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中國遠洋控股股份有限公司
China COSCO Holdings Company Limited*

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

(Stock code: 1919)

DECOMMISSIONING AND DISPOSAL OF VESSELS

This announcement is made by China COSCO Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that to implement the plan for decommissioning and disposal of vessels in 2016 as approved in the board meeting of the Company on 14 March 2016, the Group had disassembled 5 container vessels (Na Xi He, Bu Yi He, Yu Gu He, Ha Ni He and Jing Po He, collectively, the “**Vessels**”), including one container vessel disassembled in July 2016 and four container vessels disassembled in August 2016. The Vessels, with the aggregate capacity of 224,560 deadweight tons, were disposed of as scrapped vessels to different purchasers, all of which are independent third parties of the Company, at a total consideration of approximately RMB90 million. Total net losses incurred from the disassembly of the Vessels amounted to approximately RMB341 million, which was unaudited.

The Vessels were previously owned by Shanghai Pan Asia Shipping Company Limited (上海泛亞航運有限公司), a wholly-owned subsidiary of the Company.

As a result of the decommissioning of the Vessels, the average age of vessels owned by Shanghai Pan Asia Shipping Company Limited (上海泛亞航運有限公司) has decreased, while the oil saving level and overall environmental friendliness of the vessels have improved. The Board considers that the decommissioning of the Vessels is conducive to enhancing the overall operational competitiveness of the shipping fleet of the Company and is in the interest of the Company and the Shareholders as a whole.

The Company will keep its Shareholders and potential investors informed of further development in connection with its plan to decommission aged vessels by way of further announcement(s) as and when appropriate or necessary.

By Order of the Board
China COSCO Holdings Company Limited
Guo Huawei
Company Secretary

Shanghai, the People's Republic of China
8 September 2016

As at the date of this announcement, the directors of the Company are Mr. WAN Min² (Chairman), Mr. HUANG Xiaowen¹ (Vice Chairman), Ms. SUN Yueying², Mr. SUN Jiakang¹, Mr. YE Weilong¹, Mr. WANG Yuhang², Mr. XU Zunwu¹, Dr. FAN HSU Lai Tai, Rita³, Mr. KWONG Che Keung, Gordon³, Mr. Peter Guy BOWIE³ and Mr. YANG, Liang Yee Philip³.

¹ *Executive director*

² *Non-executive director*

³ *Independent non-executive director*

** For identification purpose only*