

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



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)

DISCLOSEABLE TRANSACTION FORMATION OF A JOINT VENTURE

INTRODUCTION

The Board is pleased to announce that on 16 May 2012, after trading hours, the Company entered into the Joint Venture Agreement with Tianjin Port Logistics and Tianjin Port Electric, pursuant to which the Parties shall incorporate the JV Company in the PRC for carrying out the primary business of warehousing, logistics, distribution, vehicle processing and maintenance, international freight forwarding and other operations related to automobile import and export. The registered capital of the JV Company shall be RMB150,000,000. Tianjin Port Logistics shall contribute RMB76,500,000 (representing 51% of the registered capital), the Company shall contribute RMB60,000,000 (representing 40% of the registered capital), and Tianjin Port Electric shall contribute RMB 13,500,000 (representing 9% of the registered capital) to the registered capital of the JV Company.

As the highest applicable percentage ratio calculated for the Company in respect of its total capital contribution in the JV Company is more than 5% but less than 25%, the formation of the JV Company under the Joint Venture Agreement shall constitute a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to notification and announcement requirements.

INTRODUCTION

The Board announces that on 16 May 2012, the Company entered into the Joint Venture Agreement with Tianjin Port Logistics and Tianjin Port Electric in relation to the establishment of the JV Company in the PRC, which will engage in warehousing, logistics, distribution, vehicle processing and maintenance, international freight forwarding and other operations related to automobile import and export. Pursuant to the Joint Venture Agreement, the JV Company shall be held as to 51% by Tianjin Port Logistics, 40% by the Company and 9% by Tianjin Port Electric.

* *For identification purposes only*

THE JOINT VENTURE AGREEMENT

Date

16 May 2012

Parties

- (1) The Company, as one of the joint venture partners
- (2) Tianjin Port Logistics, as one of the joint venture partners
- (3) Tianjin Port Electric, as one of the joint venture partners

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Tianjin Port Logistics and Tianjin Port Electric and their ultimate beneficial owners are the third parties independent of the Company and connected persons of the Company.

Establishment of the JV Company

The JV Company will be established as a limited liability company. Unless otherwise specified in the Joint Venture Agreement, any of the Parties, upon completion of its contribution to the registered capital of the JV Company, shall not be required to make any capital call to or on behalf of the JV Company by way of capital contribution, loan, advance, guarantee or otherwise. The creditors and co-claimers to the JV Company are only entitled to the right of recourse against the assets of the JV Company, and shall not claim any payment or repayment against any of the Parties. Subject to the aforesaid provisions, the Parties shall share the profits, risks and losses of the JV Company in proportion to their respective contributions to the registered capital of the JV Company.

Scope of business of the JV Company

The JV Company will engage in warehousing, logistics, distribution, vehicle processing and maintenance, international freight forwarding and other operations related to automobile import and export.

Registered capital of the JV Company

The registered capital of the JV Company shall be RMB150,000,000, of which Tianjin Port Logistics, the Company and Tianjin Port Electric will contribute RMB76,500,000, RMB60,000,000 and RMB13,500,000, respectively, representing approximately 51%, 40% and 9% of the registered capital of the JV Company. Each of Tianjin Port Logistics, the Company and Tianjin Port Electric shall contribute 20% of their respective contribution to the registered capital by cash within 15 days from signing the Joint Venture Agreement, and the remaining contributions shall be made within two years from the date of the business licence according to the progresses of such projects as the JV Company may engage in. The contributions to be paid by the Parties were arrived at after arm's length negotiations among the Parties.

Any of the Parties that fails to satisfy in full its contribution to the registered capital as required above shall be liable for paying to the JV Company an overdue fine in respect of the outstanding amount, calculated as 0.02% of the outstanding amount per day for the period from the due date up to the payment date. In case of an overdue period exceeding thirty (30) days, any of the other Parties having contributed in full shall have the right to terminate the Joint Venture Agreement. In the event that the Joint Venture Agreement is so terminated, the defaulting party shall, in addition to the payment of the aforesaid overdue fine to the other Parties having contributed in full, indemnify the other Parties having contributed in full against all costs and expenses arising from the preparation for establishment of the JV Company, including but not limited to feasibility study expense for establishment of the JV Company, pre-authorisation cost for its company name and counsel fee.

Term of the Joint Venture Agreement

Under the Joint Venture Agreement, the JV Company shall subsist for a term of 30 years commencing from the date on which its business licence is issued by the state administration for industry and commerce. Upon an agreed-upon extension to such term, the Parties may continue their partnership, subject to the registration of the change with the administrative authorities for industry and commerce.

Transfer of Equity

Any of the Parties may transfer, sell or otherwise dispose of the whole or part of its equity (“Disposing Party”) to any third party independent of the shareholders, subject to prior written consent of the other two Parties, in which case the other two Parties shall have the right of first refusal for acquisition at a price not higher than the price made available by the Disposing Party to any third party.

Board composition

The Board of Directors of the JV Company is composed of one chairman, one vice chairman and three other Directors. Each of the chairman, vice chairman and other Directors has a term of service of three years, and each Director may be re-elected in accordance to the Joint Venture Agreement. Tianjin Port Logistics will appoint two Directors, the Company will appoint two Directors and Tianjin Port Electric will appoint one director. The chairman will be appointed by Tianjin Port Logistics, while the vice chairman will be appointed by the Company.

Profit Distribution

The distributable profit of the JV Company after the provision of reserves under the Joint Venture Agreement shall be distributed in proportion to the respective contributions of the shareholders, subject to the resolutions of its shareholders’ general meeting. No profit shall be distributed until the losses in the previous years are recovered. Undistributed profit in the previous years may also be utilised in profit distribution for the current year. Profit distribution of the JV Company shall be made once a year based on the profit distribution plan and the amounts payable to the respective Parties as published within three months after the end of each fiscal year.

GENERAL INFORMATION

Information on the JV Company

The JV Company will be set up in the PRC as a limited liability company, and will have a registered share capital of RMB150 million. Upon establishment, Tianjin Port Logistics, the Company and Tianjin Port Electric will each hold approximately 51%, 40% and 9% of the registered capital of the JV Company. The JV Company will adopt scientific management methodology, innovative management mechanism and leading logistic technologies, integrating prime resources to expand the existing and potential markets and provide first-class services to customers.

Information on the Company

The Company together with its subsidiaries is principally engaged in the provision of comprehensive logistics services, mainly in the areas of supply chain solutions and materials procurement businesses and related services.

Information on Tianjin Port Logistics

Tianjin Port Logistics is a wholly-owned subsidiary of Tianjin Port Holdings principally engaging in international cargo agency, cargo transportation, warehousing and stevedoring businesses.

Information on Tianjin Port Electric

Tianjin Port Electric is a subsidiary of Tianjin Port Group engaging in the provision of electricity system repair and maintenance services, yard leasing and warehousing business.

Implications under the GEM Listing Rules

As the highest applicable percentage ratio calculated for the Company in respect of its total capital contribution in the JV Company is more than 5% but less than 25%, the formation of the JV Company under the Joint Venture Agreement shall constitute a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to notification and announcement requirements.

Reasons for and benefits of the establishment of the JV Company

The establishment of the JV Company is beneficial to the Company in maintaining a long-term, positive and equal cooperative relationship among the Company, Tianjin Port Logistics and Tianjin Port Electric. This cooperative relationship will facilitate the smooth development of the Company's future businesses. Through its efficient management, the JV Company will facilitate the development of the automobile logistics industry for the Tianjin Port, and is expected to achieve desirable return on investment as well as sound integrated benefit for the port.

The Directors consider that the terms of the Joint Venture Agreement are fair and reasonable and are in the best interest of the Company and the Shareholders as a whole.

DEFINITIONS

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

| | |
|---------------------------|---|
| “Board” | the board of Directors; |
| “Company” | 天津濱海泰達物流集團股份有限公司(Tianjin Binhai Teda Logistics (Group) Corporation Limited*) (Stock code: 8348), a joint stock limited company incorporated in the PRC with limited liability; |
| “connected persons” | has the meaning given to under the GEM Listing Rules; |
| “Director(s)” | the director(s) of the Company; |
| “GEM” | the Growth Enterprise Market of the Stock Exchange; |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on the GEM; |
| “Joint Venture Agreement” | the joint venture agreement dated 16 May 2012 entered into by the Company, Tianjin Port Logistics and Tianjin Port Electric in relation to the formation of the JV Company; |
| “JV Company” | 天津港港灣國際汽車物流有限公司(Tianjin Port International Automobile Logistics Co., Ltd.*) (subject to the pre-authorized name by the administrative authorities for industry and commence), a company incorporated in the PRC with limited liability; |
| “Parties” | parties to the Joint Venture Agreement, namely, the Company, Tianjin Port Logistics and Tianjin Port Electric; |
| “PRC” | the People’s Republic of China, which for the purpose of this announcement, does not include, Hong Kong, the Macau Special Administrative Region and Taiwan; |
| “RMB” | Renminbi, the lawful currency of the PRC; |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |

| | |
|----------------------------|--|
| “Tianjin Port Development” | Tianjin Port Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability, a subsidiary of Tianjin Port Group and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 03382); As at the date of this announcement, Tianjin Port Development is interested in 20,000,000 H shares of the Company, being 5.64% of the total issued shares of the Company; |
| “Tianjin Port Holdings” | 天津港股份有限公司(Tianjin Port Holdings Co., Ltd.*), a limited liability company incorporated in the PRC, a subsidiary of Tianjin Port Development and the shares of which are listed on the Shanghai Stock Exchange (stock code: 600717); |
| “Tianjin Port Electric” | 天津港灣電力工程有限公司(Tianjin Port Electricity Project Co., Ltd. *), a company incorporated in the PRC with limited liability; |
| “Tianjin Port Group” | 天津港(集團)有限公司(Tianjin Port (Group) Co., Ltd.*), an entity reorganised as a wholly state-owned company in the PRC on 29 July 2004 and the holding company of the business owned and operated by the former Tianjin Port Authority; |
| “Tianjin Port Logistics” | 天津港物流發展有限公司(Tianjin Port Logistics Development Co., Ltd.*), a company incorporated in the PRC with limited liability; and |
| “%” | per cent. |

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

Tianjin, the PRC
16 May 2012

As at the date of this announcement, the executive Director is Mr. Zhang Jian; the non-executive Directors are Mr. Hu Jun, Mr. Zhang Jun, Mr. Wang Jincan and Mr. Chen Fang; 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 of The Stock Exchange of Hong Kong Limited 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 announcement 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 announcement misleading.

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