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(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0598)

UPDATE ON THE DISCLOSEABLE TRANSACTION - ACQUISITION OF EUROPEAN TARGET COMPANIES

References are made to the announcements of Sinotrans Limited (the “**Company**”) dated 27 September 2019 and 22 October 2019 (the “**Announcements**”) with respect to the acquisition of seven subsidiaries of KLG Holding (the “**Acquisition**”) by the Company at an estimated maximum consideration of no more than EUR385,693,735 (equivalent to approximately RMB3,005,904,124) as contemplated under the Share Sale and Purchase Agreement dated 27 September 2019 entered into between the Purchasers, China Merchants Shipping and the Sellers. Unless otherwise defined herein, capitalized terms used in this announcement have the same meaning as defined in the Announcements.

The Board is pleased to announce that, on 6 November 2019, the Netherlands Authority for Consumers and Markets (being Dutch antitrust review agency) has made a Decision, according to which the Acquisition under the Share Sale and Purchase Agreement will not have a significant impact on the effective competition on the Dutch market or part of it, and the Company is allowed to acquire control over the Target Companies by the Acquisition. Thus, one of conditions precedent under the Share Sale and Purchase Agreement has been satisfied.

As at the date of this announcement, all of the antitrust applications under the Share Sale and Purchase Agreement to the European Union members, including German and the Netherlands, have been approved. The Company will proceed with the Acquisition and fulfill the information disclosure obligations in due course (if any).

Shareholders and potential investors of the Company should be aware that as at the date of this announcement, the completion of the Share Sale and Purchase Agreement is still subject to the satisfaction or, if applicable, waiver of other conditions precedent in the agreement. Accordingly, shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

For the purpose of this announcement, unless otherwise indicated, the exchange rate of EUR1.00=RMB7.7935 has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at such rate or any other rate or at all on the date or dates in question or any other date.

By order of the Board
Sinotrans Limited
Li Shichu
Joint Company Secretary

Beijing, 7 November 2019

As at the date of this announcement, the board of directors of the Company comprises Li Guanpeng (Chairman), Song Dexing (Vice Chairman), Song Rong (executive director), Su Jian (non-executive director), Xiong Xianliang (non-executive director), Jiang Jian (non-executive director), Jerry Hsu (non-executive director), and four independent non-executive directors, namely Wang Taiwen, Meng Yan, Song Haiqing and Li Qian.