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COSCO Pacific Limited
中遠太平洋有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1199)

ANNOUNCEMENT

**DISCLOSEABLE TRANSACTION
AND
CONTINUING CONNECTED TRANSACTIONS**

The Group has been carrying on transactions pursuant to the Existing Master Agreements which will expire on 31 December 2015. It is expected that the Group will continue to enter into transactions of a similar nature to the transactions under the Existing Master Agreements from time to time and has accordingly entered into the New Master Agreements each for a term of 3 years from 1 January 2016 to 31 December 2018 as disclosed below.

On 28 October 2015, the relevant members of the Group entered into the following master agreements:

- (A) the Finance Leasing Master Agreement between COSCO Ports and Florens Capital Management which constitutes a discloseable transaction of the Company and is subject to the notification, announcement and reporting requirements under Chapter 14 of the Listing Rules;
- (B) the COSCO Shipping Services and Terminal Services Master Agreement between COSCO Ports, PCT and COSCO; and
- (C) the China COSCO Shipping Services and Terminal Services Master Agreement between COSCO Ports, PCT, China COSCO and COSCON.

The transactions contemplated under the New Master Agreements numbered (A) to (C) above also constitute continuing connected transactions of the Company which are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. A circular containing further information on the transactions contemplated under the Finance Leasing Master Agreement, the COSCO Shipping Services and Terminal Services Master Agreement and the China COSCO Shipping Services and Terminal Services Master Agreement, including a letter from the Independent Board Committee to the Independent Shareholders, a letter from the independent financial adviser to the Independent Board Committee and the Independent Shareholders, and a notice of the SGM, will be despatched to the Shareholders on or before 9 November 2015.

Moreover, on 28 October 2015, the relevant members of the Group entered into the following master agreements which constitute continuing connected transactions of the Company and are subject to the reporting, annual review and announcement requirements (with the exception of New Master

Agreements numbered (8) and (9) where the relevant counterparty is connected with an insignificant subsidiary of the Company based on the financial information for the year 2014 and as such fully exempt from disclosure and other requirements), but are exempt from the Independent Shareholders' approval requirement, under Chapter 14A of the Listing Rules:

- (1) the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement between Florens, COSCO and COSCON;
- (2) the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement between Florens, COSCO and COSCON;
- (3) the COSCON Container Services Master Agreement between Plangreat, COSCO and COSCON;
- (4) the Maersk Line Shipping Services Master Agreement between COSCO Ports, PCT and Maersk Line A/S (for and on behalf of the Maersk Line);
- (5) the Florens-Maersk Line Container Purchasing and Related Services Master Agreement between Florens and Maersk Line A/S (for and on behalf of the Maersk Line);
- (6) Guangzhou Port Company Container Terminal Services Master Agreement between COSCO Ports, GZ South China and GZ Port Company;
- (7) Guangzhou Port Holding Container Terminal Services Master Agreement between COSCO Ports, GZ South China and GZ Port Holding;
- (8) Yangzhou Terminal Services Master Agreement between COSCO Ports, Yangzhou Yuanyang and Yangzhou Port Holding;
- (9) Xiamen Container Terminal Services Master Agreement between COSCO Ports, Xiamen Ocean Gate and Xiamen Haicang Holding;
- (10) Nansha Diesel Oil Purchase Master Agreement between COSCO Ports, GZ South China and CM Supply; and
- (11) Xiamen Diesel Oil Purchase Master Agreement between COSCO Ports, Xiamen Ocean Gate and Chimbusco Fujian.

BACKGROUND

The Group has been carrying on transactions pursuant to the Existing Master Agreements which will expire on 31 December 2015. It is expected that the Group will continue to enter into transactions of a similar nature to the transactions under the Existing Master Agreements from time to time, and the Group has accordingly entered into the New Master Agreements as disclosed below.

DISCLOSEABLE TRANSACTION AND CONTINUING CONNECTED TRANSACTIONS

1. Transactions requiring Independent Shareholders' approval

1.1. Finance Leasing Master Agreement

Date: 28 October 2015

Parties:	COSCO Ports (a subsidiary of the Company) Florens Capital Management (a connected subsidiary of the Company)
Duration:	1 January 2016 to 31 December 2018
Condition precedent:	Conditional upon the approval of the Independent Shareholders being obtained on or before 31 December 2015 (or such later date, no later than 31 January 2016, as COSCO Ports may notify Florens Capital Management).
Nature of transaction:	Provision of Finance Leasing of the Leasing Equipment by members of the Florens Capital Management Group as Lessor to members of the COSCO Ports Group as Lessee by way of sale and leaseback and other finance leasing arrangement including by way of (i) entrusted purchase of Leasing Equipment by the Lessee with payment of the purchase price by the Lessor and the subsequent provision of finance lease services by the Lessor to the Lessee and the making of lease payments to the Lessor; or (ii) the leasing of Leasing Equipment acquired by the Lessor to the Lessee with the option for the Lessee to purchase the Leasing Equipment. With respect to each Finance Leasing, the relevant Lessor and Lessee will enter into a separate Finance Lease Agreement.
Pricing:	The transactions are required to be on normal commercial terms, in particular, the total consideration payable by the relevant members of the COSCO Ports Group for the provision of the Finance Leasing by members of the Florens Capital Management Group, including without limitation, the amounts of principal lease payments and interest, handling fees and exercise price of purchase options, will be at rates no less favourable to the relevant members of the COSCO Ports Group than those available to the COSCO Ports Group from other independent third party for the relevant Finance Leasing.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the Finance Leasing Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
Aggregate amount paid by the COSCO Ports Group to the Florens Capital Management Group	US\$9,324,000 (approximately HK\$72,282,000)	US\$7,755,000 (approximately HK\$60,119,000)	US\$28,468,000 (approximately HK\$220,690,000)

Proposed annual caps and basis of determination:

The proposed annual caps for the transactions under the Finance Leasing Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
Aggregate amount payable by the COSCO Ports Group to the Florens Capital Management Group	US\$120,000,000 (approximately HK\$930,264,000)	US\$140,000,000 (approximately HK\$1,085,308,000)	US\$200,000,000 (approximately HK\$1,550,440,000)	Determined with reference to the financing market conditions and the expected amount of assets of the COSCO Ports Group to be arranged with finance

lease, the large transaction amount involved per Finance Leasing and expected change in market condition, each annual cap represents the estimated aggregate amount payable by the COSCO Ports Group (including but without limitation lease payments and handling fees and expenses) under the Finance Lease Agreements during the year

Connected relationship:

Florens Capital Management is owned as to 50% by COSCO, which is the ultimate controlling Shareholder. Accordingly, members of the Florens Capital Management Group are connected subsidiaries of the Company.

Listing Rules implications:

Since the applicable percentage ratios in respect of the proposed annual caps for the transactions under the Finance Leasing Master Agreement exceed 5% but are below 25% and the proposed annual caps exceed HK\$10 million, the transactions constitute a discloseable transaction and continuing connected transactions of the Company. Accordingly, the Finance Leasing Master Agreement is subject to the notification, announcement and reporting requirements under Chapter 14 of the Listing Rules and the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

1.2. COSCO Shipping Services and Terminal Services Master Agreement

- Date:** 28 October 2015
- Parties:** COSCO Ports (a subsidiary of the Company)
PCT (a subsidiary of the Company)
COSCO
- Duration:** 1 January 2016 to 31 December 2018
- Condition precedent:** Conditional upon the approval of the Independent Shareholders being obtained on or before 31 December 2015 (or such later date, no later than 31 January 2016, as COSCO Ports and PCT may notify COSCO).
- Nature of transaction:**
- (a) Provision of shipping related services by relevant members of the COSCO Ports Group and PCT to members of the COSCO Group (excluding the China COSCO Group), including but not limited to the handling, storage, stevedoring, transshipment and maintenance of cargoes, and provision of container storage space and terminal premises.
 - (b) Provision of terminal related services by relevant members of the COSCO Group (excluding the China COSCO Group) to members of the COSCO Ports Group, including but not limited to the provision of manpower services, cargo handling services, logistics services, purchase of materials, and subsidy on port construction fee.

The services as mentioned in (a) above are mainly provided by the subsidiaries of COSCO Ports (not being Plangreat and its subsidiaries) in the PRC and by PCT in Greece; and are of different nature to those pursuant to the COSCON Container Services Master Agreement, of which are containers related services.

Pricing: The transactions are required to be on normal commercial terms, in particular, (i) the service fees payable by the relevant members of the COSCO Group (excluding the China COSCO Group) will be at rates no less favourable to the relevant members of the COSCO Ports Group or to PCT (as the case may be) than those at which the relevant members of the COSCO Ports Group or PCT charge other independent third party customers for the relevant services; and (ii) the service fees payable by the relevant members of COSCO Ports Group will be at rates no less favourable to the relevant members of the COSCO Ports Group than those which independent third party providers charge the relevant members of the COSCO Ports Group for the relevant services.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the COSCO Shipping Services and Terminal Services Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
(a) Aggregate amount received by the COSCO Ports Group and PCT from the COSCO Group (excluding the China COSCO Group)	RMB14,646,000 (approximately HK\$18,384,000)	RMB18,589,000 (approximately HK\$23,333,000)	RMB15,133,000 (approximately HK\$18,995,000)
(b) Aggregate amount paid by the COSCO Ports Group to the COSCO Group (excluding the China COSCO Group)	RMB3,152,000 (approximately HK\$3,957,000)	RMB3,667,000 (approximately HK\$4,603,000)	RMB2,480,000 (approximately HK\$3,113,000)

Proposed annual caps and basis of determination:

The proposed annual caps for the transactions under the COSCO Shipping Services and Terminal Services Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
(a) Aggregate amount receivable by the COSCO Ports Group and PCT from the COSCO Group (excluding the China COSCO Group)	RMB562,291,000 (approximately HK\$705,788,000)	RMB705,513,000 (approximately HK\$885,560,000)	RMB881,877,000 (approximately HK\$1,106,933,000)	Determined with reference to the existing scale and operations of the businesses of the COSCO Ports Group and PCT, the anticipated growth and development of such businesses and the anticipated demand for such services ^(Note 1)

(b) Aggregate amount payable by the COSCO Ports Group to the COSCO Group (excluding the China COSCO Group)	RMB124,590,000 (approximately HK\$156,386,000)	RMB159,528,000 (approximately HK\$200,240,000)	RMB198,434,000 (approximately HK\$249,075,000)	Determined with reference to the existing scale and operations of the businesses of the COSCO Ports Group, the anticipated growth and development of such businesses and the anticipated demand for such services ^(Note 1)
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Note 1: The annual caps also take into account of the anticipated growth of businesses which may result from any expected new terminal projects of the Group, the extent of which could be significant.

Connected relationship:

COSCO is the ultimate controlling Shareholder. Accordingly, members of the COSCO Group (excluding the China COSCO Group) are connected persons of the Company.

Listing Rules implications:

Since the applicable percentage ratios in respect of the proposed annual caps for the transactions under the COSCO Shipping Services and Terminal Services Master Agreement are higher than 5% and the proposed annual caps exceed HK\$10 million, the transactions constitute continuing connected transactions of the Company and are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

1.3. China COSCO Shipping Services and Terminal Services Master Agreement

Date: 28 October 2015

Parties: COSCO Ports (a subsidiary of the Company)
PCT (a subsidiary of the Company)
China COSCO
COSCON

Duration: 1 January 2016 to 31 December 2018

Condition precedent: Conditional upon the approval of the Independent Shareholders being obtained on or before 31 December 2015 (or such later date, no later than 31 January 2016, as COSCO Ports and PCT may notify China COSCO and COSCON).

Nature of transaction:

- (a) Provision of shipping related services by relevant members of the COSCO Ports Group and PCT to members of the China COSCO Group, including but not limited to the handling, storage, stevedoring, transshipment and maintenance of cargoes, and provision of container storage space and terminal premises.
- (b) Provision of terminal related services by relevant members of the China COSCO Group to members of the COSCO Ports Group, including but not limited to the provision of manpower services, cargo handling services, logistics services, purchase of materials, and subsidy on port construction fee.

The services as mentioned in (a) above are mainly provided by the subsidiaries of COSCO Ports (not being Plangreat and its subsidiaries) in the PRC and by PCT in Greece; and are of different nature to those pursuant to

the COSCON Container Services Master Agreement, of which are containers related services.

Pricing: The transactions are required to be on normal commercial terms, in particular, (i) the service fees payable by the relevant members of the China COSCO Group will be at rates no less favourable to the relevant members of the COSCO Ports Group or to PCT (as the case may be) than those at which the relevant members of the COSCO Ports Group or PCT charge other independent third party customers for the relevant services; and (ii) the service fees payable by the relevant members of COSCO Ports Group will be at rates no less favourable to the relevant members of the COSCO Ports Group than those which independent third party providers charge relevant members of the COSCO Ports Group for the relevant services.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the China COSCO Shipping Services and Terminal Services Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
(a) Aggregate amount received by the COSCO Ports Group and PCT from the China COSCO Group	RMB239,904,000 (approximately HK\$301,128,000)	RMB241,899,000 (approximately HK\$303,632,000)	RMB157,070,000 (approximately HK\$197,155,000)
(b) Aggregate amount paid by the COSCO Ports Group to the China COSCO Group	RMB243,000 (approximately HK\$306,000)	RMB75,000 (approximately HK\$95,000)	RMB40,000 (approximately HK\$51,000)

Proposed annual caps and basis of determination:

The proposed annual caps for the transactions under the China COSCO Shipping Services and Terminal Services Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
(a) Aggregate amount receivable by the COSCO Ports Group and PCT from the China COSCO Group	RMB2,592,045,000 (approximately HK\$3,253,535,000)	RMB2,920,650,000 (approximately HK\$3,666,000,000)	RMB3,294,169,000 (approximately HK\$4,134,841,000)	Determined with reference to the existing scale and operations of the businesses of the COSCO Ports Group and PCT, the anticipated growth and development of such businesses and the anticipated demand for such services ^(Note 2)
(b) Aggregate amount payable by the COSCO Ports Group to the China COSCO Group	RMB2,500,000 (approximately HK\$3,138,000)	RMB2,750,000 (approximately HK\$3,452,000)	RMB3,025,000 (approximately HK\$3,797,000)	Determined with reference to the existing scale and operations of the businesses of the COSCO Ports Group, the anticipated growth and development of such businesses and the anticipated demand for such services ^(Note 2)

Note 2: The annual caps also take into account of the anticipated growth of businesses which may result from any expected new terminal projects of the Group, the extent of which could be significant.

Connected relationship:

China COSCO is a controlling Shareholder. COSCON is a subsidiary of China COSCO. Accordingly, members of the China COSCO Group, including COSCON, are connected persons of the Company.

Listing Rules implications:

Since the applicable percentage ratios in respect of the annual caps for the transactions under the China COSCO Shipping Services and Terminal Services Master Agreement are higher than 5% and the proposed annual caps exceed HK\$10 million, the transactions constitute continuing connected transactions of the Company and are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

2. Transactions exempt from Independent Shareholders' approval requirement

2.1. Florens-COSCON Container Leasing, Sales and Related Services Master Agreement

Date: 28 October 2015

Parties: Florens (a subsidiary of the Company)
COSCO
COSCON

Duration: 1 January 2016 to 31 December 2018

Nature of transaction:

- (a) Grant of leases of containers for a term of not more than 3 years by members of the Florens Group to the relevant members of the COSCO Group (excluding the Group).
- (b) Sales of containers by the relevant members of the Florens Group to the relevant members of the COSCO Group (excluding the Group).
- (c) Provision of container related services by the relevant members of the Florens Group to the COSCO Group (excluding the Group), including without limitation, container handling services in relation to the containers leased out by the Florens Group under the abovementioned short-term leases, the referral services in connection with the purchase of containers and materials by members of the Florens Group, and all ancillary and related services.

Pricing: The transactions are required to be on normal commercial terms, in particular, the consideration for each of the leasing of containers, sales of containers, and the provision of services by members of the Florens Group to members of the COSCO Group (excluding the Group) will be at rates no less favourable to the relevant members of the Florens Group (as lessor, seller or service providing party, as the case may be) than those at which the relevant members of the Florens Group charge other independent third party customers for the relevant transactions.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
(a) Aggregate amount received by the Florens Group from the COSCO Group (excluding the Group) for the leasing of containers	US\$22,000 (approximately HK\$171,000)	US\$197,000 (approximately HK\$1,528,000)	US\$641,000 (approximately HK\$4,970,000)
(b) Aggregate amount received by the Florens Group from the COSCO Group (excluding the Group) for the sales of containers	US\$2,000 (approximately HK\$16,000)	NIL	US\$6,000 (approximately HK\$47,000)
(c) Aggregate amount received by the Florens Group from the COSCO Group (excluding the Group) for the provision of container related services by the Florens Group	US\$1,387,000 (approximately HK\$10,753,000)	US\$621,000 (approximately HK\$4,815,000)	US\$467,000 (approximately HK\$3,621,000)

Estimated annual caps and basis of determination:

The estimated annual caps for the transactions under the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
(a) Aggregate amount receivable by the Florens Group from the COSCO Group (excluding the Group) for the leasing of containers	US\$8,000,000 (approximately HK\$62,018,000)	US\$13,000,000 (approximately HK\$100,779,000)	US\$23,000,000 (approximately HK\$178,301,000)	Determined with reference to the expected market trends and changes, the estimated rental rates, the large transaction amount involved per transaction and expected change in market condition, and the scope of transactions covered by the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement
(b) Aggregate amount receivable by the Florens	US\$5,470,000 (approximately HK\$42,405,000)	US\$5,742,000 (approximately HK\$44,514,000)	US\$6,030,000 (approximately HK\$46,746,000)	Determined with reference to the expected market trends and changes, the large

<p>Group from the COSCO Group (excluding the Group) for the sales of containers</p>				<p>transaction amount involved per transaction and expected change in market condition, the estimated selling prices, and the scope of transactions covered by the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement</p>
<p>(c) Aggregate amount receivable by the Florens Group from the COSCO Group (excluding the Group) for the provision of container related services by the Florens Group</p>	<p>US\$1,700,000 (approximately HK\$13,179,000)</p>	<p>US\$1,800,000 (approximately HK\$13,954,000)</p>	<p>US\$1,900,000 (approximately HK\$14,730,000)</p>	<p>Determined with reference to the expected market trends and changes, the large transaction amount involved per transaction and expected change in market condition, the estimated rates of service fee, and the scope of transactions covered by the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement</p>

Connected relationship:

COSCO is the ultimate controlling Shareholder. COSCON is an indirect subsidiary of COSCO. Accordingly, members of the COSCO Group, including COSCON, are connected persons of the Company.

Listing Rules implications:

Since the applicable percentage ratios in respect of the estimated annual caps for the transactions under the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement are higher than 0.1% but less than 5%, and the estimated annual caps exceed HK\$3 million, the transactions constitute continuing connected transactions of the Company and are subject to the reporting, annual review and announcement requirements and exempt from Independent Shareholders' approval requirement, under Chapter 14A of the Listing Rules.

2.2. *Florens-COSCON Container Related Services and Purchase of Materials Master Agreement*

Date: 28 October 2015

Parties: Florens (a subsidiary of the Company)
COSCO
COSCON

Duration: 1 January 2016 to 31 December 2018

Nature of transaction: (a) Provision of container related services by the relevant members of the COSCO Group (excluding the Group) to the Florens Group, including without limitation, interchanging, storing, handling, repairing, maintenance, inspection, repositioning, painting and coating services with respect to containers (including without limitation, the Container Equipment and containers leased or sold by members of the Florens

Group to members of the COSCO Group (excluding the Group) and container related matter) and container related materials purchased by the Florens Group from the COSCO Group (excluding the Group), the agency services in relation to the leasing and sales of containers by members of the Florens Group to third party lessees and purchasers, and all ancillary and related services.

- (b) Purchase of container related materials by the relevant members of the Florens Group from the relevant members of the COSCO Group (excluding the Group), including materials and accessories for use on and in connection with containers (including without limitation, the Container Equipment), including without limitation, decals.

Pricing: The transactions will be conducted on normal commercial terms, in particular, the consideration for the purchase of each of the container related materials by members of the Florens Group and the provision of services by members of the COSCO Group to members of the Florens Group will be at rates no less favourable to the relevant members of the Florens Group (as purchaser or service receiving party, as the case may be) than those which independent third parties charge the relevant members of the Florens Group for the relevant transactions.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
(a) Aggregate amount paid by the Florens Group to the COSCO Group (excluding the Group) for the provision of container related services by the COSCO Group (excluding the Group)	US\$1,784,000 (approximately HK\$13,830,000)	US\$1,765,000 (approximately HK\$13,683,000)	US\$537,000 (approximately HK\$4,163,000)
(b) Aggregate amount paid by the Florens Group to the COSCO Group (excluding the Group) for the purchase of container related materials by the Florens Group	NIL	US\$16,000 (approximately HK\$125,000)	NIL

Estimated annual caps and basis of determination:

The estimated annual caps for the transactions under the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
(a) Aggregate amount payable by the Florens	US\$4,881,000 (approximately HK\$37,839,000)	US\$5,020,000 (approximately HK\$38,917,000)	US\$5,146,000 (approximately HK\$39,893,000)	Determined with reference to the expected market trends

<p>Group to the COSCO Group (excluding the Group) for the provision of container related services by the COSCO Group (excluding the Group)</p>				<p>and changes, the estimated rates of service fee, and the scope of transactions covered by the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement</p>
<p>(b) Aggregate amount payable by the Florens Group to the COSCO Group (excluding the Group) for the purchase of container related materials by the Florens Group</p>	<p>US\$80,000 (approximately HK\$621,000)</p>	<p>US\$95,000 (approximately HK\$737,000)</p>	<p>US\$105,000 (approximately HK\$814,000)</p>	<p>Determined with reference to the expected market trends and changes, the estimated selling prices, and the scope of transactions covered by the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement</p>

Connected relationship:

COSCO is the ultimate controlling Shareholder. COSCON is an indirect subsidiary of COSCO. Accordingly, members of the COSCO Group and COSCON are connected persons of the Company.

Listing Rules implications:

Since the applicable percentage ratios in respect of the estimated annual caps for the transactions under the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement are higher than 0.1% but less than 5%, and the estimated annual caps exceed HK\$3 million, the transactions constitute continuing connected transactions of the Company and are subject to the reporting, annual review and announcement requirements and exempt from the Independent Shareholders' approval requirement, under Chapter 14A of the Listing Rules.

2.3. COSCON Container Services Master Agreement

Date: 28 October 2015

Parties: Plangreat (a subsidiary of the Company)
COSCO
COSCON

Duration: 1 January 2016 to 31 December 2018

Nature of transaction: Provision of container related services by Plangreat and its subsidiaries to members of the COSCO Group (excluding the Group), including but not limited to maintenance, handling, stevedoring, repair, import, export, loading, discharging, transshipment, collection, delivery, storage, shifting, restowage and disposal of containers, lighter berthing, midstream operation and trailers' transportation.

The above services are provided by Plangreat and its subsidiaries in Hong Kong; and are of different nature to those pursuant to the COSCO Shipping Services and Terminal Services Master Agreement and the China COSCO Shipping Services and Terminal Services Master Agreement.

Pricing: The transactions are required to be on normal commercial terms, in particular, the service fees payable by members of the COSCO Group (excluding the Group) will be at rates no less favourable to Plangreat and its subsidiaries than those at which Plangreat and its subsidiaries charge other independent third party customers for the relevant services.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the COSCON Container Services Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
Aggregate amounts received by Plangreat and its subsidiaries from the COSCO Group (excluding the Group)	US\$2,566,000 (approximately HK\$19,893,000)	US\$1,927,000 (approximately HK\$14,939,000)	US\$1,294,000 (approximately HK\$10,032,000)

Estimated annual caps and basis of determination:

The estimated annual caps for the transactions under the COSCON Container Services Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
Aggregate amount receivable by Plangreat and its subsidiaries from the COSCO Group (excluding the Group)	US\$2,151,000 (approximately HK\$16,675,000)	US\$2,366,000 (approximately HK\$18,342,000)	US\$2,603,000 (approximately HK\$20,179,000)	Determined with reference to the anticipated volumes of the relevant businesses with reference to the existing scale and operation of the business of Plangreat and its subsidiaries and the anticipated volumes of containers to be handled

Connected relationship:

COSCO is the ultimate controlling Shareholder. COSCON is an indirect subsidiary of COSCO. Accordingly, members of the COSCO Group and COSCON are connected persons of the Company.

Listing Rules implications:

Since the applicable percentage ratios in respect of the estimated annual caps for the transactions under the COSCON Container Services Master Agreement are higher than 0.1% but less than 5%, and the estimated annual caps exceed HK\$3 million, such transactions are subject to the reporting, annual review and announcement requirements and exempt from the Independent Shareholders' approval requirement, under Chapter 14A of the Listing Rules.

2.4. Maersk Line Shipping Services Master Agreement

Date: 28 October 2015

Parties: COSCO Ports (a subsidiary of the Company)
PCT (a subsidiary of the Company)
Maersk Line A/S, for and on behalf of the Maersk Line

Duration: 1 January 2016 to 31 December 2018

Nature of transaction: Provision of shipping related services by members of the COSCO Ports Group and PCT to the Maersk Line, including but not limited to handling, storage, stevedoring, transshipment, maintenance of cargoes, provision of container storage space and terminal premises.

Pricing: The transactions are required to be on normal commercial terms, in particular, the terms on pricing under the Maersk Line Shipping Services Master Agreement will be at rates no less favourable to members of COSCO Ports Group or PCT than that at which members of COSCO Ports Group or PCT charge(s) independent third party customers for the relevant services.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the Maersk Line Shipping Services Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
Aggregate amount received by the COSCO Ports Group and PCT from the Maersk Line	RMB293,422,000 (approximately HK\$368,304,000)	RMB303,422,000 (approximately HK\$380,856,000)	RMB185,835,000 (approximately HK\$233,261,000)

Estimated annual caps and basis of determination:

The estimated annual caps for the transactions under the Maersk Line Shipping Services Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
Aggregate amount receivable by the COSCO Ports Group and PCT from the Maersk Line	RMB1,598,518,000 (approximately HK\$2,006,460,000)	RMB1,747,734,000 (approximately HK\$2,193,756,000)	RMB1,914,560,000 (approximately HK\$2,403,156,000)	Determined with reference to the existing scale and operations of the businesses of the COSCO Ports Group and PCT, the anticipated growth and development of such businesses and the anticipated demand for such services

Connected relationship:

Maersk Line A/S is an associate of a substantial shareholder of a subsidiary of the Company, and accordingly Maersk Line A/S and the members of the Maersk Line are connected persons of the Company.

Listing Rules implications:

Notwithstanding the applicable percentage ratios in respect of the estimated annual caps for the transactions exceed 1%, since Maersk Line A/S and the Maersk Line are connected persons of the Company at the subsidiary level and that the terms of the transactions under the Maersk Line Shipping Services Agreement (1) have been approved by the Board; and (2) have been confirmed by the independent non-executive Directors to be fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, such transactions are only subject to the reporting, annual review and announcement requirements

and exempt from the Independent Shareholders' approval requirement, pursuant to rule 14A.101 of the Listing Rules.

2.5. *Florens-Maersk Line Container Purchasing and Related Services Master Agreement*

- Date:** 28 October 2015
- Parties:** Florens (a subsidiary of the Company)
Maersk Line A/S, for and on behalf of the Maersk Line
- Duration:** 1 January 2016 to 31 December 2018
- Nature of transaction:**
- (a) Provision of container related services by the Maersk Line to the Florens Group, including without limitation, repositioning and handling services with respect to containers (including without limitation, the Container Equipment, containers leased or sold by members of the Florens Group to the Maersk Line and containers and related materials purchased by members of the Florens Group from the Maersk Line), transportation services in relation to the transactions, the agency services in relation to the leasing and sales of containers by members of the Florens Group to third party lessees or purchasers, and all ancillary and related services.
 - (b) Purchase of containers and related materials by members of the Florens Group from the Maersk Line, namely, materials and accessories for use on and in connection with containers (including without limitation, the Container Equipment), including without limitation, decals.
- Pricing:** The transactions are required to be on normal commercial terms, in particular, the consideration for each of the purchase of containers and related materials by members of the Florens Group from the Maersk Line and the provision of services by the Maersk Line to members of the Florens Group will be at rates no less favourable to the relevant members of the Florens Group (as purchaser or service receiving party, as the case may be) than those at which independent third parties charge members of the Florens Group for the relevant transactions.

Historical transaction amounts:

There was no transaction similar to those under the Florens-Maersk Line Container Purchasing and Related Services Master Agreement in the previous 3 years.

Estimated annual caps and basis of determination:

The estimated annual caps for the transactions under the Florens-Maersk Line Container Purchasing and Related Services Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
(a) Aggregate amount payable by the Florens Group to the Maersk Line for the provision of container related services by the Maersk Line	US\$500,000 (approximately HK\$3,877,000)	US\$750,000 (approximately HK\$5,815,000)	US\$1,000,000 (approximately HK\$7,753,000)	Determined with reference to the expected market trends and changes, the estimated rates of service fee, and the scope of transactions covered by the Florens-Maersk Line Container

				Purchasing and Related Services Master Agreement
(b) Aggregate amount payable by the Florens Group to the Maersk Line for the purchase of containers and related materials by the Florens Group	US\$14,000,000 (approximately HK\$108,531,000)	US\$21,000,000 (approximately HK\$162,797,000)	US\$28,000,000 (approximately HK\$217,062,000)	Determined with reference to the expected market trends and changes, the estimated selling prices, and the scope of transactions covered by the Florens-Maersk Line Container Purchasing and Related Services Master Agreement

Connected relationship:

Maersk Line A/S is an associate of a substantial shareholder of a subsidiary of the Company, and accordingly Maersk Line A/S and the Maersk Line are connected persons of the Company.

Listing Rules implications:

Notwithstanding the applicable percentage ratios in respect of the estimated annual caps for the transactions exceed 1%, since Maersk Line A/S and the Maersk Line are connected persons of the Company at the subsidiary level and that the terms of the transactions under Florens-Maersk Line Container Purchasing and Related Services Master Agreement (1) have been approved by the Board; and (2) have been confirmed by the independent non-executive Directors to be fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, such transactions are only subject to the reporting, annual review and announcement requirements and exempt from the Independent Shareholders' approval requirement, pursuant to rule 14A.101 of the Listing Rules.

2.6. Guangzhou Port Company Container Terminal Services Master Agreement

Date: 28 October 2015

Parties: COSCO Ports (a subsidiary of the Company)
GZ South China (a subsidiary of the Company)
GZ Port Company

Duration: 1 January 2016 to 31 December 2018

Nature of transaction:

- (a) Provision of container terminal related services by GZ South China to GZ Port Company Group (but excluding any service providing party of the GZ Port Holding Group under the Guangzhou Port Holding Container Terminal Services Master Agreement), namely, cargo inspection related services, leasing of frontloaders, port related services (including without limitation, provision of berths, loading and unloading, transportation, shifting, boxing and unboxing of containers, transshipment of passenger liners, operation and management of transshipment of cargoes and provision of container storage space), provision of vehicle for transportation, repairing services to pontoon, leasing of terminal areas and provision of machinery, and all other ancillary and related services.
- (b) Provision of container terminal related services by GZ Port Company Group to GZ South China (but excluding any service providing party of the GZ Port Holding Group under the Guangzhou Port Holding Container Terminal Services Master Agreement, namely, container

handling services, provision of fuel and oil supply, port related services (including without limitation, provision of berths, cargoes loading and unloading, operation and management of transshipment of cargoes, transshipment and transportation of containers, and provision of container storage spaces, etc.), inspection center services, construction and supervision services, surveying services, pollution prevention, manpower services by the appointment of external management officials, leasing and maintenance of pontoon, logistics services, customs declaration and inspection declaration services, subsidies for port construction fees, procurement and purchase of tires, and all other ancillary and related services.

- (c) The provision of high-frequency wireless communication services (甚高頻無線電通訊服務) at the Guangzhou port by GZ Port Company Group to GZ South China.

Pricing: The transactions are required to be on normal commercial terms, in particular, the terms (including without limitation, the service fees) for the provision of services by GZ South China to GZ Port Company Group and the provision of services by GZ Port Company Group to GZ South China will be no less favourable to GZ South China (as service providing party or as service receiving party) than terms available to GZ South China from independent third parties for the relevant services.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the Guangzhou Port Company Container Terminal Services Master Agreement were follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
(a) Aggregate amount received by GZ South China from the GZ Port Company Group for the provision of container terminal related services by GZ South China	RMB9,718,000 (approximately HK\$12,199,000)	RMB11,729,000 (approximately HK\$14,723,000)	RMB1,624,000 (approximately HK\$2,039,000)
(b) Aggregate amount paid by GZ South China to GZ Port Company Group for the provision of container terminal related services by GZ Port Company Group	RMB52,271,000 (approximately HK\$65,611,000)	RMB47,418,000 (approximately HK\$59,520,000)	RMB36,072,000 (approximately HK\$45,278,000)
(c) Aggregate amount paid by GZ South China for high-frequency wireless communication services (甚高頻無線電通訊服務) by GZ Port Company Group	RMB826,000 (approximately HK\$1,037,000)	RMB990,000 (approximately HK\$1,243,000)	RMB627,000 (approximately HK\$788,000)

Estimated annual caps and basis of determination:

The estimated annual caps for the transactions under the Guangzhou Port Company Container Terminal Services Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
(a) Aggregate amount receivable by GZ South China from the GZ Port Company Group for the provision of container terminal related services by GZ South China	RMB49,220,000 (approximately HK\$61,781,000)	RMB58,522,000 (approximately HK\$73,457,000)	RMB70,069,000 (approximately HK\$87,951,000)	Determined with reference to the scope of transactions covered by the Guangzhou Port Company Container Terminal Services Master Agreement and the expected increase in the business volume of GZ South China
(b) Aggregate amount payable by GZ South China to GZ Port Company Group for the provision of container terminal related services by GZ Port Company Group	RMB325,856,000 (approximately HK\$409,015,000)	RMB369,467,000 (approximately HK\$463,755,000)	RMB421,114,000 (approximately HK\$528,583,000)	Determined with reference to the historical transaction amounts for the recent few years, the transaction amounts for the present year and the expected increase in the business volume of GZ South China
(c) Aggregate amount payable by GZ South China for high-frequency wireless communication services (甚高頻無線電通訊服務) by GZ Port Company Group	RMB4,000,000 (approximately HK\$5,021,000)	RMB6,000,000 (approximately HK\$7,532,000)	RMB9,000,000 (approximately HK\$11,297,000)	Determined with reference to the historical transaction amounts for the recent few years and the transaction amounts for the present year, the expected increase in the business volume of GZ South China and thus an increase in the number of vessels entering and departing from the Guangzhou port as a result of the overall economic condition

Connected relationship:

As GZ Port Company holds a 41% equity interest in GZ South China, a subsidiary of the Company, members of the GZ Port Company Group are connected persons of the Company.

Listing Rules implications:

Notwithstanding the applicable percentage ratios in respect of the estimated annual caps for the transactions exceed 1%, since members of the GZ Port Company Group are connected persons of the Company at the subsidiary level and that the terms of the transactions under Guangzhou Port Company Container Terminal Services Master Agreement (1) have been approved by the Board; and (2) have been confirmed by the independent non-executive Directors to be fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, such transactions are only subject to the reporting, annual review and announcement requirements and exempt from the Independent Shareholders' approval requirement, pursuant to rule 14A.101 of the Listing Rules.

2.7. Guangzhou Port Holding Container Terminal Services Master Agreement

Date: 28 October 2015

Parties: COSCO Ports (a subsidiary of the Company)

GZ South China (a subsidiary of the Company)
GZ Port Holding

Duration: 1 January 2016 to 31 December 2018

Nature of transaction: Provision of container terminal related services by GZ Port Holding Group to GZ South China, namely, property management, property cleaning, pest control and garbage clean up services, “shuttle bus” service, provision of vehicle for staff commuting, safety management, security services, training services, marketing centers services (which are mainly in the nature of market expansion, sales and promotion and external coordination) and travel agency services.

Pricing: The transactions are required to be on normal commercial terms, in particular, the terms (including without limitation, the service fees) for the provision of services by members of the GZ Port Holding Group will be no less favourable to GZ South China (as service receiving party) than terms available to GZ South China from independent third parties for the relevant services.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the Guangzhou Port Holding Container Terminal Services Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
Aggregate amount paid by GZ South China to GZ Port Holding Group for the provision of container terminal related services by GZ Port Holding Group	RMB16,126,000 (approximately HK\$20,242,000)	RMB16,647,000 (approximately HK\$20,896,000)	RMB14,122,000 (approximately HK\$17,726,000)

Estimated annual caps and basis of determination:

The estimated annual caps for the transactions under the Guangzhou Port Holding Container Terminal Services Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
Aggregate amount payable by GZ South China to GZ Port Holding Group for the provision of container terminal related services by GZ Port Holding Group	RMB34,650,000 (approximately HK\$43,493,000)	RMB41,515,000 (approximately HK\$52,110,000)	RMB47,067,000 (approximately HK\$59,079,000)	Determined with reference to the historical transaction amounts for the recent few years, the transaction amounts for the present year and the expected increase in the business volume of GZ South China

Connected relationship:

As GZ Port Holding indirectly holds 41% equity interest in GZ South China, a subsidiary of the Company, members of the GZ Port Holding Group are connected persons of the Company.

Listing Rules implications:

Notwithstanding the applicable percentage ratios in respect of the estimated annual caps for the transactions under Guangzhou Port Holding Container Terminal Services Master Agreement are less than 1%, such ratios exceed 1% when aggregated with the estimated annual caps for the transactions under Guangzhou Port Company Container Terminal Services Master Agreement. Since members of GZ Port Holding Group are connected persons of the Company at the subsidiary level and that the terms of the transactions under Guangzhou Port Holding Container Terminal Services Master Agreement (1) have been approved by the Board; and (2) have been confirmed by the independent non-executive Directors to be fair and reasonable, on normal commercial terms and in the interests of the Group and the Shareholders as a whole, such transactions are only subject to the reporting, annual review and announcement requirements and exempt from the Independent Shareholders' approval requirement, under rule 14A.101 of the Listing Rules.

2.8. Yangzhou Terminal Services Master Agreement

Date: 28 October 2015

Parties: COSCO Ports (a subsidiary of the Company)
Yangzhou Yuanyang (a subsidiary of the Company)
Yangzhou Port Holding

Duration: 1 January 2016 to 31 December 2018

Nature of transaction: Provision of terminal related services by members of the Yangzhou Port Group to Yangzhou Yuanyang, including without limitation, port related services (including without limitation, provision of berths, operation and management of loading and unloading, terminal transshipment and transportation, and provision of cargo storage space), manpower services by the appointment of management officials, and all other ancillary and related services.

Pricing: The transactions are required to be conducted on normal commercial terms, in particular, the terms (including without limitation, the service fees) for the provision of services by the Yangzhou Port Group will be no less favourable to Yangzhou Yuanyang (as service receiving party) than terms available to the Yangzhou Yuanyang from independent third parties for the relevant services.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the Yangzhou Terminal Services Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
Aggregate amount paid by Yangzhou Yuanyang to the Yangzhou Port Group for the provision of terminal related services by the Yangzhou Port Group	RMB72,032,000 (approximately HK\$90,415,000)	RMB74,056,000 (approximately HK\$92,956,000)	RMB37,121,000 (approximately HK\$46,595,000)

Estimated annual caps and basis of determination:

The estimated annual caps for the transactions under the Yangzhou Terminal Services Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
Aggregate amount payable by Yangzhou Yuanyang to the Yangzhou Port Group for the provision of terminal related services by the Yangzhou Port Group	RMB159,195,000 (approximately HK\$199,822,000)	RMB190,714,000 (approximately HK\$239,385,000)	RMB228,506,000 (approximately HK\$286,821,000)	Determined with reference to the expected volumes of businesses of Yangzhou Yuanyang, the expected trend of the structural change in the types of cargoes to be handled by Yangzhou Yuanyang, the expected rates of loading and unloading service fees and the scope of transactions covered by the Yangzhou Terminal Services Master Agreement

Connected relationship:

As Yangzhou Port Holding holds a 40% equity interest in Yangzhou Yuanyang, which is a subsidiary of the Company, members of the Yangzhou Port Group are connected persons of the Company.

Listing Rules implications:

With reference to the financial information for the year 2014, Yangzhou Yuanyang constitutes an insignificant subsidiary of the Company, and accordingly the transactions contemplated under the Yangzhou Terminal Services Master Agreement are fully exempt from disclosure and other requirements, under Chapter 14A of the Listing Rules. The Company will comply with the reporting and annual review requirements under Chapter 14A in respect of such transactions if and when required.

2.9. Xiamen Container Terminal Services Master Agreement

Date: 28 October 2015

Parties: COSCO Ports (a subsidiary of the Company)
Xiamen Ocean Gate (a subsidiary of the Company)
Xiamen Haicang Holding

Duration: 1 January 2016 to 31 December 2018

Nature of transaction:

- (a) Provision of container terminal related services by members of the Xiamen Haicang Group to Xiamen Ocean Gate, namely, project management services, manpower services by the appointment of management officials, inspection services, manpower services and agency services.
- (b) Provision of container terminal related services by Xiamen Ocean Gate to members of the Xiamen Haicang Group, namely, storage and security for port facilities services.

Pricing: The transactions are required to be conducted on normal commercial terms, in particular, the terms (including without limitation, the service fees) for the provision of services by the relevant members of the Xiamen Haicang Group will be no less favourable to Xiamen Ocean Gate (as service receiving party) than terms available to Xiamen Ocean Gate from

independent third parties for the relevant services. The terms (including without limitation, the service fees) for the provision of services by Xiamen Ocean Gate will be no less favourable to Xiamen Ocean Gate (as service providing party) than terms available to it from independent third parties for the relevant services.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the Xiamen Container Terminal Services Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
(a) Aggregate amount paid by Xiamen Ocean Gate to the Xiamen Haicang Group for the provision of container terminal related services by Xiamen Haicang Group	RMB6,181,000 (approximately HK\$7,759,000)	RMB13,842,000 (approximately HK\$17,375,000)	RMB9,390,000 (approximately HK\$11,787,000)
(b) Aggregate amount paid by the Xiamen Haicang Group to Xiamen Ocean Gate for the provision of container terminal related services by Xiamen Ocean Gate	RMB656,000 (approximately HK\$824,000)	RMB1,209,000 (approximately HK\$1,518,000)	RMB1,523,000 (approximately HK\$1,912,000)

Estimated annual caps and basis of determination:

The estimated annual caps for the transactions under the Xiamen Container Terminal Services Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
(a) Aggregate amount payable by Xiamen Ocean Gate to the Xiamen Haicang Group for the provision of container terminal related services by Xiamen Haicang Group	RMB46,000,000 (approximately HK\$57,740,000)	RMB57,000,000 (approximately HK\$71,547,000)	RMB72,000,000 (approximately HK\$90,375,000)	Determined with reference to the historical transaction amounts, the market prices for similar services and the expected increase of usage since the commencement of operation of Xiamen Ocean Gate
(b) Aggregate amount receivable by Xiamen Ocean Gate from Xiamen Haicang Group for the provision of container terminal related services by Xiamen Ocean Gate	RMB20,000,000 (approximately HK\$25,104,000)	RMB27,200,000 (approximately HK\$34,142,000)	RMB37,800,000 (approximately HK\$47,447,000)	Determined with reference to the historical transaction amounts, the market prices for similar services and the expected increase of usage since the commencement of operation of Xiamen Ocean Gate

Connected relationship:

As Xiamen Haicang Holding holds a 30% equity interest in Xiamen Ocean Gate which is a subsidiary of the Company, members of the Xiamen Haicang Group are connected persons of the Company under the Listing Rules.

Listing Rules implications:

With reference to the financial information for the year 2014, Xiamen Ocean Gate constitutes an insignificant subsidiary of the Company, and accordingly the transactions contemplated under the Xiamen Container Terminal Services Master Agreement are fully exempt from disclosure and other requirements, under Chapter 14A of the Listing Rules. The Company will comply with the reporting and annual review requirements under Chapter 14A in respect of such transactions if and when required.

2.10. Nansha Diesel Oil Purchase Master Agreement

Date:	28 October 2015
Parties:	COSCO Ports (a subsidiary of the Company) GZ South China (a subsidiary of the Company) CM Supply
Duration:	1 January 2016 to 31 December 2018
Nature of transaction:	Purchase of diesel oil by GZ South China from CM Supply.
Pricing:	The transactions are required to be conducted on normal commercial terms, in particular, the terms (including without limitation, the prices) for the supply of diesel oil by CM Supply will be no less favourable to GZ South China (as purchaser) than terms available to GZ South China from independent third parties for the relevant transactions.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the Nansha Diesel Oil Purchase Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
Aggregate amount paid by GZ South China to CM Supply	RMB6,898,000 (approximately HK\$8,659,000)	RMB3,751,000 (approximately HK\$4,709,000)	RMB381,000 (approximately HK\$479,000)

Estimated annual caps and basis of determination:

The estimated annual caps for the transactions under the Nansha Diesel Oil Purchase Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
Aggregate amount payable by GZ South China to CM Supply	RMB30,000,000 (approximately HK\$37,656,000)	RMB33,000,000 (approximately HK\$41,422,000)	RMB36,300,000 (approximately HK\$45,564,000)	Determined with reference to the historical transaction amounts for the recent few years, the transaction amounts for the present year, the expected increase in the business volume of GZ South China and any change in price of diesel oil

Connected relationship:

CM Supply is owned as to 50% by COSCO, the ultimate controlling Shareholder, and accordingly is a connected person of the Company.

Listing Rules implications:

Since the applicable percentage ratios in respect of the estimated annual caps for the transactions under the Nansha Diesel Oil Purchase Master Agreement are higher than 0.1% but less than 5%, and the estimated annual caps exceed HK\$3 million, the transactions constitute continuing connected transactions of the Company and are subject to the reporting, annual review and announcement requirements, and are exempt from the Independent Shareholders' approval requirement, under Chapter 14A of the Listing Rules.

2.11. Xiamen Diesel Oil Purchase Master Agreement

Date:	28 October 2015
Parties:	COSCO Ports (a subsidiary of the Company) Xiamen Ocean Gate (a subsidiary of the Company) Chimbusco Fujian
Duration:	1 January 2016 to 31 December 2018
Nature of transaction:	Purchase of diesel oil by Xiamen Ocean Gate Group from Chimbusco Fujian.
Pricing:	The transactions are required to be conducted on normal commercial terms, in particular, the terms (including without limitation, the prices) for the supply of diesel oil by Chimbusco Fujian will be at rates no less favourable to members of the Xiamen Ocean Gate Group (as purchaser) than terms available to members of the Xiamen Ocean Gate Group from independent third parties for the relevant transactions.

Historical transaction amounts:

The historical amounts for transactions of a similar nature to the transactions under the Xiamen Diesel Oil Purchase Master Agreement were as follows:

	For the year ended 31 December 2013	For the year ended 31 December 2014	For the nine months ended 30 September 2015
Aggregate amount paid by Xiamen Ocean Gate Group to Chimbusco Fujian	RMB3,486,000 (approximately HK\$4,376,000)	RMB8,477,000 (approximately HK\$10,641,000)	RMB3,311,000 (approximately HK\$4,156,000)

Estimated annual caps and basis of determination:

The estimated annual caps for the transactions under the Xiamen Diesel Oil Purchase Master Agreement and the basis of determination thereof are as follows:

	For the year ending 31 December			Basis of determination
	2016	2017	2018	
Aggregate amount payable by Xiamen Ocean Gate Group to Chimbusco	RMB20,000,000 (approximately HK\$25,104,000)	RMB24,000,000 (approximately HK\$30,125,000)	RMB28,000,000 (approximately HK\$35,146,000)	Determined with reference to the expected increase of usage since the

Fujian

commencement of
operation of Xiamen
Ocean Gate and recent
business volume of
Xiamen Ocean Gate
Group

Connected relationship:

Chimbusco Fujian is owned as to 50% by a non-wholly owned subsidiary of COSCO, the ultimate controlling Shareholder, and accordingly is a connected person of the Company.

Listing Rules implications:

Since the applicable percentage ratios in respect of the estimated annual caps for the transactions under the Xiamen Diesel Oil Purchase Master Agreement are higher than 0.1% but less than 5%, and the estimated annual caps exceed HK\$3 million, the transactions constitute continuing connected transactions of the Company and are subject to the reporting, annual review and announcement requirements, and are exempt from the Independent Shareholders' approval requirement, under Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The Continuing Connected Transactions are part of or related to the principal business activities of the Group and are expected to either increase the revenue of the Group, and/or provide the Group with overall business and operational convenience and synergy, as well as help optimise the Group's finance and capital usage. In ensuring that the Continuing Connected Transactions will be conducted on terms no less favourable to the Group than the terms available from independent third parties for the relevant transactions the Group would observe the General Pricing Principles, and where available, the management of the Company would solicit at least two other similar transactions with independent third parties for products and/or services in similar quantities for comparison.

None of the Directors has any material interest in the Continuing Connected Transactions. Mr. WAN Min, a non-executive Director and the chairman of the Board, and Dr. FAN HSU Lai Tai, Rita, an independent non-executive Director, voluntarily abstained from voting on the relevant board resolutions approving the New Master Agreements and had not expressed their views thereon for reason of their respective position as non-executive director and independent non-executive director of China COSCO. Mr. WANG Haimin and Mr. ZHANG Wei, both non-executive Directors of the Company voluntarily abstained from voting on the relevant board resolutions approving the COSCON-Related Agreements and had not expressed their views thereon for reason of their positions as directors of COSCON.

In respect of the Continuing Connected Transactions not subject to Independent Shareholders' approval, the Directors including all the independent non-executive Directors, save as expressly disclosed above, were of the view that the transactions are in the ordinary and usual course of business of the Group, 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. In respect of the Finance Leasing Master Agreement, the COSCO Shipping Services and Terminal Services Master Agreement and the China COSCO Shipping Services and Terminal Services Master Agreement, being the Continuing Connected Transactions subject to Independent Shareholders' approval, the Directors (excluding members of the Independent Board Committee, who will express their views after considering the advice to be given by the Independent Financial Adviser), save as expressly disclosed above, were of the view that the transactions are on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

SPECIAL GENERAL MEETING

The Independent Board Committee, comprising Mr. Adrian David LI Man Kiu, Mr. IP Sing Chi, Mr. FAN Ergang and Mr. LAM Yiu Kin, has been formed to advise the Independent Shareholders as to

whether the terms of the Finance Leasing Master Agreement, the COSCO Shipping Services and Terminal Services Master Agreement and the China COSCO Shipping Services and Terminal Services Master Agreement are fair and reasonable and in the interests of the Group and the Shareholders as a whole and to advise the Independent Shareholders on how to vote, taking into account the recommendation of the Independent Financial Adviser, in respect of such matters at the SGM.

A circular containing, amongst other things, further details on the transactions under Finance Leasing Master Agreement, the COSCO Shipping Services and Terminal Services Master Agreement and the China COSCO Shipping Services and Terminal Services Master Agreement, a letter from the Independent Board Committee to the Independent Shareholders and a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, together with the notice for the SGM will be despatched to the Shareholders on or before 9 November 2015.

GENERAL INFORMATION

The Group is principally engaged in the businesses of managing and operating terminals, container leasing, management and sale, and related businesses.

The COSCO Group is a diversified group focusing mainly on shipping and modern logistics businesses. They also serve as shipping agencies and provide services in freight forwarding, ship building, ship repairing, terminal operation, container paint manufacturing, trade, financing, real estate, information technology, business consulting and contract employment.

The China COSCO Group provides a wide range of container shipping, dry bulk shipping, terminals and container leasing services covering the whole shipping value chain for both international and domestic customers. COSCON is principally engaged in container shipping businesses.

The Florens Capital Management Group is principally engaged in the business of finance leasing.

Maersk Line A/S and its subsidiaries are principally engaged in the business of container shipping and related activities. Maersk Line operates under the trade names Maersk Line, Safmarine and Sealand as well as through its wholly owned subsidiaries Seago Line A/S, MCC Transport Pty Ltd. and Mercosul Line Navegação e Logística Ltda.

The GZ Port Company Group is principally engaged in the businesses of loading and unloading, and storage of petroleum, coal, foodstuff, steels and automobiles etc. (including in-harbour and at-anchor lightering operation), warehousing, local and foreign goods agency and shipping agency, handling of transshipment on behalf of carriers, passenger transportation agency, pilotage of ships for entry into and departure from ports, water transportation of goods and logistics services.

The GZ Port Holding Group is principally engaged in the business of loading and unloading, and storage of petroleum, coal, foodstuff, chemical fertilizers, steels, ores, containers and automobiles etc., bonded goods business, local and foreign goods agency and shipping agency, handling of transshipment on behalf of carriers, passenger transportation agency, pilotage of ships for entry into and departure from ports, water transportation of goods and passengers, logistics services and port related services.

The Yangzhou Port Group is principally engaged in the business of transportation of ordinary cargoes, large-sized cargoes and containers, operation of depot for repairing of large-sized trucks, loading and unloading of cargoes, cargo transportation agency, cargo warehousing, joint transportation by water and road, information services for water transportation, provision of freighters, manufacturing and repairing of port machinery, wholesaling and retailing of vehicle parts and accessories, hardware and electronics, non-dangerous chemical products, general merchandise, metals, construction materials, timber, water heating equipment, decoration materials, port machinery and spare parts, manufacturing and installation of steel structures, installation of port machinery, annual examination of vehicles and agency for licensing of vehicle depot operation.

The Xiamen Haicang Group is principally engaged in the business of investment, construction and operation of the bonded port area (including the terminal) in Haicang, Xiamen, trading, logistics, development of industrial zone and ancillary services, construction of government infrastructures and construction of projects, development and construction of real estate, development of tourism and management services, investment in the tertiary and other industries, and other investment holding.

CM Supply is principally engaged in the business of offshore supply of oil and water.

Chimbusco Fujian is principally engaged in the business of supply, wholesale and storage of diesel and fuel oil products and provision of port services in the Fujian Province.

DEFINITIONS

“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Chimbusco Fujian”	China Marine Bunker Supply Fujian Co., Ltd.* 中國船舶燃料供應福建有限公司, a company established in the PRC and is 50% owned by a non wholly-owned subsidiary of COSCO
“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), and an intermediate controlling Shareholder
“China COSCO Group”	China COSCO and COSCON and their respective associates, excluding the Group and COSCO and its subsidiaries
“China COSCO Shipping Services and Terminal Services Master Agreement”	the agreement dated 28 October 2015 between COSCO Ports, PCT, China COSCO and COSCON in relation to the provision of shipping and terminal related services
“CM Supply”	China Marine Bunker Guangzhou Co., Ltd* 中國船舶燃料廣州有限公司, a company established in the PRC and owned as to 50% by COSCO
“Company”	COSCO Pacific Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1199)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“connected subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules
“Container Equipment”	the containers of which Florens or one of its subsidiaries and/or affiliates is the owner, lessee or manager
“Continuing Connected Transactions”	transactions to be conducted under the New Master Agreements
“COSCO”	China Ocean Shipping (Group) Company* 中國遠洋運輸(集團)總公司, the ultimate controlling Shareholder and a state-owned enterprise in the PRC

“COSCO Group”	COSCO and COSCON and their respective associates
“COSCO Ports”	COSCO Ports (Holdings) Limited (中遠碼頭控股有限公司), a company established in the British Virgin Islands and a wholly-owned subsidiary of the Company
“COSCO Ports Group”	COSCO Ports and its subsidiaries
“COSCO Shipping Services and Terminal Services Master Agreement”	the agreement dated 28 October 2015 between COSCO Ports, PCT and COSCO in relation to the provision of shipping and terminal related services
“COSCON”	COSCO Container Lines Company Limited* 中遠集裝箱運輸有限公司, a company established in the PRC and a wholly-owned subsidiary of China COSCO
“COSCON Container Services Master Agreement”	the agreement dated 28 October 2015 between Plangreat, COSCO and COSCON in relation to the provision of container related services
“COSCON-Related Agreements”	the China COSCO Shipping Services and Terminal Services Master Agreement, the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement, the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement and the COSCON Container Services Master Agreement
“Director(s)”	the director(s) of the Company
“Existing Master Agreements”	the master agreements entered into by members of the Group in relation to transactions of a similar nature to those under the New Master Agreements conducted between the years 2013 to 2015 and details of which were previously disclosed by the Company
“Finance Leasing”	the provision of finance leasing on any Leasing Equipment by any member of the Florens Capital Management Group to any member of the COSCO Ports Group and such other related services as such parties may agree, and for such period as determined with reference to the useful life of the relevant Leasing Equipment, the needs of the Lessee and the funding availability of the Lessor (which in general should not exceed the useful life of such Leasing Equipment)
“Finance Lease Agreement(s)”	the separate contract(s) to be entered into between the Lessor and Lessee pursuant to the Finance Leasing Master Agreement in respect of the Finance Leasing required by such Lessee
“Finance Leasing Master Agreement”	the agreement dated 28 October 2015 between COSCO Ports and Florens Capital Management in relation to the provision of Finance Leasing
“Florens”	Florens Container Holdings Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
“Florens-COSCON Container Leasing, Sales and Related Services Master Agreement”	the agreement dated 28 October 2015 between Florens, COSCO and COSCON in relation to the grant of lease and sales of containers

“Florens-COSCON Container Related Services and Purchase of Materials Master Agreement”	the agreement dated 28 October 2015 between Florens, COSCO and COSCON in relation to the provision of container related services and the sales of container related materials
“Florens Capital Management”	Florens Capital Management Company Limited, a company incorporated in Hong Kong with limited liability and a non wholly-owned subsidiary of the Company owned as to 50% by COSCO
“Florens Capital Management Group”	Florens Capital Management and its subsidiary(ies)
“Florens Group”	Florens and its subsidiaries
“Florens-Maersk Line Container Purchasing and Related Services Master Agreement”	the agreement dated 28 October 2015 between Florens and Maersk Line A/S (for and on behalf of the Maersk Line) in relation to the purchase of containers and container related materials and the provision of container related services
“General Pricing Principles”	the principles for pricing determination generally adopted by the Group: (i) State-prescribed prices; (ii) where there is no State-prescribed price, according to the relevant market prices (being the prices at which comparable types of products are provided by independent third parties in the same area in the ordinary course of business); and (iii) where there is no relevant market price, according to the costs of the products plus an appropriate margin which would be determined with reference to, among others, the inflation rate and valuation conducted by independent valuer (where appropriate)
“Group”	the Company and its subsidiaries
“Guangzhou Port Company Container Terminal Services Master Agreement”	the agreement dated 28 October 2015 between COSCO Ports, GZ South China and GZ Port Company in relation to the provision of container terminal related services
“Guangzhou Port Holding Container Terminal Services Master Agreement”	the agreement dated 28 October 2015 between COSCO Ports, GZ South China and GZ Port Holding in relation to the provision of container terminal related services
“GZ Port Company”	Guangzhou Port Holdings Company Limited* 廣州港股份有限公司, a company established in the PRC and a wholly-owned subsidiary of GZ Port Holding
“GZ Port Company Group”	GZ Port Company and its subsidiaries, branches and associates (but excluding GZ South China and COSCO Ports)
“GZ Port Holding”	Guangzhou Port Group Company Limited* 廣州港集團有限公司, a company established in the PRC
“GZ Port Holding Group”	GZ Port Holding and its subsidiaries, branches and associates (but excluding GZ Port Company, GZ South China and COSCO Ports)
“GZ South China”	Guangzhou South China Oceangate Container Terminal Company Limited 廣州南沙海港集裝箱碼頭有限公司, a company established in the PRC and a non wholly-owned subsidiary of the

	Company, and directly owned as to 41% by GZ Port Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising Mr. Adrian David LI Man Kiu, Mr. IP Sing Chi, Mr. FAN Ergang and Mr. LAM Yiu Kin, being independent non-executive Directors
“Independent Financial Adviser”	the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Continuing Connected Transactions requiring Independent Shareholders’ approval
“Independent Shareholders”	Shareholders who are not prohibited from voting under the Listing Rules to approve the relevant transaction(s) at a general meeting of the Company
“insignificant subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules
“Leasing Equipment”	any machinery, equipment or other property related to shipping and the operation of terminal to be leased to members of the COSCO Ports Group by members of the Florens Capital Management Group or to be sold by members of the COSCO Ports Group to, and then leased back from, members of the Florens Capital Management Group
“Lessee”	any member of COSCO Ports Group which obtains the Finance Leasing under a Finance Lease Agreement
“Lessor”	any member of Florens Capital Management Group which provides the Finance Leasing under a Finance Lease Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maersk Line”	Maersk Line A/S and its subsidiaries, including entities trading under the names of Maersk Line, Safmarine and Sealand, or any other entities as Maersk Line A/S shall designate with agreement of relevant members of the Group (as applicable) pursuant to the Maersk Line Shipping Services Master Agreement and Florens-Maersk Line Container Purchasing and Related Services Master Agreement
“Maersk Line A/S”	Maersk Line A/S, a company incorporated in Denmark with limited liability
“Maersk Line Shipping Services Master Agreement”	the agreement dated 28 October 2015 between COSCO Ports, PCT and the Maersk Line A/S (for and on behalf of the Maersk Line) in relation to the provision of shipping related services
“Nansha Diesel Oil Purchase Master Agreement”	the agreement dated 28 October 2015 between COSCO Ports, GZ South China and CM Supply in relation to the purchase of diesel oil
“New Master Agreements”	the Finance Leasing Master Agreement, the COSCO Shipping Services and Terminal Services Master Agreement, the China COSCO Shipping Services and Terminal Services Master Agreement, Florens-COSCON Container Leasing, Sales and

	Related Services Master Agreement, the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement, the COSCON Container Services Master Agreement, the Maersk Line Shipping Services Master Agreement, the Florens-Maersk Line Container Purchasing and Related Services Master Agreement, the Guangzhou Port Company Container Terminal Services Master Agreement, the Guangzhou Port Holding Container Terminal Services Master Agreement, the Yangzhou Terminal Services Master Agreement, the Xiamen Container Terminal Services Master Agreement, the Nansha Diesel Oil Purchase Master Agreement and the Xiamen Diesel Oil Purchase Master Agreement
“PBOC”	the People’s Bank of China, the central bank of the PRC
“PCT”	Piraeus Container Terminal S.A., a company established in Greece and a wholly-owned subsidiary of the Company
“percentage ratios”	percentage ratios calculated by the Company pursuant to Rule 14.07 of the Listing Rules
“Plangreat”	Plangreat Limited, a company established in the British Virgin Islands and a wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China, which for the purpose of this announcement and unless the context suggests otherwise, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan
“SGM”	the special general meeting of the Company to be held for considering and approving, if appropriate, the Finance Leasing Master Agreement, the COSCO Shipping Services and Terminal Services Master Agreement and the China COSCO Shipping Services and Terminal Services Master Agreement, and the transactions contemplated thereunder
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules
“Xiamen Container Terminal Services Master Agreement”	the agreement dated 28 October 2015 between COSCO Ports, Xiamen Ocean Gate and Xiamen Haicang Holding in relation to the provision of container terminal related services
“Xiamen Diesel Oil Purchase Master Agreement”	the agreement dated 28 October 2015 between COSCO Ports, Xiamen Ocean Gate and Chimbusco Fujian in relation to the purchase of diesel oil
“Xiamen Haicang Group”	Xiamen Haicang Holding and its subsidiaries, branches and associates, but excluding Xiamen Ocean Gate
“Xiamen Haicang Holding”	Xiamen Haicang Investment Group Co., Ltd.* 廈門海滄投資集團有限公司, a company established in the PRC
“Xiamen Ocean Gate”	Xiamen Ocean Gate Container Terminal Co., Ltd. 廈門遠海集裝

	箱碼頭有限公司, a company established in the PRC and a non wholly-owned subsidiary of the Company
“Xiamen Ocean Gate Group”	Xiamen Ocean Gate and its subsidiaries
“Yangzhou Port Group”	Yangzhou Port Holding and its subsidiaries, branches and associates, but excluding Yangzhou Yuanyang
“Yangzhou Port Holding”	Yangzhou Port of Jiangsu Province Group Co., Ltd.* 江蘇省揚州港務集團有限公司, a company established in the PRC
“Yangzhou Terminal Services Master Agreement”	the agreement dated 28 October 2015 between COSCO Ports, Yangzhou Yuanyang and Yangzhou Port Holding in relation to the provision of terminal related services
“Yangzhou Yuanyang”	Yangzhou Yuanyang International Ports Co., Ltd. 揚州遠揚國際碼頭有限公司, a company established in the PRC and a non wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“US\$”	U.S. dollars, the lawful currency of the United States of America
“%”	percentage

For the purposes of this announcement, the exchange rates of RMB1 = HK\$1.2552 and US\$1 = HK\$7.7522 have been used, where applicable, for purpose of illustration only and do not constitute a representation that any amount has been, could have been or may be exchanged at any particular rate on the date or dates in question or any other date.

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
COSCO Pacific Limited
QIU Jinguang
Vice Chairman & Managing Director

Hong Kong, 28 October 2015

As at the date of this announcement, the Board comprises Mr. WAN Min² (Chairman), Mr. QIU Jinguang¹ (Vice Chairman & Managing Director), Mr. DENG Huangjun¹, Mr. TANG Runjiang¹, Mr. FENG Bo¹, Mr. WANG Wei², Mr. WANG Haimin², Mr. ZHANG Wei², Dr. WONG Tin Yau, Kelvin¹, Dr. FAN HSU Lai Tai, Rita³, Mr. Adrian David LI Man Kiu³, Mr. IP Sing Chi³, Mr. FAN Ergang³ and Mr. LAM Yiu Kin³.

¹ Executive Director

² Non-executive Director

³ Independent Non-executive Director