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CHINA OCEAN SHIPBUILDING INDUSTRY GROUP LIMITED

中海船舶重工集團有限公司

(Incorporated in the Bermuda with limited liability)

(Stock code: 00651)

COMPLETION OF PLACING OF CONVERTIBLE BONDS UNDER A SPECIFIC MANDATE

Reference is made to the announcements of China Ocean Shipbuilding Industry Group Limited (the “**Company**”) dated 14 May 2014, 15 May 2014 and 18 June 2014 (the “**Announcements**”) and the circular of the Company dated 29 May 2014 (the “**Circular**”) in relation to the proposed issue of convertible bonds in the principal amount of not more than HK\$1,000,000,000 (the “**Convertible Bonds**”) under a specific mandate. Unless otherwise stated, terms used in this announcement shall have the same meanings as those defined in the Announcements and the Circular.

COMPLETION OF THE PLACING OF CONVERTIBLE BONDS UNDER A SPECIFIC MANDATE

The Board is pleased to announce that the placing of the Convertible Bonds was completed on 27 June 2014 in accordance with the terms and conditions of the Placing Agreement. All the conditions precedent set out in the Placing Agreement have been fulfilled. The approval for the listing of, and permission to deal in, the Conversion Shares upon conversion of the Convertible Bonds has been granted by the Listing Committee of the Stock Exchange.

The Convertible Bonds in the principal amount of HK\$1,000,000,000 were issued to Kingwin Capital Group Limited and Partners Equity Investment Fund I (the “**Subscribers**”).

The Convertible Bonds are subscribed by the Subscribers in the following proportion:

Subscriber	Amount (HK\$)	Number of Conversion Shares (subject to adjustment)
Kingwin Capital Group Limited	964,000,000	4,820,000,000
Partners Equity Investment Fund I	36,000,000	180,000,000
Total	<u>1,000,000,000</u>	<u>5,000,000,000</u>

INFORMATION OF THE SUBSCRIBERS

Kingwin Capital Group Limited is an investment holding company wholly-owned by Mr. Wang Ping.

Partners Equity Investment Fund I is an exempt company incorporated with limited liability in the Cayman Islands, owned by certain professional individual investors, and managed by Partners Investment Management Limited, which is wholly-owned by Partners Financial Holdings Limited. Partners Financial Holdings Limited is an international financial services company focused on the Hong Kong and China markets.

To the best of the Directors' knowledge, information and belief after having made reasonable enquires, the Subscribers and their ultimate beneficial owners (if any) are third parties independent of and are not connected with the Company and its connected persons (as defined under the Listing Rules).

By order of the board
China Ocean Shipbuilding Industry Group Limited
CHAU On Ta Yuen
Chairman

Hong Kong, 27 June 2014

As at the date of this announcement, the Board of the Company comprises four executive directors, namely, Mr. Chau On Ta Yuen, Mr. Li Ming, Mr. Zhang Shi Hong and Mr. Wang San Long; and three independent non-executive directors, namely, Ms. Xiang Siying, Mr. Hu Bai He and Xiang Ying.