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中遠海運控股股份有限公司
COSCO SHIPPING Holdings Co., Ltd.*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1919)

**POSITIVE PROFIT ALERT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Board wishes to inform the Shareholders and potential investors that the Group is expected to record a net profit attributable to Shareholders for the year ended 31 December 2017 as compared to a net loss for the same period of last year.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by COSCO SHIPPING Holdings Co., Ltd.* (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a net profit for the year ended 31 December 2017 (the “**Reporting Period**”) as compared to a net loss for the same period of last year. The net profit attributable to the Shareholders for the Reporting Period is estimated to be approximately RMB2,700 million, as compared to the net loss attributable to the Shareholders of approximately RMB9,906 million, with a loss per share of RMB0.97 recorded for the year ended 31 December 2016.

During the Reporting Period, the container shipping market continued to recover. The average China Containerized Freight Index (CCFI) was 820.08 points, representing an increase of 109.36 points or 15.39% as compared to the same period of last year. Following the completion of business consolidation and restructuring and the increase in delivery of new vessels, the shipping capacity of COSCO SHIPPING Lines Co., Ltd., a wholly-owned subsidiary of the Company, expanded significantly. The layout of shipping routes were further optimized. The average income per unit and the cargo volume of the container shipping business increased as compared to the same period of last year and the operational benefits were enhanced.

During the Reporting Period, COSCO SHIPPING Ports Limited, a subsidiary of the Company, implemented various types of work in accordance with the established strategies of the Group. The Company has achieved remarkable results in its strategies of “global layout of ports”, “construction of holding network” and “terminals to ports”. The value of the Company was released continuously, the port business maintained steady development and the operational benefits increased steadily.

During the Reporting Period, the Company continued to deepen its reforms and strengthened the enhancement of quality and efficiency, and the synergy effects have become increasingly apparent. Benefitting from various internal and external positive factors, the operational benefits of the Company increased significantly. After deducting the non-recurring profit and loss, the net profit attributable to the Shareholders for the Reporting Period is estimated to be approximately RMB1,000 million, as compared to a net loss (after deducting the non-recurring profit and loss) of approximately RMB7,100 million in the same period of last year.

The major events in relation to the non-recurring profit and loss for the Reporting Period are as follows: (i) an investment income of RMB2.15 billion generated from the completion of the subscription of non-circulating domestic shares in Qingdao Port International Co., Ltd.* (青島港國際股份有限公司) and the disposal of shares in Qingdao Qianwan Container Terminal Co., Ltd.* (青島前灣集裝箱碼頭有限責任公司); (ii) a government subsidies income of approximately RMB1,168 million, including a subsidy income of RMB510 million for the demolition of vessels; and (iii) a net loss of approximately RMB91 million from the demolition of a container vessel. Taking into account the effect of enterprise income tax and deducting the non-recurring profit and loss attributable to the minority Shareholders, the non-recurring profit attributable to the Shareholders for the Reporting Period is estimated to be approximately RMB1,700 million.

The Company has yet to finalize the results of the Group for the year ended 31 December 2017. The information contained in this announcement is only a preliminary estimation made by the Company based on China Accounting Standards, which has not been reviewed or audited by the auditors of the Company. Details of the financial information of the Group prepared in accordance with Hong Kong Financial Reporting Standards for the year ended 31 December 2017 to be disclosed in the announcement of the annual results of the Company shall prevail over the information contained herein.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
COSCO SHIPPING Holdings Co., Ltd.
Guo Huawei
Company Secretary

Shanghai, the People's Republic of China
30 January 2018

As at the date of this announcement, the directors of the Company are Mr. HUANG Xiaowen¹ (Vice Chairman), Mr. XU Zunwu¹, Mr. MA Jianhua², Mr. WANG Haimin¹, Mr. ZHANG Wei (張為)¹, Mr. FENG Boming², Mr. ZHANG Wei (張煒)², Mr. CHEN Dong², Mr. YANG, Liang Yee Philip³, Mr. WU Dawei³, Mr. ZHOU Zhonghui³, Mr. TEO Siong Seng³ and Mr. Koo, Chee Kong Kenneth³.

¹ *Executive Director*

² *Non-executive Director*

³ *Independent non-executive Director*

* *For identification purpose only*