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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)

CONNECTED TRANSACTIONS — ACQUISITIONS OF EQUITY INTERESTS IN OFFSHORE COMPANIES

On 5 August 2016, the Group and COSCO SHIPPING Group entered into the Offshore Companies SPAs, pursuant to which the Group conditionally agreed to acquire and other members of the COSCO Group or CS Group conditionally agreed to sell certain equity interests in the Offshore Companies.

As at the date of this announcement, COSCO is the controlling shareholder of the Company and COSCO SHIPPING is the indirect controlling shareholder of the Company which holds the entire equity interests in COSCO and China Shipping. Being a member of the COSCO Group or the CS Group, the sellers to the Offshore Company SPAs are connected persons of the Company for the purpose of Chapter 14A of the Listing Rules and the Proposed Transactions constitute connected transactions under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Proposed Transactions exceeds 0.1% but is lower than 5%, the Proposed Transactions are subject to reporting and announcement requirements under Chapter 14A of the Listing Rules but are exempt from independent shareholders' approval requirement.

On 5 August 2016, the Group and COSCO SHIPPING Group entered into the Offshore Companies SPAs, pursuant to which the Group conditionally agreed to acquire and other members of the COSCO Group or CS Group conditionally agreed to sell certain equity interests in the Offshore Companies.

PRINCIPAL TERMS OF THE OFFSHORE COMPANY SPAS

The principal terms and conditions of the Offshore Company SPAs are summarized below:

Date: 5 August 2016

Parties: ***Romania SPAs***

First Romania SPA

(a) COSCON Europe (a subsidiary of the Company) as the purchaser;

(b) CS Europe (a subsidiary of China Shipping) as the seller.

Second Romania SPA

(a) COSCO Belgium (a subsidiary of the Company) as the purchaser;

(b) Hafencity (a subsidiary of China Shipping) as the seller.

Poland SPA

(a) COSCON Europe (a subsidiary of the Company) as the purchaser;

(b) COSCO Europe (a subsidiary of COSCO) as the seller.

Russia SPAs

First Russia SPA

(a) COSCON Europe (a subsidiary of Company) as the purchaser;

(b) COSCO Europe (a subsidiary of COSCO) as the seller.

Second Russia SPA

(a) COSCO Belgium (a subsidiary of the Company) as the purchaser;

(b) Belgium Newman (a subsidiary of COSCO) as the seller.

South Africa SPA

(a) COSCON (a subsidiary of the Company) as the purchaser;

(b) COSCO Africa (a subsidiary of COSCO) as the seller.

Singapore SPA

(a) COSCON (a subsidiary of the Company) as the purchaser;

(b) CS Regional (a subsidiary of China Shipping) as the seller.

Sri Lanka SPA

(a) COSCON Southeast Asia (a subsidiary of the Company) as the purchaser;

(b) COSCO Singapore (a subsidiary of COSCO) as the seller.

Cambodia SPA

(a) COSCON Southeast Asia (a subsidiary of the Company) as the purchaser;

(b) COSCO Singapore (a subsidiary of COSCO) as the seller.

Mexico SPA

(a) COSCON America and COSCO Agencies LA (subsidiaries of the Company) as the purchasers;

(b) CS North America and CS North America Agency (subsidiaries of China Shipping) as the sellers.

General nature: ***Romania SPAs***

COSCON Europe has conditionally agreed to purchase and CS Europe has conditionally agreed to sell 90% equity interest in CS Romania.

COSCO Belgium has conditionally agreed to purchase and Hafencity has conditionally agreed to sell 10% equity interest in CS Romania.

Poland SPA

COSCON Europe has conditionally agreed to purchase and COSCO Europe has conditionally agreed to sell 50% equity interest in COSCO Poland.

Russia SPAs

COSCON Europe has conditionally agreed to purchase and COSCO Europe has conditionally agreed to sell 99% equity interest in COSCO Russia.

COSCO Belgium has conditionally agreed to purchase and Belgium Newman has conditionally agreed to sell 1% equity interest in COSCO Russia.

South Africa SPA

COSCON has conditionally agreed to purchase and COSCO Africa has conditionally agreed to sell its 100% equity interest in Cosren Shipping.

Singapore SPA

COSCON has conditionally agreed to purchase and CS Regional has conditionally agreed to sell its 49% equity interest in Golden Sea.

Sri Lanka SPA

COSCON Southeast Asia has conditionally agreed to purchase and COSCO Singapore has conditionally agreed to sell its 40% equity interest in COSCO Lanka.

Cambodia SPA

COSCON Southeast Asia has conditionally agreed to purchase and COSCO Singapore has conditionally agreed to sell its 100% equity interest in COSCO Cambodia.

Mexico SPA

COSCON North America and COSCO Agencies LA have conditionally agreed to purchase and CS North America and CS North America Agency have conditionally agreed to sell 99.90% and 0.1% of equity interest in CS Mexico, respectively.

Consideration: ***Romania SPAs***

The consideration for 90% equity interest in CS Romania under the First Romania SPA is RON947,079 (equivalent to approximately HK$1,837,333). The consideration for 10% equity interest in CS Romania under the Second Romania SPA is RON105,231 (equivalent to approximately HK$204,148). Such consideration was determined after arm's length negotiations between the parties and with reference to (i) the valuation of 100% equity interest in CS Romania at an amount of RON15,369,566 as at the Valuation Date, which was determined based on the adjusted net asset approach; and (ii) the deduction of the distribution of estimated pre-closing dividend at an amount of RON14,317,256 after the Valuation Date.

Poland SPA

The consideration for 50% equity interest in COSCO Poland under the Poland SPA is PLN407,500 (equivalent to approximately HK$819,075). Such consideration was determined after arm's length negotiations between the parties and with reference to (i) the valuation of 50% equity interest in COSCO Poland at an amount of PLN3,041,000 as at the Valuation Date, which was determined mainly based on the asset approach; and (ii) the deduction of the distribution of estimated pre-closing dividend at an amount of PLN5,267,000 after the Valuation Date (multiplied by 50%).

Russia SPAs

The consideration for 99% equity interest in COSCO Russia under the First Russia SPA is RUB148,034,700 (equivalent to approximately HK$17,456,922). The consideration for 1% equity interest in COSCO Russia under the Second Russia SPA is RUB1,495,300 (equivalent to approximately HK$176,333). Such consideration was determined after arm's length negotiations between the parties and with reference to the valuation of 100% equity interest in COSCO Russia at an amount of RUB149,529,264 as at the Valuation Date, which was determined mainly based on the asset approach.

South Africa SPA

The consideration for 100% equity interest in Cosren Shipping is Rand661,041.80 (equivalent to approximately HK$373,470). Such consideration was determined after arm's length negotiations between the parties and with reference to (i) the valuation of 100% equity interest in Cosren Shipping at an amount of Rand24,152,948.80 as at the Valuation Date, which was determined based on the asset-based approach; and (ii) the deduction of the distribution of estimated pre-closing dividend at an amount of Rand23,491,907 after the Valuation Date.

Singapore SPA

The consideration for 49% equity interest in Golden Sea is RMB33,899,100 (equivalent to approximately HK$3,966,947). Such consideration was determined after arm's length negotiations between the parties and with reference to (i) the valuation of 49% equity interest in Golden Sea at an amount of RMB68,250,238 as at the Valuation Date, which was determined based on the asset-based approach; and (ii) the deduction of the distribution of estimated pre-closing dividend at an amount of RMB70,104,300 after the Valuation Date (multiplied by 49%).

Sri Lanka SPA

The consideration for 40% equity interest in COSCO Lanka is LKR5,312,266 (equivalent to approximately HK$283,019). Such consideration was determined after arm's length negotiations between the parties and with reference to (i) the valuation of 40% equity interest in COSCO Lanka at an amount of LKR38,800,000 as at the Valuation Date, which was determined based on the market-based approach; and (ii) the deduction of the distribution of estimated pre-closing dividend at an amount of LKR83,719,334 after the Valuation Date (multiplied by 40%).

Cambodia SPA

The consideration for 100% equity interest in COSCO Cambodia is US$83,381 (equivalent to approximately HK$646,203). Such consideration was determined after arm's length negotiations between the parties and with reference to (i) the valuation of 100% equity interest in COSCO Cambodia at an amount of US$488,000 as at the Valuation Date, which was determined based on the market-based approach; and (ii) the deduction of the distribution of estimated pre-closing dividend at an amount of US$404,619.

Mexico SPA

The consideration for 100% equity interest in CS Mexico is MXN3,696,188.75 (equivalent to approximately HK$1,514,831). Such consideration was determined after arm's length negotiations between the parties and with reference to the valuation of 100% equity interest in CS Mexico at an amount of MXN3,696,188.75 as at the Valuation Date, which was determined mainly based on the asset approach.

Payment: In respect of South Africa SPA, the consideration shall be payable in RMB; in respect of Poland SPA, the consideration shall be payable in Euro; and in respect of Romania SPAs, Singapore SPA, Russia SPAs, Sri Lanka SPA, Cambodia SPA and Mexico SPA, the consideration shall be payable in US$.

In respect of Romania SPAs, Poland SPA, South Africa SPA, Sri Lanka SPA, Cambodia SPA and Mexico SPA, the exchange rate shall be determined based on the applicable internal exchange rate announced by COSCO SHIPPING for August 2016, which was based on the central parity rate used by the interbank foreign exchange market as published by the China Foreign Exchange Trade System; in respect of Singapore SPA, the exchange rate shall be the internal exchange rate of China Shipping for the month of September 2015, which was based on the central parity rate used by the interbank foreign exchange market as published by the China Foreign Exchange Trade System; and in respect of Russia SPAs, the exchange rate shall be the exchange rate used in the 2015 evaluation report of COSCO Russia, which is the exchange rate published by the Central Bank of Russia on 28 May 2016, and the difference of the consideration caused by the different exchange rates used in the evaluation report and the exchange rate as the the Valuation Date of 31 December 2015 which is also based on the exchange rate published by the Central Bank of Russia shall be deducted or offset when calculating the net profit or net loss of COSCO Russia and its subsidiaries during Interim Period as described in the sub-section "Profit/loss during the Interim Period" below. The difference in consideration based on the different exchange rates, which shall be deducted from the consideration payable, is RUB29,060,000.

The consideration shall be payable in cash on the Completion Date, except for the Russia SPAs, pursuant to which 50% of the consideration shall be payable on the Completion Date and 50% shall be payable upon expiry of the Interim Period.

The consideration will be funded from self-generated funds of the Group.

Conditions precedent: Completion of the Proposed Transactions shall be conditional upon the satisfaction of, among other things, the following conditions:

(a) resolutions of the shareholders of the Company having been passed approving the transactions under the relevant Offshore Company SPAs;

(b) the Proposed Transactions having received all necessary filings, approvals and consents;

(c) no material adverse change to the target company's business, operations, assets and liabilities since the relevant Valuation Date, save as disclosed by the seller to the purchaser before the signing of the relevant Offshore Company SPA;

(d) the representations and warranties made by the purchaser and seller shall be true and accurate in material respects as of the date of the relevant Offshore Agency SPA and as at the completion date; and

(e) the sellers having performed or complied with, in all material respects, all of their undertakings and obligations required to be performed or complied with prior to completion.

The parties to the relevant Offshore Company SPA are entitled to, in their absolute discretion, by written notice to the other party, to waive any of the conditions precedent either in whole or in part (except for (a) and (b) above).

If the first business day on or by which all conditions precedent have been fulfilled (or waived in accordance with the terms of the relevant Offshore Company SPA) has not occurred on or before the 30 August 2016 (or such later date as the parties may agree in writing), the relevant Offshore Company SPA shall be terminated automatically.

Profit/loss during Interim Period:

The amount of net profit incurred by the respective Offshore Company during the Interim Period (if any) shall be paid in cash by the respective purchaser to respective seller (and multiplied by the respective percentage of equity interest in the relevant Offshore Company to be acquired). The amount of net loss incurred by the Offshore Company during the Interim Period (if any) shall be paid in cash by the respective seller to the respective purchaser (and multiplied by the respective percentage of equity interest in the relevant Offshore Company to be acquired). The specific amount of net profit or loss shall be determined by way of a special closing audit as agreed between both parties within 60 business days of the Closing date or otherwise agreed by the parties according to the disclosed financial report or management accounts of the target companies.

Completion: Completion shall take place at a place to be determined by the parties to the relevant Offshore Company SPA on 31 August 2016 (or at such other place and time as the parties may mutually agree).

REASONS FOR AND BENEFITS OF ENTERING INTO THE OFFSHORE COMPANY SPAS

For the purpose of better satisfying the needs to develop the overseas businesses of the COSCON, the Group has initiated the Proposed Transactions, which is an important step for the Group to deepen its reform and restructuring and achieve its synergy effects. The integration of the overseas network will further optimize the Group's overseas resources deployment, streamline the overseas relation of property rights to its management, promote the effective implementation of various policies and measures for the Group's operation and management in the overseas areas and increase the Group's profits. Moreover, the integration work will make further improvement on the Group's layout of overseas container network, better capitalize on the economies of scale and synergy effects brought by its fleets and routes and provide quality customer service, which is beneficial for the Group in achieving its strategic goal of enhancing its international competitiveness and implementing its globalization.

INFORMATION ON THE GROUP AND PARTIES TO THE OFFSHORE COMPANY SPAS

(a) **the Group**

The Group provides a wide range of container shipping and terminal services covering the whole shipping value chain for both international and domestic customers.

(b) **the COSCO Group**

The COSCO Group is a diversified group of companies focusing mainly on shipping and modern logistics businesses. They also serve as shipping agencies and provide services in freight forwarding, ship building, ship repairing, terminal operation, container paint manufacturing, trade, financing, information technology, business consulting and contract employment.

(c) **the CS Group**

CS Group is a large shipping conglomerate involved in import and export business, trading, coastal and ocean cargo transportation, dry bulk cargo transportation, supply of food for vessels, management of docks and other services in relation to the above, and operates in different regions of the PRC and across the world.

(d) **CS Europe, HafenCity, CS Regional, CS North America and CS North America Agency**

CS Europe is principally engaged in agency, cargo soliciting, investment and management. It is a wholly-owned subsidiary of China Shipping.

HafenCity is principally engaged in property management. It is a wholly-owned subsidiary of China Shipping.

CS Regional is principally engaged in agency, cargo soliciting, investment and management in Southeast Asia. It is a wholly-owned subsidiary of China Shipping.

CS North America is principally engaged in provision of agency, cargo soliciting, cold container and chassis leasing services. It is a subsidiary of China Shipping.

CS North America Agency is principally engaged in provision of shipping agency, space booking, inland transportation and other shipping-related services. It is a subsidiary of China Shipping.

(e) **COSCO Europe, Belgium Newman, COSCO Africa and COSCO Singapore**

COSCO Europe is principally engaged in site management and the supply of goods for container lines and break bulk lines of Europe. It is a wholly-owned subsidiary of COSCO.

Belgium Newman is principally engaged in shipping agency, logistics agency, cargo agency business. It is a wholly-owned subsidiary of COSCO.

COSCO Africa is principally engaged in shipping transportation. It is a wholly-owned subsidiary of COSCO.

COSCO Singapore is principally engaged in investment and management. It is wholly-owned a subsidiary of COSCO.

INFORMATION ON THE TARGET COMPANIES

CS Romania

CS Romania is principally engaged in the businesses of container cargo solicitation, liner agency, container management, land transportation and logistics services.

As at the date of this announcement, CS Romania is held as to 90% by CS Europe and 10% by Hafencity. Immediately upon completion of the transaction under the Romania SPA, CS Romania will be held as to 90% by COSCON Europe and 10% by COSCO Belgium and will become a subsidiary of the Company.

Based on the audited consolidated financial statements of CS Romania for the year ended 31 December 2015 prepared in accordance with the IFRS, the consolidated net assets of CS Romania as at 31 December 2015 were RON15,025,256.

The audited consolidated net profits (before and after tax) of CS Romania for the two years ended 31 December 2014 and 31 December 2015 prepared in accordance with the IFRS are set out below:

	For the financial year ended	
	31 December 2014	**31 December 2015**
	RON	*RON*
Consolidated profit before tax	6,469,094	11,103,637
Consolidated profit after tax	4,995,833	9,321,422

COSCO Poland

COSCO Poland is principally engaged in cargo agency business.

As at the date of this announcement, COSCO Poland is held as to 50%, 30% and 20% by COSCO Europe, Chipolbrok Company and another independent third party, respectively. Upon completion of the transaction under the Poland SPA, COSCO Poland will be held as to 50% by COSCON Europe, 30% by Chipolbrok Company and 20% by an independent third party and will become a subsidiary of the Company.

Based on the audited consolidated financial statements of COSCO Poland for the year ended 31 December 2015 prepared in accordance with the Polish National Accounting Standards, the consolidated net assets of COSCO Poland as at 31 December 2015 were PLN5,517,267.91.

The audited consolidated net profits (before and after tax) of COSCO Poland for the two years ended 31 December 2014 and 31 December 2015 prepared in accordance with the Polish National Accounting Standards are set out below:

	For the financial year ended	
	31 December 2014	**31 December 2015**
	PLN	*PLN*
Consolidated profit before tax	840,000	286,000
Consolidated profit after tax	663,000	220,000

COSCO Russia

COSCO Russia is principally engaged in the container and bulk cargo vessel agency business.

As at the date of this announcement, COSCO Russia is held as to 99% by COSCO Europe and 1% by Belgium Newman. Upon completion of the transaction under the Russia SPAs, COSCO Russia will be held as to 99% by COSCON Europe and 1% by COSCO Belgium and will become a subsidiary of the Company.

Based on the audited consolidated financial statements of COSCO Russia for the year ended 31 December 2015 prepared in accordance with the Regulations on Accounting and Bookkeeping Statements in the Russian Federation, the consolidated net assets of COSCO Russia as at 31 December 2015 were RUB109,925,073.92.

The audited consolidated net profits (before and after tax) of COSCO Russia for the two years ended 31 December 2014 and 31 December 2015 prepared in accordance with the Regulations on Accounting and Bookkeeping Statements in the Russian Federation are set out below:

	For the financial year ended	
	31 December 2014	**31 December 2015**
	RUB	*RUB*
Consolidated profit before tax	54,600,775.48	48,872,373.40
Consolidated profit after tax	43,308,364.39	39,105,098.74

Cosren Shipping

Cosren Shipping is principally engaged in the shipping agency business, the freight forwarding business and the logistics business in South Africa and surrounding regions, etc.

As at the date of this announcement, Cosren Shipping is held as to 100% by COSCO Africa. Upon completion of the transaction under the South Africa SPA, Cosren Shipping will be held as to 100% by COSCON and will become a subsidiary of the Company. In the coming months, the Company plans to acquire, through Cosren Shipping, 60% equity interests in China Shipping (Nigeria) Agency Ltd. (中國海運(尼日利亞)代理有限公司) from China Shipping (Africa) Holdings Pty Ltd (a subsidiary of COSCO SHIPPING) and 10% equity interests in China Shipping (Nigeria) Agency Ltd. from an independent third party. China Shipping (Nigeria) Agency Ltd. is a subsidiary of China Shipping, and is principally engaged in freight forwarding business.

Based on the audited consolidated financial statements of Cosren Shipping for the year ended 31 December 2015 prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, the consolidated net assets of Cosren Shipping as at 31 December 2015 were Rand23,492,007.

The audited consolidated net profits (before and after tax) of Cosren Shipping for the two years ended 31 December 2014 and 31 December 2015 prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities are set out below:

	For the financial year ended	
	31 December 2014	**31 December 2015**
	Rand	*Rand*
Consolidated profit before tax	43,164,673	32,782,159
Consolidated profit after tax	31,139,747	23,491,905

Golden Sea

Golden Sea is principally engaged in feeder container shipping business.

As at the date of this announcement, Golden Sea is held as to 51% by COSCON and 49% by CS Regional. Upon completion of the transaction under the Singapore SPA, Golden Sea will be held as to 100% by COSCON and will continue to be a subsidiary of the Company.

Based on the audited consolidated financial statements of Golden Sea for the year ended 31 December 2015 prepared in accordance with the Singapore Financial Reporting Standards, the consolidated net assets of Golden Sea as at 31 December 2015 were US$12,085,156.

The audited consolidated net profits (before and after tax) of Golden Sea for the two years ended 31 December 2014 and 31 December 2015 prepared in accordance with the Singapore Financial Reporting Standards are set out below:

	For the financial year ended	
	31 December 2014	**31 December 2015**
	US$	*US$*
Consolidated profit before tax	5,062,285	5,007,805
Consolidated profit after tax	5,043,871	5,006,190

COSCO Lanka

COSCO Lanka is principally engaged in the shipping agency business.

As at the date of this announcement, COSCO Lanka is held as to 40% by COSCO Singapore and 60% by Ceylon Ocean Lines Ltd (an independent third party). Upon completion of the transaction under the Sri Lanka SPA, COSCO Lanka will be held as to 40% by COSCON Southeast Asia and 60% by Ceylon Ocean Lines Ltd and will become an associate of the Company.

Based on the audited consolidated financial statements of COSCO Lanka for the year ended 31 March 2016 prepared in accordance with the Sri Lanka Financial Reporting Standards, the consolidated net assets of CS Romania as at 31 March 2016 were LKR96,544,334.

The audited consolidated net profits (before and after tax) of COSCO Sri Lanka for the two years ended 31 March 20015 and 31 March 2016 prepared in accordance with the Sri Lanka Financial Reporting Standards are set out below:

	For the financial year ended	
	31 March 2015	**31 March 2016**
	LKR	*LKR*
Consolidated profit before tax	120,996,700	102,409,051
Consolidated profit after tax	103,182,059	84,585,546

COSCO Cambodia

COSCO Cambodia is principally engaged in the container business.

As at the date of this announcement, COSCO Cambodia is held as to 100% by COSCO Singapore. Upon completion of the transaction under the Cambodia SPA, COSCO Cambodia will be held as to 100% by COSCON Southeast Asia and will become a subsidiary of the Company.

Based on the audited consolidated financial statements of COSCO Cambodia for the year ended 31 December 2015 prepared in accordance with the Cambodia international standards on auditing, the consolidated net assets of COSCO Cambodia as at 31 December 2015 were US$454,619.

The audited consolidated net profits (before and after tax) of COSCO Cambodia for the two years ended 31 December 2014 and 31 December 2015 prepared in accordance with the Cambodia international standards on auditing are set out below:

	For the financial year ended	
	31 December 2014	**31 December 2015**
	US$	*US$*
Consolidated profit before tax	149,535	343,105
Consolidated profit after tax	113,878	268,628

CS Mexico

CS Mexico is principally engaged in the shipping agency and container cargo business.

As at the date of this announcement, CS Mexico is held as to 99.9% by CS North America and 0.1% by CS North America Agency. Upon completion of the transaction under the Mexico SPA, CS Mexico will be held as to 99.9% by COSCON North America and 0.1% by COSCO Agencies LA and will become a subsidiary of the Company.

Based on the audited consolidated financial statements of CS Mexico for the year ended 31 December 2015 prepared in accordance with the Mexican Financial Reporting Standards, the consolidated net assets of CS Mexico as at 31 December 2015 were MXN 3,452,970.

The audited consolidated net profits (before and after tax) of CS Mexico for the year 31 December 2015 prepared in accordance with the Mexican Financial Reporting Standards are set out below:

	For the financial year ended
	31 December 2015
	MXN
Consolidated profit before tax	69,755
Consolidated profit after tax	69,755

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, COSCO is the controlling shareholder of the Company and COSCO SHIPPING is the indirect controlling shareholder of the Company which holds the entire equity interests in COSCO and China Shipping. Being a member of the COSCO Group or CS Group, the sellers to the Offshore Company SPAs are connected persons of the Company for the purpose of Chapter 14A of the Listing Rules and the Proposed Transactions constitute connected transactions under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Proposed Transactions exceeds 0.1% but is lower than 5%, the Proposed Transactions are subject to reporting and announcement requirements under Chapter 14A of the Listing Rules but are exempt from independent shareholders' approval requirement.

DIRECTORS' CONFIRMATION

Mr. Wan Min, Mr. Huang Xiaowen, Ms. Sun Yueying, Mr. Sun Jiakang, Mr. Ye Weilong, Mr. Wang Yuhang and Mr. Xu Zunwu who are Directors nominated by COSCO and have therefore abstained from voting on the relevant resolution of the Board approving the Proposed Transactions pursuant to the articles of association of the Company. Save as disclosed above, none of the Directors has a material interest in the Proposed Transactions and is required to abstain from voting on the relevant resolution.

The Directors (including independent non-executive Directors) consider that the terms of the Offshore Company SPAs are on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

SHAREHOLDERS' APPROVAL FOR THE OFFSHORE COMPANY SPAS

Pursuant to the relevant requirements of the Shanghai Listing Rules and the articles of association of the Company, any transactions entered into between a listed company and the same related party totaling RMB30,000,000 or above when calculated by using the principle of accumulation within a consecutive 12-month period, and any related transactions representing 5% or more of the latest audited net assets value of such listed company in terms of absolute values, shall be submitted to a general meeting for consideration, provided that such related transactions already considered and passed at general meeting should not be taken into account for calculation. The transaction amount of the Proposed Transactions is approximately RMB53,652,581.09. The transaction amount of the Proposed Transactions plus the amount of other related transactions of the Company within 12 months will reach

RMB30,000,000 or above, representing 5% or more of the latest audited net assets value of the Company in terms of absolute value. The Proposed Transactions is therefore required be submitted to the general meeting of the Company for consideration.

Based on the applicable percentage ratios as defined under the Listing Rules, the Offshore Company SPAs are subject to reporting and announcement requirements but are not subject to independent shareholders' approval under Chapter 14 or Chapter 14A of the Listing Rules. However, pursuant to the abovementioned requirements of the Shanghai Listing Rules, an ordinary resolution will be proposed at the EGM to, among other things, consider, and if thought fit, approve the Offshore Company SPAs and the Proposed Transactions.

DEFINITIONS

In this announcement, the following terms and expressions shall have the following meanings unless the context otherwise requires:

"Belgium Newman"	Newman Shipping & Agency Co NV, a company incorporated in Belgium
"Board"	the board of Directors
"Cambodia SPA"	the conditional sale and purchase agreement dated 5 August 2016 entered into between COSCON Southeast Asia and COSCO Singapore in relation to the acquisition of 100% equity interest in COSCO Cambodia
"China Shipping"	China Shipping (Group) Company* (中國海運(集團)總公司), a PRC state-owned enterprise and a wholly owned subsidiary of COSCO SHIPPING
"Chipolbrok Company"	Chinese-Polish Joint-Stock Shipping Company in Shanghai Branch in Gdynia, with its registered seat in Gdynia, Poland
"Company"	China COSCO Holdings Company Limited* (中國遠洋控股股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange and the A Shares of which are listed on the Shanghai Stock Exchange

"Completion"	completion of the transactions contemplated under the relevant Offshore Company SPAs
"Completion Date"	31 August 2016
"COSCO"	China Ocean Shipping (Group) Company* (中國遠洋運輸(集團)總公司), a Chinese state-owned enterprise and the controlling Shareholder, and a wholly-owned subsidiary of COSCO SHIPPING
"COSCO Africa"	COSCO Shipping Africa (Pty) Ltd, formerly known as China Ocean Shipping Companies Group Africa, a company incorporated under the laws of the Republic of South Africa
"COSCO Agencies LA"	COSCO Agencies (Los Angeles) Inc., a company incorporated under the laws of Delaware
"COSCO Belgium"	COSCO Belgium N.V., a company incorporated in Belgium
"COSCO Cambodia"	COSCO Cambodia Pte Ltd, a company incorporated under the laws of Cambodia
"COSCO Europe"	COSCO EUROPE GmbH, a company incorporated in Germany
"COSCO Group"	COSCO and its subsidiaries
"COSCO Lanka"	COSCO Lanka (Pvt) Ltd, a company incorporated in Sri Lanka
"COSCO Poland"	COSCO Poland Sp. zo.o., a company incorporated in Poland
"COSCO Russia"	COSCO Russia Ltd., a company incorporated in Russian Federation
"COSCO SHIPPING"	China COSCO Shipping Corporation Limited* (中國遠洋海運集團有限公司), a Chinese state-owned enterprise and the indirect controlling shareholder of the Company

"COSCO SHIPPING Group"	COSCO Shipping and its subsidiaries
"COSCO Singapore"	COSCO Holding Singapore Pte. Ltd, a company incorporated under the laws of Singapore
"COSCON"	COSCO Container Lines Co., Ltd. (中遠集裝箱運輸有限公司), a company established in the PRC
"COSCON America"	COSCO Container Lines Americas, Inc., a company incorporated under the laws of Delaware
"COSCON Europe"	COSCO Container Lines Europe GmbH, a company incorporated in Germany
"COSCON Southeast Asia"	COSCO Container Lines South East Asia Pte. Ltd, a company incorporated under the laws of Singapore
"Cosren Shipping"	Cosren Shipping Agency (Pty) Ltd, a company incorporated under the laws of the Republic of South Africa
"CS Europe"	China Shipping (Europe) Holding GmbH, a company incorporated in Germany
"CS Group"	China Shipping and its subsidiaries
"CS Mexico"	China Shipping México, S. de R.L. de C.V., a company incorporated under the laws of the United Mexican States
"CS North America"	China Shipping (North America) Holding Company Limited, a company incorporated under the laws of Delaware
"CS North America Agency"	China Shipping (North America) Agency Co., Inc., a company incorporated under the laws of Delaware
"CS Regional"	China Shipping Regional Holdings (Singapore) Pte. Ltd. (中國海運(東南亞)控股有限公司), a company incorporated in Singapore with limited liability
"CS Romania"	China Shipping (Romania) Agency Co. Ltd. SRL, a company incorporated in Romania

"Director(s)"	director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be held Conference Room, 47th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong and Ocean Hall, 5th Floor, Shanghai Ocean Hotel, No.1171, Dong Da Ming Road, Shanghai, People's Republic of China on Thursday, 25 August 2016 at 10:30 a.m. (or any adjournment thereof) for the Shareholders to, among other things, consider and approve the Offshore Company SPAs and the Proposed Transactions
"Euro"	Euro, the currency of the European Union
"First Romania SPA"	the conditional equity transfer agreement dated 5 August 2016 entered into between COSCON Europe, and CS Europe in relation to the acquisition of 90% equity interest in CS Romania
"First Russia SPA"	the conditional equity transfer agreement dated 5 August 2016 entered into between COSCON Europe and COSCO Europe in relation to the acquisition of 99% equity interest in COSCO Russia
"Golden Sea"	Golden Sea Shipping Pte. Ltd. (鑫海航運有限公司), a company incorporated in Singapore
"Group"	the Company and its subsidiaries
"Hafencity"	Hafencity Immobile Sandtorkai 60 Verwaltung GmbH, a company incorporated in Germany
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IFRS"	International Financial Reporting Standards
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"LKR"	Sri Lankan Rupee, the lawful currency of Sri Lanka

"Mexico SPA"	the conditional sale and purchase agreement dated 5 August 2016 entered into between COSCON North America, COSCO Agencies LA, CS North America and CS North America Agency in relation to the acquisition of 100% equity interest in CS Mexico
"MXN"	Mexican Peso, the lawful currency of the United Mexican States
"Offshore Companies"	collectively, CS Romania, COSCO Poland, COSCO Russia, Cosren Shipping, Golden Sea, COSCO Lanka, COSCO Cambodia and CS Mexico
"Offshore Company SPAs"	collectively, the Romania SPAs, the Poland SPA, the Russia SPAs, the South Africa SPA, the Singapore SPA, the Sri Lanka SPA, the Cambodia SPA and the Mexico SPA
"PLN"	Polish Zloty, the lawful currency of Poland
"Poland SPA"	the conditional sale and purchase agreement dated 5 August 2016 entered into between COSCON Europe and COSCO Europe in relation to the acquisition of 50% equity interest in COSCO Poland
"PRC"	the People's Republic of China
"Proposed Transactions"	the proposed transactions contemplated under the Offshore Company SPAs
"Rand"	South African rand, the lawful currency of the Republic of South Africa
"RMB"	Renminbi, the lawful currency of the PRC
"Romania SPAs"	the First Romania SPA and the Second Romania SPA
"RON"	Romanian leu, the lawful currency of Romania

"RUB"	Russian Ruble, the lawful currency of Russia
"Russia SPAs"	the First Russia SPA and the Second Russia SPA
"Second Romania SPA"	the conditional equity transfer agreement dated 5 August 2016 entered into between COSCO Belgium and Hafencity in relation to the acquisition of 10% equity interest in CS Romania
"Second Russia SPA"	the conditional equity transfer agreement dated 5 August 2016 entered into between COSCO Belgium and Belgium Newman in relation to the acquisition of 1% equity interest in COSCO Russia
"Share(s)"	ordinary share(s) (including A share(s) and H share(s) of the Company) of RMB1.00 each in the issued share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"Singapore SPA"	the conditional sale and purchase agreement dated 5 August 2016 entered into between COSCON and CS Regional in relation to the acquisition of 49% equity interest in Golden Sea
"South Africa SPA"	the conditional sale and purchase agreement dated 5 August 2016 entered into between COSCON and COSCO Africa in relation to the acquisition of 100% equity interest in Cosren Shipping
"Sri Lanka SPA"	the conditional sale and purchase agreement dated 5 August 2016 entered into between COSCON Southeast Asia and COSCO Singapore in relation to the acquisition of 40% equity interest in COSCO Lanka
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US$"	United States dollars, the lawful currency of the United States

"Valuation Date"	31 December 2015, except for Golden Sea and COSCO Lanka, of which the Valuation Date is 30 September 2015 and 31 March 2016, respectively
"%"	per cent

In this announcement, the following exchange rates have been adopted for the purpose of illustration only:

US$1 to HK$7.75
HK$1 to RUB8.48
RON1 to HK$1.94
PLN1 to HK$2.01
HK$1 to Rand1.77
RMB1 to HK$1.17
HK$1 to LKR18.77
HK$1 to MXN2.44

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

Shanghai, the People's Republic of China
5 August 2016

As at the date of this announcement, the directors of the Company are Mr. WAN Min[2] (Chairman), Mr. HUANG Xiaowen[1] (Vice Chairman), Ms. SUN Yueying[2], Mr. SUN Jiakang[1], Mr. YE Weilong[1], Mr. WANG Yuhang[2], Mr. XU Zunwu[1], Dr. FAN HSU Lai Tai, Rita[3], Mr. KWONG Che Keung, Gordon[3], Mr. Peter Guy BOWIE[3] and Mr. YANG, Liang Yee Philip[3].

[1] Executive director
[2] Non-executive director
[3] Independent non-executive director