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SINOTRANS SHIPPING LIMITED

中 外 運 航 運 有 限 公 司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 368)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and Part XIVA Insider Information Provision of the SFO.

The Board wishes to inform the shareholders of the Company and potential investors that after the preliminary review of the unaudited consolidated management accounts of the Group for the twelve months ended 31 December 2015, the net profit of the Group for the twelve months ended 31 December 2015 is expected to record a substantial decrease as compared to that for the same period in 2014 and will record a considerable loss.

The information contained in this announcement is only a preliminary assessment by the latest management accounts of the Company based on currently available information and such information may be adjusted after further internal review, and then confirmed after reviewing by the Company's auditor.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

This announcement is made by Sinotrans Shipping Limited (the "**Company**", together with its subsidiaries shall be referred to as 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 Part XIVA Insider Information Provision of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "**SFO**").

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that after the preliminary review of the unaudited consolidated management accounts of the Group for the twelve months ended 31 December 2015, the net profit of the Group for the twelve months ended 31 December 2015 is expected to record a substantial decrease as compared to that for the same period in 2014 and may even record a considerable loss.

Based on the information currently available to the Company, such substantial decrease in net profit or considerable loss is mainly attributable to (i) the continual slowdown of growth in international trade and dry bulk seaborne volume due to the slowdown of economy growth in the People’s Republic of China and other emerging markets in 2015; (ii) the supply of global dry bulk capacities is in excess of the demand for dry bulk cargoes tremendously in recent years, leading to a sharp decrease in the charter hire rate and freight. As at 31 December, the Baltic Dry Index (“**BDI**”) only recorded an average of 718 points (2014:1,105 points), representing a year-on-year decrease of 35%; and (iii) the loss caused by [*].

The Board would also like to inform the shareholders of the Company and potential investors that the financial position of the Group remains stable.

The information contained in this announcement is only a preliminary assessment by the latest management accounts of the Company based on currently available information and such information may be adjusted after further internal review, and then confirmed after reviewing by the Company’s auditor. The annual results of the Group for the twelve months ended 31 December 2015 is expected to be announced by the mid-March 2016.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
Sinotrans Shipping Limited
HUEN Po Wah
Company Secretary

Hong Kong, 19 February 2016

As at the date of this announcement, the executive Directors are Mr. Li Hua and Ms. Feng Guoying; the non-executive Directors are Mr. Li Zhen (Chairman) and Mr. Tian Zhongshan; and the independent non-executive Directors are Mr. Tsang Hing Lun, Mr. Lee Peter Yip Wah and Mr. Zhou Qifang.