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**If you have sold or transferred** all your shares in **Tianjin Development Holdings Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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天津发展控股有限公司

TIANJIN DEVELOPMENT HOLDINGS LIMITED

*(Incorporated in the Hong Kong SAR with limited liability under the Companies Ordinance)*

**(Stock Code: 882)**

**DISCLOSEABLE TRANSACTION FOR FORMATION OF A  
WHOLLY-FOREIGN OWNED ENTERPRISE IN THE PRC**

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A letter from the Board is set out on pages 4 to 10 of this circular.

15 August 2006

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## DEFINITIONS

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

“APMT”	APM Terminals Tianjin Company Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of A.P. Møller – Marsk A/S. A.P. Møller – Marsk A/S is an international terminal and transportation operator
“associates”	has the meaning ascribed to it under the Listing Rules
“Company”	Tianjin Development Holdings Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the main board of the Stock Exchange and which is the indirect controlling shareholder of Tianjin Port Development
“COSCO Ports”	COSCO Ports (Tianjin North Basin) Limited (中遠碼頭(天津北港池)有限公司), a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of COSCO Pacific Limited (stock code: 1199), a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Facility”	the container handling terminal to be constructed by the WFOE at the Beigangchi (北港池) area of the port of Tianjin with total quay length of 1,100 meters and water depth alongside the terminal of 15.5 meters and up to 18 meters and has three container handling berths and a container stacking yard in excess of 700,000 square meters
“Group”	the Company and its subsidiaries, including the Tianjin Port Development Group
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Joint Venture Parties”	Tianjin Port Development International, COSCO Ports and APMT
“Latest Practicable Date”	11 August 2006, being the latest practicable date prior to the printing of this circular for determining certain information for the purpose of inclusion in this circular

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## DEFINITIONS

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“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which for the purpose of this circular, excluding Hong Kong, the Macao Special Administrative Region and Taiwan
“SFO”	Securities and Futures Ordinance, Cap 571 of The Laws of Hong Kong
“Shareholder(s)”	shareholder(s) of the Company
“Share Offer”	the offer of Tianjin Port Development Shares to the public in Hong Kong and other investors for subscription, the preferential offer of the Tianjin Port Development Shares to the qualifying Shareholders and the placing of the Tianjin Port Development Shares with certain professional, institutional and other investors in May 2006
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TEUs”	container size standard of twenty feet and is frequently used to refer to container vessel capacity and port throughput capacity
“Tianjin Port Development”	Tianjin Port Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange
“Tianjin Port Development Group”	Tianjin Port Development and its subsidiaries
“Tianjin Port Development International”	Tianjin Port Development International Limited (天津港發展國際有限公司), a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of Tianjin Port Development
“Tianjin Port Development Shares”	ordinary share(s) of HK\$0.10 each in the capital of Tianjin Port Development
“Tianjin Port Development Shareholder(s)”	shareholder(s) of Tianjin Port Development

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## DEFINITIONS

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“WFOE”	天津港歐亞國際集裝箱碼頭有限公司 (Tianjin Port Euroasia International Container Terminal Co., Ltd.), a wholly-foreign owned enterprise to be established in the PRC by Tianjin Port Development International, COSCO Ports and APMT as to 40%, 30% and 30% respectively
“WFOE Agreement”	the agreement dated 26 July 2006 entered into by Tianjin Port Development International, COSCO Ports and APMT in relation to the formation of the WFOE
“WFOE Board”	the board of directors of the WFOE
“%”	percentage
“HK\$” or “HK Dollars”	the lawful currency of Hong Kong
“RMB” or “Renminbi”	the lawful currency of the PRC
“US\$” or “US Dollars”	the lawful currency of the United States of America

*Unless otherwise stated, amounts in RMB have been translated into HK\$ at an exchange rate of HK\$1.00 to RMB1.03 for illustration purposes only.*

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## LETTER FROM THE BOARD

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天津發展控股有限公司  
TIANJIN DEVELOPMENT HOLDINGS LIMITED

*(Incorporated in the Hong Kong SAR with limited liability under the Companies Ordinance)*

**(Stock Code: 882)**

*Executive Directors:*

Mr. Wang Guanghao (*Chairman*)  
Dr. Ren Xuefeng (*Vice Chairman*)  
Mr. Yu Rumin (*Vice Chairman*)  
Mr. Nie Jiansheng  
Mr. Dai Yan  
Mr. Hu Chengli  
Dr. Wang Jiandong  
Mr. Bai Zhisheng  
Mr. Zhang Wenli  
Mr. Sun Zengyin  
Dr. Zong Guoying

*Registered office:*

Suites 7-13, 36/F.,  
China Merchants Tower,  
Shun Tak Centre,  
168-200 Connaught Road Central,  
Hong Kong

*Non-executive Director:*

Mr. Cheung Wing Yui

*Independent Non-executive Directors:*

Mr. Kwong Che Keung, Gordon  
Mr. Lau Wai Kit  
Dr. Cheng Hon Kwan

15 August 2006

*To the Shareholders*

Dear Sir or Madam,

### **DISCLOSEABLE TRANSACTION FOR FORMATION OF A WHOLLY-FOREIGN OWNED ENTERPRISE IN THE PRC**

#### **1. INTRODUCTION**

On 26 July 2006, the Company jointly with Tianjin Port Development announced that Tianjin Port Development International, a direct wholly-owned subsidiary of Tianjin Port Development, entered into the WFOE Agreement with COSCO Ports and APMT for the formation of a wholly-foreign owned enterprise in the PRC. Each of Tianjin Port Development International, COSCO Ports and APMT will be interested in 40%, 30% and 30% of the equity interest in the WFOE respectively.

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## LETTER FROM THE BOARD

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The WFOE will have a registered capital of RMB1,260 million (equivalent to approximately HK\$1,223 million), which will be contributed by the Joint Venture Parties in accordance with their respective proportional equity interest in the WFOE, and a total investment amount of RMB3,600 million (equivalent to approximately HK\$3,495 million). Pursuant to the terms of the WFOE Agreement, Tianjin Port Development International is required to contribute an amount in cash in HK Dollars equivalent to RMB504 million (equivalent to approximately HK\$489 million) to the registered capital of the WFOE, representing 40% of the registered capital of the WFOE.

As the applicable percentage ratios for the total capital commitment in the form of registered capital only by Tianjin Port Development International to the WFOE exceeds 5% but is less than 25% for the Company, the formation of the WFOE constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

The purpose of this circular is to provide the Shareholders with further information on the formation of the WFOE and other information in compliance with the requirements of the Listing Rules.

### **2. THE WFOE AGREEMENT DATED 26 JULY 2006**

**Date** : 26 July 2006

**Parties** : (a) Tianjin Port Development International;

(b) COSCO Ports (Tianjin North Basin) Limited (“COSCO Ports”), a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of COSCO Pacific Limited (stock code: 1199), a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange; and

(c) APM Terminals Tianjin Company Limited (“APMT”), an investment holding company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of A.P. Møller – Maersk A/S. A.P. Møller – Maersk A/S is an international terminal and transportation operator.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, prior to the formation of the WFOE, each of COSCO Ports and APMT and their respective ultimate beneficial owners were third parties independent of the Company and not connected with the Directors, chief executive and substantial shareholders of the Company or any of their respective associates.

### **Shareholding Structure and Capital Contribution**

The WFOE will have a registered capital of RMB1,260 million (equivalent to approximately HK\$1,223 million), which will be contributed by the Joint Venture Parties in accordance with their respective proportionate equity interest in the WFOE

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## LETTER FROM THE BOARD

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and a total investment amount of RMB3,600 million (equivalent to approximately HK\$3,495 million). Details of the holding structure and the capital contribution of the Joint Venture Parties are set out as follows:

<b>Name of Joint Venture Party</b>	<b>Amount of registered capital to be contributed</b>	<b>Percentage shareholding</b>
Tianjin Port Development International	Amount in HK Dollars equivalent to RMB504,000,000 (equivalent to approximately HK\$489,000,000)	40%
COSCO Ports	Amount in HK Dollars or US Dollars equivalent to RMB378,000,000 (equivalent to approximately HK\$367,000,000)	30%
APMT	Amount in US Dollars equivalent to RMB378,000,000 (equivalent to approximately HK\$367,000,000)	30%
Total:	<u>RMB1,260,000,000 (equivalent to approximately HK\$1,223,000,000)</u>	<u>100%</u>

As at the date of the WFOE Agreement, Tianjin Port Development International does not have any other financial commitment towards the WFOE except for its commitment to contribute RMB504,000,000 (equivalent to approximately HK\$489,000,000) towards the registered capital of the WFOE which would be financed out of the net proceeds from the Share Offer. Pursuant to the terms of the WFOE Agreement, each of the Joint Venture Parties shall contribute 15% of their respective portions of the registered capital to the WFOE within three months from the date of issue of the business licence and the remaining 85% of the registered capital to be contributed within 18 months from the date of issue of the business licence, depending on the stage of construction of the Facility and the needs of the WFOE. The funding requirement of such 85% of the registered capital, including the timing for contribution, will be decided by the WFOE Board.

### **Business of the WFOE**

Pursuant to the terms of the WFOE Agreement, the business of the WFOE includes, among other things, the investment, construction, management and operation of the Facility. It is proposed that the Facility will have a total quay length of approximately 1,100 meters with three container handling berths and a container stacking yard in excess of 700,000 square meters. Based on the currently anticipated approval timetable, construction of the Facility is currently expected to commence in the fourth quarter of 2006 and the Facility is currently expected to be operational by 2008.



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## LETTER FROM THE BOARD

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### **Composition of the WFOE Board**

The WFOE Board shall comprise seven directors. Tianjin Port Development International shall be entitled to appoint three directors, COSCO Ports shall be entitled to appoint two directors and APMT shall also be entitled to appoint two directors. The chairman of the WFOE Board shall be appointed by Tianjin Port Development International.

In the event of a change to the respective percentage interest of the Joint Venture Parties in the WFOE, the composition of directors appointed by each of them to the WFOE Board shall be in proportion to the respective percentage interest of each of them in the WFOE as nearly as possible.

### **Responsibilities of Joint Venture Parties**

Pursuant to the terms of the WFOE Agreement, each of the Joint Venture Parties shall, among other things, be responsible for:

- (1) making its capital contribution to the WFOE in accordance with the provisions of the WFOE Agreement and using its best endeavours to maintain the normal operation of the WFOE;
- (2) assisting the WFOE to obtain the required loans from local or foreign banks in the PRC or overseas banks so as to satisfy the working capital and investment needs of the WFOE; and
- (3) under the same conditions, selecting Tianjin port as an important transshipment centre of Northern China for vessels owned or controlled by their respective parent company and contributing to Tianjin port becoming an international shipping centre in Northern China and contributing to the growth of volumes at Tianjin port.

### **Financing**

The total investment amount of the WFOE represents the proposed investment size. Based on the initial capital requirements of the WFOE, the Joint Venture Parties do not intend to pay up the difference between the total investment amount and the amount of the registered capital in the sum of RMB2,340 million (equivalent to approximately HK\$2,272 million) at the initial set-up stage of the WFOE. However, funding request for the difference between the total investment amount and the amount of the registered capital may be required in the future depending on the stage of construction of the Facility and the needs of the WFOE. It is currently contemplated under the WFOE Agreement that such difference, if required, will be satisfied either by way of the internal financial resources of the WFOE, obtaining banking facilities or the issue of bonds or new shares by the WFOE in such manner as may be approved by the PRC government, subject to such terms and conditions as may be approved by the WFOE Board and the Joint Venture Parties. If the WFOE is unable to obtain any or sufficient financing from any of the above sources, the Joint Venture Parties may

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## LETTER FROM THE BOARD

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provide such amount in proportion to their respective percentage interests in the WFOE by way of shareholders' loans. However, pursuant to the terms of the WFOE Agreement, none of the Joint Venture Parties shall be obliged to provide such shareholders' loan to the WFOE. The Company will aggregate the proportionate shareholders' loan Tianjin Port Development International provided to the WFOE with its proportionate capital contribution to the WFOE in accordance with Rule 14.22 and 14.23 of the Listing Rules in the event that shareholders' loan is required to be provided to the WFOE in future and will re-comply with the relevant requirements in Chapter 14 of the Listing Rules.

### **Duration of the WFOE**

Pursuant to the terms of the WFOE Agreement, the duration of the WFOE shall be thirty (30) years, commencing from the date on which the business licence of the WFOE is issued. The duration of the WFOE may be extended upon obtaining unanimous approval of the Joint Venture Parties not less than one year prior to the original expiry of the duration of the WFOE and subject to the approval of the relevant PRC government authorities.

### **Condition Precedent for the Formation of the WFOE**

The formation of the WFOE is subject to the approval of the relevant authorities in the PRC (including the Ministry of Commerce and the State Industry and Commerce Administration Bureau).

### **3. REASONS FOR AND BENEFITS OF THE FORMATION OF THE WFOE**

The Tianjin Port Development Group aims to maintain and further develop its position as a leading terminal operator at the port of Tianjin, with a strong emphasis on capturing the opportunity presented by the anticipated ongoing growth in container throughput. In order to build on the existing container handling capability, and with a view to maintaining a double digit annual container handling volume growth rate, the Tianjin Port Development Group has adopted a two-fold strategy of upgrading its existing facilities and investing in new facilities. The business of the WFOE will involve, among other things, the investment, construction, management and operation of the Facility, which is in line with its strategy in increasing the designed container handling capacity to approximately 4.0 million TEUs by 2009 and 4.5 million TEUs by 2011.

The board of Directors (including the independent non-executive Directors) consider that the WFOE Agreement was entered into on normal commercial terms in the ordinary and usual course of business of the Group and believe that the terms of the WFOE Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

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## LETTER FROM THE BOARD

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#### 4. FINANCIAL EFFECTS ON THE FORMATION OF THE WFOE

Immediately following the injection of capital into the WFOE, the amount of the non-current assets of the Tianjin Port Development Group would be increased by the amount of the capital injected, being the recognition of the interests of the WFOE held by the Tianjin Port Development Group, while the amount of the current assets of the Tianjin Port Development Group would drop by the amount of internal resources utilised to finance the payment of the capital contribution and the total asset of Tianjin Port Development and the Company would remain unchanged.

Pursuant to the terms of the WFOE Agreement, any further funding required for the WFOE other than the amount of the registered capital will be raised by the WFOE by external financing, failing which the Joint Venture Parties may provide such amount in proportion to their respective percentage interests in the WFOE by way of shareholders' loans. Should external financing be raised by the Tianjin Port Development Group to finance such additional funding requests of the WFOE, the liabilities of the Tianjin Port Development Group and the Group (as the case may be) would be increased by the amount of loans borrowed.

The formation of the WFOE will enhance the earnings base of the Group as a whole. As Tianjin Port Development International will be interested in 40% of the equity interest in the WFOE, the WFOE becomes an associated company of the Group and the results and the financial position of the WFOE will be accounted for in the consolidated accounts of the Company by way of equity accounting method.

#### 5. LISTING RULES REQUIREMENTS

As the applicable percentage ratios for the total capital commitment in the form of registered capital only by Tianjin Port Development International to the WFOE exceeds 5% but is less than 25% for the Company, the formation of the WFOE constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and the Company is required to disclose particulars of the formation of the WFOE in this circular.

#### 6. GENERAL

##### **The Company**

The Company is listed on the main board of the Stock Exchange. The principal operations of the Group (excluding the Tianjin Port Development Group) and its associated companies can be categorised into three sectors, namely, (i) infrastructure operations; (ii) utilities operations; and (iii) strategic and other investments. Infrastructure operations consist of toll road operations; utilities operations consist of supply of water, electricity and thermal power and strategic and other investments include investments in the production, sale and distribution of winery products, gas fuel operations and elevator and escalator operations.

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## LETTER FROM THE BOARD

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### **Tianjin Port Development**

Tianjin Port Development is listed on the main board of the Stock Exchange. The Tianjin Port Development Group is principally engaged in the provision of ports services including the loading and unloading of containerised and non-containerised cargo from shipping vessels, the stacking and warehousing of containers and cargo, as well as various ancillary services such as container repair and maintenance, container transportation and shipping agency services in the PRC.

### **7. ADDITIONAL INFORMATION**

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

Yours faithfully,  
By order of the Board  
**Tianjin Development Holdings Limited**  
**Wang Guanghao**  
*Chairman*

## 1. RESPONSIBILITY STATEMENT

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

## 2. DISCLOSURE OF INTERESTS

- (a) As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); (ii) or were required pursuant to Section 352 of the SFO to be entered in the register referred to therein (the "Register"); or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

### (i) Long position in the Shares

Name of Directors	Capacity	Nature of Interest	No. of Shares held	Percentage of total issued share capital
Hu Chengli	Beneficial owner	Personal interest	120,000	0.01%
Wang Jiandong	Beneficial owner	Personal interest	450,000	0.05%

### (ii) Long position in underlying shares of equity derivatives of the Company

The Company adopted a share option scheme as approved in an extraordinary general meeting on 22 November 1997 under which the Directors may, at their discretion, invite any employees or executive Directors of the Group to take up options to subscribe for Shares subject to the terms and conditions

stipulated in the share option scheme. The details of share options granted to the Directors which are outstanding as at the Latest Practicable Date are as follows:

Name of Directors	Number of Shares over which options are exercisable	Exercise price	Grant date	Exercisable from	Exercisable until
Wang Guanghao	1,000,000	HK\$3.1	23 December 2004	28 December 2004	21 November 2007
Ren Xuefeng	900,000	HK\$3.1	23 December 2004	28 December 2004	21 November 2007
Yu Rumin	900,000	HK\$3.1	23 December 2004	28 December 2004	21 November 2007
Nie Jiansheng	700,000	HK\$3.1	23 December 2004	28 December 2004	21 November 2007
Wang Jiandong	600,000	HK\$3.1	23 December 2004	28 December 2004	21 November 2007
Sun Zengyin	300,000	HK\$3.1	23 December 2004	28 December 2004	21 November 2007

As at the Latest Practicable Date, none of the Directors had exercised any share options in the Company.

**(iii) Long positions in shares of associated corporations of the Company**

*(a) Dynasty Fine Wines Group Limited*

Name of Directors	Capacity	Nature of Interests	Number of shares held	Approximate percentage of shares in issue as at the Latest Practicable Date
Hu Chengli	Beneficial owner	Personal interest	4,615	0.0004%
Wang Jiandong	Beneficial owner	Personal interest	17,307	0.001%

*(b) Tianjin Port Development*

Name of Directors	Capacity	Nature of Interests	Number of shares held	Approximate percentage of shares in issue as at the Latest Practicable Date
Hu Chengli	Beneficial owner	Personal interest	7,574	0.0004%
Wang Jiandong	Beneficial owner	Personal interest	28,402	0.0016%

**(iv) Share options in associated corporations of the Company***(a) Dynasty Fine Wines Group Limited*

Name of Directors	Number of shares over which options are exercisable	Exercise price	Grant date	Exercisable from	Exercisable until
Wang Guanghao	900,000	HK\$3.00	27 January 2005	17 August 2005	26 January 2015
Nie Jiansheng	1,950,000	HK\$3.00	27 January 2005	17 August 2005	26 January 2015
Bai Zhisheng	1,100,000	HK\$3.00	27 January 2005	17 August 2005	26 January 2015

*(b) Tianjin Port Development*

Name of Directors	Number of shares over which options are exercisable	Exercise price	Grant date	Exercisable from	Exercisable until
Wang Guanghao	2,300,000	HK\$2.28	1 August 2006	1 February 2007	1 August 2016
Nie Jiansheng	2,100,000	HK\$2.28	1 August 2006	1 February 2007	1 August 2016

As at the Latest Practicable Date, none of the Directors had exercised any share options in the above associated corporations of the Company.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor chief executive of the Company were interested, or were deemed to have interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such

provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the Register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

**(b) Interests in competing businesses**

So far as the Directors are aware, as at the Latest Practicable Date, none of the Directors nor their respective associates had any business which competes or is likely to compete, either directly or indirectly, with any business of the Group.

**(c) Interests in contracts of the Company**

As at the Latest Practicable Date, no Director has entered into any service contract with any member of the Group which is not terminable within one year without payment of compensation (other than statutory compensation).

Mr. Cheung Wing Yui, a non-executive Director, is a consultant of Woo, Kwan, Lee & Lo, the Company's legal advisers on Hong Kong law in relation to the formation of the WFOE. Woo, Kwan, Lee & Lo will receive normal fees for professional services rendered in connection with such transaction.

**3. DISCLOSURE OF INTERESTS BY SUBSTANTIAL SHAREHOLDERS**

As at the Latest Practicable Date, so far as was known to the Directors and chief executive of the Company, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares and 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 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 other member of the Group or had any option in respect of such capital were as follows:

**(a) Interests in the Company**

Name of Shareholders	Capacity	Number of Shares/ underlying Shares held	Approximate percentage of issued Shares
Tsinlien Group Company Limited (Note 2)	Interest of controlled corporations	581,855,143 (L)	60.01%
ABN AMRO Holding N.V.	Interest of controlled corporations(s)	102,564,103 (L)	10.73%
	Custodian/approved lending agent	76,000 (P)	0.01%



1. The letter “L” stands for the shareholder’s long position (within the meaning of the SFO) in Shares. The letter “P” stands for lending pool.
2. As at the Latest Practicable Date, Tianjin Investment Holdings Limited (“Tianjin Investment”) and Tsinlien Venture Capital Company Limited (“Tsinlien Venture”), both being wholly-owned subsidiaries of Tsinlien Group Company Limited, held 579,833,143 Shares and 2,022,000 Shares respectively. Mr. Wang Guanghao acted as trustee of Tianjin Investment held 10 Shares. By virtue of the SFO, Tsinlien Group Company Limited is taken to have interest in all the Shares held by Tianjin Investment and Tsinlien Venture.

As at the Latest Practicable Date, Mr. Wang Guanghao, Dr. Ren Xuefeng, Mr. Nie Jiansheng, Mr. Dai Yan and Mr. Hu Chengli are directors of Tsinlien Group Company Limited.

**(b) Interests in other members of the Group**

<b>Name of subsidiary of the Company</b>	<b>Name of the other shareholders</b>	<b>Approximate percentage of shareholding</b>
Coastal Rapid Transit Company Limited	Starwell Holdings Limited	22.00%
Tianjin Jin Zheng Transportation Development Co., Ltd.	Tianjin Eastern Outer Ring Road Co., Ltd.	16.07%
Tianjin Mass Transit Development 5 Co., Ltd.	Tianjin Economic and Technological Development Investment Co., Ltd.	40.00%
Tianjin Mass Transit Development 2 Co., Ltd.	Tianjin Economic and Technological Development Investment Co., Ltd.	40.00%
Tianjin Mass Transit Development 3 Co., Ltd.	Tianjin Economic and Technological Development Investment Co., Ltd.	40.00%
Tianjin Mass Transit Development 4 Co., Ltd.	Tianjin Economic and Technological Development Investment Co., Ltd.	40.00%
Tianjin Mass Transit (Group) Development Co., Ltd.	Tianjin Economic and Technological Development Investment Co., Ltd.	40.00%
天津港保稅區長吳國際貿易有限公司 (Tianjin Port Tax Concession Zone Chang Hao International Trade Co., Ltd.)	天津港保稅區聖迪爾國際貿易有限公司 (Tianjin Port Tax Concession Zone Sheng Di Er Co., Ltd.)	10.00%
Tianjin Gangkai Container Service Co., Ltd.	香港新凱企業有限公司 (Hong Kong Sun Hoi Enterprise Company Limited)	25.00%
Tianjin Tai Kang Industrial Co., Ltd.	Tianjin Tai Xin Industrial Co., Ltd.	17.26%
Tianjin Airfreight Port Equipment Manufacturing Company Limited	Civil Aviation University of China	10.47%
天津聯發物業管理有限公司 (Tianjin Lianfa Property Management Co., Ltd.*)	天津聯津投資有限公司 (Tianjin Lianjin Investment Co., Ltd.*)	10.00%

Name of subsidiary of the Company	Name of the other shareholders	Approximate percentage of shareholding
Tianjin Gangjin Real Estate Development Co., Ltd.	Tianjin Eastern Outer Ring Road Co., Ltd.	16.07%
天津港鑫集裝箱物流有限公司 (Tianjin Gangxin Container Logistics Co., Ltd.)	Gold Prime Holdings Limited (金得集團有限公司)	25%
天津港獅集裝箱服務有限公司 (Tianjin Gangshi Container Services Co., Ltd.)	(1) Singapore Pacific Shipping Company Limited (新加坡太平船務有限公司)	25%
	(2) Sinotrans Container Shipping Company Limited (中外運集裝箱運輸有限公司)	20%

\* English names of the PRC incorporated companies in this circular are only direct translations of their respective official Chinese names. In case of inconsistency, the Chinese names shall prevail.

Save as disclosed above, as at the Latest Practicable Date, the Directors and chief executive of the Company were not aware of any other person (other than Directors and chief executive of the Company) who had, or were deemed to have, interests or short positions in the shares and underlying shares (including any interests in options in respect of such capital), which would fall to be disclose to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, 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 other member of the Group or had any option in respect of such capital.

#### 4. LITIGATION

So far as the Directors are aware, neither the Company nor any members of the Group was engaged in any litigation or arbitration of material importance and no litigation or arbitration of material importance was pending or threatened against the Company or any members of the Group as at the Latest Practicable Date.

#### 5. GENERAL

- (a) The registered office of the Company is at Suites 7-13, 36/F., China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.
- (b) The company secretary and qualified accountant of the Company is Mr. Tsang Wai Yip, Patrick, who holds a bachelor degree in accountancy and is a fellow member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.
- (c) The share registrar of the Company is Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong whose address is the address of the transfer office of the Company.
- (d) The English text of this circular shall prevail over the Chinese text.