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重慶長安民生物流股份有限公司
Changan Minsheng APLL Logistics Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 08217)

**REVISION OF THE ANNUAL CAP FOR A
CONTINUING CONNECTED TRANSACTION**

Reference is made to the Announcement.

It has recently come to the attention of the management during the course of the annual audit on the Company's financial statements for the year ended 31 December 2012 that the annual cap set for year 2012 for the Continuing Connected Transaction had been exceeded.

As the Exceeded Transaction was over 1% but was less than 5% of the applicable ratios (other than profit ratio) under Rule 19.07 of the Listing Rules, the Exceeded Transaction is subject to the reporting and announcement requirements of Chapter 20 of the Listing Rules but is exempt from the requirement of independent shareholders' approval.

BACKGROUND

Reference is made to the announcement of the Company dated 28 October 2011 in relation to the Continuing Connected Transaction between the Company and Changan Industry Company (the "Announcement").

Changan Industry Co. is a substantial shareholder of the Company, holding 25.44% of the total issued share capital of the Company. Under the GEM Listing Rules, Changan Industry Co. is a connected person of the Company and the Continuing Connected Transaction is subject to compliance with Chapter 20 of the GEM Listing Rules.

As disclosed in the Announcement, the annual cap in relation to the Continuing Connected Transaction for the three years ended 31 December 2012, 2013 and 2014 respectively was expected not to exceed RMB12,121,300, RMB14,084,800 and RMB15,944,700, respectively.

It has recently come to the attention of the management during the course of the annual audit on the Company's financial statements for the year ended 31 December 2012 that the annual cap for the Continuing Connected Transaction had been exceeded. The total amount for the Continuing Connected Transaction between the Group and Changan Industry Co. and its associates for the year ended 31 December 2012 amounted to RMB23,419,000 ("Exceeded Transaction"), which exceeded the annual cap set for year 2012, i.e. RMB12,121,300.

REASONS FOR THE EXCEEDED TRANSACTION

Since the beginning of October 2012, the northern area of China faced severe weather and snowstorms which caused the roads blocked up and the commercial vehicles of the Group's customers were overstocked; besides, the customers changed their transportation modes for commercial vehicles from railway transportation to road transportation for the line from Chongqing to Inner Mongolia which worsened the tension in road transportation. In order to solve the delivery problem as soon as possible, the Company put all of the transportation vehicles of CMAL Bo Yu, a wholly owned subsidiary of the Company, into the transportation of these areas, but it still couldn't satisfy the delivery demand. For this reason, Changan Industry Company and its associates put their transportation capacity into these areas and increased carrying the commercial vehicles from Chongqing to North East and Inner Mongolia, which caused the amount of purchasing of transportation services of vehicles and car raw materials, components and parts by the Group from Changan Industry Company and its associates increased substantially.

IMPLICATION UNDER THE GEM LISTING RULES

As the Exceeded Transaction was over 1% but was less than 5% of the applicable ratios (other than profit ratio) under Rule 19.07 of the Listing Rules, the Exceeded Transaction is subject to the reporting and announcement requirements of Chapter 20 of the Listing Rules but is exempt from the requirement of independent shareholders' approval.

The Exceeded Transaction has been approved, ratified and confirmed by the Board of Directors of the Company in all respects on 22 March 2013. Mr. Zhang Lungang, Mr. Gao Peizheng, Mr. Li Ming and Mr. Zhou Zhengli, all directors having connected relationship, have abstained from voting on the board resolutions on the Exceeded Transaction. The resolutions were voted by Directors who are not connected to the Exceeded Transaction. The Directors (including the independent non-executive directors of the Company) are of the view that the Exceeded Transaction was entered into (i) in the ordinary and usual course of business of the Company; (ii) on normal commercial terms after arm's length negotiations; and (iii) on terms that are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

MEASURES ADOPTED BY THE COMPANY FOR FUTURE COMPLIANCE

In order to avoid any similar events in the future, the Directors and senior management of the Company will closely monitor and regularly review the continuing connected transactions of the Company. The Company has taken necessary measures to strengthen the reporting and documentation system and internal control procedures of the Company and its subsidiaries including arranging more Directors and senior management to attend trainings; when the contract managing departments review the relevant contracts, to set the restriction terms on transaction volume cap in the relevant contracts to avoid the transaction volume exceeded; the statistic departments count the connected transactions monthly and send to the risk controlling departments for the monitoring of the transaction volume. In addition, the Company will further improve the risk management department on the regulatory managing and controlling functions in the daily production and business and to form a completed risk alarming and controlling system.

DEFINITIONS

“Associate”	has the meaning ascribed thereto in the GEM Listing Rules
“Board”	the board of directors of the Company
“Changan Industry Co.”	Chongqing Changan Industry (Group) Co., Ltd., a limited liability company established in China on 28 October 1996, formerly named Changan Automobile Company (Group) Limited (長安汽車（集團）有限責任公司)
“China or PRC”	The People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
“CMAL Bo Yu”	CMAL Bo Yu Transportation Co., Ltd., a wholly owned subsidiary of the Company
“Company”	重慶長安民生物流股份有限公司 (Changan Minsheng APLL Logistics Co., Ltd.)
“Continuing Connected Transaction”	the continuing connected transactions between the Group and Changan Industry Co. and its associates in relation to purchasing transportation services of vehicles and car raw materials, components and parts under the framework agreement between the Company and Changan Industry Co. on 28 October 2011
"Directors"	directors of the Company
"GEM"	the Growth Enterprise Market of The Stock Exchange of Hong

	Kong Limited
"Group"	the Company and its subsidiaries from time to time
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
" Listing Rules"	Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholders"	shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

By Order of the Board
Changan Minsheng APLL Logistics Co., Ltd.
Executive Director
Zhu Minghui

Chongqing, the PRC, 22 March 2013

As at the date of this announcement, the board of directors of the Company comprises: (1) Mr. Zhang Lungang, Mr. Gao Peizheng, Mr. Lu Xiaozhong, Mr. Zhu Minghui and Mr. William K Villalon as the Executive Directors; (2) Mr. Lu Guoji, Ms. Vanessa Lau Man Yee, Mr. Li Ming, Mr. Wu Xiaohua, Mr. Zhou Zhengli and Mr. Danny Goh Yan Nan as the Non-executive directors; (3) Mr. Peng Qifa, Mr. Chong Teck Sin, Mr. Poon Chiu Kwok, Mr. Jie Jing, Ms. Zhang Yun and Mr. Goh Chan Peng as Independent non-executive directors.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited 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 announcement 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 announcement misleading.

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* For identification purpose only