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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)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of China Ocean Shipbuilding Industry Group Limited (the “**Company**”) has granted 366,000,000 share options under its share option scheme adopted on 27 June 2012, subject to the acceptance of the grantees, details of which are set out as below:

Date of grant:	7 May 2014
Exercise price of share options granted:	HK\$0.211 to subscribe for one ordinary shares of HK\$0.05 each in the share capital of the Company (the “ Share ”), representing the highest of (i) the closing price of HK\$0.211 per Share as stated in the daily quotations sheets issued by The Stock Exchange of Hong Kong Limited (the “ Stock Exchange ”) on the date of grant; (ii) the average closing price of HK\$0.201 per Share as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share
Number of share options granted:	366,000,000 share options (each share option shall entitle its holder to subscribe for one share)

Validity period of the share options: From 7 May 2014 to 6 May 2024 (ten years)

Closing price of the Shares on the date of grant: HK\$0.211

Grantees

Among the total of 366,000,000 share options granted, 120,000,000 were granted to the directors of the company with details as follows:

Name	Position	Number of share options
Chau On Ta Yuen	Executive director and chairman	45,000,000
Li Ming	Executive director and chief executive officer	40,000,000
Zhang Shi Hong	Executive director	16,000,000
Wang San Long	Executive director	16,000,000
Xiang Siying	Independent non-executive director	1,000,000
Hu Bai He	Independent non-executive director	1,000,000
Xiang Ying	Independent non-executive director	1,000,000

The granting of share options to the directors of the Company has been approved by the independent non-executive directors.

Save as disclosed in this announcement, none of the grantees of the options is a director, chief executive or substantial shareholder of the Company, or an associate (as defined in the Listing Rules) of any of them.

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

Hong Kong, 7 May 2014

As at the date of this announcement, (i) the executive directors of the Company are Mr. Chau On Ta Yuen, Mr. Li Ming, Mr. Zhang Shi Hong and Mr. Wang San Long; and (ii) independent non-executive directors of the Company are Ms. Xiang Siying, Mr. Hu Bai He and Ms. Xiang Ying.