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CHINA OCEAN INDUSTRY GROUP LIMITED

中海重工集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00651)

**FULFILLMENT OF CONDITIONS PRECEDENT
IN RELATION TO
VERY SUBSTANTIAL ACQUISITION –
PROPOSED ACQUISITION OF
ENTIRE REGISTERED CAPITAL
OF THE TARGET COMPANY**

Reference is made to (i) announcements of China Ocean Industry Group Limited (the “**Company**”) dated 16 November 2016, 23 December 2016 and 18 January 2017 in relation to, among other matters, the proposed acquisition of the entire registered capital of the Target Company (“**Announcements**”); and (ii) the circular of the Company dated 24 February 2017. Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements and the Circular.

The Board is pleased to announce that all conditions precedent in respect of the Acquisition Agreement have been fulfilled or waived in accordance with the terms and conditions of the Acquisition Agreement. Accordingly, Completion shall take place on 10 April 2017 in accordance with the terms of the Acquisition Agreement. Further announcement will be made by the Company as and when appropriate.

By order of the Board
China Ocean Industry Group Limited
LI Ming
Chairman

Hong Kong, 31 March 2017

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