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中泛控股有限公司
CHINA OCEANWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 715)

(1) DISCLOSEABLE AND CONNECTED TRANSACTION – CONSULTING SERVICES AGREEMENT; AND (2) CONTINUING CONNECTED TRANSACTION – LOAN TRANSACTION

DISCLOSEABLE AND CONNECTED TRANSACTION – CONSULTING SERVICES AGREEMENT

The Board is pleased to announce that on 30 December 2015 (after trading hours), China Oceanwide International Investment entered into the Consulting Services Agreement with China Oceanwide Power, an indirect wholly-owned subsidiary of the Company, in respect of the provision of consultancy services for the Project to China Oceanwide Power and PT Mabar.

CONTINUING CONNECTED TRANSACTION – LOAN TRANSACTION

Reference is made to the Circular in relation to, among others, the Loan Transaction between China Oceanwide Power (as lender) and GSG (as borrower), which constitutes a continuing connected transaction of the Company as at the date of this announcement.

On 14 May 2014, China Oceanwide Power (as lender) entered into the Loan Agreement with GSG (as borrower), making available the Loan in the principal amount of the lower of: (a) US$22,442,400 (equivalent to approximately HK$175.1 million); or (b) the amount equivalent to the face value of 20% of the total registered capital of PT Mabar, at an interest rate equivalent to the project financing interest rate of the power plant to be developed by PT Mabar.

The Board hereby announces that on 30 December 2015 (after trading hours), China Oceanwide Power and GSG entered into the Supplemental Loan Agreement, pursuant to which the parties agreed to revise, among others, (a) the principal amount of the Loan to US$28,353,000 (equivalent to approximately HK$221.2 million); (b) the loan period to three years commencing from the date of the Loan Agreement; and (c) the interest rate equivalent to the project financing interest rate (including but not limited to upfront fee, commitment fee, loan arrangement fee, bank advisory, agency and management fee etc.) of the Project.

LISTING RULES IMPLICATIONS

Consulting Services Agreement

As the applicable percentage ratios for the transaction contemplated under the Consulting Services Agreement are more than 5% but less than 25%, such a transaction constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements only but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

China Oceanwide International Investment is a direct wholly-owned subsidiary of China Oceanwide Holdings Group, the controlling Shareholder of the Company. China Oceanwide International Investment is therefore a connected person of the Company under the Listing Rules. The transaction contemplated under the Consulting Services Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios for the transaction contemplated under the Consulting Services Agreement are less than 25% and the total consideration is less than HK$10 million, by virtue of Rule 14A.76(2)(b) of the Listing Rules, such a transaction is subject to the reporting and announcement requirements only and is exempt from the circular, independent financial advice and shareholders' approval requirements.

Loan Transaction

As at the date of this announcement, the equity interest of PT Mabar is held as to 60% by China Oceanwide Power, 20% by SEPC and 20% by GSG. PT Mabar is an indirect non wholly-owned subsidiary of the Company and GSG, as a substantial shareholder of PT Mabar, is therefore a connected person of the Company at the subsidiary level. Accordingly, the Loan Transaction contemplated under the Loan Agreement as supplemented by the Supplemental Loan Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

The applicable percentage ratios for the Loan Transaction are more than 5%. However, as (a) the Loan Transaction is a continuing connected transaction between the Group and a connected person at the subsidiary level on normal commercial terms or better; (b) the Board has approved the Supplemental Loan Agreement and Loan Transaction thereunder; and (c) the independent non-executive Directors have confirmed that the terms of the Loan Transaction are fair and reasonable, the Loan Transaction is on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole, the Loan Transaction is subject to the reporting and announcement requirements only and is exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

Reference is made to the announcements of the Company dated 20 August 2015, 22 October 2015 and 28 December 2015, and the Circular.

CONSULTING SERVICES AGREEMENT

The Board is pleased to announce that after trading hours on 30 December 2015, China Oceanwide International Investment entered into the Consulting Services Agreement with China Oceanwide Power, an indirect wholly-owned subsidiary of the Company, in respect of the provision of consultancy services for the Project to China Oceanwide Power and PT Mabar.

A summary of the principal terms of the Consulting Services Agreement is set out below:

Date

30 December 2015

Parties

(1) China Oceanwide Power

(2) China Oceanwide International Investment

Term

The term of the Consulting Services Agreement is two years commencing from the date of the Consulting Services Agreement, i.e. from 30 December 2015.

Scope of Services

China Oceanwide International Investment shall, according to the actual need of the Project, provide consultancy services to China Oceanwide Power and PT Mabar and assist China Oceanwide Power and PT Mabar in the financing and insurance arrangement of the Project, including but not limited to:

(a) source funding for the Project and locate and coordinate the relevant banks or financial institutes during the financing process for the Project, and fully utilise its financial resources to organise the financing roadshow and assist to form bank consortium, and participate in the negotiation of relevant loan agreements;

(b) assist China Oceanwide Power and PT Mabar in the negotiation with the financing banks or financial institutes and their respective risk control consultant with regard to the risk control and insurance arrangement requirements;

(c) provide China Oceanwide Power and PT Mabar with insurance arrangement scheme with appropriate risk control measures and reasonable budget in accordance with the actual requirements of the Project, and assist China Oceanwide Power and PT Mabar in meeting the insurance requirements of the financing banks or financial institutes, and procure the insurance arrangement scheme to be approved by the financing banks or financial institutes; and

(d) obtain fee quotations for the insurance scheme acceptable to the PT Mabar and the financing banks or financial institutes, and assist the PT Mabar in determining the insurer and arrange the purchase of insurance.

Consideration

Subject to China Oceanwide International Investment successfully assisting China Oceanwide Power or PT Mabar in securing a loan facility of not less than US$400,000,000 (equivalent to approximately HK$3,120.0 million) from the relevant banks or financial institutes during the course of providing the above consultancy services, China Oceanwide Power agreed to pay a service fee of not more than US$1,000,000 (equivalent to approximately HK$7.8 million) (exclusive of tax) (the "Service Fee") to China Oceanwide International Investment with the following payment schedule:

(a) 50% of the Service Fee will be payable within 10 business days from the date of the Consulting Services Agreement; and

(b) the remaining 50% of the Service Fee will be payable within 10 business days after the relevant loan facility agreement(s) in respect of a loan facility of not less than US$400,000,000 (equivalent to approximately HK$3,120.0 million) having been signed and the first drawdown thereunder having been made.

50% of the Service Fee provided in subparagraph (a) above shall be refunded in full with interest to China Oceanwide Power if China Oceanwide International Investment fails to assist China Oceanwide Power or PT Mabar in securing a loan facility of not less than USD400,000,000 (equivalent to approximately HK$3,120.0 million) before the expiry of the Consulting Services Agreement.

The Service Fee has been agreed on arm-length basis by the negotiation between China Oceanwide Power and China Oceanwide International Investment with reference to China Oceanwide International Investment's cost for provision of the consultancy services and the market price of consultancy services of similar nature offered by unrelated third parties.

PT Mabar agreed that it will be responsible for all the cost and fees (including but not limited to the Service Fee) payable by China Oceanwide Power under the Consulting Services Agreement.

LOAN TRANSACTION

Reference is made to the Circular in relation to, among others, the Loan Transaction between China Oceanwide Power (as lender) and GSG (as borrower), which constitutes a continuing connected transaction of the Company as at the date of this announcement.

On 14 May 2014, China Oceanwide Power (as lender) entered into the Loan Agreement with GSG (as borrower) making available the Loan in the principal amount of the lower of: (a) US$22,442,400 (equivalent to approximately HK$175.1 million); or (b) the amount equivalent to the face value of 20% of the total registered capital of PT Mabar, at an interest rate equivalent to the project financing interest rate of the Project.

The Board hereby announces that after trading hours on 30 December 2015, China Oceanwide Power and GSG entered into the Supplemental Loan Agreement, pursuant to which the parties agreed to revise, among others, (a) the principal amount of the Loan to US$28,353,000 (equivalent to approximately HK$221.2 million); (b) the loan period to three years commencing from the date of the Loan Agreement; and (c) the interest rate equivalent to the project financing interest rate (including but not limited to upfront fee, commitment fee, loan arrangement fee, bank advisory, agency and management fee etc.) of the Project.

A summary of the principal terms of the Loan Agreement and the Supplemental Loan Agreement is set out below:

Loan Agreement

Date	:	14 May 2014
Parties	:	(1) China Oceanwide Power (previously known as China Oceanwide Green Energy International Investment Co., Limited), as the lender (2) GSG, as the borrower
Principal amount of the Loan	:	The lower of: (a) US$22,442,400 (equivalent to approximately HK$175.1 million); or (b) the amount equivalent to the face value of 20% of the total registered capital of PT Mabar The Loan will be transferred directly to PT Mabar by China Oceanwide Power in parts and such drawdown will be made when the capital injection is needed from GSG in accordance with the progress of the Project developed by PT Mabar in which the interest will be calculated accordingly.
Purpose	:	To provide GSG with funds to make its capital contribution into PT Mabar according to its 20% shareholding in PT Mabar for the development of the Project
Interest rate	:	Equivalent to the project financing interest rate of the Project
Share pledge	:	GSG pledges all the shares it owned in PT Mabar (i.e. 20% equity interest in PT Mabar) to China Oceanwide Power. The amount of shares pledged shall be discharged proportionally in accordance with the loan repayments. The share pledge shall not limit or restrict the rights of GSG to receive 30% of each dividends distribution in relation to its shares in PT Mabar and attend as well as to vote at the shareholders meetings of PT Mabar.

Supplemental Loan Agreement

On 30 December 2015 (after trading hours), China Oceanwide Power and GSG entered into the Supplemental Loan Agreement, pursuant to which the parties agreed to revise, among others, (a) the principal amount of the Loan to US$28,353,000 (equivalent to approximately HK$221.2 million); (b) the loan period to three years commencing from the date of the Loan Agreement; and (c) the interest rate equivalent to the project financing interest rate (including but not limited to upfront fee, commitment fee, loan arrangement fee, bank advisory fee, agency and management fee etc.) of the Project.

The Principal Amount and Interest Rate of the Loan

The principal amount of the Loan was arrived at after arm's length negotiations between China Oceanwide Power and GSG, and was determined with reference to the capital contribution need of GSG in proportion to its 20% shareholding in PT Mabar for the development of the Project.

The interest rate charged by China Oceanwide Power on the Loan was arrived at after arm's length negotiations between China Oceanwide Power and GSG, and will be equivalent to the project financing interest rate (including but not limited to upfront fee, commitment fee, loan arrangement fee, bank advisory fee, agency and management fee etc.) of the Project.

Annual Cap

The expected annual cap amount of the Loan for each of the years from 2015 to 2017 will be US$28,353,000 (equivalent to approximately HK$221.2 million), which was determined with reference to the principal amount of the Loan under the Loan Agreement as supplemented by the Supplemental Loan Agreement.

INFORMATION OF THE GROUP AND CHINA OCEANWIDE POWER

The Group is principally engaged in property investments in the PRC, property development in the United States of America and business of coal power plant generation in Indonesia.

As at the date of this announcement, China Oceanwide Power, an indirect wholly-owned subsidiary of the Company, is principally engaged in investment holding. The only investment of China Oceanwide Power is its 60% equity interest in PT Mabar. PT Mabar is a project company incorporated for the purpose of engaging in the construction and operation of two power plants in Indonesia. As at the date of this announcement, PT Mabar is owned as to 60% by China Oceanwide Power, 20% by SEPC (a PRC power construction enterprise engaging in the construction of power station and power transmission and distribution projects) and the remaining 20% by GSG.

INFORMATION OF CHINA OCEANWIDE INTERNATIONAL INVESTMENT

China Oceanwide International Investment is a direct wholly-owned subsidiary of China Oceanwide Holdings Group, the controlling Shareholder of the Company. Its principal activity is investment holding.

INFORMATION OF GSG

GSG is a company incorporated in Indonesia which holds 20% equity interest in PT Mabar. It is principally engaged in construction, trading, and management consultancy service.

REASONS FOR AND BENEFITS FOR ENTERING INTO THE CONSULTING SERVICES AGREEMENT

The Project is currently being developed by PT Mabar, which is a direct non wholly-owned subsidiary of China Oceanwide Power. The purpose of the Consulting Services Agreement is to engage China Oceanwide International Investment to provide consultancy services to China Oceanwide Power and PT Mabar and assist China Oceanwide Power and PT Mabar in the financing and insurance arrangement of the Project. The Company is of the view that entering into the Consulting Services Agreement facilitates the financing process of the business of China Oceanwide Power and PT Mabar. Meanwhile, China Oceanwide International Investment is a wholly-owned subsidiary of China Oceanwide Holdings Group, the controlling Shareholder of the Company. It is beneficial for the Company to enter into the Consulting Services Agreement with China Oceanwide International Investment to fully utilize the human and business resources of its controlling Shareholder to assist the development of PT Mabar.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Consulting Services Agreement are fair and reasonable, the transaction contemplated thereunder is on normal commercial terms or better, in the ordinary and usual course of business of the Group, and in the interests of the Group and the Shareholders as a whole.

REASONS FOR AND BENEFITS OF THE LOAN TRANSACTION

The terms of the Loan Agreement and the Supplemental Loan Agreement were arrived at after arm's length negotiations between China Oceanwide Power and GSG in order to provide GSG with funds to make capital contribution into PT Mabar according to its 20% shareholding in PT Mabar for the development of the Project. It is in the interests of the Company and the Shareholders to carry on the construction of the Project located in Indonesia and the Loan Agreement has facilitated and the Supplemental Loan Agreement will continue to facilitate the maintenance of liquidity of PT Mabar.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Loan Agreement and Supplemental Loan Agreement are fair and reasonable, the transactions contemplated thereunder are on normal commercial terms or better, in the ordinary and usual course of business of the Group, and in the interests of the Group and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Consulting Services Agreement

As the applicable percentage ratios for the transaction contemplated under the Consulting Services Agreement are more than 5% but less than 25%, such a transaction constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements only but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

China Oceanwide International Investment is a direct wholly-owned subsidiary of China Oceanwide Holdings Group, the controlling Shareholder of the Company. China Oceanwide International Investment is therefore a connected person of the Company under the Listing Rules. The transaction contemplated under the Consulting Services Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios for the transaction contemplated under the Consulting Services Agreement are less than 25% and the total consideration is less than HK$10 million, by virtue of Rule 14A.76(2)(b) of the Listing Rules, such a transaction is subject to the reporting and announcement requirements only and is exempt from the circular, independent financial advice and shareholders' approval requirements.

Mr. Han Xiaosheng and Mr. Liu Bing, the executive Directors, and Mr. Qin Dingguo, Mr. Zheng Dong, Mr. Zhao Yingwei and Mr. Qi Zixin, the non-executive Directors, and Mr. Yan Fashan, the independent non-executive Director have abstained from voting on the Board resolutions approving the Consulting Services Agreement due to the fact that they are also directors of China Oceanwide Holdings Group and/or its controlled entities and therefore not regarded as independent to make any recommendation to the Board.

Loan Transaction

As at the date of this announcement, the equity interest of PT Mabar is held as to 60% by China Oceanwide Power, 20% by SEPC and 20% by GSG. PT Mabar is an indirect non wholly-owned subsidiary of the Company and GSG, as a substantial shareholder of PT Mabar, is therefore a connected person of the Company at the subsidiary level. Accordingly, the Loan Transaction contemplated under the Loan Agreement as supplemented by the Supplemental Loan Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

The applicable percentage ratios for the Loan Transaction are more than 5%. However, as (a) the Loan Transaction is a continuing connected transaction between the Group and a connected person at the subsidiary level on normal commercial terms or better; (b) the Board has approved the Supplemental Loan Agreement and Loan Transaction thereunder; and (c) the independent non-executive Directors have confirmed that the terms of the Loan Transaction are fair and reasonable, the Loan Transaction is on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole, the Loan Transaction is subject to the reporting and announcement requirements only and is exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

No Directors have abstained from voting on the Board resolutions approving the Supplemental Loan Agreement.

DEFINITIONS

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

"Board"	the board of Directors
"China Oceanwide Holdings Group"	China Oceanwide Holdings Group Co., Ltd.*(中國泛海控股集團有限公司), a company incorporated with limited liability in the PRC and the controlling Shareholder of the Company as at the date of this announcement
"China Oceanwide International Investment"	China Oceanwide International Investment Company Limited(中國泛海國際投資有限公司), a company incorporated with limited liability under the laws of Hong Kong
"China Oceanwide Power"	China Oceanwide Power Co., Limited(中國泛海電力有限公司), previously known as China Oceanwide Green Energy International Investment Co., Limited(中國泛海綠能國際投資有限公司), a company incorporated with limited liability under the laws of Hong Kong and an indirect wholly-owned subsidiary of the Company
"Circular"	the circular of the Company dated 25 September 2015
"Company"	China Oceanwide Holdings Limited(中泛控股有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 715)

"connected person(s)"	has the same meaning as ascribed to it under the Listing Rules
"Consulting Services Agreement"	the consulting services agreement dated 30 December 2015 entered into between China Oceanwide Power and China Oceanwide International Investment in respect of the provision of consultancy services for the Project
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"GSG"	PT. Garda Sayap Garuda, a company incorporated in Indonesia which holds 20% equity interest in PT Mabar
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Indonesia"	the Republic of Indonesia
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Loan"	a loan made available by China Oceanwide Power to GSG under the Loan Agreement and the Supplemental Loan Agreement
"Loan Agreement"	the loan agreement dated 14 May 2014 entered into between China Oceanwide Power and GSG in respect of the Loan
"Loan Transaction"	the transaction contemplated under the Loan Agreement as supplemented by the Supplemental Loan Agreement
"percentage ratio(s)"	has the same meaning as ascribed to it under the Listing Rules, as applicable to a transaction
"PRC"	The People's Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Project"	two coal fuel steam power plant facilities with net capacity of 150 MW each developed by PT Mabar in the Medan Industrial area in Indonesia

"PT Mabar"	PT. Mabar Elektrindo, a company incorporated with limited liability in Indonesia, in which China Oceanwide Power holds 60% equity interest
"SEPC"	Shanghai Electric Power Construction Co., Ltd*（上海電力建設有限責任公司）, a company established in the PRC which holds 20% equity interest in PT Mabar
"Shareholder(s)"	the shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder(s)"	has the same meaning as ascribed to it under the Listing Rules
"Supplemental Loan Agreement"	the supplemental loan agreement dated 30 December 2015 entered into between China Oceanwide Power and GSG to supplement the Loan Agreement
"US$"	US dollars, the lawful currency of the United States of America
"%"	per cent

By Order of the Board
China Oceanwide Holdings Limited
HAN Xiaosheng
Chairman

Hong Kong, 30 December 2015

As at the date of this announcement, the Board comprises:

Executive Directors:
Mr HAN Xiaosheng *(Chairman)*
Mr LIU Bing
Mr LIU Hongwei
Mr LIU Guosheng

Non-executive Directors:
Mr QIN Dingguo *(Deputy Chairman)*
Mr ZHENG Dong *(Deputy Chairman)*
Mr ZHAO Yingwei
Mr QI Zixin

Independent Non-executive Directors:
Mr LIU Jipeng
Mr CAI Hongping
Mr YAN Fashan
Mr LO Wa Kei Roy

For the purposes of this announcement, the following exchange rate is used:–
US$1.00= HK$7.80

* *For identification purpose only*