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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 20 September 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 No. 8 Warehouse 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.

Since (i) the nature of services under the Previous Transaction and the transactions contemplated under the Construction Agent Contract is the same; and (ii) both transactions were entered into by the Company with Rizhao Port Group, the Previous Transaction and the transactions contemplated under the Construction Agent Contract shall be aggregated in accordance with Rules 14A.82(1) and 14A.83 of the Listing Rules for the purpose of calculating the applicable ratios under Chapter 14A of the Listing Rules.

As the highest of all applicable percentage ratios in respect of the transactions contemplated under the Construction Agent Contract, when aggregated with the Previous Transaction, 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 20 September 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 No. 8 Warehouse Project. The principal terms of the Construction Agent Contract are set out as follows:

**Date:** 20 September 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 No. 8 Warehouse Project, which shall include 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 RMB3,223,400, 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 No. 8 Warehouse 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 60 working 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 No. 8 Warehouse 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, and storage services.

Rizhao Port Group, a company incorporated in the PRC with limited liability, is principally engaged in port operations and operates a comprehensive and modernized logistics hub in the PRC integrating shipping, railways, highways, and pipelines. 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 No. 8 Warehouse 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, investment control, contract management and 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.

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## 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 20 September 2024 entered into between the Company and Rizhao Port Group with regard to the provision of construction management services for the No. 8 Warehouse 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
“No. 8 Warehouse Project”	the construction project of two warehouses with steel portal frame structure and ancillary infrastructure such as construction of outdoor storage yard roads and weighbridge office and water and electricity works at Shijiu port area in Rizhao port
“PRC”	the People’s Republic of China (excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan)

“Previous Transaction”	the transaction contemplated under 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 at a management service fee of RMB19,074,200
“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, the PRC, 20 September 2024

*As at the date of this announcement, the Board comprises Mr. Zhou Tao as Chairman and non-executive Director; Mr. Chen Zhou as the 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.*