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(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 00144)

**ANNOUNCEMENT
CONTINUING CONNECTED TRANSACTIONS
LEASE AGREEMENTS
AND
2012 SHIP BERTHING SERVICES AGREEMENT**

LEASE AGREEMENTS

In view of the expiry of nine existing lease agreements, namely the Existing Euroasia Cooperation Agreement, the Existing CMML-CMSIZ Lease Agreement, the six Existing CMSIZ Lease Agreements and the Existing SCMPS Lease Agreement, on 31 December 2011, after negotiation between relevant subsidiaries of the Company and relevant members of the CMG Group, the parties have on 30 November 2011, entered into nine lease agreements, namely the 2012-2013 Euroasia Cooperation Agreement, the 2012-2013 CMBL-CMSIZ Lease Agreement, six 2012-2013 CMSIZ Lease Agreements and the 2012-2013 SCMPS Lease Agreement, to continue to lease the relevant land and properties. In addition, on 30 November 2011, SCMPS, an indirect wholly-owned subsidiary of the Company, and the Company have further entered into two new lease agreements, namely the 2012-2013 SCMPS-CMSIZ Lease Agreement and the CMHK Lease Agreement, to lease a piece of land in Shekou Industrial Park to be used as office premises and 21 residential flats in Hong Kong as staff quarters, respectively. Further details of these Lease Agreements are set out below.

2012-2013 Euroasia Cooperation Agreement

In view of the expiry of the Existing Euroasia Cooperation Agreement on 31 December 2011, CMCS, an indirect wholly-owned subsidiary of the Company, entered into the 2012-2013 Euroasia Cooperation Agreement with Euroasia on 30 November 2011, pursuant to which CMCS will continue to lease a piece of land in Tsing Yi from Euroasia for a term of two years commencing on 1 January 2012. The annual rental payable by CMCS to Euroasia under the 2012-2013 Euroasia Cooperation Agreement is HK\$13,050,312.

2012-2013 CMBL-CMSIZ Lease Agreement

In view of the expiry of the Existing CMML-CMSIZ Lease Agreement on 31 December 2011, CMBL (or formerly CMML), an indirect subsidiary of the Company, entered into the 2012-2013 CMBL-CMSIZ Lease Agreement with CMSIZ on 30 November 2011, pursuant to which CMBL will continue to lease a piece of land in the centralized inspection area located in Shenzhen Qianhaiwan Logistics Park from CMSIZ for a term of two years commencing on 1 January 2012. The annual rental payable by CMBL to CMSIZ under the 2012-2013 CMBL-CMSIZ Lease Agreement is RMB5,823,873.60 (equivalent to approximately HK\$7,134,014).

2012-2013 CMSIZ Lease Agreements

In view of the expiry of the six Existing CMSIZ Lease Agreements on 31 December 2011, SCMPS, an indirect wholly-owned subsidiary of the Company, entered into the 2012-2013 CMSIZ Lease Agreements with CMSIZ on 30 November 2011, pursuant to which SCMPS will lease 21 parcels of land in Shekou Industrial Park and certain property assets from CMSIZ for a term of two years commencing on 1 January 2012. The rental payable by SCMPS to CMSIZ under the 2012-2013 CMSIZ Lease Agreements is RMB39,348,320 (equivalent to approximately HK\$48,200,129) for the year ending 31 December 2012 and not exceeding RMB51,048,491 (equivalent to approximately HK\$62,532,374) for the year ending 31 December 2013.

2012-2013 SCMPS Lease Agreement

In view of the expiry of the Existing SCMPS Lease Agreement on 31 December 2011, SCMPS entered into the 2012-2013 SCMPS Lease Agreement with CMSIZ on 30 November 2011, pursuant to which SCMPS will continue to lease a piece of land in Shekou Industrial Park for a term of two years commencing on 1 January 2012. The annual rental payable by SCMPS to CMSIZ under the 2012-2013 SCMPS Lease Agreement is RMB708,037.06 (equivalent to approximately HK\$867,317).

2012-2013 SCMPS-CMSIZ Lease Agreement

On 30 November 2011, SCMPS entered into a new lease agreement, namely the 2012-2013 SCMPS-CMSIZ Lease Agreement, with CMSIZ to lease a piece of land located in Shekou Industrial Park as office premises for a term of two years commencing on 1 January 2012. The annual rental payable by SCMPS to CMSIZ under the 2012-2013 SCMPS-CMSIZ Lease Agreement is RMB122,231.04 (equivalent to approximately HK\$149,728).

As the 2012-2013 CMSIZ Lease Agreements, the 2012-2013 SCMPS Lease Agreement and the 2012-2013 SCMPS-CMSIZ Lease Agreement are all entered into between SCMPS and CMSIZ, with the same term of two years commencing on 1 January 2012 and are in relation to adjacent or nearby land and properties located in Shekou Industrial Park, these transactions are aggregated for the purpose of determining the annual cap for the purpose of Rule 14A.35(2) of the Listing Rules. The aggregated annual caps in respect of the rental to be paid by SCMPS to CMSIZ under the 2012-2013 CMSIZ Lease Agreements, the 2012-2013 SCMPS Lease Agreement and the 2012-2013 SCMPS-CMSIZ Lease Agreement is RMB40.2 million (equivalent to approximately HK\$49.3 million) for the year ending 31 December 2012 and RMB51.9 million (equivalent to approximately HK\$63.6 million) for the year ending 31 December 2013.

CMHK Lease Agreement

On 30 November 2011, the Company entered into a new lease agreement, namely the CMHK Lease Agreement, with CMHK, a wholly-owned subsidiary of CMG and the intermediate holding company of the Company, to lease a total of 21 residential units in Sheung Wan and the Western District in Hong Kong as staff quarters for employees of the Group who are seconded to Hong Kong for a term of one year commencing on 1 January 2012. The total annual rental payable by the Company to CMHK under the CMHK Lease Agreement is HK\$1,764,000. Since the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the CMHK Lease Agreement are less than 0.1%, the transaction contemplated under the CMHK Lease Agreement constitutes a de minimis continuing connected transaction pursuant to Rule 14A.33(3) of the Listing Rules, and is exempt from reporting, announcement and independent shareholders approval requirements. No annual cap is therefore set for the CMHK Lease Agreement.

2012 SHIP BERTHING SERVICES AGREEMENT

In view of the expiry of the 2011 Ship Berthing Services Agreement on 31 December 2011, CMCS, an indirect wholly-owned subsidiary of the Company, entered into the 2012 Ship Berthing Services Agreement with Yiu Lian on 30 November 2011, pursuant to which Yiu Lian will provide barges for bringing ships into and from the Tsing Yi Terminal. The term of the 2012 Ship Berthing Services Agreement is one year commencing on 1 January 2012, and it is expected that the total ship berthing fees payable by CMCS to Yiu Lian under the 2012 Ship Berthing Services Agreement will not exceed HK\$7.0 million.

LISTING RULES IMPLICATION

Each of Euroasia, CMSIZ and CMHK is a wholly-owned subsidiary of CMG, the ultimate holding company of the Company. Accordingly, each of Euroasia, CMSIZ and CMHK is a connected person of the Company and the Lease Agreements constitute continuing connected transactions of the Company. Apart from the transactions contemplated under the Lease Agreements, the Group has also been leasing certain properties from members of the CMG Group pursuant to the SCT1 Lease Agreement, the South China Lease Agreement, the CMML-Nanyou Lease Agreement, the 2011-2012 CMSIZ Lease Agreements, the SCMPS-CMSIZ Lease Agreement and the SCMPD Renewal Agreement. Under the Listing Rules, these transactions will be aggregated and treated as if they were one transaction as they are of similar nature with parties connected or otherwise associated with one another.

In addition, pursuant to the Listing Rules, Yiu Lian is a connected person of the Company as it is an indirect wholly-owned subsidiary of CMG. Accordingly, the transaction contemplated under the 2012 Ship Berthing Services Agreement also constitutes a continuing connected transaction for the Company under the Listing Rules.

Since the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the lease agreements as aggregated and in respect of the transaction contemplated under the 2012 Ship Berthing Services Agreement are below 5%, these transactions are therefore exempt from the independent shareholders' approval requirement.

BACKGROUND

The core business of the Group is port and port-related business and the Group has been leasing properties and warehouse and receiving ship berthing services from various members of the CMG Group pursuant to various lease agreements and ship berthing services agreements. These lease agreements and services agreements are important for the Group as they enable the Group to offer various port and port-related services in a more cost-effective way.

THE LEASE AGREEMENTS

In view of the expiry of nine existing lease agreements, namely the Existing Euroasia Cooperation Agreement, the Existing CMML-CMSIZ Lease Agreement, the six Existing CMSIZ Lease Agreements and the Existing SCMPS Lease Agreement on 31 December 2011, after negotiation between relevant subsidiaries of the Company and relevant members of the CMG Group, the parties have on 30 November 2011, entered into nine lease agreements, namely the 2012-2013 Euroasia Cooperation Agreement, the 2012-2013 CMBL-CMSIZ Lease Agreement, six 2012-2013 CMSIZ Lease Agreements and the 2012-2013 SCMPS Lease Agreement to continue to lease the relevant land and properties. In addition, on 30 November 2011, SCMPS and the Company have further entered into two new lease agreements, namely the 2012-2013 SCMPS-CMSIZ Lease Agreement and the CMHK Lease Agreement, to lease a piece of land in Shekou Industrial Park to be used as office premises and 21 residential flats in Hong Kong as staff quarters, respectively. Further details of these Lease Agreements are set out below.

2012-2013 Euroasia Cooperation Agreement

On 12 November 2009, CMCS entered into the Existing Euroasia Cooperation Agreement with Euroasia to lease a piece of land in Tsing Yi from Euroasia with a total area of 679,704 square meters for a term of two years commencing on 1 January 2010 and ending on 31 December 2011. The annual rental payable by CMCS to Euroasia under the Existing Euroasia Cooperation Agreement is HK\$13,050,316.80. Further details of the Existing Euroasia Cooperation Agreement were disclosed in the announcement of the Company dated 12 November 2009.

In view of the expiry of the Existing Euroasia Cooperation Agreement on 31 December 2011, on 30 November 2011, after negotiation between CMCS and Euroasia, CMCS entered into the 2012-2013 Euroasia Cooperation Agreement to continue to lease the piece of land in Tsing Yi from Euroasia. The 2012-2013 Euroasia Cooperation Agreement has a term of two years commencing on 1 January 2012 and ending on 31 December 2013.

The annual rental payable by CMCS to Euroasia under the 2012-2013 Euroasia Cooperation Agreement is HK\$13,050,312. The rental was negotiated and agreed by the parties on an arm's length basis with reference to the market value of the properties as assessed by the management of CMCS and recent rental transactions in nearby areas. No third party valuation has been performed on the land. In addition to the rental, CMCS is also responsible for any additional government rates and land premium payable to the Hong Kong Government in respect of the land. CMCS shall pay Euroasia a deposit amounting to HK\$1,690,424 within 14 days of the date of the agreement and the remaining annual rental payable is to be paid in full in cash by CMCS within five days of the date on which Euroasia issues a payment advice.

The actual rental paid by CMCS to Euroasia under the Existing Euroasia Cooperation Agreement was HK\$13.1 million for the year ended 31 December 2010. The historical annual cap in respect of the rental paid by CMCS to Euroasia under the Existing Euroasia Cooperation Agreement was HK\$13.1 million for each of the year ended 31 December 2010 and the year ending 31 December 2011. Such historical annual cap has not been exceeded. For the purpose of Rule 14A.35(2) of the Listing Rules, the annual cap in respect of the rental to be paid by CMCS to Euroasia under the 2012-2013 Euroasia Cooperation Agreement is HK\$13.1 million for each of the years ending 31 December 2012 and 2013.

2012-2013 CMBL-CMSIZ Lease Agreement

CMBL or formerly CMML, an indirect subsidiary of the Company, entered into the Existing CMML-CMSIZ Lease Agreement with CMSIZ on 12 November 2009 to lease a piece of land in the centralized inspection area located in Shenzhen Qianhaiwan Logistics Park, Nanshan District, Shenzhen, with a total area of 121,330.70 square meters for a term of two years commencing on 1 January 2010 and ending on 31 December 2011. Pursuant to the Existing CMML-CMSIZ Lease Agreement, rental is charged at RMB48 (equivalent to approximately HK\$58.80) per square meter per annum, representing an annual rental payable of RMB5,823,873.60 (equivalent to approximately HK\$7,134,014). The Existing CMML-CMSIZ Lease Agreement will expire on 31 December 2011. Further details of the Existing CMML-CMSIZ Lease Agreement were disclosed in the announcement of the Company dated 12 November 2009.

On 30 November 2011, after negotiation between CMBL and CMSIZ, CMBL entered into the 2012-2013 CMBL-CMSIZ Lease Agreement to continue to lease the piece of land in the centralized inspection area located in Shenzhen Qianhaiwan Logistics Park. The 2012-2013 CMBL-CMSIZ Lease Agreement has a term of two years commencing on 1 January 2012 and ending on 31 December 2013.

The annual rental payable by CMBL to CMSIZ under the 2012-2013 CMBL-CMSIZ Lease Agreement is RMB5,823,873.60 (equivalent to approximately HK\$7,134,014), representing a rental of RMB48 (equivalent to approximately HK\$58.80) per square meter per annum. Rental under the 2012-2013 CMBL-CMSIZ Lease Agreement shall be payable by CMBL on a monthly basis in cash and in equal instalments. The rental was negotiated and agreed by the parties on an arm's length basis with reference to the market rental of similar land parcels in nearby areas. No third party valuation has been performed on the leased land.

The actual rental paid by CMBL to CMSIZ under the Existing CMML-CMSIZ Lease Agreement was RMB5.8 million (equivalent to approximately HK\$7.1 million) for the year ended 31 December 2010. The historical annual cap in respect of the rental paid by CMBL to CMSIZ under the Existing CMML-CMSIZ Lease Agreement was RMB5.9 million (equivalent to approximately HK\$7.3 million) for each of the year ended 31 December 2010 and the year ending 31 December 2011. Such historical annual cap has not been exceeded. For the purpose of Rule 14A.35(2) of the Listing Rules, the annual cap in respect of the rental to be paid by CMBL to CMSIZ under the 2012-2013 CMBL-CMSIZ Lease Agreement is RMB5.9 million (equivalent to approximately HK\$7.3 million) for each of the years ending 31 December 2012 and 2013.

2012-2013 CMSIZ Lease Agreements

SCMPS, an indirect wholly-owned subsidiary of the Company, entered into six Existing CMSIZ Lease Agreements, being the Existing CMSIZ Lease Agreements 1 to 5 and 9, with CMSIZ on 12 November 2009 to lease 20 parcels of land in Shekou Industrial Park and certain property assets from CMSIZ for a term of two years commencing on 1 January 2010. The Existing CMSIZ Lease Agreements will expire on 31 December 2011. The key terms of the Existing CMSIZ Lease Agreements are set out in the table below:-

	Leased land/ property assets	Rental per square meter under the Existing CMSIZ Lease Agreement	Total rental payable under the Existing CMSIZ Lease Agreement
Existing CMSIZ Lease Agreement 1	16 parcels of land located at Shekou Port area in Shekou Industrial Park for use as port storage yards with a total area of 652,182.78 square meters	RMB46.95 (equivalent to approximately HK\$57.51) per annum	RMB30,619,981.52 (equivalent to approximately HK\$37,508,261) per annum

	Leased land/ property assets	Rental per square meter under the Existing CMSIZ Lease Agreement	Total rental payable under the Existing CMSIZ Lease Agreement
Existing CMSIZ Lease Agreement 2	A piece of land located at North Port Road in Shekou Industrial Park for use as storage yards with a total area of 83,662.32 square meters	RMB46.95 (equivalent to approximately HK\$57.51) per annum	RMB3,927,945.92 (equivalent to approximately HK\$4,811,578) per annum
Existing CMSIZ Lease Agreement 3	A piece of land located at North Port Road in Shekou Industrial Park for staff quarters and residential purpose with a total area of 19,145.93 square meters	RMB46.95 (equivalent to approximately HK\$57.51) per annum	RMB898,901.41 (equivalent to approximately HK\$1,101,119) per annum
Existing CMSIZ Lease Agreement 4	A piece of land located at North Port Road in Shekou Industrial Park for industrial purpose with a total area of 7,555.59 square meters	RMB46.95 (equivalent to approximately HK\$57.51) per annum	RMB354,734.95 (equivalent to approximately HK\$434,536) per annum
Existing CMSIZ Lease Agreement 5	A piece of land located at North Port Road in Shekou Industrial Park for industrial purpose with a total area of 5,050.60 square meters	RMB46.95 (equivalent to approximately HK\$57.51) per annum	RMB237,125.67 (equivalent to approximately HK\$290,470) per annum

	Leased land/ property assets	Rental per square meter under the Existing CMSIZ Lease Agreement	Total rental payable under the Existing CMSIZ Lease Agreement
Existing CMSIZ Lease Agreement 9	Certain property assets, including warehouses, office buildings, staff quarters, canteen and staff entertainment building, located in Shekou Industrial Park leased to and used by SCMPS for its provision of terminal services and operation of ports transportation	Not applicable	RMB8,478,855 (equivalent to approximately HK\$10,386,261) for the year ended 31 December 2010 and not exceeding RMB20.0 million (equivalent to approximately HK\$25.0 million) for the year ending 31 December 2011, exact amount of rental to be determined with reference to the percentage increase in the operating profit of SCMPS for 2010 as compared with that for 2009

Further details of the Existing CMSIZ Lease Agreements were disclosed in the announcement of the Company dated 12 November 2009.

On 30 November 2011, in view of the expiry of the six Existing CMSIZ Lease Agreements on 31 December 2011, after negotiation between SCMPS and CMSIZ, SCMPS entered into six 2012-2013 CMSIZ Lease Agreements, being 2012-2013 CMSIZ Lease Agreement 1 to 6, with CMSIZ to lease 21 parcels of land in Shekou Industrial Park and certain property assets from CMSIZ. The 2012-2013 CMSIZ Lease Agreements have a term of two years commencing on 1 January 2012 and ending on 31 December 2013.

The table below sets out details of the leased land, rental per square meter and total rental payable per annum under respective 2012-2013 CMSIZ Lease Agreement 1 to 5:

	Leased land	Rental per square meter under the 2012-2013 CMSIZ Lease Agreement	Total rental payable under the 2012-2013 CMSIZ Lease Agreement
2012-2013 CMSIZ Lease Agreement 1	17 parcels of land located at Shekou Port area in Shekou Industrial Park for use as port storage yards with a total area of 559,552.75 square meters, subject to reduction in the event that the land is being used or occupied by the landlord for project development during the lease term	RMB46 (equivalent to approximately HK\$56.35) per annum	RMB25,739,426.50 (equivalent to approximately HK\$31,529,775) per annum, subject to reduction in the event that the land is being used or occupied by the landlord for project development during the lease term and the reduction in rental payable by SCMPS will be calculated in proportion to the reduction in the leased land area and the time that the landlord has used or occupied the leased land
2012-2013 CMSIZ Lease Agreement 2	A piece of land located at North Port Road in Shekou Industrial Park for use as storage yards with a total area of 83,662.32 square meters	RMB46 (equivalent to approximately HK\$56.35) per annum	RMB3,848,466.72 (equivalent to approximately HK\$4,714,219) per annum

	Leased land	Rental per square meter under the 2012-2013 CMSIZ Lease Agreement	Total rental payable under the 2012-2013 CMSIZ Lease Agreement
2012-2013 CMSIZ Lease Agreement 3	A piece of land located at North Port Road in Shekou Industrial Park for staff quarters and residential purpose with a total area of 19,145.93 square meters	RMB46 (equivalent to approximately HK\$56.35) per annum	RMB880,712.78 (equivalent to approximately HK\$1,078,838) per annum
2012-2013 CMSIZ Lease Agreement 4	A piece of land located at North Port Road in Shekou Industrial Park for industrial purpose with a total area of 7,555.59 square meters	RMB46 (equivalent to approximately HK\$56.35) per annum	RMB347,557.14 (equivalent to approximately HK\$425,744) per annum
2012-2013 CMSIZ Lease Agreement 5	A piece of land located at North Port Road in Shekou Industrial Park for industrial purpose with a total area of 5,050.60 square meters	RMB46 (equivalent to approximately HK\$56.35) per annum	RMB232,327.60 (equivalent to approximately HK\$284,592) per annum

In addition to the above, SCMPS and CMSIZ also entered into the 2012-2013 CMSIZ Lease Agreement 6, pursuant to which SCMPS leases certain property assets, including warehouses, office buildings, staff quarters, canteen and staff entertainment building, located in Shekou Industrial Park from CMSIZ, which are used by SCMPS for its provision of terminal services and operation of ports transportation. The monthly rental payable by SCMPS under the 2012-2013 CMSIZ Lease Agreement 6 shall be RMB691,652.46 (equivalent to approximately HK\$847,247) for the year ending 31 December 2012. In the event that the operating profit of SCMPS for 2012 is higher than that for 2011, the rental to be charged for the year 2013 shall be adjusted upwards by an amount determined by multiplying the rental charge for the year 2012 with the percentage increase in the operating profit of SCMPS for 2012 as compared with that for 2011, provided that the adjusted annual rental for 2013 shall not exceed RMB20.0 million (equivalent to approximately HK\$25.0 million).

Rental under the 2012-2013 CMSIZ Lease Agreements 1 to 5 shall be payable by SCMPS on a semi-annual basis in cash and in equal instalments and the first instalment shall be payable by SCMPS on 31 January 2012. Rental under the 2012-2013 CMSIZ Lease Agreement 6 shall be payable by SCMPS on a monthly basis in cash. The rental under each of the 2012-2013 CMSIZ Lease Agreements is negotiated and agreed by the parties on an arm's length basis with reference to the location, the purpose of use of the land and property assets and the market rental of similar land parcels and properties in nearby areas. No third party valuation has been performed on the leased land and property assets.

The actual total rental paid by SCMPS to CMSIZ under the Existing CMSIZ Lease Agreements was RMB43.7 million (equivalent to approximately HK\$53.5 million) for the year ended 31 December 2010. The total historical annual caps in respect of the rental payable by SCMPS to CMSIZ under the Existing CMSIZ Lease Agreements were RMB44.6 million (equivalent to approximately HK\$54.7 million) for the year ended 31 December 2010 and RMB56.1 million (equivalent to approximately HK\$68.8 million) for the year ending 31 December 2011. Such historical annual caps have not been exceeded.

2012-2013 SCMPS Lease Agreement

SCMPS entered into the Existing SCMPS Lease Agreement with CMSIZ on 14 December 2010 to lease a piece of land located in Shekou Industrial Park from CMSIZ with a total area of 15,392.11 square meters to be used by SCMPS for industrial purposes. Pursuant to the Existing SCMPS Lease Agreement, rental is charged at RMB43.95 (equivalent to approximately HK\$53.84) per square meter per annum, representing an annual rental payable of RMB676,483.23 (equivalent to approximately HK\$828,665). The Existing SCMPS Lease Agreement will expire on 31 December 2011. The Existing SCMPS Lease Agreement constitutes a de minimis continuing connected transaction pursuant to Rule 14A.33(3) of the Listing Rules, and details of the Existing SCMPS Lease Agreement were disclosed in the announcement of the Company dated 14 December 2010.

On 30 November 2011, after negotiation between SCMPS and CMSIZ, SCMPS entered into the 2012-2013 SCMPS Lease Agreement to continue to lease the piece of land in Shekou Industrial Park. The 2012-2013 SCMPS Lease Agreement has a term of two years commencing on 1 January 2012 and ending on 31 December 2013.

The annual rental payable by SCMPS to CMSIZ under the 2012-2013 SCMPS Lease Agreement is RMB708,037.06 (equivalent to approximately HK\$867,317), representing a rental of RMB46 (equivalent to approximately HK\$56.35) per square meter per annum. Rental under the 2012-2013 SCMPS Lease Agreement shall be payable by SCMPS on a semi-annual basis in cash and in equal instalments and the

first instalment shall be payable by SCMPS on 31 January 2012. The rental was negotiated and agreed by the parties on an arm's length basis with reference to the market rental of similar land parcels in nearby areas. No third party valuation has been performed on the leased land.

2012-2013 SCMPS-CMSIZ Lease Agreement

On 30 November 2011, SCMPS entered into a new lease agreement with CMSIZ to lease a piece of land located at the southeast side of Port Road in Shekou Industrial Park from CMSIZ with a total area of 954.93 square meters to be used by SCMPS as office premises. The 2012-2013 SCMPS-CMSIZ Lease Agreement has a term of two years commencing on 1 January 2012 and ending on 31 December 2013.

The annual rental payable by SCMPS to CMSIZ under the 2012-2013 SCMPS-CMSIZ Lease Agreement is RMB122,231.04 (equivalent to approximately HK\$149,728), representing a rental of RMB128 (equivalent to approximately HK\$156.80) per square meter per annum. Rental under the 2012-2013 SCMPS-CMSIZ Lease Agreement shall be payable by SCMPS on a semi-annual basis in cash and in equal instalments and the first instalment shall be payable by SCMPS on 31 January 2012. The rental was negotiated and agreed by the parties on an arm's length basis with reference to the market rental of similar land parcels in nearby areas. No third party valuation has been performed on the leased land.

Aggregated annual caps for the 2012-2013 CMSIZ Lease Agreements, the 2012-2013 SCMPS Lease Agreement and the 2012-2013 SCMPS-CMSIZ Lease Agreement

As the 2012-2013 CMSIZ Lease Agreements, the 2012-2013 SCMPS Lease Agreement and the 2012-2013 SCMPS-CMSIZ Lease Agreement are all entered into between SCMPS and CMSIZ, with the same term of two years commencing on 1 January 2012 and are in relation to adjacent or nearby land and properties located in Shekou Industrial Park, these transactions are aggregated for the purpose of determining the annual cap for the purpose of Rule 14A.35(2) of the Listing Rules.

The aggregated annual caps in respect of the rental to be paid by SCMPS to CMSIZ under the 2012-2013 CMSIZ Lease Agreements, the 2012-2013 SCMPS Lease Agreement and the 2012-2013 SCMPS-CMSIZ Lease Agreement is RMB40.2 million (equivalent to approximately HK\$49.3 million) for the year ending 31 December 2012 and RMB51.9 million (equivalent to approximately HK\$63.6 million) for the year ending 31 December 2013.

CMHK Lease Agreement

On 30 November 2011, the Company entered into a new lease agreement with CMHK to lease a total of 21 residential units in Borita Building located at 135-143 Third Street and Wah Tat Court located at 152-158 Third Street in Western District, and Sun Shing Mansion at 32-42 Bonham Strand West in Sheung Wan in Hong Kong as staff quarters for employees of the Group who are seconded to Hong Kong. The CMHK Lease Agreement has a term of one year commencing on 1 January 2012 and ending on 31 December 2012.

The total annual rental payable by the Company to CMHK under the CMHK Lease Agreement is HK\$1,764,000, representing a rental of HK\$7,000 per residential unit per month, with the rental ranging from HK\$12.28 to HK\$16.28 per square foot per month. Rental under the CMHK Lease Agreement shall be payable by the Company on a monthly basis in cash and in equal instalments. The rental was negotiated and agreed by the parties on an arm's length basis with reference to the market rental of similar residential units in nearby areas. No third party valuation has been performed on the leased residential units. In addition to the rental, the Company is also responsible for the payment of government rates, management fees and other utilities in relation to the leased residential units.

Since the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the CMHK Lease Agreement are less than 0.1%, the transaction contemplated under the CMHK Lease Agreement constitutes a de minimis continuing connected transaction pursuant to Rule 14A.33(3) of the Listing Rules, and is exempt from reporting, announcement and independent shareholders' approval requirements. No annual cap is therefore set for the CMHK Lease Agreement.

THE 2012 SHIP BERTHING SERVICES AGREEMENT

Since 2002, the Group has continuously received ship berthing services from Yiu Lian through a number of successive ship berthing services agreements entered into between CMCS and Yiu Lian during the past nine years to govern the provision of berthing services by Yiu Lian to CMCS. Details of the previous ship berthing services agreements were disclosed in the announcements of the Company dated 10 March 2005, 1 November 2005, 27 November 2006, 9 November 2007 and 21 December 2010.

In view of the expiry of the 2011 Ship Berthing Services Agreement on 31 December 2011, on 30 November 2011, after negotiation between CMCS and Yiu Lian, the parties agreed to enter into the 2012 Ship Berthing Services Agreement for a term of one year commencing on 1 January 2012 and ending on 31 December 2012. Pursuant to the 2012 Ship Berthing Services Agreement, Yiu Lian agreed to provide barges for bringing ships into and from the Tsing Yi Terminal.

The fees to be paid by CMCS for the ship berthing services shall be calculated based on actual service volume (being the number of times each barge has brought ships into or from the Tsing Yi Terminal) and at a rate of HK\$3,000 per barge. The ship berthing fee of HK\$3,000 per barge under the 2012 Ship Berthing Services Agreement is the same as the rate under the previous ship berthing services agreements and is negotiated on an arm's length basis. In addition to the ship berthing fee of HK\$3,000 per barge payable by CMCS, CMCS shall also be responsible for the payment of fuel oil surcharge of HK\$300 per barge for each time the barge has brought ships into or from the Tsing Yi Terminal. The fuel oil surcharge is determined with reference to the fuel oil market price. The ship berthing fees and the fuel oil surcharge are payable by CMCS in cash within 30 days of receipt of invoice.

The actual total ship berthing fees paid by CMCS to Yiu Lian under the ship berthing services agreement of 2010 was HK\$4.0 million for the year ended 31 December 2010. The historical annual caps in respect of the ship berthing fee payable by CMCS was HK\$4.0 million for the year ended 31 December 2010 under the ship berthing services agreement of 2010 and HK\$6.0 million for the year ending 31 December 2011 under the 2011 Ship Berthing Services Agreement. Such historical annual caps have not been exceeded. For the purpose of Rule 14A.35(2) of the Listing Rules, the annual cap in respect of the fees to be paid by CMCS to Yiu Lian for the ship berthing services under the 2012 Ship Berthing Services Agreement for the year ending 31 December 2012 is HK\$7.0 million. Such amount is determined with reference to the historical caps, the fuel oil market prices and the expected increase in volume of ship berthing services to be provided by Yiu Lian for the year ending 31 December 2012 as assessed by management of the Company.

INFORMATION ON THE PARTIES

CMCS, an indirect wholly-owned subsidiary of the Company, is a company incorporated in Hong Kong and its principal activity is the provision of container services at the Tsing Yi Terminal.

Euroasia is a company incorporated in Hong Kong and its principal business is the ownership and operation of dockyards. Euroasia is an indirect wholly-owned subsidiary of CMG, the ultimate holding company of the Company holding indirectly approximately 55% of the existing issued share capital of the Company. Accordingly, Euroasia is a connected person of the Company.

CMBL, or formerly CMML, an indirect subsidiary of the Company, is a limited liability company incorporated under the laws of the PRC, which is owned as to 60% by CMCIL, a wholly-owned subsidiary of the Company, and 40% by Shenzhen Chiwan Wharf Holdings Limited, a subsidiary of the Company and a joint stock

limited company established under the laws of the PRC whose shares are listed on the Shenzhen Stock Exchange. Its principal activities include the provision of container related logistics services such as warehouse management, transportation of containers by sea and rail and other container logistics distribution services.

SCMPS, an indirect wholly-owned subsidiary of the Company, is a limited liability company established under the laws of the PRC. Its principal activity is the provision of terminal services and ports transportation.

CMSIZ is a company incorporated in the PRC and its principal activities are development and operation in Shekou Industrial Zone and property development and investment in Shekou, Shenzhen, the PRC. CMSIZ is an indirect wholly-owned subsidiary of CMG and therefore a connected person of the Company.

CMHK is a company incorporated in Hong Kong and its principal activity is investment holding. It is a wholly-owned subsidiary of CMG and the intermediate holding company of the Company. Accordingly, CMHK is a connected person of the Company.

Yiu Lian is a company incorporated in Hong Kong and its principal business is the ownership and operation of dockyards. Yiu Lian is an indirect wholly-owned subsidiary of CMG and therefore a connected person of the Company.

REASONS FOR THE TRANSACTIONS

The core business of the Group includes port and port-related business. It has been the strategy of the Group to strengthen and develop its port business and port-related business through investment in new projects, acquisition of high quality port-related business and properties, leasing properties and warehouse, providing cargo management services and expanding in container related logistics services.

The Directors are of the view that the continuous leasing of the land and properties in Tsing Yi Terminal, Shenzhen Qianhaiwan Logistics Park and Shekou Industrial Park through the 2012-2013 Euroasia Cooperation Agreement, the 2012-2013 CMBL-CMSIZ Lease Agreement, the six 2012-2013 CMSIZ Lease Agreements and the 2012-2013 SCMPS Lease Agreement will facilitate a smooth business operation of the Group's port and port-related business as most of the operations of each of CMCS, CMBL, SCMPS and other subsidiaries of the Group are operated on these leased land and properties. In addition, the Directors are of the view that the transaction contemplated under the 2012-2013 SCMPS-CMSIZ Lease Agreement is in line with the Group's strategy to expand in its port and port-related business. The Tsing Yi Terminal, the Shenzhen Qianhaiwan Logistics Park and the Shekou Industrial Park are important strategic areas for the provision of logistics services

and operations of the Group. Moreover, the Directors are of the view that the leasing of the various residential units in Hong Kong from CMHK under the CMHK Lease Agreement at a relatively lower rental as compared to market rental is also beneficial to the Group as it will result in cost savings, and which will facilitate the provision of more cost effective support and ancillary services to the Group.

Further, the Directors are of the view that the Group will also continue to benefit from the ship berthing services provided by Yiu Lian as such services are essential to facilitate a smooth business operation of CMCS' operations in Tsing Yi Terminal.

In response to the growing demand for logistics services, the Directors believe that the leasing of the land and properties as stipulated in the Lease Agreements and the ship berthing services as stipulated in the 2012 Ship Berthing Services Agreement are beneficial to the Group and assist in maintaining the Group's sustainable growth.

The Directors, including the independent non-executive Directors, are of the view that each of the Lease Agreements and the 2012 Ship Berthing Services Agreement was entered into on normal commercial terms and in the ordinary and usual course of business of the Company. Taking into account market rental of similar land parcels or properties in nearby areas in respect of each of the Lease Agreements, and the historical caps for the ship berthing services under previous ship berthing services agreements and the expected increasing demand for ship berthing services in 2012 in respect of the 2012 Ship Berthing Services Agreement, the Directors, including the independent non-executive Directors, are of the view that the terms of each of the Lease Agreements and the 2012 Ship Berthing Services Agreement and the respective proposed annual caps in respect of transactions contemplated under each of (i) the 2012-2013 Euroasia Cooperation Agreement, (ii) the 2012-2013 CMBL-CMSIZ Lease Agreement, (iii) the 2012-2013 CMSIZ Lease Agreements, the 2012-2013 SCMPS Lease Agreement and the 2012-2013 SCMPS-CMSIZ Lease Agreement (as aggregated) and (iv) the 2012 Ship Berthing Services Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

None of the Directors have a material interest in the Lease Agreements and the 2012 Ship Berthing Services Agreement, nor are they required to abstain from voting in the relevant board resolutions.

LISTING RULES IMPLICATIONS

Each of Euroasia, CMSIZ and CMHK is a wholly-owned subsidiary of CMG. Accordingly, each of Euroasia, CMSIZ and CMHK is a connected person of the Company and the transactions contemplated under the Lease Agreements constitute continuing connected transactions of the Company. Apart from the transactions contemplated under the Lease Agreements, the Group has also been leasing certain

properties from members of the CMG Group through the SCT1 Lease Agreement, the South China Lease Agreement, the CMML-Nanyou Lease Agreement, the 2011-2012 CMSIZ Lease Agreements, the SCMPS-CMSIZ Lease Agreement and the SCMPD Renewal Agreement.

Details of the SCT1 Lease Agreement were disclosed in the announcements of the Company dated 7 May 2007 and 12 November 2009. The SCT1 Lease Agreement is for a term of 30 years with rental charges incurring from 1 April 1991, subject to an increase of 30% for every three years and with the last rental increase effective from 1 April 2009. The annual cap in respect of the rental charges payable by Shekou Container Terminals Limited, an indirect 80%-owned subsidiary of the Company, to China Merchants Shekou Industrial Zone Property Company Limited, a company incorporated in the PRC and an indirect wholly-owned subsidiary of CMG, under the SCT1 Lease Agreement is HK\$5.0 million for each of the year ended 31 December 2010 and the year ending 31 December 2011 and HK\$6.1 million for the year ending 31 December 2012.

The South China Lease Agreement constitutes a de minimis continuing connected transaction pursuant to Rule 14A.33(3) of the Listing Rules, with details of which being disclosed in the announcements of the Company dated 30 April 2008 and 14 December 2010. The South China Lease Agreement is for a term of 25 years commencing on 1 May 1990, with the last rental adjustment effected on 1 January 2011. The total rental payable by China Merchants International Cold Chain (Shenzhen) Company Limited, an indirect 70%-owned subsidiary of the Company, to CMSIZ under the South China Lease Agreement is RMB1,903,883.60 (equivalent to approximately HK\$2,332,182) for each of the three years ending 31 December 2011, 2012 and 2013.

The CMML-Nanyou Lease Agreement constitutes a de minimis continuing connected transaction pursuant to Rule 14A.33(3) of the Listing Rules, with details of which being disclosed in the announcement of the Company dated 14 December 2010. The CMML-Nanyou Lease Agreement is for a term of three years commencing on 1 January 2011 with a total rental payable by CMBL to Shenzhen Nanyou (Group) Company Limited, a company incorporated in the PRC and a 76%-owned subsidiary of CMG, under the CMML-Nanyou Lease Agreement of RMB1,429,918.80 (equivalent to approximately HK\$1,751,594) for each of the three years ending 31 December 2011, 2012 and 2013.

The 2011-2012 CMSIZ Lease Agreements (as aggregated) constitute de minimis continuing connected transactions pursuant to Rule 14A.33(3) of the Listing Rules, with details of which being disclosed in the announcement of the Company dated 14 December 2010. The 2011-2012 CMSIZ Lease Agreements are for a term of two

years commencing on 1 January 2011 with a total rental payable by SCMPS to CMSIZ under the 2011-2012 CMSIZ Lease Agreements (as aggregated) of RMB1,871,514 (equivalent to approximately HK\$2,292,530) for each of the two years ending 31 December 2011 and 2012.

The SCMPS-CMSIZ Lease Agreement constitutes a de minimis continuing connected transaction pursuant to Rule 14A.33(3) of the Listing Rules, with details of which being disclosed in the announcement of the Company dated 14 December 2010. The SCMPS-CMSIZ Lease Agreement is for a term of two years commencing on 1 January 2011 with a total rental payable by SCMPS to CMSIZ under the SCMPS-CMSIZ Lease Agreement of RMB772,420.50 (equivalent to approximately HK\$946,185) for each of the two years ending 31 December 2011 and 2012.

The SCMPD Renewal Agreement constitutes a de minimis continuing connected transaction pursuant to Rule 14A.33(3) of the Listing Rules, with details of which being disclosed in the announcement of the Company dated 14 December 2010. The SCMPD Renewal Agreement is for a term of 26 months commencing on 1 November 2010 with a total rental payable by CMCIL, a wholly-owned subsidiary of the Company, to China Merchants Property Development Company Limited, a subsidiary of CMG, under the SCMPD Renewal Agreement of RMB327,222 (equivalent to approximately HK\$400,834) for the 2-month period ending 31 December 2010 and RMB1,963,332 (equivalent to approximately HK\$2,405,004) for each of the two years ending 31 December 2011 and 2012.

Under the Listing Rules, these transactions will be aggregated and treated as if they were one transaction as they are of similar nature with parties connected or otherwise associated with one another.

In addition, pursuant to the Listing Rules, Yiu Lian is a connected person of the Company as it is an indirect wholly-owned subsidiary of CMG. Accordingly, the transaction contemplated under the 2012 Ship Berthing Services Agreement also constitutes a continuing connected transaction for the Company under the Listing Rules.

Since the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the lease agreements (as disclosed above) as aggregated and in respect of the transaction contemplated under the 2012 Ship Berthing Services Agreement are below 5%, these transactions are therefore exempt from the independent shareholders' approval requirement.

Save as disclosed above, the Group does not have any other prior transactions or relationship with Euroasia, CMSIZ, CMHK, Yiu Lian and their ultimate beneficial owner and associates which require aggregation with the transactions contemplated under the Lease Agreements and the 2012 Ship Berthing Services Agreement pursuant to Rule 14A.25 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“2011-2012 CMSIZ Lease Agreements”	collectively, three (3) separate lease agreements entered into between SCMPS as lessee and CMSIZ as lessor on 14 December 2010 in relation to the leasing of three parcels of land in Shekou Industrial Park from CMSIZ, details of which were disclosed in the announcement of the Company dated 14 December 2010
“2012-2013 CMBL-CMSIZ Lease Agreement”	the new lease agreement entered into between CMBL as lessee and CMSIZ as lessor on 30 November 2011 in relation to the leasing of a piece of land in the centralized inspection area located in Shenzhen Qianhaiwan Logistics Park by CMBL from CMSIZ
“2012-2013 CMSIZ Lease Agreements”	collectively, six (6) new separate lease agreements entered into between SCMPS as lessee and CMSIZ as lessor on 30 November 2011 in relation to the leasing of 21 parcels of land in Shekou Industrial Park and certain property assets from CMSIZ, and a “2012-2013 CMSIZ Lease Agreement” shall mean each or any one of them
“2012-2013 Euroasia Cooperation Agreement”	the new cooperation agreement entered into between CMCS as lessee and Euroasia as lessor on 30 November 2011 in relation to the leasing of a piece of land in Tsing Yi
“2012-2013 SCMPS Lease Agreement”	the new lease agreement entered into between SCMPS as lessee and CMSIZ as lessor on 30 November 2011 in relation to the leasing of a piece of land in Shekou Industrial Park with a total area of 15,392.11 square meters by SCMPS from CMSIZ
“2012-2013 SCMPS-CMSIZ Lease Agreement”	the lease agreement entered into between SCMPS as lessee and CMSIZ as lessor on 30 November 2011 in relation to the leasing of a piece of land located at the southeast side of Port Road in Shekou Industrial Park by SCMPS from CMSIZ

“2011 Ship Berthing Services Agreement”	the ship berthing services agreement entered into between CMCS and Yiu Lian on 21 December 2010, pursuant to which Yiu Lian agreed to provide barges for bringing ships into and from the Tsing Yi Terminal, details of which were disclosed in the announcement of the Company dated 21 December 2010
“2012 Ship Berthing Services Agreement”	the new ship berthing services agreement entered into between CMCS and Yiu Lian on 30 November 2011
“Board”	the board of Directors of the Company
“CMBL” or “CMML”	招商局保税物流有限公司 (China Merchants Bonded Logistics Ltd., formerly known as 深圳招商局海運物流有限公司 (China Merchants Maritime & Logistics (Shenzhen) Ltd.)), a limited liability company incorporated under the laws of the PRC, and an indirect subsidiary of the Company
“CMCIL”	招商局國際(中國)投資有限公司 (CMH International (China) Investment Co., Ltd.), a foreign investment enterprises under the laws of the PRC, and a direct wholly-owned subsidiary of the Company
“CMCS”	China Merchants Container Services Limited, a company incorporated in Hong Kong, and an indirect wholly-owned subsidiary of the Company
“CMG”	China Merchants Group Limited, a company incorporated in the PRC and the ultimate holding company of the Company
“CMG Group”	CMG and its subsidiaries, excluding the Group
“CMHK”	China Merchants Holdings (Hong Kong) Company Limited, a company incorporated in Hong Kong, a wholly-owned subsidiary of CMG and the intermediate holding company of the Company
“CMHK Lease Agreement”	the lease agreement entered into between the Company as lessee and CMHK as lessor on 30 November 2011 in relation to the leasing of 21 residential units in Sheung Wan and the Western District in Hong Kong by the Company from CMHK

“CMML-Nanyou Lease Agreement”	a lease agreement entered into between CMBL as lessee and Shenzhen Nanyou (Group) Company Limited as lessor on 14 December 2010 in relation to the leasing of a piece of land located in Shenzhen Qianhaiwan Logistics Park by CMBL from Shenzhen Nanyou (Group) Company Limited, details of which were disclosed in the announcement of the Company dated 14 December 2010
“CMSIZ”	招商局蛇口工業區有限公司 (China Merchants Shekou Industrial Zone Company Limited), a company incorporated in the PRC and an indirect wholly-owned subsidiary of CMG
“Company”	China Merchants Holdings (International) Company Limited, a company incorporated in Hong Kong and whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited
“Directors”	the directors of the Company
“Euroasia”	Euroasia Dockyard Enterprise and Development Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of CMG
“Existing CMML-CMSIZ Lease Agreement”	a lease agreement entered into between CMBL as lessee and CMSIZ as lessor on 12 November 2009 in relation to the leasing of a piece of land in the centralized inspection area located in Shenzhen Qianhaiwan Logistics Park by CMBL from CMSIZ, details of which were disclosed in the announcement of the Company dated 12 November 2009
“Existing CMSIZ Lease Agreements”	collectively, six (6) separate lease agreements entered into between SCMPS as lessee and CMSIZ as lessor on 12 November 2009 in relation to the leasing of 20 parcels of land in Shekou Industrial Park and certain property assets from CMSIZ, and an “Existing CMSIZ Lease Agreement” shall mean each or any one of them, details of which were disclosed in the announcement of the Company dated 12 November 2009 and were being referred to as “New CMSIZ Lease Agreements” 1 to 5 and 9 in such announcement

“Existing Euroasia Cooperation Agreement”	a cooperation agreement entered into between CMCS as lessee and Euroasia as lessor on 12 November 2009 in relation to the leasing of a piece of land in Tsing Yi by CMCS from Euroasia, details of which were disclosed in the announcement of the Company dated 12 November 2009
“Existing SCMPS Lease Agreement”	the lease agreement entered into between SCMPS as lessee and CMSIZ as lessor on 14 December 2010 in relation to the leasing of a piece of land in Shekou Industrial Park with a total area of 15,392.11 square meters by SCMPS from CMSIZ, details of which were disclosed in the announcement of the Company dated 14 December 2010
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Lease Agreements”	collectively, the 2012-2013 Euroasia Cooperation Agreement, the 2012-2013 CMBL-CMSIZ Lease Agreement, the 2012-2013 CMSIZ Lease Agreements, the 2012-2013 SCMPS Lease Agreement, the 2012-2013 SCMPS-CMSIZ Lease Agreement and the CMHK Lease Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SCMPD Renewal Agreement”	the renewal lease agreement entered into between CMCIL as lessee and China Merchants Property Development Company Limited (深圳招商房地產有限公司, a subsidiary of CMG) as lessor on 14 December 2010 in relation to the leasing of two floors of the Shekou Industrial Park Building by CMCIL from China Merchants Property Development Company Limited, details of which were disclosed in the announcement of the Company dated 14 December 2010

“SCMPS”	招商港務(深圳)有限公司 (China Merchants Port Services (Shenzhen) Company Limited), a limited liability company incorporated under the laws of the PRC, and an indirect wholly-owned subsidiary of the Company
“SCMPS-CMSIZ Lease Agreement”	the lease agreement entered into between SCMPS as lessee and CMSIZ as lessor on 14 December 2010 in relation to the leasing of a piece of land in Shekou Industrial Park with a total area of 10,298.94 square meters by SCMPS from CMSIZ, details of which were disclosed in the announcement of the Company dated 14 December 2010
“SCT1 Lease Agreement”	has the same meaning as defined in the announcement of the Company dated 7 May 2007, which was a lease agreement entered into between Shekou Container Terminals Limited (蛇口集裝箱碼頭有限公司, a wholly foreign owned enterprise established under the laws of the PRC and a 80%-owned subsidiary of the Company) as lessee and CMSIZ as lessor on 20 May 1989
“Shareholders”	the shareholders of the Company
“South China Lease Agreement”	has the same meaning as defined in the announcement of the Company dated 30 April 2008, which is a lease agreement dated 23 February 1990 in relation to the leasing of a piece of land located in Shekou Industrial Zone by China Merchants International Cold Chain (Shenzhen) Company Limited (招商局國際冷鏈(深圳)有限公司, formerly known as South China Cold Storage & Ice Company Limited (華南冷藏制冰(深圳)有限公司) and a limited liability company established under the laws of the PRC and an indirect 70%-owned subsidiary of the Company) from CMSIZ
“Yiu Lian”	Yiu Lian Dockyards Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of CMG

For reference only, an exchange rate of HK\$1.00 to RMB0.816353 has been used for the conversion of Renminbi into Hong Kong dollars for the purpose of this announcement.

By order of the board of directors of
**China Merchants Holdings (International)
Company Limited**
FU YUNING
Chairman

Hong Kong, 30 November 2011

As at the date of this announcement, the Board comprises Dr. Fu Yuning, Mr. Li Jianhong, Mr. Li Yinquan, Mr. Hu Zheng, Mr. Meng Xi, Mr. Su Xingang, Mr. Yu Liming, Mr. Hu Jianhua, Mr. Wang Hong and Mr. Liu Yunshu as executive directors; and Mr. Kut Ying Hay, Mr. Lee Yip Wah Peter, Mr. Li Kwok Heem John, Mr. Li Ka Fai David and Mr. Bong Shu Ying Francis as independent non-executive directors.