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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 TRANSACTION — SYNDICATED LOAN AGREEMENT

Reference is made to the announcement of China COSCO Holdings Company Limited dated 18 March 2016.

On 27 June 2013, Jinzhou New Age (a subsidiary of CSPD which has become a member of the Group following completion of the Terminal Acquisition), CS Finance and ICBC (through its Shanghai Municipal Waitan sub-branch) entered into the Syndicated Loan Agreement, pursuant to which CS Finance and ICBC agreed to provide a term loan of up to RMB285,000,000 to Jinzhou New Age for a term commencing from 27 June 2013 to 27 June 2025. As CS Finance is a member of the CS Group and members of the CS Group are connected persons of the Company, the Syndicated Loan Agreement constitutes a connected transaction of the Company.

Pursuant to the Pledge Agreement dated 27 June 2013, the outstanding loan amount and other obligations of Jinzhou New Age under the Syndicated Loan Agreement are secured by certain fixed assets of Jinzhou New Age.

As the highest of the applicable percentage ratios in respect of the Syndicated Loan Agreement is more than 0.1% and less than 5%, the transaction is subject to the announcement and reporting requirements but exempt from independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Syndicated Loan Agreement

On 27 June 2013, Jinzhou New Age, CS Finance and ICBC (through its Shanghai Municipal Waitan sub-branch) entered into the Syndicated Loan Agreement. Following completion of the Terminal Acquisition, Jinzhou New Age (which is a subsidiary of CSPD) has become a member of the Group. As CS Finance is a member of the CS Group and members of the CS Group are connected persons of the Company, the Syndicated Loan Agreement constitutes a connected transaction of the Company.

The principal terms of the Syndicated Loan Agreement are set out below:

Date:	27 June 2013
Parties:	Jinzhou New Age (as borrower); CS Finance (as lender); and ICBC (through its Shanghai Municipal Waitan sub-branch) (as mandated lead arranger, lender and agent bank).
Duration:	From 27 June 2013 to 27 June 2025 (the “ Last Repayment Date ”). The Last Repayment Date may be extended with the consent of all lenders under the Syndicated Loan Agreement.
Nature of transaction:	Provision of a RMB285,000,000 term loan by CS Finance and ICBC to Jinzhou New Age. Under the Syndicated Loan Agreement, the maximum commitments of ICBC and CS Finance were RMB171,000,000 and RMB114,000,000 respectively. The commitments of ICBC and CS Finance under the Syndicated Loan Agreement were several. The outstanding principal amount of the loan owed to CS Finance under the Syndicated Loan Agreement upon completion of the Terminal Acquisition was RMB105,000,000. No further drawdowns under the Syndicated Loan Agreement will be made by Jinzhou New Age.

Interest rate: 10% discount to the benchmark RMB loan interest rate for one-year-loans published by PBOC from time to time as at the relevant interest rate reference date under the Syndicated Loan Agreement.

Repayment Schedule: Repayment of the loan to the lenders shall be made on a scheduled basis as follows:

Repayment Date:	Repayment Amount:
27 December 2013	RMB2,400,000
27 June 2014	RMB5,600,000
27 December 2014	RMB3,000,000
27 June 2015	RMB7,000,000
27 December 2015	RMB4,500,000
27 June 2016	RMB10,500,000
27 December 2016	RMB6,000,000
27 June 2017	RMB14,000,000
27 December 2017	RMB7,500,000
27 June 2018	RMB17,500,000
27 December 2018	RMB8,100,000
27 June 2019	RMB18,900,000
27 December 2019	RMB8,700,000
27 June 2020	RMB20,300,000
27 December 2020	RMB9,000,000
27 June 2021	RMB21,000,000
27 December 2021	RMB9,000,000
27 June 2022	RMB21,000,000
27 December 2022	RMB9,000,000
27 June 2023	RMB21,000,000
27 December 2023	RMB9,000,000
27 June 2024	RMB21,000,000
27 December 2024	RMB9,300,000
27 June 2025	RMB21,700,000

Pledge Agreement

On 27 June 2013, Jinzhou New Age and ICBC (through its Shanghai Municipal Waitan sub-branch and acting on behalf of all lenders under the Syndicated Loan Agreement) entered into the Pledge Agreement, pursuant to which certain fixed assets of Jinzhou New Age (including certain machinery and land use rights) were pledged as security for the outstanding loan amount and other obligations owed by Jinzhou New Age under the Syndicated Loan Agreement.

Connected relationship

COSCO SHIPPING is an indirect controlling shareholder of the Company. COSCO SHIPPING is also the controlling shareholder of China Shipping. Therefore members of the CS Group (including CS Finance) are connected persons of the Company.

Listing Rules implications

The Syndicated Loan Agreement constitutes a connected transaction of the Company. As the highest of the applicable percentage ratios in respect of the Syndicated Loan Agreement is more than 0.1% and less than 5%, the transaction is subject to the announcement and reporting requirements but exempt from independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTION

Jinzhou New Age was a former member of the CS Group and following the completion of the Terminal Acquisition, became a member of the Group. The funds borrowed by Jinzhou New Age under the Syndicated Loan Agreement was used to refinance certain project loans of Jinzhou New Age.

Mr. Wan Min, Mr. Huang Xiaowen, Ms. Sun Yueying, Mr. Sun Jiakang, Mr. Ye Weilong, Mr. Wang Yuhang and Mr. Xu Zunwu are Directors nominated by COSCO and have therefore abstained from voting on the relevant resolutions of the Board approving the connected transaction under the Syndicated Loan Agreement. Save as disclosed above, non of the Directors has material interest in the transactions under the Syndicated Loan Agreement. Dr. Fan Hsu Lai Tai, Rita has voluntarily abstained from voting on such resolution by reason that she is also an independent non-executive director of COSCO Pacific.

Other than the abovementioned Directors, the remaining Directors are independent non-executive Directors who are of the view that the transactions under the Syndicated Loan Agreement are in the ordinary and usual course of business of the Group and on normal commercial terms and that the terms thereof are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL INFORMATION

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

The COSCO Pacific Group is principally engaged in the businesses of managing and operating terminals, and related businesses.

CS Finance is an indirect non-wholly-owned subsidiary of China Shipping. CS Finance is a company incorporated in the PRC with its principal business in deposit services, credit services, financial and financing consultation, credit verification and related consultation and agency services, settlement, and liquidation.

ICBC is an independent commercial bank based in the PRC.

DEFINITIONS

“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Company” or “China COSCO”	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 Main Board of the Stock Exchange (Stock Code: 1919) and the A shares of which are listed on the Shanghai Stock Exchange in the PRC (Stock Code: 601919)
“China Shipping”	China Shipping (Group) Company* (中國海運(集團)總公司), a state-owned enterprise of the PRC
“CS Finance”	China Shipping Finance Company Ltd.* (中海集團財務有限責任公司), a company established in the PRC
“CS Group”	China Shipping and its subsidiaries and their respective associates
“CSPD”	China Shipping Ports Development Co., Limited, a company incorporated in Hong Kong, which is a wholly-owned subsidiary of COSCO Pacific and hence a non wholly-owned subsidiary of the Company

“COSCO”	China Ocean Shipping (Group) Company* (中國遠洋運輸(集團)總公司), a PRC state-owned enterprise and the controlling shareholder of the Company
“COSCO Pacific”	COSCO Pacific Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code:1199) and a non-wholly owned subsidiary of the Company
“COSCO Pacific Group”	COSCO Pacific and its subsidiaries
“COSCO SHIPPING”	China COSCO Shipping Corporation Limited* (中國遠洋海運集團有限公司), a state-owned enterprise of the PRC
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“ICBC”	Industrial and Commercial Bank of China Limited
“Jinzhou New Age”	Jinzhou New Age Container Terminal Co., Ltd.* (錦州新時代集裝箱碼頭有限公司), a company established in the PRC
“PRC”	the People’s Republic of China
“PBOC”	People’s Bank of China 中國人民銀行, the central bank of the PRC
“percentage ratios”	percentage ratios calculated by the Company pursuant to Rule 14.07 of the Listing Rules
“Pledge Agreement”	the pledge agreement dated 27 June 2013 between Jinzhou New Age and ICBC (through its Shanghai Municipal Waitan sub-branch and acting on behalf of all lenders under the Syndicated Loan Agreement) in relation to the pledge arrangements securing the outstanding loan amount and other obligations of Jinzhou New Age under the Syndicated Loan Agreement
“Terminal Acquisition”	the acquisition of all the shares in CSPD by COSCO Pacific, which was completed on 18 March 2016

“subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules
“Shareholder(s)”	shareholder(s) of the Company
“Syndicated Loan Agreement”	the RMB285,000,000 syndicated loan agreement dated 27 June 2013 between Jinzhou New Age, CS Finance and ICBC (through its Shanghai Municipal Waitan sub-branch)

For the purposes of this announcement, the English name with an asterisk () is an unofficial English transliteration or translation and is for identification purposes only.*

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

Shanghai, the People’s Republic of China
24 May 2016

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

¹ *Executive director*

² *Non-executive director*

³ *Independent non-executive director*

** For identification purpose only*