

*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.*



**日照港裕廊股份有限公司**  
**RIZHAO PORT JURONG CO., LTD.**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 6117)**

## **CONTINUING CONNECTED TRANSACTION REVISION OF ANNUAL CAP UNDER SDP SHANHAI PROPERTY FRAMEWORK AGREEMENT**

Reference is made to the Announcement in relation to the SDP Shanhai Property Framework Agreement, pursuant to which the Company agreed to procure office logistics services from SDP Shanhai Property and other similar office logistics services that the Company may procure from SDP Shanhai Property from time to time, for a term commencing on 1 January 2024 and ending on 31 December 2024.

On 29 August 2024 (after trading hours), the Company entered into the Supplemental Agreement with SDP Shanhai Property to revise the Existing Annual Cap. Save for the revision of the Existing Annual Cap, all other terms and conditions under the SDP Shanhai Property Framework Agreement remain unchanged.

### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, SDP Shanhai Property is a wholly-owned subsidiary of Shandong Port Group, which is a controlling shareholder of the Company. Accordingly, SDP Shanhai Property is an associate of Shandong Port Group pursuant to Rule 14A.13(1) of the Listing Rules, and therefore a connected person of the Company under the Listing Rules. Therefore, the entering into of the SDP Shanhai Property Framework Agreement, the Supplemental Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

According to Rule 14A.54 of the Listing Rules, if the Company proposes to revise the annual caps for its continuing connected transactions, the Company will be required to re-comply with the provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

As the highest of all applicable percentage ratios in respect of the Revised Annual Cap is higher than 0.1% but less than 5% on an annual basis, the entering into of the Supplemental Agreement is subject to reporting, annual review and announcement requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

## **INTRODUCTION**

Reference is made to the Announcement in relation to the SDP Shanghai Property Framework Agreement, pursuant to which the Company agreed to procure office logistics services from SDP Shanghai Property and other similar office logistics services that the Company may procure from SDP Shanghai Property from time to time, for a term commencing on 1 January 2024 and ending on 31 December 2024.

On 29 August 2024 (after trading hours), the Company entered into the Supplemental Agreement with SDP Shanghai Property to revise the Existing Annual Cap. Save for the revision of the Existing Annual Cap, all other terms and conditions under the SDP Shanghai Property Framework Agreement remain unchanged.

## **SUPPLEMENTAL AGREEMENT AND REVISION OF EXISTING ANNUAL CAP**

The principal terms of the Supplemental Agreement are set out as follows:

### **Date**

29 August 2024 (after trading hours)

### **Parties**

- (a) The Company; and
- (b) SDP Shanghai Property (for itself and on behalf of its subsidiaries).

### **Subject matter**

Pursuant to the Supplemental Agreement, the Existing Annual Cap under the SDP Shanghai Property Framework Agreement shall be revised to the Revised Annual Cap under the Supplemental Agreement.

The Existing Annual Cap under the SDP Shanghai Property Framework Agreement are set out as follows:

**For the  
year ending  
31 December  
2024  
RMB**

Office logistics services	6,000,000
---------------------------	-----------

The Revised Annual Cap under the Supplemental Agreement are set out as follows:

**For the  
year ending  
31 December  
2024  
RMB**

Office logistics services	11,000,000
---------------------------	------------

Save for the revision of the Existing Annual Cap, all other terms and conditions of the SDP Shanghai Property Framework Agreement remain unchanged.

For the principal terms of the SDP Shanghai Property Framework Agreement, please refer to the section headed “SDP SHANHAI PROPERTY FRAMEWORK AGREEMENT” in the Announcement.

## **HISTORICAL AMOUNTS**

The historical transaction amounts under the SDP Shanghai Property Framework Agreement are set out as follows:

**For the  
period from  
1 January  
2024 to  
31 July 2024  
RMB**

Office logistics services	5,485,726
---------------------------	-----------

## **REVISED ANNUAL CAP AND BASIS OF DETERMINATION**

The Revised Annual Cap under the Supplemental Agreement was determined with reference to (a) the transaction amounts incurred for the seven months ended 31 July 2024 in respect of the office logistics services provided by SDP Shanhai Property; (b) the existing demand for procuring such services from SDP Shanhai Property by the Company; (c) historical service fee rates charged by Rizhao Port Group for similar services; and (d) expected increase in need due to the Company's development plans.

## **INFORMATION OF THE PARTIES**

The Company, a joint stock company incorporated in the PRC with limited liability, is principally engaged in comprehensive port-related services, including stevedoring, berth leasing, port management, storage, and logistics agency services.

SDP Shanhai Property, a company incorporated in the PRC with limited liability, is principally engaged in supermarket retail, provision of graphic printing, canteen catering, apartment accommodation management, landscaping, sanitation and cleaning and Xinjiang logistics services. SDP Shanhai Property is a wholly-owned subsidiary of Shandong Port Group, which is a state-owned enterprise ultimately controlled by Shandong Provincial State-owned Assets Supervision and Administration Commission.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE SUPPLEMENTAL AGREEMENT**

SDP Shanhai Property is the sole provider of office logistics services of canteen catering, staff accommodation, property and printing services in Rizhao port area. As the cooperation between the two parties continues to deepen, the Company has expanded its demand for landscaping, sanitation and cleaning, and employee benefits. The Directors are of the view that the entering into of the Supplemental Agreement to increase the Existing Annual Cap is in the best interests of the Shareholders as a whole.

The terms of the SDP Shanhai Property Framework Agreement (as amended by the Supplemental Agreement) have been arrived at after arm's length negotiations between the parties. The Directors (including the independent non-executive Directors) have confirmed that the transactions contemplated under the SDP Shanhai Property Framework Agreement (as amended by the Supplemental Agreement) (including the Revised Annual Cap) are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Company, and are in the interests of the Company and the Shareholders as a whole.

None of the Directors has any material interest in the Supplemental Agreement and the transactions contemplated thereunder, and none of the Directors was required to abstain from voting on the Board resolutions approving the Supplemental Agreement and the transactions contemplated thereunder.

## INTERNAL CONTROL MEASURES

The Company has established the following internal control measures to ensure that the pricing mechanism and the terms of the continuing connected transactions contemplated under the SDP Shanghai Property Framework Agreement (as amended by the Supplemental Agreement) are fair and reasonable and no less favourable than the terms offered to the Company from the Independent Third Parties:

- (a) Before entering into any individual agreement under the SDP Shanghai Property Framework Agreement (as amended by the Supplemental Agreement), the staff of various departments will collect transaction information of previous similar transactions (with Independent Third Parties and Rizhao Port Group) (if applicable), the transaction information of similar transactions between Shandong Port Group and other subsidiaries of Shandong Port Group and available market price for similar transactions (if any) and further review and assess the specific terms and conditions of such individual agreements to ensure that (i) the individual agreements would be in accordance with the terms of the SDP Shanghai Property Framework Agreement (as amended by the Supplemental Agreement) and the pricing policies of the Company; and (ii) the overall terms of the individual agreements are fair and reasonable and no less favourable than the terms offered to the Company from the Independent Third Parties;
- (b) The finance office of the Company will perform monthly review on the transactions entered into under the SDP Shanghai Property Framework Agreement (as amended by the Supplemental Agreement) to ensure compliance with pricing policies;
- (c) The relevant office of the Company carrying out the specific connected transactions under the SDP Shanghai Property Framework Agreement (as amended by the Supplemental Agreement) will closely monitor the actual transaction amount on a monthly basis. If the actual transaction amount reaches approximately 85% of the Revised Annual Cap at any time of the year, the securities affairs office of the Company will report to the senior management of the Company, which will seek advice from the audit committee of the Company, and the Board will consider taking appropriate measures to revise the Revised Annual Cap and comply with the relevant announcement and/or shareholders' approval requirements in accordance with the Listing Rules;
- (d) The finance office of the Company will perform quarterly check on the transactions entered into under the SDP Shanghai Property Framework Agreement (as amended by the Supplemental Agreement) and report to the audit committee of the Company and the Board to ensure that the Revised Annual Cap is not exceeded;

- (e) The Company will conduct internal control review and financial audit on an annual basis, financial monitoring and decision analysis on a half-yearly basis, so as to ensure that the terms of the SDP Shanghai Property Framework Agreement (as amended by the Supplemental Agreement) and the pricing policies are complied with;
- (f) The auditors of the Company and the independent non-executive Directors will conduct annual review on the transactions entered into under the SDP Shanghai Property Framework Agreement (as amended by the Supplemental Agreement) in accordance with the Listing Rules; and
- (g) The Company's internal audit office will focus on the above internal control measures as part of their ongoing work plan and will report to the audit committee of the Company and the Board on a quarterly basis.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, SDP Shanghai Property is a wholly-owned subsidiary of Shandong Port Group, which is a controlling shareholder of the Company. Accordingly, SDP Shanghai Property is an associate of Shandong Port Group pursuant to Rule 14A.13(1) of the Listing Rules, and therefore a connected person of the Company under the Listing Rules. Therefore, the entering into of the SDP Shanghai Property Framework Agreement, the Supplemental Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

According to Rule 14A.54 of the Listing Rules, if the Company proposes to revise the annual caps for its continuing connected transactions, the Company will be required to re-comply with the provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

As the highest of all applicable percentage ratios in respect of the Revised Annual Cap is higher than 0.1% but less than 5% on an annual basis, the entering into of the Supplemental Agreement is subject to reporting, annual review and announcement requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

## DEFINITIONS

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

“Announcement”	the announcement of the Company dated 29 December 2023 in relation to the SDP Shanghai Property Framework Agreement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Rizhao Port Jurong Co., Ltd. (日照港裕廊股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 6117)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Domestic Share(s)”	ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB by PRC natural persons or entities established under PRC laws
“Existing Annual Cap”	the existing annual cap for the transactions contemplated under the SDP Shanghai Property Framework Agreement for the financial year ending 31 December 2024 as disclosed in the Announcement
“H Share(s)”	overseas listed shares in the share capital of the Company with a nominal value of RMB1.00 each in the share capital of the Company, listed and traded on the Main Board of the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC



“Independent Third Party(ies)”	an individual or a company which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is not a connected person of the Company within the meaning of the Listing Rules
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC”	the People’s Republic of China (excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan)
“Revised Annual Cap”	the proposed revised annual cap for the transactions contemplated under the SDP Shanhai Property Framework Agreement (as amended by the Supplemental Agreement) for the financial year ending 31 December 2024
“Rizhao Port Group”	Shandong Port Rizhao Port Group Co., Ltd. (山東港口日照港集團有限公司), a company incorporated in the PRC with limited liability and a controlling shareholder of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“SDP Shanhai Property”	SDP Shanhai Property (Rizhao) Co., Ltd.* (山港山海物業(日照)有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of Shandong Port Group
“SDP Shanhai Property Framework Agreement”	the general service (procurement) framework agreement dated 29 December 2023 entered into between the Company and SDP Shanhai Property (for itself and on behalf of its subsidiaries)
“Shandong Port Group”	Shandong Port Group Co., Ltd.* (山東省港口集團有限公司), a company incorporated in the PRC with limited liability and a state-owned enterprise ultimately controlled by Shandong Provincial State-owned Assets Supervision and Administration Commission
“Share(s)”	share(s) of the Company, comprising the Domestic Shares and the H Shares



“Shareholder(s)”	the holder (s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement to the SDP Shanghai Property Framework Agreement dated 29 August 2024 entered into between the Company and SDP Shanghai Property (for itself and on behalf of its subsidiaries)

\* *Unofficial English translation denotes for identification purposes only*

By Order of the Board  
**Rizhao Port Jurong Co., Ltd.**  
**Zhou Tao**  
*Chairman*

Rizhao, PRC, 29 August 2024

*As at the date of this announcement, the Board comprises Mr. Zhou Tao as Chairman and non-executive Director; Mr. Chen Zhou as executive Director; Mr. Seow Kok Leong Terence, Mr. Nyan Ming Ren Francis, Mr. Fang Lei and Ms. Liu Rong as non-executive Directors; and Mr. Zhang Zixue, Mr. Lee Man Tai and Mr. Wu Xibin as independent non-executive Directors.*