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

(Stock Code: 00144)

VOLUNTARY ANNOUNCEMENT

LOAN AGREEMENT

1. BACKGROUND

This is a voluntary announcement made by the Board of the Company.

On 22 November 2019, the board of CMPG proposed to enter into the Loan Agreement with Haixing, a subsidiary of the Company, pursuant to which CMPG will provide a revolving loan to Haixing with a principal amount of up to RMB2,185,997,340.15 (equivalent to approximately HK\$2,428,900,000). The entering of the Loan Agreement by CMPG, whose A shares and B shares are listed on the Shenzhen Stock Exchange, is subject to the shareholder's approval of CMPG pursuant to the relevant listing rules of the Shenzhen Stock Exchange.

CMPG is a substantial shareholder of the Company. Accordingly, CMPG is a connected person of the Company and the transaction contemplated under the Loan Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Since the Loan Agreement is considered as financial assistance received by the Group from a connected person which (i) is conducted on normal commercial terms or better; and (ii) is not secured by the assets of the Group, the transaction contemplated under the Loan Agreement is therefore exempt from all reporting and disclosure requirements under Chapter 14A of the Listing Rules.

CMPG released announcements in relation to the Loan Agreement pursuant to the relevant listing rules of the Shenzhen Stock Exchange, details of which are available in the public domain (www.cninfo.com.cn), on 25 November 2019.

In order to provide Shareholders and potential investors with similar information on the Loan Agreement and on Haixing, key terms of the Loan Agreement and certain financial information of Haixing are also set out in this announcement.

2. THE LOAN AGREEMENT

The key terms and conditions of the Loan Agreement are proposed as follows:

Lender	:	CMPG
Borrower	:	Haixing
Principal amount	:	Up to RMB2,185,997,340.15 (equivalent to approximately HK\$2,428,900,000)
Availability period	:	Five years from the date of the Loan Agreement
Purpose	:	For the enhancement of the Haixing Port (海星碼頭)
Interest	:	The benchmark interest rate of the People's Bank of China for RMB loans minus 5% per annum
Drawdown	:	Haixing shall give a written notice to CMPG ten days prior to the proposed drawdown date containing (i) the proposed drawdown amount; (ii) the term; (iii) the purpose of the drawdown and (iv) the proposed drawdown date
Prepayment	:	Haixing may, by giving prior 30-days written notice to CMPG, prepay all or part of the loan; vice-versa, CMPG may, by giving prior 30-days written notice Haixing, request repayment of all or part of the loan
Re-borrowing	:	Haxing may during the availability period re-borrow in whole or in part the loan prepaid in accordance with the terms and conditions of the Loan Agreement provided that, among others, the amount reborrowed in aggregate does not exceed RMB2,185,997,340.15 (equivalent to approximately HK\$2,428,900,000)

3. INFORMATION ON HAIXING

Haixing, a subsidiary of the Company, is a limited liability company incorporated under the laws of the PRC and is principally engaged in terminal and other port facilities services, cargo handling and warehousing services.

	As at 30 September 2019	As at 31 December 2018
Total assets	RMB982.72 million (equivalent to approximately HK\$1,092 million)	RMB790.11 million (equivalent to approximately HK\$878 million)
Total liabilities	RMB333.71 million (equivalent to approximately HK\$371 million)	RMB132.63 million (equivalent to approximately HK\$147 million)
Net assets	RMB649.01 million (equivalent to approximately HK\$721 million)	RMB657.48 million (equivalent to approximately HK\$731 million)
	For the nine months ended 30 September 2019	For the year ended 31 December 2018
Revenue	RMB22.24 million (equivalent to approximately HK\$25 million)	RMB28.41 million (equivalent to approximately HK\$32 million)
Net profits/(losses)	(RMB8.29 million) (equivalent to approximately (HK\$9 million))	(RMB39.60 million) (equivalent to approximately (HK\$44 million))

4. REASONS FOR THE TRANSACTION

The core business of the Group includes port and port-related business. Since September 2017, the Company has begun to improve the operations at the Haixing Port, including the implementation of digital and technological improvements of port operations. The Directors are of the view that the facility provided under the Loan Agreement will provide the capital to fund the projects of Haixing at reasonable costs and therefore is beneficial to the Group.

The Directors, including the independent non-executive Directors, are of the view that the Loan Agreement is on normal commercial terms and in the ordinary and usual course of business of the Company. The Directors, including the independent non-executive Directors, are of the view that the terms of the Loan Agreement are fair and reasonable and in the interest of the Company and its shareholders as a whole.

5. DEFINITIONS

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

“Board”	the board of Directors of the Company
“CMG”	China Merchants Group Limited (招商局集團有限公司), a company incorporated in the PRC and the ultimate holding company of the Company
“CMPG”	China Merchants Group Co Limited* (招商局港口集團股份有限公司), a company incorporated in the PRC whose A shares and B shares are listed on the Shenzhen Stock Exchange (Stock Code: 001872/201872), a substantial shareholder of the Company
“Company”	China Merchants Port Holdings Company Limited (招商局港口控股有限公司), a company incorporated in Hong Kong and whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited
“connected person”	has the meaning ascribed to this term under Rule 14A.06 of the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Haixing”	Shenzhen Haixing Port Development Company Limited* (深圳海星港口發展有限公司), a company incorporated in the PRC and an indirect subsidiary of the Company

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Loan Agreement”	the loan agreement for a revolving facility up to RMB2,185,997,340.15 (equivalent to approximately HK\$2,428,900,000) proposed to be entered into between Haixing and CMPG
“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
“subsidiary (ies)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.

** For identification purpose only*

For reference only, an exchange rate of RMB0.90 to HK\$1.00 has been used for the conversion of Renminbi into Hong Kong dollars in this announcement.

By Order of the Board
China Merchants Port Holdings Company Limited
Fu Gangfeng
Chairman

Hong Kong, 25 November 2019

As at the date of this announcement, the Board comprises Mr. Fu Gangfeng, Mr. Su Jian, Mr. Xiong Xianliang, Mr. Bai Jingtao, Mr. Ge Lefu, Mr. Wang Zhixian and Mr. Zheng Shaoping as executive directors; and Mr. Kut Ying Hay, Mr. Lee Yip Wah Peter, Mr. Li Ka Fai David and Mr. Bong Shu Ying Francis as independent non-executive directors.