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辽宁港口股份有限公司
LIAONING PORT CO., LTD.*

(a sino-foreign joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 2880)

CONNECTED TRANSACTION

CONSTRUCTION WORKS AND RELATED SERVICES AGREEMENT

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On 11 December 2024 (after trading hours), Yingkou Ltd., a wholly-owned subsidiary of the Company, entered into the Construction Works and Related Services Agreement with the Contractors, pursuant to which the Contractors are engaged to provide construction works and related services in relation to the Project.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CMC Technology is wholly-owned by CMC Transportation, and CMC Transportation is a non wholly-owned subsidiary of CMC Group, which is the ultimate holding shareholder of the Company. Therefore, CMC Transportation and CMC Technology are connected persons of the Company, and the transaction contemplated under the Construction Works and Related Services Agreement constitutes connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Construction Works and Related Services Agreement exceed 0.1% but are below 5%, the transaction is subject to the reporting and announcement requirements, but is exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

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PRINCIPAL TERMS OF THE CONSTRUCTION WORKS AND RELATED SERVICES AGREEMENT

Date: 11 December 2024

Parties:

- (i) Yingkou Ltd. (as contracting party)
- (ii) CMC Transportation (as contractor)
- (iii) CMC Technology (as contractor)
- (iv) First Harbour Engineering (as contractor)

Subject matter: Yingkou Ltd. has agreed to engage the Contractors to provide construction works and related services in relation to the Project. The scope of services to be provided by the Contractors includes survey and design, engineering construction, procurement, installation, commissioning and warranty etc. of roads, bridges and culverts, parking lots, drainage networks, lighting, traffic safety facilities, electromechanical engineering, landscaping and building facilities.

Term: For a period of approximately 600 calendar days.

Contract Fee: The total contract fee under the Construction Works and Related Services Agreement is RMB172,093,638 (the “**Contract Fee**”), which comprises of the below:

Fee category	Fee amount
1. Survey fee	RMB955,000
2. Design fee	RMB3,065,550
3. Construction fee	RMB168,073,088

Basis of determination of the Contract Fee: Yingkou Ltd. has conducted public tender process for the Project under the Construction Works and Related Services Agreement through the public resource platform approved by the Yingkou Municipal Bureau of Transport. The Contract Fee is determined by the tender price submitted by the winning bidder of the tender, which is based on the evaluation of a number of industry experts.

Yingkou Ltd. prepared the bill of quantities based on the determined measurement rules, construction blueprints, national standards related to bill of quantities, industry standards, and other relevant rules, the preparation of the relevant tender documents and publication of the tender announcement of the Project under the Construction Works and Related Services Agreement was prepared in accordance with the Regulations on Construction Projects Required to be Tendered (National Development and Reform Commission Order No. 16) (《必須招標的工程項目規定》(國家發展和改革委員會令第 16 號)).

After publication of the tender announcement, eligible bidders had submitted their tender applications. Under the supervision of the public resource trading platform, and through the review and evaluation by the qualification review committee, tender evaluation committee, and tender determination committee conducted in accordance with the established procedures, evaluation rules and bidding principles, the Contractors were confirmed to be the winners among the other tender participants. Pursuant to the relevant tender documents and regulations, the criteria for evaluating on the tender participants includes their professional qualifications, technical expertise, experiences, reputations in similar projects, management personnel, and their tender prices.

The results of the tender of the Project under the Construction Works and Related Services Agreement was publicly announced without any contest or complaints. Yingkou Ltd. had reported the progress of the tenders to the relevant supervisory department of the Yingkou Municipal Bureau of Transport.

Payment terms:

The Contract Fee shall be payable based on the progress of the Project, among which an amount of up to 90% of the Contract Fee shall be payable by Yingkou Ltd. to the Contractors by way of progress payments based on tasks completed by the Contractor throughout the process (including surveying, delivery of requisite designs, construction, etc. by the Contractors) and the remaining balance of 10% of the Contract Fee (after deduction of 3% as warranty fee) will be withheld as retention monies which will be paid after the completion of acceptance, settlement audit and relevant certificate of completion is issued.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CONSTRUCTION WORKS AND RELATED SERVICES AGREEMENT

Upon completion of the Project, the Jinkang connection section of Bayuquan Shugang Expressway will line with the existing Shugang expressway to establish a new port access channel. Container trucks travelling to and from the Bayuquan Port area will be able to directly access the highway via the Project, eliminating the need to detour through Jinkang Road to get on or off the highway. This will separate through-traffic, increase overall traffic capacity, improve the operational conditions of existing port access roads, alleviate the pressure of cargo collection and distribution at Bayuquan Port, and enhance the level of road collection and distribution services at the port area.

After due and careful consideration of the tender applications submitted by various bidders during the open tender process, the Contractors are selected as they are considered to be the best candidates to fulfil the relevant selection criteria of the Project, including, but not limited to, their professional expertise, experiences, qualifications and the tender price, in accordance with the prevailing market practice and applicable laws and regulations.

The Directors (including the independent non-executive Directors) consider that the Construction Works and Related Services Agreement has been made on normal commercial terms and in the ordinary and usual course of business of the Group; and that its terms are fair and reasonable and in the interests of the Company and the Shareholders of the Company as a whole.

Each of Mr. WANG Zhixian, Mr. LI Guofeng, Mr. WEI Minghui and Mr. WANG Zhu, being a Director also holding a management position or directorship with CMC Group or its associates (other than the Group), has abstained from voting on the Board resolution approving the Construction Works and Related Services Agreement. Save as disclosed above, none of the Directors attending the Board meeting has a material interest in or is required to abstain from voting on the relevant Board resolution.

INFORMATION OF THE PARTIES

Yingkou Ltd.

Yingkou Ltd. is a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company. It is principally engaged in provision of terminal services.

CMC Transportation

CMC Transportation is a limited liability company incorporated in the PRC and a non wholly-owned subsidiary of CMC Group. It is principally engaged in providing surveying and design, testing and inspection, consulting and supervision, engineering construction, product manufacturing, information services, environmental stewardship, design and construction general contracting and project management for expressway projects.

CMC Technology

CMC Technology is a limited liability company incorporated in the PRC and a wholly-owned subsidiary of CMC Transportation. It is principally engaged in providing road engineering research, construction, testing and inspection and technology development for expressway projects.

First Harbour Engineering

First Harbour Engineering is a limited liability company incorporated in the PRC and a wholly-owned subsidiary of CCCC First Harbour No. 1 Engineering Co., Ltd. It is principally engaged in providing construction and engineering services for expressway projects. As at the date of this announcement, it is an independent third party of the Company.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CMC Technology is wholly-owned by CMC Transportation, and CMC Transportation is a non wholly-owned subsidiary of CMC Group, which is the ultimate holding shareholder of the Company. Therefore, CMC Transportation and CMC Technology are connected persons of the Company, and the transaction contemplated under the Construction Works and Related Services Agreement constitutes connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the transaction contemplated under the Construction Works and Related Services Agreement exceed 0.1% but are below 5%, the transaction is subject to the reporting and announcement requirements, but is exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“A Share(s)”	A Share(s) of RMB1.00 each in the capital of the Company which is/are listed and traded on the Shanghai Stock Exchange
“Board”	the board of directors of the Company
“CMC Group”	China Merchants Group Limited* (招商局集團有限公司), a state wholly-owned enterprise established under the laws of the PRC which is under the direct control of the SASAC, as well as an indirect holding company of the Company
“CMC Technology”	China Merchants Zhixiang Road Technology (Chongqing) Co, Ltd.* (招商智翔道路科技(重慶)有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of CMC Transportation as at the date of this announcement
“CMC Transportation”	China Merchants Chongqing Transportation Research and Design Institute Co., Ltd.* (招商局重慶交通科研設計院有限公司), a limited liability company incorporated in the PRC and a non wholly-owned subsidiary of CMC Group as at the date of this announcement
“Construction Works and Related Services Agreement”	the construction works and related services agreement dated 11 December 2024 entered into between Yingkou Ltd. and the Contractors
“Company”	Liaoning Port Co., Ltd.* (遼寧港口股份有限公司), a joint stock limited company incorporated in the PRC whose H Shares and A Shares are listed on the Main Board of the Stock Exchange (stock code: 2880) and the Shanghai Stock Exchange (stock code: 601880), respectively
“connected person”	has the meaning ascribed to it under the Listing Rules
“Contractors”	collectively, CMC Transportation, CMC Technology and First Harbour Engineering
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“First Harbour Engineering”	No. 1 Engineering Company Limited of CCCC First Harbour No. 1 Engineering Co., Ltd.* (中交一航局第一工程有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of CCCC First Harbour No. 1 Engineering Co., Ltd.* (中交第一航務工程局有限公司) as at the date of this announcement
“Group”	the Company and its subsidiaries

“H Share(s)”	H Share(s) of RMB1.00 each in the capital of the Company which is/are listed and traded on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Hong Kong Stock Exchange (as amended from time to time)
“PRC”	the People’s Republic of China
“Project”	the construction project for the Jinkang connection section of Bayuquan Shugang Expressway (鮫魚圈疏港高速公路建設項目(金港連接段))
“RMB”	Renminbi, the lawful currency of the PRC
“SASAC”	State-owned Assets Supervision and Administration Commission of the State Council
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yingkou Ltd.”	Liaoning Port Holdings (Yingkou) Co., Ltd.* (遼港控股(營口)有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company as at the date of this announcement

By order of the Board
Liaoning Port Co., Ltd.*
WANG Huiying
Company Secretary

Dalian City, Liaoning Province, the PRC
11 December 2024

As at the date of this announcement, the Board comprises:

Executive Directors: WANG Zhixian and WEI Minghui

Non-executive Directors: LI Guofeng, WANG Zhu and YANG Bin

Independent non-executive Directors: LIU Chunyan, CHENG Chaoying and CHAN Wai Hei

* *The Company is registered as Non-Hong Kong company under Part XI of the previous Hong Kong Companies Ordinance (equivalent to Part 16 of the Hong Kong Companies Ordinance with effect from 3 March 2014) under the English name “Liaoning Port Co., Ltd.”.*

* *For identification purposes only*