

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**COSCO SHIPPING Ports Limited**

**中遠海運港口有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1199)**

## **VOLUNTARY ANNOUNCEMENT**

### **MERGER OF DALIAN CONTAINER TERMINALS**

This announcement is made by COSCO SHIPPING Ports Limited (the “**Company**”) on a voluntary basis.

The board of directors (the “**Board**”) of the Company is pleased to announce that, in relation to the merger of Dalian Container Terminal Co., Ltd. (大連集裝箱碼頭有限公司) (“**DCT**”), Dalian Port Container Terminal Co., Ltd. (大連港灣集裝箱碼頭有限公司) (“**DPCT**”) and Dalian International Container Terminal Co., Ltd. (大連國際集裝箱碼頭有限公司) (“**DICT**”) (the “**Merger**”), COSCO Ports (Dalian) Limited (“**CP Dalian**”), China Shipping Ports Development Co., Limited (“**CSPD**”) and China Shipping Terminal Development Co., Ltd. (中海碼頭發展有限公司) (“**CSTD**”), all being wholly-owned subsidiaries of the Company, entered into a merger agreement with Dalian Port Container Development Co., Ltd. (大連港集裝箱發展有限公司) (“**DPCD**”), Singapore Dalian Port Investment Pte Ltd (“**Singapore Dalian Port**”), PSA China Pte Ltd (“**PSA China**”), Nippon Yusen Kabushiki Kaisha (“**Nippon Yusen**”), DCT, DPCT and DICT on 4 August 2017.

DCT operates 7 berths in Dayaowan (大窑灣) at the Port of Dalian (“**Dayaowan**”) and as at the date of this announcement and immediately before the completion of the Merger is held as to 51% and 49% by DPCD and Singapore Dalian Port respectively. DPCT operates 5 berths in Dayaowan and as at the date of this announcement and immediately before the completion of the Merger is held as to 35%, 25%, 20% and 20% by DPCD, PSA China, CP Dalian and APM Terminals Dalian Company Limited respectively. DICT operates 2 berths in Dayaowan and as at the date of this announcement and immediately before the completion of the Merger is held as to 40%, 30%, 20% and 10% by DPCD, CSTD, Nippon Yusen and CSPD respectively.

Upon completion of the Merger, DCT as the surviving entity will assume all assets, businesses, credits and debts of DPCT and DICT. DPCT and DICT will be deregistered as legal entities and the current shareholders of DPCT and DICT will hold equity interests in DCT (as the surviving entity).

Based on the valuation of DCT, DPCT and DICT and after arm's length negotiations among the parties, the equity structure of DCT as the surviving entity will be as follows:

<b>Name of Shareholder</b>	<b>Registered Capital</b> <i>(Renminbi)</i>	<b>Equity Percentage</b>
DPCD	1,675,620,000	48.15%
Singapore Dalian Port	722,100,000	20.75%
PSA China	182,700,000	5.25%
CP Dalian	151,380,000	4.35%
CSTD	382,452,000	10.99%
CSPD	127,368,000	3.66%
Nippon Yusen	238,380,000	6.85%
<b>Total</b>	<b>3,480,000,000</b> =====	<b>100%</b> =====

As at the date of this announcement, CP Dalian, CSTD, CSPD, DPCD, Singapore Dalian Port, PSA China, Nippon Yusen, as shareholders of the surviving entity, together with DCT entered into a joint venture contract and articles of association in relation to DCT.

The completion of the Merger is conditional upon, among others, all the approvals, permits, consents, examination, registration, publication and filing with/from the governmental authorities required according to the applicable laws have been obtained, including without limitation the completion of examination of the concentrations of undertakings involved in the Merger by the Anti-monopoly Bureau of The Ministry of Commerce of the People's Republic of China (the "PRC").

### **Reasons for and benefits of the transaction**

The Company believes that the Merger will allow each party to exert its strength, further optimise the allocation of resources, and facilitate integrated management of the relevant terminals, thereby lowering operational costs, increasing overall competitiveness of DCT and enhancing its efficiency.

### **Information on the Group and the relevant parties**

The Company and its subsidiaries (including CP Dalian, CSPD and CSTD) are principally engaged in the businesses of managing and operating terminals, and related businesses.

DPCD, a company incorporated in the PRC with limited liability, is principally engaged in the provision of terminal facilities, container stevedoring, lease of port facilities, equipment and machinery, corporate management services and consultation services businesses.

Singapore Dalian Port, a company incorporated in Singapore with limited liability, is principally engaged in investment holding and management related businesses.

PSA China, a company incorporated in Singapore with limited liability, is principally engaged in investment holding and consultation services for port management, port operation and information technology businesses.

Nippon Yusen, a company incorporated in Japan with limited liability, is principally engaged in sea, land, and air transport and related agency, bay transportation, marine development, trading and construction of ships, and other related businesses.

By Order of the Board  
**COSCO SHIPPING Ports Limited**  
**ZHANG Wei (張為)**  
*Vice Chairman & Managing Director*

Hong Kong, 4 August 2017

As at the date of this announcement, the Board comprises Mr. HUANG Xiaowen<sup>2</sup> (Chairman), Mr. ZHANG Wei (張為)<sup>1</sup> (Vice Chairman & Managing Director), Mr. FANG Meng<sup>1</sup>, Mr. DENG Huangjun<sup>1</sup>, Mr. FENG Boming<sup>2</sup>, Mr. ZHANG Wei (張煒)<sup>2</sup>, Mr. CHEN Dong<sup>2</sup>, Mr. XU Zunwu<sup>2</sup>, Mr. WANG Haimin<sup>2</sup>, Dr. WONG Tin Yau, Kelvin<sup>1</sup>, Dr. FAN HSU Lai Tai, Rita<sup>3</sup>, Mr. Adrian David LI Man Kiu<sup>3</sup>, Mr. FAN Ergang<sup>3</sup>, Mr. LAM Yiu Kin<sup>3</sup> and Prof. CHAN Ka Lok<sup>3</sup>.

<sup>1</sup> Executive Director

<sup>2</sup> Non-Executive Director

<sup>3</sup> Independent Non-executive Director