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

(Stock Code: 6117)

CONNECTED TRANSACTION CONSTRUCTION AGENT CONTRACT

On 16 July 2024 (after trading hours), the Company entered into the Construction Agent Contract with Rizhao Port Group, pursuant to which the Company agreed to engage Rizhao Port Group to provide construction management services for the Rizhao Port Grain Base Project.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Rizhao Port Group is a controlling shareholder of the Company and therefore a connected person of the Company under the Listing Rules.

As the highest of all applicable percentage ratios in respect of the transactions contemplated under the Construction Agent Contract is more than 0.1% but less than 5%, the entering into of the Construction Agent Contract and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules, subject to reporting 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.

CONSTRUCTION AGENT CONTRACT

On 16 July 2024 (after trading hours), the Company entered into the Construction Agent Contract with Rizhao Port Group, pursuant to which the Company agreed to engage Rizhao Port Group to provide construction management services for the Rizhao Port Grain Base Project. The principal terms of the Construction Agent Contract are set out as follows:

Date: 16 July 2024

Parties: (a) the Company; and
(b) Rizhao Port Group.

Scope of service: Rizhao Port Group shall provide construction management services to the Company for the Rizhao Port Grain Base Project, which shall include early-stage formalities handling, project bidding management; quality, progress, safety, environmental protection, investment control, contract management in the project implementation stage; and completion settlement and completion acceptance management.

Management service fee: The Company shall pay a management service fee to Rizhao Port Group in the amount of RMB19,074,200, which was determined by the parties after arm's length negotiations with reference to the management service fee calculation principles under the Stipulations on Compiling Estimate and Budget for Water Transportation Construction Engineering (JTS/T116-2019) published by Ministry of Transport of the PRC; and the estimate construction costs of the Rizhao Port Grain Base Project.

Payment terms: The management service fee shall be paid by the Company to Rizhao Port Group in the following manner:

- (a) 50% of the management service fee to be paid within 30 days after the execution of the Construction Agent Contract;
- (b) up to 90% of the management service fee to be paid in a lump sum or by instalments based on the construction project progress; and
- (c) the remaining 10% of the management service fee to be paid in a lump sum within 30 working days after completion acceptance of the Rizhao Port Grain Base Project and Rizhao Port Group handing over all project documents to the Company.

The management service fee will be funded by general working capital and internal resources of the Company.

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.

Rizhao Port Group, a company incorporated in the PRC with limited liability, is principally engaged in port operations, logistics, construction, finance and trade. As at the date of this announcement, Rizhao Port Group is a direct 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 CONSTRUCTION AGENT CONTRACT

The Rizhao Port Grain Base Project has a long construction period, which involves multiple procedures and approvals, and requires strong expertise. Entering into the Construction Agent Contract and engaging Rizhao Port Group to implement the whole process of construction management can strengthen the handling of procedures related to project duration, quality, progress, safety, environmental protection, contract management and completion acceptance, and coordinate the construction progress among various parties, ensuring the project's compliance with legal procedures, smooth construction progress, and timely completion.

The terms of the Construction Agent Contract have been arrived at after arm's length negotiations between the parties. The Directors (including the independent non-executive Directors) are of the view that the terms of the Construction Agent Contract and the transactions contemplated thereunder 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 Construction Agent Contract and the transactions contemplated thereunder, and none of the Directors was required to abstain from voting on the board resolutions approving the Construction Agent Contract and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

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As the highest of all applicable percentage ratios in respect of the transactions contemplated under the Construction Agent Contract is more than 0.1% but less than 5%, the entering into of the Construction Agent Contract and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules, subject to reporting and announcement 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:

“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
“Construction Agent Contract”	the construction agent contract dated 16 July 2024 entered into between the Company and Rizhao Port Group with regard to the provision of construction management services for the Rizhao Port Grain Base Project
“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
“H Share(s)”	overseas listed shares in the share capital of the Company with a nominal value of RMB1.00 each, listed on the Main Board of the Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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)

“Rizhao Port Grain Base Project”	the construction project of building 41 silos for storing grains, reconstructing the pier and building ancillary infrastructure at Shijiu port area in Rizhao port
“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
“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

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

Rizhao, PRC, 16 July 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.