the Company had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to the Company or are proposed to be acquired or disposed of by or leased to the Company since 31 December 2009 (being the date of the latest published audited financial statements of the Group).

None of the Directors and the supervisors of the Company was materially interested in any contract or arrangement entered into by the Company subsisting at the Latest Practicable Date and which is significant in relation to the business of the Company.

COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors nor his associates was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with that of the Group.

MATERIAL ADVERSE CHANGE

Save as disclosed in this circular, as at the Latest Practicable Date, the Directors were not aware of any material adverse change to the financial or trading position of the Group since 31 December 2009 (being the date of the latest published audited financial statements of the Group).

DIRECTORS' SERVICE CONTRACTS

None of the Directors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

AUDIT COMMITTEE

An audit committee was established with written terms of reference in compliance with the requirements of the GEM Listing Rules. The primary duties of the audit committee are to review and provide supervision over the financial reporting process and internal control system of the Group. The audit committee comprises three independent non-executive Directors, namely, Mr. Zhang Limin, Mr. Liu Jingfu and Mr. Luo Yongtai.

Details of the members of the audit committee are as follows:

Mr. Zhang Limin (張立民), aged 55, joined the Company as an independent non-executive Director in September 2006. Mr. Zhang is an independent non-executive Director who fulfills the requirements under Rule 5.05(2) of the GEM Listing Rules. He obtained a doctoral degree in economics from Tianjin Institute of Finance and Economics (天津財經學院) (currently known as Tianjin University of Finance and Economics (天津財經大學)) in 1992. He is a professor in accounting accredited by Teaching Duties Evaluation Committee of Tianjin Higher Education Bureau (天津高教局教師職務評委會) and a qualified teacher for institutes of higher learning accredited by the Department of

Education of Guangdong Province (廣東省教育廳). Mr. Zhang is also a non-practising member of the Chinese Institute of Certified Public Accountants, joint vice-chairman and a member of the fifth executive committee of the China Audit Society. He is a professor of Accounts of the School of Economic Management at Beijing Jiaotong University (北京交通大學經濟管理學院) and part time professor at Sun Yat-sen University (中山大學). Since 2000, Mr. Zhang has been working as deputy chief accountant and has undertaken professional technical advisory duties at Shenzhen Pengcheng Certified Public Accountants (深圳鵬成會計師事務所). He has been involved in the auditing of financial statements of banks and listed companies and relevant business advisory work. He is an independent director of Shenzhen Airport Co., Ltd (深圳市機場股份有限公司) (Stock code: 000089, Shenzhen Stock Exchange), Shenzhen Expressway Company Limited (深圳市高速公路股份有限公司) (Stock code: 600548, Shanghai Stock Exchange) and Tianjin Benefo Tejing Electric Co., Ltd.(天津百利特精电气股份有限公司) (Stock code: 600468, Shanghai Stock Exchange). He is also a director of SORL Auto Parts Inc. (Stock symbol: SORL NASDAQ Global Market). He was a former independent director of China International Marine Containers (Group) Co., Ltd. (中國國際海運集裝箱(集團)股份有限公司) (Stock code: 000039, Shenzhen Stock Exchange), Shenzhen Chiwan Wharf Holdings Limited (深圳赤灣港航股份有限公司) (Stock code: 000022, Shenzhen Stock Exchange) and Shenzhen Changcheng Investment Holding Co., Ltd (深圳市長城投資控股股份有限公司) (Stock code: 000042, Shenzhen Stock Exchange).

Mr. Luo Yongtai (羅永泰), aged 64, joined the Company as an independent non-executive director in September 2006. He obtained a doctor degree in economic science (specialized in industry) from the National Academy of Sciences of Ukraine in 2003. He is a professor in management engineering accredited by Teaching Title Evaluation Committee of Tianjin Education Committee (天津教委教師職稱評委會) and a qualified higher education teacher recognized by the PRC Education Committee. He is the chair professor and tutor of postgraduates of the profession of management of Tianjin University of Finance and Economics (天津財經大學). He was a former independent director of Tianjin Reality Development (Group) Company Limited (天津市房地產發展(集團)股份有限公司) (Stock code: 600322, Shanghai Stock Exchange) and currently an independent director of Tianjin Quanye Bazaar (Group) Co., Ltd. (天津勸業場(集團)股份有限公司) (Stock code: 600821, Shanghai Stock Exchange). He is also an independent director of Tianjin TEDA Co., Ltd. (天津泰達股份有限公司) (Stock code: 000652, Shenzhen Stock Exchange) and Sichuan Datong Gas Development Co., Ltd (四川大通燃氣開發股份有限公司) (Stock code: 000593, Shenzhen Stock Exchange), and an independent non-executive director of Zhongyu Gas Holdings Limited (中裕燃氣控股有限公司) (Stock code: 8070, Hong Kong Stock Exchange).

Mr. Liu Jingfu (劉景福), aged 47, joined the Company as an independent non-executive Director in September 2006. He obtained a master degree in business administration from Nankai University (南開大學) in 2000. He is a senior engineer accredited by the Ministry of Railways of the PRC. He is a member of the Standardization Administration of the PRC (中國國家標準化管理委員會). He is currently the chairman of China Railway Modern Logistics Technology Co., Ltd. (中鐵現代物流科技股份有限公司), a state-owned enterprise established in the PRC. He is also the vice director of Management Committee for China Railway Freight (中國鐵道物資管理委員會), vice director of the Editorial Board of Railway Purchase and Logistics (《鐵道物流與採購》), vice president of Beijing Logistics Association (北京市物流協會), an expert of the National Logistics Information Standardized Technology Commission (全國物流信息標準化技術委員會), and an expert of the National Logistics

Enterprises Comprehensive Evaluation Commission (全國物流企業綜合評估委員會). He is the ambassador of China Green Logistics, and has published about 50 papers on magazines of the second grade or above, with published words about 400,000 and also completed 4 scientific research projects of ministerial level. Mr. Liu has accumulated years of experience in the management of the operation of logistics business. Mr. Liu is also a visiting professor at Beijing Jiaotong University (北京交通大學), University of Economics and Law of the PRC (中國財經政法大學) and Beijing Technology and Business University (北京工商大學).

Save as aforesaid, none of the members of the audit committee has been a director of any other company listed on the main board or GEM of the Stock Exchange or any other exchange.

MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within 2 years immediately preceding the date of this circular and are or may be material:

1. the service agreement dated 6 February 2009 between Tianjin Fengtian Logistics Co., Ltd. (天津豐田物流有限公司), a non-wholly owned subsidiary of the Company, and Toyota Tsusho Corporation (日本豐田通商株式會社) in relation to the provision of certain logistics services for automobiles and car components to the Group subject to the terms and conditions therein;
2. the capital injection agreement dated 21 April 2009 among Tianjin Yuan Da Xian Dai Logistics Co., Ltd. (天津元大現代物流有限公司) and four individual shareholders, namely, Xiao Hua Kang, Cai Guo Bin, Tang Yue Feng and Wu Shou Hua pursuant to which the registered capital of Tianjin Binhai Yuan Sheng Steel Market Operation and Management Co., Ltd. (天津濱海元盛鋼材市場經營管理有限公司) would be increased from RMB10,000,000 to RMB15,000,000 subject to the terms and conditions therein;
3. the promoters' agreement dated 11 May 2009 entered into between the Company and the nine other shareholders, namely, Inner Mongolia Ordos Metallurgy Co., Ltd. (內蒙古鄂爾多斯冶金有限責任公司), Tianjin Port Free Trade Zone Xingang International Trading Co., Ltd. (天津港保稅區鑫港國際貿易有限公司), Tianjin Port Development Holdings Limited (天津港發展控股有限公司), Jinzhong Wanbang Industrial Trading Co., Ltd. (晉中萬邦工貿有限公司), Shangxi Yiwang Ferroalloy Co., Ltd. (山西義望鐵合金有限責任公司), Langfang Xinda Terroalloy Co., Ltd. (廊坊鑫達鐵合金有限公司), Shanxi Yinguang Huasheng Meiye (Group) Co., Ltd. (山西銀光華盛鎂業股份有限公司), Fugu County Tongyuan Magnesium Co., Ltd. (府谷縣同源鎂業有限責任公司), and Qinghai Wutong (Group) Industry Co., Ltd. (青海物通(集團)實業有限公司) in relation to establishment of the Tianjin Far East Ferroalloy Trading Centre Co., Ltd. (天津遠東鐵合金交易中心有限責任公司); and
4. the Capital Increase Agreement; and
5. the Logistic Service Agreement.

LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and there is no litigation or claim of material importance known to the Directors to be pending or threatened by or against any member of the Group.

CONSENT AND QUALIFICATION OF EXPERT

Name	Qualification
KBC Bank N.V. Hong Kong Branch	KBC Bank N.V., acting through its Hong Kong branch, a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) and a registered institution registered for Type 6 (advising on corporate finance) regulated activities under the SFO

- (a) KBC Bank N.V. Hong Kong Branch has given and not withdrawn its written consent to the issue of this circular with the inclusion of its letter and the reference to its name in the form and context in which it appears.
- (b) As at the Latest Practicable Date, KBC Bank N.V. Hong Kong Branch was not beneficially interested in the share capital of any member of the Group nor had it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (c) As at the Latest Practicable Date, KBC Bank N.V. Hong Kong Branch has no direct or indirect interest in any assets which had, since 31 December 2009, being the date of the latest published audited financial statements of the Group, been acquired or disposed of by, or leased to, or are proposed to be acquired or disposed of by, or leased to, any member of the Group.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours from 9:30 a.m. to 1:00 p.m. and from 2:00 p.m. to 6:00 p.m. (other than Saturdays, Sundays and public holidays) from 4 January 2011 up to and including the date of the EGM:

- (i) the articles of the Company;
- (ii) the Capital Increase Agreement;
- (iii) the Master Agreement and the Logistic Service Agreement;
- (iv) the material contracts referred to in the paragraph headed “Material Contracts” in this appendix;

- (v) the annual reports of the Company for the years ended 31 December 2008 and 31 December 2009 respectively;
- (vi) the written consents from the Independent Financial Adviser referred to in the paragraph headed “Consent and Qualification of Expert” in this appendix;
- (vii) the circular of the Company dated 20 April 2010; and
- (viii) this circular.

MISCELLANEOUS

- (i) The registered office and the principal place of business in the PRC of the Company is at No. 39, Bohai Road, Tianjin Economic and Technological Development Zone, Tianjin, the PRC.
- (ii) The principal place of business of the Company in Hong Kong is Suite 2008, 20/F, Jardine House, 1 Connaught Place, Central, Hong Kong.
- (iii) The Company’s H Share Registrars and transfer office in Hong Kong is Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.
- (iv) The company secretary of the Company is Mr. Wang Xiao Jun, who is a practicing solicitor of the High Court of Hong Kong.
- (v) The compliance officer of the Company is Mr. Zhang Jian.
- (vi) In the event of inconsistency, the English language text of this circular shall prevail over the Chinese language text.

NOTICE OF THE EGM

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.



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)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Tianjin Binhai Teda Logistics (Group) Corporation Limited* (the “Company”) will be held on Tuesday, 18 January 2011 at 9:30 a.m. at the registered office of the Company at No. 39 Bohai Road, Tianjin Economic and Technological Development Zone, Tianjin, the People’s Republic of China (the “PRC”) for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

ORDINARY RESOLUTIONS

“THAT

1. the agreement dated 2 July 2010 entered into between the Company and Alps Logistics Co., Ltd. in relation to increase to the registered capital and alteration to the capital contributions of Tianjin Alps Teda Logistics Co., Ltd. (天津泰達阿爾卑斯物流有限公司註冊資本及出資比例變更協議) and the transactions contemplated thereunder including, but without limitation, the proposed capital increase of Tianjin Alps Teda Logistics Co., Ltd. (天津泰達阿爾卑斯物流有限公司), be and are hereby approved, confirmed and ratified;
2. the agreement dated 23 November 2010 entered between Tianjin Fengtian Logistics Co., Ltd. and Toyota Tsusho Corporation (日本豐田通商株式會社) in relation to the provision of logistics 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 and the transactions contemplated thereunder together with the proposed Annual Cap be and are hereby approved, confirmed and ratified; and

NOTICE OF THE EGM

- the directors of the Company be and are hereby authorised to execute all documents and do all acts and things for and on behalf of the Company which they consider necessary or expedient for the implementation of and giving effect to the Capital Increase Agreement and the Logistic Service Agreement together with any transactions contemplated thereunder.”

Yours faithfully,

By order of the Board

天津濱海泰達物流集團股份有限公司

Tianjin Binhai Teda Logistics (Group) Corporation Limited*

Zhang Jian

Chairman

Tianjin, the PRC
29 November 2010

As at the date of this notice, 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.

Notes:

- A member of the Company (“Member”) entitled to attend and vote at the EGM is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a Member. A form of proxy for use at the EGM is enclosed herewith. In the case of joint holders of any Share, only the person whose name appears first in the register of members shall be entitled to receive this notice, to attend and exercise all the voting powers attached to such Share at the EGM, and this notice shall be deemed to be given to all joint holders of such Share.
- To be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company’s H share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, and in case of holders of domestic shares, to the Company’s mailing address at No. 39 Bohai Road, Tianjin Economic and Technological Development Zone, Tianjin, the PRC, not later than 24 hours before the time appointed for holding the EGM or the time appointed for passing the resolutions or any adjournment thereof. Delivery of the form of proxy shall not preclude a Member from attending and voting in person at the EGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- The register of Members in Hong Kong will be closed from 20 December 2010 to 18 January 2011, both days inclusive, during which period no transfer of H shares of the Company will be effected. For the identification of Members who are qualified to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s H share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 17 December 2010.
- Whether or not holders of H shares of the Company intend to attend the EGM, they are requested to complete the enclosed reply slip for the EGM and return it, by hand or by post, to the Company’s H share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on or before Wednesday, 29 December 2010.

* *For identification purpose only*

NOTICE OF THE EGM

5. Whether or not holders of domestic shares of the Company intend to attend to the EGM, they are requested to complete the enclosed reply slip for the EGM and return it, by hand or by post, to the Company's mailing address at No. 39 Bohai Road, Tianjin Economic and Technological Development Zone, Tianjin, the PRC on or before Wednesday, 29 December 2010.
6. Details of the biographies of the proposed appointed executive director, non-executive directors and supervisor are set out in the circular despatched to shareholders of H Shares.

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this notice is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

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