
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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



天津發展控股有限公司

TIANJIN DEVELOPMENT HOLDINGS LIMITED

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

(Stock Code: 882)

CONTINUING CONNECTED TRANSACTION RELATING TO THE INTEGRATED SERVICES FRAMEWORK AGREEMENT

*Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders*



A letter from the Board is set out on pages 4 to 9 of this circular. A letter from the Independent Board Committee is set out on page 10 of this circular. A letter from Access Capital containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 11 to 18 of this circular.

A notice convening an Extraordinary General Meeting of the Company to be held at Chater Room, 2nd Floor, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong on Friday, 9 January 2009 at 3:00 p.m. is set out on pages 25 to 26 of this circular. A form of proxy for use by Shareholders at the Extraordinary General Meeting (or any adjournment thereof) is also enclosed. Whether or not you are able to attend the Extraordinary General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the share registrar of the Company, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Extraordinary General Meeting or any adjournment thereof should you so desire.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
Introduction	4
Continuing connected transaction	5
Listing Rules implications	6
Requirements under the Listing Rules	7
General	7
Extraordinary General Meeting	8
Procedures for demanding a poll by Shareholders	8
Recommendations	9
Further information	9
Letter from the Independent Board Committee	10
Letter from Access Capital	11
Appendix – General Information	19
Notice of Extraordinary General Meeting	25

DEFINITIONS

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

“associate(s)”	has the meaning given to it under the Listing Rules
“Board”	the board of Directors of the Company
“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
“connected person”	has the meaning given to it under the Listing Rules
“Directors”	the directors of the Company
“Extraordinary General Meeting”	the extraordinary general meeting of the Company to be convened on Friday, 9 January 2009 at 3:00 p.m. at Chater Room, 2nd Floor, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong at which an ordinary resolution will be proposed to approve the Integrated Services Framework Agreement and the transactions contemplated thereunder and the proposed annual caps
“Group”	the Company and its subsidiaries
“Haifeng Logistics”	天津港海豐保稅物流有限公司 (Tianjin Port Haifeng Bonded Logistics Co., Ltd.*), a company incorporated in the PRC with limited liability and a jointly controlled entity of Tianjin Port which is deemed to be a subsidiary of Tianjin Port under the Listing Rules by the Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent Board Committee”	the committee of independent non-executive directors of the Company, consisting of Mr. Kwong Che Keung, Gordon, Mr. Lau Wai Kit and Dr. Cheng Hon Kwan formed to advise the Independent Shareholders in respect of the Integrated Services Framework Agreement and the proposed annual caps for the three years ending 31 December 2011 thereof
“Independent Financial Adviser” or “Access Capital”	Access Capital Limited, being a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Integrated Services Framework Agreement
“Independent Shareholders”	the Shareholders other than Tsinlien and its associates
“Integrated Services Framework Agreement”	a framework agreement dated 4 December 2008 entered into between Tianjin Port and Tianjin Port Daily Life Services in relation to the provision of integrated services by Tianjin Port Daily Life Services and its subsidiaries to the TPD Group
“Latest Practicable Date”	16 December 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	the shareholders of the Company

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Port”	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 Authority”	the former government regulatory body of the port of Tianjin and, prior to the incorporation of Tianjin Port Group, the owner and operator of the businesses now owned by Tianjin Port Group
“Tianjin Port Board”	the board of directors of Tianjin Port
“Tianjin Port Daily Life Services”	天津港生活服務有限公司 (Tianjin Port Daily Life Services Company Limited*), a company incorporated in the PRC and a subsidiary of Tianjin Port Group
“Tianjin Port Group”	天津港(集團)有限公司 (Tianjin Port (Group) Co., Ltd.*), an entity reorganised as a wholly state-owned company in the PRC on 29 July 2004 and the holding company of the businesses owned and operated by the former Tianjin Port Authority
“TPD Group”	Tianjin Port and its subsidiaries (including Haifeng Logistics)
“Tsinlien”	Tsinlien Group Company Limited, a company incorporated in Hong Kong with limited liability on 19 October 1979 which is controlled by the Tianjin Government and the controlling Shareholder of the Company
“%”	per cent

* For identification purpose only

Unless otherwise stated, amounts in RMB have been translated into HK\$ at exchange rate of HK\$1.00 to RMB0.875 for illustration purposes only. No representation is made that any amounts in RMB or HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

If there is any inconsistency between the Chinese names of the PRC entities mentioned in this circular and their English translations, the Chinese names shall prevail.

LETTER FROM THE BOARD



天津發展控股有限公司
TIANJIN DEVELOPMENT HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability under the Companies Ordinance)
(Stock Code: 882)

Executive Directors:

Mr. Yu Rumin (*Acting Chairman*)
Mr. Wu Xuemin
Mr. Nie Jiansheng
Mr. Dai Yan
Mr. Hu Chengli
Dr. Wang Jiandong
Mr. Bai Zhisheng
Mr. Zhang Wenli
Mr. Sun Zengyin
Dr. Zong Guoying
Mr. Zheng Daoquan

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

23 December 2008

To the Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTION RELATING TO THE INTEGRATED SERVICES FRAMEWORK AGREEMENT

INTRODUCTION

On 4 December 2008, the Board and the Tianjin Port Board announced that Tianjin Port and Tianjin Port Daily Life Services entered into the Integrated Services Framework Agreement in relation to the provision of integrated services by Tianjin Port Daily Life Services and its subsidiaries to the TPD Group for a term commencing on 1 January 2009 and ending on 31 December 2011.

LETTER FROM THE BOARD

The purpose of this circular is to provide the Shareholders with, among other things, (i) further details of the Integrated Services Framework Agreement; (ii) the letter of recommendation from the Independent Board Committee; (iii) the letter of advice from Access Capital to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the Extraordinary General Meeting.

CONTINUING CONNECTED TRANSACTION

On 4 December 2008, the Board and the Tianjin Port Board announced that Tianjin Port and Tianjin Port Daily Life Services entered into the Integrated Services Framework Agreement in relation to the provision of integrated services by Tianjin Port Daily Life Services and its subsidiaries to the TPD Group for a term commencing on 1 January 2009 and ending on 31 December 2011.

Integrated Services Framework Agreement

Date:	4 December 2008
Parties:	(1) Tianjin Port (2) Tianjin Port Daily Life Services
Term:	1 January 2009 to 31 December 2011 (extension on similar terms subject to mutual agreements)
Transactions involved:	Provision of integrated services include sanitary, catering, warehouse building management and general maintenance services by Tianjin Port Daily Life Services and its subsidiaries to the TPD Group.
Price determination:	The service fee is determined with reference to factors such as the applicable PRC State guidance, the physical area in which services are to be provided, position, numbers and types of labour provided, fees charged by independent third party service providers, market prices and standard wages rate (if any).
Condition:	Each of the parties involved has obtained the respective necessary authorisation and approval required for the Integrated Services Framework Agreement, including but not limited to, having obtained the approval as required under the Listing Rules.

Historical figures

As such integrated services are entirely new transactions of Tianjin Port, no historical transaction amounts are available.

LETTER FROM THE BOARD

Proposed Annual Caps

The table below sets forth the proposed annual caps for the Integrated Services Framework Agreement for the three financial years ending 31 December 2011:

Proposed annual caps (in thousand) for the year ending 31 December		
2009	2010	2011
RMB59,000 (equivalent to approximately HK\$67,500)	RMB63,000 (equivalent to approximately HK\$72,000)	RMB67,000 (equivalent to approximately HK\$76,600)

Bases of the Proposed Annual Caps

The bases of the proposed annual caps for the Integrated Services Framework Agreement are as follows:

1. Tianjin Port's previous transaction amount for similar integrated services provided by other independent third party service providers;
2. Tianjin Port's estimate on the demand for catering services based on the TPD Group's headcount and number of workers providing labour services to the TPD Group;
3. Tianjin Port's estimate on the change in demand for the integrated services due to future change in activities of the TPD Group; and
4. Tianjin Port's estimate on the increase in the rate of such service charges.

Reasons for the entering into of the Integrated Services Framework Agreement

Tianjin Port Daily Life Services is one of the largest and the most reputable providers of integrated services in the Tianjin port area. Given the extensive experience and available resources of Tianjin Port Daily Life Services in providing services such as sanitary, catering, warehouse building management and general maintenance services, the Tianjin Port Board is of the view that Tianjin Port Daily Life Services can provide high-quality services to meet the TPD Group's requirement.

LISTING RULES IMPLICATIONS

As the Stock Exchange has exercised its discretion under Rule 14A.06 of the Listing Rules to deem Tianjin Port Group and its associates as connected persons of the Company and Tianjin Port, the entering into of the Integrated Services Framework Agreement constitutes a continuing connected transaction for each of the Company and Tianjin Port.

LETTER FROM THE BOARD

As some of the applicable percentage ratios for the Integrated Services Framework Agreement on an annual basis exceed 2.5% and the aggregated annual consideration is more than HK\$10 million, the entering into of the Integrated Services Framework Agreement constitutes a non-exempt continuing connected transaction for both the Company and Tianjin Port under Rule 14A.35 of the Listing Rules and is subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules, the approval of the Independent Shareholders by way of poll under Rule 14A.48 of the Listing Rules at the Extraordinary General Meeting and the annual review requirements by the independent non-executive directors and the auditor of the Company under Rules 14A.37 and 14A.38 of the Listing Rules.

The Company will re-comply with Rules 14A.35(3) and (4) of the Listing Rules if the annual caps for the Integrated Services Framework Agreement is renewed or there is a material change to the terms thereof.

REQUIREMENTS UNDER THE LISTING RULES

The Board (including the independent non-executive Directors who have taken into consideration of the advice given by Access Capital) considers that the proposed annual caps of the Integrated Services Framework Agreement are on normal commercial terms and are fair and reasonable and are entered into in the usual and ordinary course of business of the Group and that the entering into of the Integrated Services Framework Agreement is in the interests of the Company and its Shareholders as a whole.

Pursuant to Rule 14A.54 of the Listing Rules, any connected person and any shareholder and their associates with a material interest in the Integrated Services Framework Agreement are required to abstain from voting on the resolution at the Extraordinary General Meeting to be held to approve the same. Tsinlien and its associates are required to abstain from voting on the resolution approving the Integrated Services Framework Agreement at the Extraordinary General Meeting of the Company.

The Independent Board Committee has been established to advise the Independent Shareholders as to the terms of the Integrated Services Framework Agreement and the proposed annual caps for the three years ending 31 December 2011 thereof.

The Company has appointed Access Capital as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Integrated Services Framework Agreement.

GENERAL

The TPD Group is principally engaged in the provision of ports services including the loading and unloading of containerised and non-containerised cargoes from shipping vessels, the stacking and warehousing of containers and cargoes, as well as various ancillary services in Tianjin, the PRC.

LETTER FROM THE BOARD

The principal operations of the Group and its subsidiaries (excluding the TPD Group) and its associated companies can be categorised into four business segments, namely, (i) infrastructure; (ii) utilities; (iii) commercial properties and (iv) strategic and other investments. Infrastructure segment consists of toll road operations; utilities segment consists of supply of water, electricity, heat and thermal power; commercial properties segment is basically hotel operations; and strategic and other investments include investments in the production, sale and distribution of winery products, gas fuel operations and elevator and escalator operations.

EXTRAORDINARY GENERAL MEETING

A notice convening the Extraordinary General Meeting to be held at Chater Room, 2nd Floor, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong on Friday, 9 January 2009 at 3:00 p.m. is set out on pages 25 to 26 of this circular for the purpose of considering and, if thought fit, passing the ordinary resolution set out therein.

Tsinlien, being the controlling Shareholder, and its associates are interested in approximately 53.40% of the issued share capital of the Company as at the Latest Practicable Date, and will abstain from voting in respect of the resolution for approval of the Integrated Services Framework Agreement at the Extraordinary General Meeting. Save for Tsinlien and its associates, no Shareholder has any interest in the Integrated Services Framework Agreement and the proposed annual caps.

Whether or not you are able to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the share registrar of the Company, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Extraordinary General Meeting or any adjournment thereof should you so desire.

PROCEDURES FOR DEMANDING A POLL BY SHAREHOLDERS

Pursuant to Article 73 of the Articles of Association of the Company, at any general meeting a resolution put to the vote of a meeting shall be decided on a show of hands unless a poll is taken as may from time to time be required under the Listing Rules or unless a poll is (before or on the declaration of the results of the show of hands) demanded:

- (a) by the Chairman; or
- (b) by at least three Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or

LETTER FROM THE BOARD

- (c) by any Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) by any Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and holding Shares in the Company conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

RECOMMENDATIONS

Your attention is drawn to (i) the letter from the Independent Board Committee, the text of which is set out on page 10 of this circular; and (ii) the letter of advice from Access Capital, the text of which is set out on pages 11 to 18 of this circular.

The Independent Board Committee, having considered the advice given by Access Capital, considers that the Integrated Services Framework Agreement and the transactions contemplated thereunder are on normal commercial terms and were entered into in the ordinary and usual course of business and the terms thereof were fair and reasonable and were in the best interests of the Company and its Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the Extraordinary General Meeting to approve the Integrated Services Framework Agreement and the transactions contemplated thereunder and the proposed annual caps.

FURTHER INFORMATION

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

Yours faithfully,
By Order of the Board
Tianjin Development Holdings Limited
Yu Rumin
Acting Chairman



天津發展控股有限公司

TIANJIN DEVELOPMENT HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)
(Stock Code: 882)

23 December 2008

To the Independent Shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTION RELATING TO
THE INTEGRATED SERVICES FRAMEWORK AGREEMENT**

We have been appointed as members of the Independent Board Committee to advise the Independent Shareholders in connection with the entering into of the Integrated Services Framework Agreement and the transactions contemplated thereunder, details of which are set out in the “Letter from the Board” in the circular dated 23 December 2008 (the “Circular”), of which this letter forms part. Terms used in this letter shall have the same meanings as given to them in the Circular unless the context otherwise requires.

Your attention is also drawn to the “Letter from Access Capital” containing its advice to us regarding the Integrated Services Framework Agreement and the proposed annual caps for the three years ending 31 December 2011 thereof as set out on pages 11 to 18 of the Circular.

Having considered the advice given by Access Capital, and the principal factors and reasons taken into consideration by them in arriving at its advice, we are of the opinion that the Integrated Services Framework Agreement and the transactions contemplated thereunder are on normal commercial terms and were entered into in the ordinary and usual course of business and the terms thereof were fair and reasonable and were in the best interests of the Company and its Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the Extraordinary General Meeting to approve the Integrated Services Framework Agreement and the transactions contemplated thereunder and the proposed annual caps.

Yours faithfully,

Independent Board Committee

Kwong Che Keung, Gordon

*Independent non-executive
Director*

Lau Wai Kit

*Independent non-executive
Director*

Cheng Hon Kwan

*Independent non-executive
Director*

LETTER FROM ACCESS CAPITAL

The following is the text of the letter of advice from Access Capital to the Independent Board Committee and the Independent Shareholders prepared for the purpose of incorporation in this circular.



Suite 606, 6th Floor
Bank of America Tower
12 Harcourt Road
Central
Hong Kong

23 December 2008

To: The Independent Board Committee and the Independent Shareholders of Tianjin Development Holdings Limited

Dear Sirs,

CONTINUING CONNECTED TRANSACTION RELATING TO THE INTEGRATED SERVICES FRAMEWORK AGREEMENT

I. INTRODUCTION

We refer to our appointment as independent financial adviser to advise the Independent Board Committee and the Independent Shareholders with regard to the continuing connected transaction in relation to the Integrated Services Framework Agreement. Details of the Integrated Services Framework Agreement and the proposed annual caps for the three years ending 31 December 2011 are contained in the “Letter from the Board” of the circular to the Shareholders dated 23 December 2008 (the “Circular”), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise specifies.

The Board and the Tianjin Port Board jointly announced that Tianjin Port and Tianjin Port Daily Life Services entered into the Integrated Services Framework Agreement on 4 December 2008 in relation to the provision of integrated services by Tianjin Port Daily Life Services and its subsidiaries to the TPD Group for a term commencing on 1 January 2009 and ending on 31 December 2011. Tianjin Port Daily Life Services is a subsidiary of Tianjin Port Group.

As the Stock Exchange has exercised its discretion under Rule 14A.06 of the Listing Rules to deem Tianjin Port Group and its associates as connected persons of the Company and Tianjin Port, the entering into of the Integrated Services Framework Agreement by Tianjin Port constitutes a continuing connected transaction for each of the Company and Tianjin Port.

LETTER FROM ACCESS CAPITAL

As some of the applicable percentage ratios for the Integrated Services Framework Agreement on an annual basis exceed 2.5% and the aggregated annual consideration is more than HK\$10 million, the entering into of the Integrated Services Framework Agreement constitutes a non-exempt continuing connected transaction for the Company under Rule 14A.35 of the Listing Rules and is subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules, the approval of the Independent Shareholders by way of poll under Rule 14A.48 of the Listing Rules at the Extraordinary General Meeting and the annual review requirements by the independent non-executive Directors and the auditors of the Company under Rules 14A.37 and 14A.38 of the Listing Rules.

Tsinlien, being the controlling Shareholder, and its associates beneficially owned approximately 53.4% of the issued share capital of the Company as at the Latest Practicable Date, will abstain from voting in the Extraordinary General Meeting for the approval of the Integrated Services Framework Agreement and the proposed annual caps.

II. THE INDEPENDENT BOARD COMMITTEE

The Board currently consists of eleven executive Directors, namely Mr. Yu Rumin, Mr. Wu Xuemin, Mr. Nie Jiansheng, Mr. Dai Yan, Mr. Hu Chengli, Dr. Wang Jiandong, Mr. Bai Zhisheng, Mr. Zhang Wenli, Mr. Sun Zengyin, Dr. Zong Guoying and Mr. Zheng Daoquan, one non-executive Director, Mr. Cheung Wing Yui and three independent non-executive Directors, namely Mr. Kwong Che Keung, Gordon, Mr. Lau Wai Kit and Dr. Cheng Hon Kwan.

The Independent Board Committee comprising all of the independent non-executive Directors, namely Mr. Kwong Che Keung, Gordon, Mr. Lau Wai Kit and Dr. Cheng Hon Kwan, has been established to consider the terms of the Integrated Services Framework Agreement and the proposed annual caps for the three financial years ending 31 December 2011.

We have been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether (i) the Integrated Services Framework Agreement was entered into in the usual and ordinary course of business of the Group and in the interest of the Company and the Shareholders as a whole; and (ii) the terms of the Integrated Services Framework Agreement together with the proposed annual caps are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned for the Independent Board Committee's consideration when making its recommendation to the Independent Shareholders.

III. BASES AND ASSUMPTIONS OF THE ADVICE

In formulating our advice, we have relied solely on the statements, information, opinions and representations for matters relating to the Group contained in the Circular and the information and representations provided to us by the Group and/or its senior management staff and/or the Directors. We have assumed that all such statements, information, opinions and representations for matters relating to the Group contained or referred to in the Circular or otherwise provided or made or given by the Group and/or its senior management staff and/or

LETTER FROM ACCESS CAPITAL

the Directors and for which it is/they are solely responsible were true and accurate and valid at the time they were made and given and continue to be true and valid as at the date of the Circular. We have assumed that all the opinions and representations for matters relating to the Group made or provided by the Directors and/or the senior management staff of the Group contained in the Circular have been reasonably made after due and careful enquiry. We have also sought and obtained confirmation from the Group and/or its senior management staff and/or the Directors that no material facts have been omitted from the information provided and referred to in the Circular.

We consider that we have reviewed all currently available information and documents to enable us to reach an informed view and to justify our reliance on the information provided so as to form a reasonable basis for our opinions. We have no reason to doubt the truth, accuracy and completeness of the statements, information, opinions and representations provided to us by the Group and/or its senior management staff and/or the Directors and their respective advisers or to believe that material information has been withheld or omitted from the information provided to us or referred to in the aforesaid documents. We have not, however, carried out any independent verification of the information provided, nor have we conducted any independent investigation into the business and affairs of the Company or any of its subsidiaries. We have reviewed sufficient information and performed adequate analyses required by Rule 13.80 of the Listing Rules to conclude our opinion on a reasonable basis.

IV. PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our recommendation, we have taken into consideration the following principal factors and reasons:

1. Information on the TPD Group

The TPD Group is principally engaged in the provision of ports services including the loading and unloading of containerised and non-containerised cargoes from shipping vessels, the stacking and warehousing of containers and cargoes, as well as various ancillary services in Tianjin, the PRC. The following consolidated financial results of Tianjin Port for each of the two years ended 31 December 2007 and the six months ended 30 June 2008 are extracted from its 2007 annual report and 2008 interim report.

	For the year ended		For the six
	31 December		months ended
	2006	2007	30 June
	<i>Audited</i>	<i>Audited</i>	<i>Unaudited</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	1,036,495	1,193,777	622,155
Profit for the year/period	304,273	240,642	140,951

LETTER FROM ACCESS CAPITAL

According to Tianjin Port's interim report for the six months ended 30 June 2008, despite a slowing global economy and the Chinese government's tightened economic policies to combat inflation, the port of Tianjin recorded approximately 15.9% and 21.6% increase in total and container throughput respectively. The increase in container handling fee in the port of Tianjin at the beginning of the year has positively contributed towards the TPD Group's income. The TPD Group has also further improved the product mix of their bulk cargo business with approximately 14% growth in average handling fee per tonne. These two positive factors allowed the TPD Group to mitigate rising costs due to inflation pressure, including but not limited to, cost increase due to new PRC legislation regarding employee compensation. The TPD Group's revenue and profit for the period was approximately HK\$622 million and HK\$141 million respectively, representing an increase of approximately 8.7% and 19.5% respectively over same period of last year.

2. Key terms of the Integrated Services Framework Agreement

- Pursuant to the Integrated Services Framework Agreement, Tianjin Port Daily Life Services and its subsidiaries will provide integrated services to the TPD Group. The integrated services include sanitary, catering, warehouse building management and general maintenance services;
- for a term commencing on 1 January 2009 and ending on 31 December 2011; and
- the service fee is determined with reference to factors such as the applicable PRC State guidance, the physical area in which services are to be provided, position, numbers and types of labour provided, fees charged by independent third party service providers, market prices and standard wages rate (if any).

3. Reasons for the entering into of the Integrated Services Framework Agreement

As stated in the "Letter from the Board", Tianjin Port Daily Life Services is one of the largest and the most reputable providers of integrated services in the Tianjin port area. Given the extensive experience and available resources of Tianjin Port Daily Life Services in providing services such as sanitary, catering, warehouse building management and general maintenance, the Tianjin Port Board is of the view that Tianjin Port Daily Life Services can provide high-quality services to meet the TPD Group's requirement. The Board (including the independent non-executive Directors who have considered the advice given by Access Capital) considers that the Integrated Services Framework Agreement together with the proposed annual caps are on normal commercial terms and are fair and reasonable and are entered into in the usual and ordinary course of business of the Group and in the interests of the Company and its Shareholders as a whole.

LETTER FROM ACCESS CAPITAL

4. Proposed Annual Caps

The table below sets forth the proposed annual caps for the Integrated Services Framework Agreement for the three financial years ending 31 December 2011:

	Proposed annual caps (in thousand) for the year ending 31 December		
	2009	2010	2011
	<i>RMB59,000</i>	<i>RMB63,000</i>	<i>RMB67,000</i>
	<i>(equivalent to</i>	<i>(equivalent to</i>	<i>(equivalent to</i>
	<i>approximately</i>	<i>approximately</i>	<i>approximately</i>
	<i>HK\$67,500)</i>	<i>HK\$72,000)</i>	<i>HK\$76,600)</i>
Year-on-year growth rate	N/A	6.8%	6.3%

5. Bases of the proposed annual caps for the Integrated Services Framework Agreement

As stated in the “Letter from the Board”, the proposed annual caps for the Integrated Services Framework Agreement are based on Tianjin Port’s:

- (i) previous transaction amount for similar integrated services provided by other independent third party service providers;
- (ii) estimate on the demand for catering services based on the TPD Group’s headcount and number of workers providing labour services to the TPD Group;
- (iii) estimate on the change in demand for the integrated services due to future change in activities of the TPD Group; and
- (iv) estimate on the increase in the rate of such service charges.

As the integrated services are entirely new transactions of the TPD Group, there were no historical transaction amounts available between Tianjin Port Daily Life Services (together with its subsidiaries) and the TPD Group. Based on the internal schedule provided by Tianjin Port, we noted that sanitary and general maintenance services are being provided by independent third party service providers. All such services will be provided by Tianjin Port Daily Life Services commencing on 1 January 2009 upon approval of the Integrated Services Framework Agreement at the Extraordinary General Meeting. On the other hand, catering and warehouse building management services are new services to be provided to the TPD Group. Set out below is the amount paid and estimated amount to be paid by the TPD Group for sanitary and general maintenance services for the year ending 31 December 2008 and the expected amount of integrated services to be provided to the TPD Group for the three financial years ending 31 December 2011.

LETTER FROM ACCESS CAPITAL

<i>Type of services</i>	For the year ending 31 December			
	2008	2009	2010	2011
	<i>(amount paid and estimated amount to be paid to independent third party service providers in RMB'000)</i>			
		<i>(Estimated amount in RMB'000)</i>		
Sanitary	30,700	35,200	37,600	40,300
General maintenance	5,500	5,300	5,500	5,800
Catering	–	16,100	17,700	18,900
Warehouse building management	–	1,600	1,800	2,000
Total	36,200	58,200	62,600	67,000
Proposed annual caps	N/A	59,000	63,000	67,000

5.1 Proposed annual caps for 2009

Sanitary services

The estimated amount of sanitary services for 2009 are based on the area including berths, office buildings and the infrastructures on which such services are to be provided and the rates to be charged. As learnt from the above, the amount of such services for 2009 is estimated to increase by approximately 14.7% over that of 2008. The management of Tianjin Port anticipated that due to the addition of one new office building and rationalisation of the existing berth area, total area on which sanitary services to be provided will increase by about 15.3% in 2009.

We were provided by Tianjin Port with certain contracts between independent third party service providers and the TPD Group for sanitary services for 2008. We noted that Tianjin Port has used the average rates being charged by these independent third party service providers in 2008 when determining the estimated amount of sanitary services for 2009.

General maintenance services

The estimated amount of general maintenance services for 2009 are based on the number of workers to be engaged and the labour rate. As learnt from the above, the amount of such services for 2009 will be slightly less than that of 2008 as some of the services will be cancelled.

LETTER FROM ACCESS CAPITAL

We were provided by Tianjin Port with certain contracts between independent third party service providers and the TPD Group for such services for 2008. We noted that Tianjin Port has used the average labour rates being charged by these independent third party service providers in 2008 when determining the estimated amount of general maintenance services for 2009.

Catering services

Catering services will be provided to the TPD Group's staff and workers as staff benefits. Based on the internal schedule of Tianjin Port and our discussions with the management of Tianjin Port, we understand that the estimated services amount for 2009 are based on the TPD Group's estimated rate of charge of such services, the estimated headcount and number of workers providing labour services to the TPD Group and the number of working days in 2009. As there has been no historical transaction in this aspect, we have reviewed, as provided by Tianjin Port, the quotation from two independent third party service providers on the rate of charges on such services. We noted that the TPD Group has used a unit rate lower than the quotation from these independent third party service providers when determining the estimated amount of catering services for 2009.

Warehouse building management services

According to Tianjin Port's 2008 interim report, the TPD Group started to engage in the logistics warehousing project in Dongjiang Port in August 2007 through its 51% owned joint venture, Haifeng Logistics. The logistic park being developed by Haifeng Logistics will have a land area of approximately 715,000 square metres ("sq.m.") on which 37 blocks of warehouses with gross floor area ("GFA") of approximately 484,000 sq.m. are proposed to be constructed. The construction of 4 single-storey warehouses with GFA of approximately 46,000 sq.m. had been completed and operations commenced in April 2008. For the six months period ended 30 June 2008, Haifeng Logistics recorded revenue of approximately HK\$1.8 million. Pursuant to the Integrated Services Framework Agreement, warehouse building management services will be provided on the vacant and public area in the logistic park.

Based on the internal schedule of Tianjin Port and our discussions with the management of Tianjin Port, we understand that the estimated amount of warehouse building management services for 2009 is based on the estimated area on which such services are to be provided and the rate of service charges. As there has been no historical transaction in this aspect, we have reviewed, as provided by Tianjin Port, the quotation from an independent third party service provider on the rate of charges on such services. We noted that the TPD Group has used a unit rate lower than the quotation from the independent third party service provider when determining the estimated amount of warehouse building management services for 2009.

5.2 Proposed annual caps for 2010 and 2011

The proposed annual caps will have a year-on-year growth of approximately 6.8% and 6.3% for 2010 and 2011 respectively. According to the internal schedule provided by Tianjin Port, moderate growth in annual caps are anticipated, taking into account the inflation in the PRC, which, in turn, will increase the cost of the different services under the Integrated Services Framework Agreement in the range of 5-10% for these two years. The National Bureau of Statistics of China announced on 22 October 2008 that the consumer products index rose by 7.0% in the first three quarters of 2008. In this regard, we consider that the estimated range of increase in cost of the services used for calculation of the proposed annual caps for 2010 and 2011 is reasonable.

V. RECOMMENDATION

Based on our analysis above, we consider that the transactions contemplated under the Integrated Services Framework Agreement are in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole. Taking into account that the service charges under the Integrated Services Framework Agreement are determined with reference to the rates being charged on the TPD Group by independent third party service providers (for sanitary services and general maintenance services) and lower than the quotation by independent third party service providers (for catering services and warehouse building management services which are new transactions), we consider that the terms of the Integrated Services Framework Agreement including the proposed annual caps are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we advise the Independent Board Committee to recommend to the Independent Shareholders to vote in favour of the ordinary resolution in relation to the Integrated Services Framework Agreement together with the proposed annual caps for the three financial years ending 31 December 2011 at the Extraordinary General Meeting.

Yours faithfully,
For and on behalf of
Access Capital Limited
Jimmy Chung
Principal Director

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 the omission of which would make any statement herein misleading.

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and 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 were required (i) 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) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as contained in the Listing Rules, were as follows:

(i) Long position in underlying Shares of equity derivatives of the Company

The Company adopted a share option scheme at the annual general meeting held on 25 May 2007 under which the Directors may, at their discretion, invite any employees or 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	No. of Shares over which options are exercisable	Exercise price	Grant date	Exercisable from	Exercisable until
Yu Rumin	1,000,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Nie Jiansheng	900,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Dai Yan	900,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Hu Chengli	900,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Wang Jiandong	600,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Bai Zhisheng	300,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Zhang Wenli	300,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Sun Zengyin	300,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Zong Guoying	300,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017

Name of Directors	No. of Shares over which options are exercisable	Exercise price	Grant date	Exercisable from	Exercisable until
Zheng Daoquan	900,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Cheung Wing Yui	500,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Kwong Che Keung, Gordon	500,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Lau Wai Kit	500,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017
Cheng Hon Kwan	500,000	HK\$8.04	19 December 2007	17 January 2008	24 May 2017

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

(ii) Long position in shares of associated corporation of the Company

Tianjin Port

Name of Director	Capacity	Nature of interest	No. of shares held	Approximate percentage of shares in issue as at the Latest Practicable Date
Wu Xuemin	Interest of spouse	Family interest	10,000	0.0006

(iii) Share options in associated corporations of the Company

(a) Tianjin Port

Name of Directors	No. of shares over which options are exercisable	Exercise price	Grant date	Exercisable from	Exercisable until
Yu Rumin	1,900,000	HK\$2.74	3 February 2007	3 August 2007	3 February 2017
	400,000	HK\$4.24	25 January 2008	25 July 2008	24 January 2018
Nie Jiansheng	2,100,000	HK\$2.28	1 August 2006	1 February 2007	1 August 2016

(b) Dynasty Fine Wines Group Limited

Name of Director	No. of shares over which options are exercisable	Exercise price	Grant date	Exercisable from	Exercisable until
Bai Zhisheng	1,100,000	HK\$3.00	27 January 2005	17 August 2005	26 January 2015
	1,200,000	HK\$3.00	1 November 2006	22 May 2007	31 October 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, 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 were required (i) 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) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as contained in the Listing Rules.

3. DISCLOSURE OF INTERESTS BY SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to the Directors and chief executive of the Company, the following persons (not being Directors or chief executive of the Company) had, or deemed to have, interests or short positions in the Shares and underlying Shares 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 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 an option in respect of such capital were as follows:

(a) Interests in the Company

Name of Shareholders	Capacity	No. of Shares/ underlying Shares held	Approximate percentage of issued share capital of the Company
Tsinlien (<i>Note 2</i>)	Interest of controlled corporations	570,039,143 (L)	53.40
Merrill Lynch & Co. Inc.	Interest of controlled corporations	128,260,014 (L)	12.02

Notes:

1. The letter “L” stands for the shareholder’s long position in Shares.
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, held 568,017,143 Shares and 2,022,000 Shares respectively. By virtue of the SFO, Tsinlien is taken to have interest in all the Shares held by Tianjin Investment and Tsinlien Venture.

As at the Latest Practicable Date, Mr. Wu Xuemin, Mr. Nie Jiansheng, Mr. Dai Yan, Mr. Hu Chengli and Mr. Zheng Daoquan are directors of Tsinlien.

(b) Interests in other members of the Group

Name of subsidiaries of the Company	Name of the other shareholders	Approximate percentage of issued share capital or registered capital of the subsidiaries
Tianjin Jin Zheng Transportation Development Co., Ltd.	Tianjin Eastern Outer Ring Road Co., Ltd.	16.07
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.*)	天津開發區陸海貿易貨運有限公司	10.00
天津港凱集裝箱服務有限公司 (Tianjin Gangkai Container Service Co., Ltd.*)	Sun Victory Enterprises Limited	25.00
Tianjin Tai Kang Industrial Co., Ltd.	Tianjin Machinery & Electric Industry Holding Group Company	17.26
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	25.00
天津港獅集裝箱服務有限公司 (Tianjin Gangshi Container Service Co., Ltd.*)	中外運集裝箱運輸有限公司 (Sinotrans Container Shipping Company Limited*)	20.00
天津港海豐保稅物流有限公司 (Tianjin Port Haifeng Bonded Logistics Co., Ltd.*)	Mapletree Tianjin Free Port Development (HKSAR) Limited	49.00
Tianjin First Hotel Ltd.	天津市第一飯店 (Tianjin First Hotel*)	25.00

* English names of the above PRC entities 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 disclosed 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. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into, or was proposing to enter into, any service contract with any member of the Group which did not expire or was not determinable by the relevant member of the Group within one year without payment of compensation (other than statutory compensation).

5. COMPETING INTERESTS

Mr. Yu Rumin, the chairman and a director of Tianjin Port Group, is the chairman and a director of 天津港股份有限公司 (Tianjin Port Holdings Co., Ltd*), which is a subsidiary of Tianjin Port Group. Tianjin Port Group operates businesses of handling containerised and non-containerised cargoes through its various subsidiaries and associated companies, the businesses of which is competing with businesses of Tianjin Port.

As the board of the Company is independent of the board of Tianjin Port Group (save for Mr. Yu, who is the chairman and a director of Tianjin Port Group, is the only common director in both of these companies) and Mr. Yu has no control over the board of the Company, the Group is capable of carrying on its businesses independently of the businesses of Tianjin Port Group.

As at the Latest Practicable Date, save as disclosed above and in so far as the Directors are aware, none of the Directors or their respective associates had any interest in a business which competes or is likely to compete with the business of the Group.

6. CONSENT

Access Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or reference to its name in the form and context in which it appears. The letter from Access Capital is given as at the date of this circular for incorporation herein.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial and trading position of the Group since 31 December 2007, being the date to which the latest published audited consolidated financial statements of the Group were made up.

8. QUALIFICATION OF EXPERT

The following is the qualification of the expert who has given opinion or advice contained in this circular:

Name	Qualification
Access Capital	a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO

As at the Latest Practicable Date, Access Capital did not have any holding, directly or indirectly, of any securities in any member of the Group or any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities of any member of the Group.

As at the Latest Practicable Date, Access Capital did not have any direct or indirect interests in any assets which since 31 December 2007 (being the date of which the latest published audited consolidated financial statements of the Group were made up) had been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the Group.

9. INTEREST IN ASSETS AND/OR CONTRACTS AND OTHER INTERESTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any asset which since 31 December 2007 (being the date of which the latest published audited consolidated financial statements of the Group were made up) had been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by or leased to, any member of the Group.

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 continuing connected transaction. Woo, Kwan, Lee & Lo will receive normal fees for professional services rendered in connection with such transaction.

Save as disclosed above, none of the Directors was materially interested in any contract or arrangement entered into between any member of the Group subsisting as at the Latest Practicable Date which was significant in relation to the business of Group.

10. GENERAL

Unless specified otherwise, the English text of this circular shall prevail over the Chinese text in case of inconsistency.

11. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Integrated Services Framework Agreement will be available for inspection during normal business hours on any weekday (except public holidays) at the office of Messrs. Woo, Kwan, Lee & Lo at 26th Floor, Jardine House, 1 Connaught Place, Central, Hong Kong during normal business hours, up to and including 9 January 2009.

NOTICE OF EXTRAORDINARY GENERAL MEETING



天津發展控股有限公司
TIANJIN DEVELOPMENT HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability under the Companies Ordinance)
(Stock Code: 882)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Tianjin Development Holdings Limited (the “**Company**”) will be held at Chater Room, 2nd Floor, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong on Friday, 9 January 2009 at 3:00 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT:**

- (a) a framework agreement dated 4 December 2008 entered into between the Tianjin Port Development Holdings Limited (“**Tianjin Port**”) and 天津港生活服務有限公司 (Tianjin Port Daily Life Services Company Limited*) (“**Tianjin Port Daily Life Services**”) in relation to the provision of integrated services by Tianjin Port Daily Life Services and its subsidiaries to Tianjin Port and its subsidiaries (the “**Integrated Services Framework Agreement**”), a copy of which has been produced to this meeting and marked “A” and signed by the chairman of the meeting (the “**Chairman**”) for the purpose of identification and as described in the circular of the Company dated 23 December 2008 of which the notice convening this meeting forms part, a copy of which has been produced to this meeting and marked “B” and signed by the Chairman for the purpose of identification, (the “**Circular**”) and the transactions contemplated thereunder and in connection therewith, be and are hereby approved, confirmed and ratified; and
- (b) the proposed annual caps as set out in the Circular in relation to the Integrated Services Framework Agreement for the three years ending 31 December 2011 be and are hereby approved;

and any one director of the Company or any other person authorised by the board of directors of the Company from time to time be and is hereby authorised for and on behalf of the Company to execute all such other documents and agreements and do such acts or things as he may in his absolute discretion consider to be necessary, desirable, appropriate or expedient to implement or give effect to the Integrated Services Framework Agreement and the transactions contemplated thereunder and the annual caps in relation to the Integrated Services Framework Agreement for the three years ending 31 December 2011 or to be incidental to, ancillary to or in connection with the matters contemplated under the Integrated Services Framework Agreement and such annual caps, including agreeing

NOTICE OF EXTRAORDINARY GENERAL MEETING

and making any modifications, amendments, waivers, variations or extensions of the Integrated Services Framework Agreement and the transactions contemplated thereunder and the proposed annual caps in relation to the Integrated Services Framework Agreement for the three years ending 31 December 2011.”

By Order of the Board
Tianjin Development Holdings Limited
Yu Rumin
Acting Chairman

Hong Kong, 23 December 2008

Notes:

- (1) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of him. A proxy need not be a member of the Company.
- (2) To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney or authority, must be deposited at the share registrar of the Company, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting (or any adjournment thereof, as the case may be).
- (3) The ordinary resolution as set out above will be determined by way of poll.
- (4) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
- (5) As at the date of this notice, the board of directors of the Company consists of Mr. Yu Rumin, Mr. Wu Xuemin, Mr. Nie Jiansheng, Mr. Dai Yan, Mr. Hu Chengli, Dr. Wang Jiandong, Mr. Bai Zhisheng, Mr. Zhang Wenli, Mr. Sun Zengyin, Dr. Zong Guoying and Mr. Zheng Daoquan as executive directors; Mr. Cheung Wing Yui as non-executive director and Mr. Kwong Che Keung, Gordon, Mr. Lau Wai Kit and Dr. Cheng Hon Kwan as independent non-executive directors.

* *For identification purpose only*