

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**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 licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Ocean Line Port Development Limited**, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



**遠航港口發展有限公司**

OCEAN LINE PORT DEVELOPMENT LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8502)**

**MAJOR TRANSACTION  
INCREASE IN CAPITAL COMMITMENT**

---

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular unless otherwise stated.

A letter from the Board is set out on pages 4 to 13 of this circular.

The Company has received a written approval of the Increase in Capital Commitment by Vital Force, which holds 600,000,000 Shares, representing 75% of the total issued Shares as at the Latest Practicable Date. Accordingly, pursuant to Rule 19.44 of the GEM Listing Rules, no general meeting of the Company will be convened for the purpose of approving the Increase in Capital Commitment. This circular is being despatched to the Shareholders for information only.

*This circular will remain on the “Listed Company Information” page of the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its posting and on the website of the Company at [www.oceanlineport.com](http://www.oceanlineport.com).*

25 April 2025

## **CHARACTERISTICS OF GEM**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

## CONTENTS

	<i>Page</i>
<b>Characteristics of GEM</b> .....	i
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	4
<b>Appendix I — Financial Information of the Group</b> .....	14
<b>Appendix II — General Information</b> .....	16

## DEFINITIONS

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

“2025 Budget”	the 2025 financial budget, 2025 fund raising budget, operational budget and construction unit management fee budget of the JV Company for implementation of phase one construction of the Project
“2025 Investment Plan”	the 2025 investment plan and construction progress plan of the JV Company for implementation of phase one construction of the Project
“Advance”	the advance made by Chizhou Port Holdings to the JV Company in the amount of approximately RMB1,515,000 in proportion to its shareholding interests in the JV Company
“Announcement”	the announcement of the Company dated 12 March 2025 in relation to the Increase in Capital Commitment
“Board”	the board of Directors
“Capital Commitment”	the additional capital commitment of approximately RMB66,765,000 by Chizhou Port Holdings to the JV Company as a result of the Increase in Capital Commitment
“Chizhou Port Holdings”	池州港遠航控股集團有限公司 (Chizhou Port Ocean Line Holdings Group Limited*), a company established in the PRC and an indirect 72%-owned subsidiary of the Company
“Clarification Announcement”	the clarification announcement of the Company dated 14 April 2025 to clarify, among others, the GEM Listing Rules implications in relation to the Advance
“Company”	Ocean Line Port Development Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM (stock code: 8502)
“connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

## DEFINITIONS

“Increase in Capital Commitment”	the increase of additional capital commitment by the shareholders of the JV Company in the total amount of approximately RMB1,335,303,000, which shall be contributed by the shareholders of the JV Company to the JV Company in proportion to their respective shareholding interests in the JV Company for the purpose of the Project
“Independent Third Party(ies)”	a third party independent of and not connected with the Company and/or its subsidiaries and their respective connected persons
“Initial Capital Commitment”	the initial capital commitment of RMB10,000,000 made by Chizhou Port Holdings to the JV Company to subscribe for the registered capital of the JV Company
“JV Agreement”	the joint venture agreement dated 9 November 2024 entered into between Chizhou Port Holdings and the JV Partners in relation to the formation of the JV Company
“JV Company”	池州鐵航建設投資發展有限公司 (Chizhou Tie Hang Construction Investment Development Co., Ltd.*), a company established under the JV Agreement in the PRC with limited liability
“JV Partner I”	池洲金橋投資集團有限公司 (Chizhou Jinqiao Investment Group Co., Ltd.*), a company established in the PRC with limited liability
“JV Partner II”	中鐵四局集團有限公司 (China Railway Fourth Engineering Bureau Group Co., Ltd.*), a company established in the PRC with limited liability
“JV Partner III”	安徽平天湖投資控股集團有限公司 (Anhui Pingtian Lake Investment Holding Group Co., Ltd.*), a company established in the PRC with limited liability
“JV Partner IV”	池州資產運營集團有限公司 (Chizhou Assets Operation Group Co., Ltd.*), a company established in the PRC with limited liability
“JV Partners”	collectively, JV Partner I, JV Partner II, JV Partner III and JV Partner IV
“Latest Practicable Date”	16 April 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

## DEFINITIONS

“PRC”	the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, Macau and Taiwan
“Project”	the project for the construction and operation of Guichi Mineral Products Transportation Railway Line and the Chizhou Jiangkou Port Railway Line project, which will consist of two phases in total
“Resolutions”	the resolutions passed at the Shareholders’ Meeting to approve, among others, the 2025 Budget, the 2025 Investment Plan and the Increase in Capital Commitment
“SFO”	Securities and Futures Ordinance (Cap. 571)
“Shareholder(s)”	shareholder(s) of the Company
“Shareholders’ Meeting”	the shareholders’ meeting of the JV Company held on 12 March 2025
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary/subsidiaries”	has the meaning ascribed thereto in the GEM Listing Rules
“Vital Force”	Vital Force Developments Limited, a company incorporated in Hong Kong with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

\* *The English transliteration of the Chinese names in this circular, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.*

LETTER FROM THE BOARD



**遠航港口發展有限公司**

OCEAN LINE PORT DEVELOPMENT LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8502)**

*Executive Directors:*

Kwan Sze Hoi  
Huang Xueliang

*Non-executive Director:*

Cheung Wai Fung

*Independent non-executive Directors:*

Nie Rui  
Cheng Yin Pan  
Cheung Sze Ming

*Registered Office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Headquarters, Head Office and  
Principal Place of Business in the PRC:*

No. 8 Yanjiang Avenue  
Chizhou Economic Development Zone  
Chizhou, Anhui  
PRC

*Principal Place of  
Business in Hong Kong:*

Room 2715-16, 27/F  
Hong Kong Plaza  
188 Connaught Road West  
Hong Kong

25 April 2025

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION  
INCREASE IN CAPITAL COMMITMENT**

**INTRODUCTION**

Reference is made to the Announcement in relation to the Increase in Capital Commitment and the Clarification Announcement.

## LETTER FROM THE BOARD

The purpose of this circular is to provide you with, *inter alia*, (i) further details on the Increase in Capital Commitment; and (ii) other information as required under the GEM Listing Rules, for information only.

### BACKGROUND

On 9 November 2024 (after trading hours of the Stock Exchange), Chizhou Port Holdings (an indirect 72%-owned subsidiary of the Company) entered into the JV Agreement with the JV Partners pursuant to which the parties agreed to establish the JV Company with a registered capital of RMB200,000,000.

### THE JV AGREEMENT

**Date** 9 November 2024 (after trading hours of the Stock Exchange)

**Parties**

- (1) Chizhou Port Holdings;
- (2) JV Partner I;
- (3) JV Partner II;
- (4) JV Partner III; and
- (5) JV Partner IV.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of the JV Agreement and the Latest Practicable Date, the JV Partners and their ultimate beneficial owners are Independent Third Parties.

### Formation of the JV Company and its registered capital

Pursuant to the JV Agreement, the JV Company is primarily established as the project company for the Project and is principally responsible for the design, investment and financing, construction, operation, management, maintenance and handover of the Project.

Upon its establishment on 9 November 2024, the JV Company is owned as to 5% by Chizhou Port Holdings, 24% by the JV Partner I, 51% by JV Partner II, 10% by JV Partner III and 10% by JV Partner IV, respectively. Accordingly, the JV Company is not accounted for as a subsidiary of the Group and its financial results will not be consolidated into the consolidated financial statements of the Group.



## LETTER FROM THE BOARD

Pursuant to the JV Agreement, the registered share capital of the JV Company was RMB200,000,000, which had been contributed in cash as to 5% by Chizhou Port Holdings (i.e. RMB10,000,000), 24% by the JV Partner I (i.e. RMB48,000,000), 51% by JV Partner II (i.e. RMB102,000,000), 10% by JV Partner III (i.e. RMB20,000,000) and 10% by JV Partner IV (i.e. RMB20,000,000), respectively. The Initial Capital Commitment was funded by internal resources of the Group. As all of the applicable percentage ratios calculated pursuant to GEM Listing Rule 19.07 in respect of the Initial Capital Commitment of RMB10,000,000 are less than 5%, the Initial Capital Commitment is fully exempt from the requirements under Chapter 19 of the GEM Listing Rules.

The amount of capital contributions was determined after arm's length negotiation between the parties to the JV Agreement with reference to the registered share capital of the JV Company and their respective shareholding interests in the JV Company.

Pursuant to the JV Agreement, Chizhou Port Holdings would only hold 5% of the shareholding interest in the JV Company (by way of contribution of RMB10,000,000 (i.e. the Initial Capital Commitment) to the total registered capital of the JV Company in the amount of RMB200,000,000) and as such, the JV Company would be accounted for equity investment but not as a subsidiary of the Group.

The JV Agreement was unconditional and became effective upon its signing on 9 November 2024.

### **Corporate governance**

The board of directors of the JV Company should comprise nine directors. JV Partner II would be entitled to nominate five directors and each of JV Partner I, JV Partner III, JV Partner IV and Chizhou Port Holdings would be entitled to nominate one director. The board meetings of the JV Company shall only be held in the presence of more than half of all directors of the JV Company. Each director of the JV Company shall have one vote. Matters arising in any meeting of the board of directors of the JV Company shall be passed by a majority of votes cast by such directors of the JV Company (other than matters relating to the operation plan and investment plan, annual financial budget plan and final accounts plan, profits distribution plan and loss indemnity plan, formulating the plans for increase or reduction of registered capital and issue of bonds, the merger, separation, dissolution or change of the corporate form, which shall be passed by not less than two-thirds of votes cast by such directors of the JV Company).

## LETTER FROM THE BOARD

### Shareholders' rights

Each shareholder of the JV Company has the following rights:

- (1) to participate or entrust others to participate in the shareholders' meetings and exercise voting rights in proportion to its capital contribution in the JV Company;
- (2) to understand the JV Company's operating status and financial status and to inspect and make copy of the JV Company's articles of association, shareholders' meeting minutes, board meeting minutes, supervisor meeting minutes and the financial reports;
- (3) to nominate director candidates and supervisor candidates;
- (4) profit distribution or equity transfer;
- (5) be entitled to distribution of remaining properties of the JV Company after termination, dissolution and liquidation of the JV Company;
- (6) to supervise, make recommendation or enquiry about the operation of the JV Company; and
- (7) other rights stipulated in laws, regulations and the JV Company's articles of association.

### Profit distribution arrangement

Depends on the freight volume of the Project and according to the terms of the JV Agreement, each shareholder of the JV Company will be entitled to, on a pro rata basis of the contributed registered capital, receive dividend from the JV Company.

### ADVANCE MADE INTO THE JV COMPANY

As disclosed in the Announcement, in addition to the capital contributions made, an advance was made by each of the shareholders of the JV Company to the JV Company in proportion to their respective shareholding interests in the JV Company (as to approximately RMB1,515,000 by Chizhou Port Holdings (the "**Advance**"), approximately RMB7,271,000 by JV Partner I, approximately RMB15,451,000 by JV Partner II, approximately RMB3,030,000 by JV Partner III and approximately RMB3,030,000 by JV Partner IV).

The Advance in the amount of approximately RMB1,515,000 was made by Chizhou Port Holdings to the JV Company on 16 December 2024.

## **LETTER FROM THE BOARD**

### **REASONS FOR THE ADVANCE**

The advance made by each of the shareholders of the JV Company to the JV Company in proportion to their respective shareholding interests in the JV Company (including the Advance) was for the purpose of financing the preliminary work for implementation of the phase one construction of the Project.

The advance made by each of the shareholders of the JV Company to the JV Company in proportion to their respective shareholding interests in the JV Company (including the Advance) was subject to the finalisation and approval of the 2025 Budget and 2025 Investment Plan. During the Shareholders' Meeting held on 12 March 2025, the shareholders of the JV Company discussed, considered and approved the 2025 Budget and the 2025 Investment Plan and as such, the advance made by each of the shareholders of the JV Company to the JV Company in proportion to their respective shareholding interests in the JV Company (including the Advance) was also confirmed and ratified at the Shareholders' Meeting.

### **GEM LISTING RULES IMPLICATIONS ON THE ADVANCE**

As one or more of the applicable percentage ratios calculated pursuant to GEM Listing Rule 19.07 in respect of the Advance of approximately RMB1,515,000 (when aggregated with the Initial Capital Commitment of RMB10,000,000) exceeds 5% and all of the percentage ratios are less than 25%, the Advance (when aggregated with the Initial Capital Commitment) constituted a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules and is subject to the announcement requirement under Chapter 19 of the GEM Listing Rules.

### **INCREASE IN CAPITAL COMMITMENT**

The Board is pleased to announce that on 12 March 2025, the Shareholders' Meeting was held during which Resolutions were passed at the Shareholders' Meeting to approve, among others, the 2025 Budget, the 2025 Investment Plan and the Increase in Capital Commitment. As a result of the Increase in Capital Commitment, Chizhou Port Holdings (an indirect 72%-owned subsidiary of the Company), being a shareholder of the JV Company, is required to make additional capital contribution in the amount of approximately RMB66,765,000 to the JV Company. The additional capital contribution to be made by the shareholders of the JV Company pursuant to the Increase of Capital Commitment will increase the capital reserve of the JV Company only but will not affect the existing registered capital of the JV Company in the amount of RMB200,000,000.

### **The Shareholders' Meeting**

During the Shareholders' Meeting held on 12 March 2025, the shareholders of the JV Company discussed, considered and approved the 2025 Budget and the 2025 Investment Plan.

## LETTER FROM THE BOARD

### **2025 Budget and 2025 Investment Plan**

The 2025 Budget represents the 2025 financial budget, 2025 fund raising budget, operational budget and construction unit management fee budget of the JV Company for implementation of phase one construction of the Project. The 2025 Investment Plan represents the 2025 investment plan and construction progress plan of the JV Company for implementation of phase one construction of the Project.

Based on the 2025 Budget and the 2025 Investment Plan, additional capital is required by the JV Company for phase one construction of the Project and therefore, a resolution was passed at the Shareholders' Meeting to approve the Increase in Capital Commitment.

The Increase in Capital Commitment in the amount of approximately RMB1,335,303,000 shall be contributed by each shareholders of the JV Company in proportion to their respective shareholding interests in the JV Company and as a result of the Increase in Capital Commitment, Chizhou Port Holdings (an indirect 72%-owned subsidiary of the Company), being a shareholder of the JV Company, is required to make additional capital contribution in the amount of approximately RMB66,765,000 to the JV Company.

Taking into account the advance already made by Chizhou Port Holdings to the JV Company in the amount of approximately RMB1,515,000 and such advance has been confirmed and ratified by the JV Company at the Shareholders' Meeting as capital contribution made by Chizhou Port Holdings, Chizhou Port Holdings will only be required to make additional capital contribution in the amount of approximately RMB65,250,000 to the JV Company as a result of the Increase in Capital Commitment.

The additional capital contribution of approximately RMB65,250,000 will be made by Chizhou Port Holdings depending on the construction progress of the Project and will be funded by internal resources of the Group.

The Increase in Capital Commitment was determined after arm's length negotiations between the shareholders of the JV Company with reference to the 2025 Budget, the 2025 Investment Plan and the capital needs of the JV Company for phase one construction of the Project.

As the Project consists of two phases in total, when the budget for phase two construction of the Project can be ascertained, the JV Company may request its shareholders to make further capital contribution to the JV Company. The Company will aggregate the total capital contribution required to be made by Chizhou Port Holdings and will check whether the total capital contribution when aggregated would result in a higher transaction classification and therefore be subject to any additional GEM Listing Rules requirements.

## LETTER FROM THE BOARD

### INFORMATION ON THE COMPANY AND THE PARTIES SHAREHOLDERS OF THE JV COMPANY

The principal activity of the Company is investment holding. The Group is principally engaged in port operation in Chizhou City, Anhui Province, the PRC.

Chizhou Port Holdings is a company established in the PRC with limited liability and is an indirect 72%-owned subsidiary of the Company. It is principally engaged in port operation in the PRC.

JV Partner I is a state-owned enterprise established in the PRC with limited liability and is under direct control of 池州市貴池區國有資產管理委員會 (State-owned Assets Management Committee\* of Guichi District, Chizhou City). JV Partner I is principally engaged in the operation and management of state-owned assets and asset management within the authorised scope in the PRC.

JV Partner II is a state-owned enterprise established in the PRC with limited liability and is a member of 中國中鐵股份有限公司 (China Railway Group Limited\*), JV Partner II is principally engaged in infrastructure construction.

JV Partner III is a state-owned enterprise established in the PRC with limited liability and is a platform company of 池州經濟技術開發區 (Chizhou Economic Development Zone\*). JV Partner III is principally engaged in infrastructure construction.

JV Partner IV is a state-owned enterprise established in the PRC with limited liability and is an investing and financing platform company of Chizhou Municipal Government. JV Partner IV is principally engaged in city infrastructure (such as transportation infrastructure) construction

### FINANCIAL EFFECTS

The JV Company is not accounted for as a subsidiary of the Group and its financial results will not be consolidated into the consolidated financial statements of the Group.

The Company considers that there will not be any material effect on the earnings of the Group immediately after the execution of the Increase in Capital Commitment. Since the additional capital contribution of approximately RMB65,250,000 will be funded by internal resources of the Group, after making additional capital contribution, the cash and cash equivalents of the Group will decrease, while the equity investment of the Group will increase. However, the net assets of the Group will have no significant change.

## LETTER FROM THE BOARD

### REASONS FOR AND BENEFITS OF INCREASE IN CAPITAL COMMITMENT

The Group is an inland terminal operator in the PRC and is principally engaged in the provision of port logistic services (including uploading and unloading of cargoes, bulk cargo handling services, container handling, storage and other services).

Under the Project, the JV Company plans to construct and operate two railway lines in Chizhou City, Anhui Province, the PRC, namely, the Guichi Mineral Products Transportation Railway Line and the Chizhou Jiangkou Port Railway Line. The Project consists of two phases in total, of which phase one construction of Project will include phase one construction of the Guichi Mineral Products Transportation Railway Line and phase one construction of the Chizhou Jiangkou Port Railway Line and phase two construction of Project will include phase two construction of the Guichi Mineral Products Transportation Railway Line and phase two construction of the Chizhou Jiangkou Port Railway Line.

Phase one construction of the Guichi Mineral Products Transportation Railway Line starts at Chashan Village in Mayu Subdistrict at Mayu North Station, then extends southward, passing beneath the Shanghai-Chongqing Expressway, the Nanjing-Anqing High-speed Railway, and the Tongling-Jiujiang Railway. The line traverses Mayu Subdistrict, Lishan Subdistrict, Meijie Town, and reaches Tangxi Town, covering a total length of approximately 44.2 kilometers. Phase two construction of the Guichi Mineral Products Transportation Railway Line consists of the Tangxi Area Mineral Products Public Corridor Branch Line. The corridor begins at the Yinlong Mining storage shed and extends northeast to Laowutan Village, crossing Longshu River and Provincial Road S225. It then follows Provincial Road S225 to the automobile unloading shed at Tangxi Station, with a total length of approximately 4.3 kilometers.

Phase one construction of the Chizhou Jiangkou Port Railway Line originates from the Jiangkou Port Area docks, with a new Jiangkou Port Station established within the port area. It proceeds southward, crossing over the Guitong Highway, passing beneath the planned Hechi Intercity Railway, then continues southward, crossing over Longteng Avenue, further southward, crossing Yingbin Avenue and Fengshouwei, passing beneath the planned Ningzong Expressway, and finally connecting to Mayu North Station of the Guichi Mineral Products Transportation Railway Line. This route spans approximately 11.1 kilometers. Phase two construction of the Chizhou Jiangkou Port Railway Line includes the railway section from Mayu North Station (excluding Mayu North Station) to Dunshang Station. After Mayu North Station, the railway passes beneath the Shanghai-Chongqing Expressway before turning southeast, bypassing the south side of Longwang Cave. It then passes beneath S228, the Nanjing-Anqing High-speed Railway, and the Tongling-Jiujiang Railway. The line continues eastward, passing under a high-voltage corridor and crossing the Jiuhua River before reaching Yonghe Village in Dunshang Town, where Dunshang Station is located. This section spans approximately 11.9 kilometers. Furthermore, phase two construction of the Chizhou Jiangkou Port Railway Line also includes a corridor project of approximately 2.1 kilometers connecting Jiangkou Port Station of the railway line to the dispatch yard and integrating with the Chizhou Jiangkou Port Area rail-water intermodal transport terminal, as well as a corridor branch line of approximately 8.8 kilometers leading from Dunshang Jinjiachong Mining Area to Dunshang Station of the railway line.

## LETTER FROM THE BOARD

The construction of the Project aims to shift mineral product transportation from traditional road-based methods to a system primarily utilizing railway line and corridor transport, supplemented by road transport. This transition seeks to gradually establish a green, multimodal transport system centered around the port that integrates mining, railways, and terminals.

The total investment for the Project is estimated at approximately RMB10.52 billion. This investment will be funded through the capital of the JV Company and appropriate financing methods, including bank borrowings. Based on the information currently available, it is expected that the respective amounts of the capital required by the JV Company for phase one and phase two construction of the Project will be approximately RMB1.54 billion and RMB0.57 billion respectively. The phase one construction of the Project is expected to be completed by the end of 2027 while the expected completion date of phase two construction of the Project cannot be ascertained at the moment. The parties to the JV Agreement will, after the completion of phase one construction of the Project and until the operation of phase one of the Guichi Mineral Products Transportation Railway Line and Chizhou Jiangkou Port Railway Line has reached a certain scale, discuss further and agree with the proposed timing of completion of phase two construction of the Project. Should any additional funding be required from Chizhou Port Holdings, the Company will comply with the relevant requirements under the GEM Listing Rules if necessary.

As disclosed in the circular of the Company dated 25 February 2025 in relation to the entering into of the construction contract which constituted a major transaction, it is stated that “due to the special operating permit requirements and the complex preliminary procedures associated with the port-entering railway line project, the construction progress of the railway line has been affected”. The Company would like to provide an update that all these special operating permit requirements and preliminary procedures including the feasibility study approval, preliminary design approval and advanced land use approval for the port-entering railway line project have been completed and the railway is already under construction.

The Directors believe that establishing the JV Company and collaborating with JV Partners presents a valuable opportunity for the Group to achieve investment returns. This initiative enables the Group to capitalize on opportunities arising from the development of the Project, thereby gaining operational advantages as public ports in Chizhou City and enhancing the status of the Jiangkou Central Port Area. Moreover, it provides a more comprehensive platform for attracting investment to Chizhou City, and promotes the development of the city’s mining industry. These developments are expected to benefit the long-term operation and growth of the Group’s port business in Chizhou City. The Group will be able to enhance its competitiveness in the inland port operator market within Chizhou City, Anhui Province, the PRC.

In light of the above, the Directors consider that the Increase in Capital Commitment is fair and reasonable and in the interests of the Company and its shareholders as a whole.



## **LETTER FROM THE BOARD**

### **GEM LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios calculated pursuant to GEM Listing Rule 19.07 in respect of the Capital Commitment of approximately RMB66,765,000 (when aggregated with the Initial Capital Commitment of RMB10,000,000) exceeds 25% and all of the percentage ratios are less than 100%, the Increase in Capital Commitment constitutes a major transaction on the part of the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Increase in Capital Commitment. The Company has received a written approval of the Increase in capital Commitment by Vital Force, which holds 600,000,000 Shares, representing 75% of the total issue Shares as at the Latest Practicable Date. Accordingly, pursuant to Rule 19.44 of the GEM Listing Rules, no general meeting of the Company will be convened for the purpose of approving the Increase in Capital Commitment.

### **RECOMMENDATION**

The Directors (including the independent non-executive Directors) are of the opinion that the Increase in Capital Commitment is on normal commercial terms and fair and reasonable and the Increase in Capital Commitment is in the interests of the Company and the Shareholders as a whole. If a general meeting were to be convened for the approval of the Increase in Capital Commitment, the Board would recommend the Shareholders to vote in favour of the resolution to approve the Increase in Capital Commitment at such general meeting.

### **ADDITIONAL INFORMATION**

Your attention is drawn to the additional information as set out in the appendices to this circular.

By order of the Board  
**Ocean Line Port Development Limited**  
**Kwan Sze Hoi**  
*Chairman and executive Director*



## 1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for (i) each of the three years ended 31 December 2022, 2023 and 2024 are disclosed in the following documents, which have been published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.oceanlineport.com](http://www.oceanlineport.com)):

- the annual report of the Company for the year ended 31 December 2022 published on 30 March 2023 (pages 69 to 141):

<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0330/2023033001445.pdf>

- the annual report of the Company for the year ended 31 December 2023 published on 8 April 2024 (pages 73 to 149):

<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0408/2024040801300.pdf>

- the annual results announcement of the Company for the year ended 31 December 2024 published on 28 March 2025:

<https://www1.hkexnews.hk/listedco/listconews/gem/2025/0328/2025032802249.pdf>

## 2. INDEBTEDNESS STATEMENT

At the close of business on 28 February 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining information contained in this statement of indebtedness, the Group had outstanding indebtedness of approximately RMB1,033,000, consisting of current lease liabilities (unsecured and unguaranteed) of approximately RMB549,000 and non-current lease liabilities (unsecured and unguaranteed) of approximately RMB484,000.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables in the normal course of business, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other contingent liabilities as at the close of business on 28 February 2025.

### 3. WORKING CAPITAL STATEMENT

The Directors, after due and careful consideration, are of the opinion that, taking into consideration the financial resources available to the Group including the internally generated funds, the banking facilities and the financial effect of the Increase in Capital Commitment, the Group will have sufficient working capital for at least twelve (12) months from the date of publication of this circular. As at the Latest Practicable Date, the Company has obtained the relevant confirmation as required under Rule 19.66(13) of the GEM Listing Rules.

### 4. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The Group is an inland terminal operator in the PRC and is principally engaged in the provision of port logistic services (including uploading and unloading of cargoes, bulk cargo handling services, container handling, storage and other services).

In recent years, the high standard of environmental protection has become a normal practice and our works in all aspects have to meet higher environmental requirements, of which the higher environmental requirements for land transportation have made our port environmental protection work facing more difficulties, limiting the growth of our ports' scale. In addition, the "Bulk Cargoes to Containers" ("散改集") (the change in transportation form from bulk cargo to container) operation has just started in the Chizhou City market, and the development of our container business is still in a bottleneck period.

The Project is a key initiative for Guichi to accelerate the high-quality development of the mining economy and establish a pioneering zone for the comprehensive green transformation of economic and social development. It aims to enhance the scale efficiency and concentrated development of the mining industry in Guichi District, gradually unlock the production capacity of Chizhou City's major mining areas, and achieve full coverage of green transportation, shifting mineral product transportation from traditional road-based methods to a system primarily utilizing railway line and corridor transport, supplemented by road transport. This transition seeks to gradually establish a green, multi-modal transport system centered around the port that integrates mining, railways, and terminals. Various ores and deep-processed products from different enterprises can be transported via railways, offering outstanding advantages such as "environmental protection, safety, efficiency," as well as significant economic, social, and environmental benefits. It will enhance transportation efficiency, reduce logistics costs, promote the integrated development of transportation and logistics, and facilitate the deep processing of mineral products and the "Bulk Cargoes to Containers" operation. The multi-modal transport system will overcome the bottlenecks of road transportation, secure bulk cargo sources, consolidate the status of the Jiangkou Central Port Area, and lay a solid foundation for the sustainable development of the Jiangkou Port Area.

Looking ahead, it is expected the PRC's economy will maintain a stable and improving development trend. In the process of addressing changes in the external environment and internal structural adjustments, governments at all levels have implemented a series of effective measures to promote high-quality economic development, we remain relatively optimistic about the business outlook of the Group.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the directors of the issuer collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Directors' and chief executive's interests in the securities of the company and its associated corporations

As at the Latest Practicable Date, the following Directors of chief executive of the Company had or was deemed to have interests short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required 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) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules:

#### (I) Long position in the Shares and underlying shares of the Company

Name of Director	Capacity/Nature of interest	Number of issued Shares hold/interested	Approximate percentage shareholding
Mr. Kwai Sze Hoi	Interest in a controlled corporation ( <i>Note</i> )	600,000,000	75%
Ms. Cheung Wai Fung	Interest in a controlled corporation ( <i>Note</i> )	600,000,000	75%

*Note:* Vital Force is interested in 600,000,000 Shares. Vital Force is legally and beneficially owned as to 58.4% by Mr. Kwai Sze Hoi, 38.9% by Ms. Cheung Wai Fung and 2.7% by Hongkong Shun Yi Industrial Co. Limited, which is a company incorporated in Hong Kong with limited liability and owned as to 60% by Mr. Huang Xueliang. Mr. Kwai Sze Hoi and Ms. Cheung Wai Fung are deemed to be interested in all the Shares held by Vital Force under Part XV of the SFO. Mr. Kwai Sze Hoi is the chairman and an executive Director of the Company and a director of Vital Force. Ms. Cheung Wai Fung is a non-executive Director of the Company, a director of Vital Force and the spouse of Mr. Kwai Sze Hoi. Mr. Huang Xueliang is an executive Director of the Company.

*(II) Long position interests in ordinary shares of associated corporation*

Name of associated corporation	Name of Director	Capacity/ Nature of interests	Number of issued ordinary shares held	Percentage of the Company's share capital
Vital Force	Kwai Sze Hoi	Beneficial owner (Note 1)	29,200	58.4%
Vital Force	Cheung Wai Fung (Note 2)	Beneficial owner (Note 1)	19,466	38.9%
Vital Force	Huang Xueliang	Interest of a controlled corporation (Note 1)	1,334	2.7%

*Notes:*

1. Vital Force is legally and beneficially owned as to 58.4% by Mr. Kwai Sze Hoi, 38.9% by Ms. Cheung Wai Fung and 2.7% by Hongkong Shun Yi Industrial Co. Limited, which is a company incorporated in Hong Kong with limited liability and owned as to 60% by Mr. Huang Xueliang.
2. Ms. Cheung Wai Fung is the spouse of Mr. Kwai Sze Hoi

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor chief executives of the Company had any 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 would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or would be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, notified to the Company and the Stock Exchange.

*(III) Substantial Shareholder's interests in the Shares*

So far as is known to the Directors, as at the Latest Practicable Date, the following Shareholders and persons (not being a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company 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 were, 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:

Name of Shareholder	Capacity/Nature of interest	Number of Shares held	Approximate percentage of shareholding
Vital Force	Beneficial owner	600,000,000	75%

*Note:* Vital Force is legally and beneficially owned as to 58.4% by Mr. Kwai Sze Hoi, 38.9% by Ms. Cheung Wai Fung and 2.7% by Hongkong Shun Yi Industrial Co. Limited, which is a company incorporated in Hong Kong with limited liability and owned as to 60% by Mr. Huang Xueliang. Mr. Kwai Sze Hoi and Ms. Cheung Wai Fung are deemed to be interested in all the Shares held by Vital Force under Part XV of the SFO.

Save as disclosed above and as at the Latest Practicable Date, the Directors were not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the Shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO.

### 3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, all Directors have entered into letters of appointment or service contracts with the Company. None of the Directors had entered, or proposed to enter into a service contract with any member of the Group which does not expire or is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

#### 4. DIRECTORS' INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENT SIGNIFICANT TO THE GROUP

Ocean Line Port Development (Hong Kong) Limited (“**Ocean Line Hong Kong**”), a subsidiary of the Company and a related company entered into a tenancy agreement dated 30 November 2020 (the “**1st Tenancy Agreement**”) pursuant to which the related party as the landlord agreed to lease certain premises to Ocean Line Hong Kong as the tenant for a term of three years from 1 January 2021 to 31 December 2023. Ocean Line Hong Kong and the related company entered into a new tenancy agreement dated 30 November 2023 (the “**2nd Tenancy Agreement**”) pursuant to which the related party as the landlord agreed to lease certain premises to Ocean Line Hong Kong as the tenant for a term of three years from 1 January 2024 to 31 December 2026. The annual rentals under the 1st Tenancy Agreement and the 2nd Tenancy Agreement amounted to HK\$570,000 and HK\$633,600, respectively. Mr. Kwai Sze Hoi and Ms. Cheung Wai Fung, both being Directors, are the beneficial owners of the related company.

Save as disclosed above, as at the Latest Practicable Date:

- (a) none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or lease to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited accounts of the Company were made up; and
- (b) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and was significant in relation to the business of the Group.

#### 5. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective associates had any direct or indirect interest in a business which competes or may compete with the business of the Group.

#### 6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there have been no material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Company were made up.

#### 7. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was involved in any litigation or arbitration of material importance and no litigation or claim of material importance was pending or threatened against any member of the Group.

## 8. MATERIAL CONTRACTS

During the two years immediately preceding the Latest Practicable Date, the Group has entered into the following material contracts (not being contracts entered into in the ordinary course of business):

- (a) the construction contract dated 10 January 2025 entered into between 池州海順港口服務有限公司 (Chizhou Haishun Port Services Limited\*), a company established in the PRC in April 2024 and an indirect 43.2% effective shareholding interest-owned subsidiary of the Company and 安徽建工交通航務集團有限公司 (Anhui Construction Engineering Traffic & Shipping Group Co., Ltd.\*), a company established in the PRC with limited liability in relation to various construction works including but not limited to the construction of hydraulic structures, onshore infrastructure and supporting ancillary works for Phase IV of the Jiangkou Terminal located in Jiangkou Port Area, Economic and Technological Development Zone, Chizhou City, Anhui Province, the PRC;
- (b) the joint venture agreement dated 29 December 2023 entered into between Chizhou Port Holdings, 池州資產運營集團有限公司 (Chizhou Assets Operation Group Co., Ltd.\*) and 安徽平天湖投資控股集團有限公司 (Anhui Pingtian Lake Investment Holding Group Co., Ltd.\*) in relation to the formation of a joint venture company;
- (c) the joint venture agreement dated 30 June 2023 entered into between Chizhou Port Holdings, 池州資產運營集團有限公司 (Chizhou Assets Operation Group Co., Ltd.\*) and 安徽平天湖投資控股集團有限公司 (Anhui Pingtian Lake Investment Holding Group Co., Ltd.\*), in relation to the formation of a joint venture company; and
- (d) the agreement entered into between 池州遠航牛頭山港務有限公司 (Chizhou Ocean Line Niutoushan Limited\*), an indirect 77.7%-owned subsidiary of the Company and 池州貴鼎建設工程有限公司 (Chizhou Guiding Construction Engineering Co., Ltd.\*) as the contractor on 14 July 2023, pursuant to which the contractor undertook the construction works of a warehouse in Niutoushan Qianjiang Industrial Park.

## 9. GENERAL

- (a) The Company secretary of the Company is Mr. Lee Chun Hin. Mr. Lee Chun Hin is a member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Hong Kong Chartered Governance Institute. He graduated from Edinburgh Napier University and further obtained a Master's degree in Corporate Governance from the Hong Kong Polytechnic University in September 2022.

- (b) The audit committee of the Company comprises of Mr. Cheung Sze Ming as Chairman and Mr. Nie Rui and Mr. Cheng Yin Pan as members. For the full background and past experience of Mr. Cheung Sze Ming and Mr. Nie Rui, please see pages 14–15 of the Company’s 2023 Annual report published on 8 April 2024 for the year ended 31 December 2023. For the full background and past experience of Mr. Cheng Yin Pan, please refer to the announcement of the Company dated 10 July 2024.
- (c) The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (d) The Company’s headquarters, head office and principal place of business in the PRC is No. 8 Yajiang Avenue, Chizhou Economic Development Zone, Chizhou, Anhui, PRC. The Company’s principal place of business in Hong Kong is Room 2715–26, 27/F, Hong Kong Plaza, 188 Connaught Road West, Hong Kong.
- (e) The share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (f) In the event of inconsistency, the English language text of this circular shall prevail over the Chinese language text.

#### **10. DOCUMENTS ON DISPLAY**

A copy of the JV Agreement and the Resolutions will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.oceanlineport.com>) for not less than 14 days from the date of this circular (both days inclusive).