



Dalian Port (PDA) Company Limited*

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

(Stock Code: 2880)

CONNECTED TRANSACTION

The Directors announce that on 28 November 2006, APP, a wholly-owned subsidiary of the Company, entered into the Interest Free Shareholders' Loan Agreement with APC whereby APP agreed to grant a proportionate shareholder's loan of HK\$36,000,000.

The Directors also announce that on 28 November 2006, APP entered into the Shareholder's Loan Agreement with APC whereby APP agreed to grant a secured shareholder's loan of up to HK\$60,000,000 with a term of three and half years. The interest rate of such loan will be 0.75% per annum over HIBOR.

APC is the Company's indirect non wholly-owned subsidiary which is owned as to 60% by APP and 40% by Bulk Holdings. Bulk Holdings is wholly owned by a director of APC. As a result, APC is considered as a connected person of the Company by virtue of being an associate of Bulk Holdings (a substantial shareholder of APC) and an associate of a director of APC. Accordingly, the transactions contemplated under the Loan Agreements constitute connected transactions of a financial assistance nature for the Company under Rule 14A.13(2)(a)(i) of the Listing Rules. Since the relevant percentage ratios are less than 2.5% but exceed 0.1%, the transactions are subject to the reporting and announcement requirements under the Rules 14A.45 and 14A.47 of the Listing Rules.

A. THE LOAN AGREEMENTS

(a) The Interest Free Shareholder's Loan Agreement

Date: 28 November 2006
Lender: APP, a wholly-owned subsidiary of the Company
Borrower: APC, an indirectly 60%-owned subsidiary of the Company
Loan Amount: HK\$36,000,000
Interest Rate: Nil
Term: This loan is available for drawdown after the date of this loan agreement without a fixed term
Repayment Date: Repayable on demand by APP

The loan will be used by APC as general working capital. There is no security provided for this loan.

(b) The Shareholder's Loan Agreement

Date: 28 November 2006
Lender: APP, a wholly-owned subsidiary of the Company
Borrower: APC, an indirectly 60%-owned subsidiary of the Company
Loan Amount: HK\$60,000,000
Interest Rate: 0.75% per annum over HIBOR for interest periods of 1, 2 or 3 month as selected by the borrower by reference to whichever month has a lower rate and by written notice to the lender
Term: 3.5 years from the date of the first drawdown
Security: The Charge by Bulk Holdings in favor of APP over its 40% equity interests in APC
Repayment Date: Repayable by six-monthly installments and the last payment date shall be on or before the expiry of the term of the loan facility

The loan will be advanced by APC to its wholly-owned shipping subsidiaries in order to finance the purchase of two container vessels with a capacity of 600 TEU each from an independent third party.

B. LISTING RULES IMPLICATIONS

APC is owned as to 60% by APP, a wholly-owned subsidiary of the Company, and 40% by Bulk Holdings. Bulk Holdings is wholly owned by a director of APC. As a result, APC is considered as a connected person of the Company by virtue of being an associate of Bulk Holdings (a substantial shareholder of APC) and an associate of a director of APC. Accordingly, the transactions contemplated under the Loan Agreements constitute a connected transaction as defined under Rule 14A.13(2)(a)(i) of the Listing Rules. Since the relevant percentage ratios are less than 2.5% but exceed 0.1%, the transactions contemplated under the Loan Agreements are subject to the reporting and announcement requirements set out in Rules 14A.45 and 14A.47 of the Listing Rules. Details of the transactions will be included in the next published annual report and accounts of the Company in accordance with the Listing Rules.

C. INFORMATION ON THE GROUP AND APC

The principal activities of the Group are: (i) the provision of terminal and logistics services for oil products and liquefied chemicals; (ii) the provision of terminal and logistics services for containers, including container sea-to-sea transshipment services; and (iii) the provision of port value-added services including tugging, pilotage, tallying and IT services.

The principal business of APC is to invest in and operate two wholly-owned shipping companies which provide transshipment services for containers.

The Directors, including the independent non-executive Directors of the Company consider that the provision of the loan facilities under the Loan Agreements will facilitate the expansion of the Group's logistics services businesses and strengthen its ability to provide logistic services for containers. The Directors, including the independent non-executive Directors of the Company, are of the view that the Loan Agreements are on normal commercial terms, which are arrived at after arm's length negotiations and are fair and reasonable and entering into of the Loan Agreements is in the interests of the Company and its shareholders as a whole.

D. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

"APC"	Asia Pacific Carriers Ltd., a company incorporated in the British Virgin Islands and owned as to 60% by the Company and 40% by Bulk Holdings;
"APP"	Asia Pacific Ports Company Limited, a wholly-owned subsidiary of the Company incorporated in Hong Kong;
"associate"	has the meaning ascribed to it under the Listing Rules;
"Board"	the board of Directors;
"Bulk Holdings"	Pacific Bulk Maritime Holdings Co., Ltd., a company incorporated in the British Virgin Islands;
"Company"	大連港股份有限公司 (Dalian Port (PDA) Company Limited*), a joint stock limited company incorporated in the PRC with H shares listed and traded on the main board of the Stock Exchange;
"connected person"	has the meaning ascribed to it under the Listing Rules;
"Directors"	the directors of the Company;
"Group"	the Company and its subsidiaries;
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited;
"Loan Agreements"	the Interest Free Shareholder's Loan Agreement and the Shareholder's Loan Agreement;
"percentage ratios"	has the meanings ascribed to it under the Listing Rules;
"PRC"	the People's Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited; and
"substantial shareholder"	has the meaning ascribed to it under the Listing Rules.

By Order of the Board of Directors
MA Jinru LEE Kin Yu, Arthur
Joint Company Secretaries

Dalian City, Liaoning Province, the PRC
28 November 2006

As at the date of this announcement, the Directors are:

Executive Directors: SUN Hong, JIANG Luning and SU Chunhua
Non-executive Directors: LU Jianmin and ZHANG Fengge
Independent non-executive Directors: YANG Zan, ZHANG Xianzhi and NG Ming Wah, Charles

* The Company is registered as an oversea company under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) under the English name "Dalian Port (PDA) Company Limited".