



COSCO CORPORATION (SINGAPORE) LIMITED
(Company Registration No. 196100159G)

UPDATE ON OCTABUOY HULL AND TOPSIDE MODULE

The Board of Directors (the “**Board**”) of COSCO Corporation (Singapore) Limited (the “**Company**”) refers to its announcements on 9 April 2008, 2 October 2009 and 30 May 2011 in relation to the vessel building contract for Octabuoy hull and the topside module (the “**Project**”) secured by the Company’s subsidiary, COSCO (Nantong) Shipyard Co., Ltd. (“**COSCO Nantong**”) (being a subsidiary of the Company’s 51% owned subsidiary, COSCO Shipyard Group Co., Ltd) with ATP Oil & Gas (UK) Limited (“**ATP UK**”).

The Board wishes to announce that ATP UK is currently in company voluntary arrangement (“**CVA**”) in the United Kingdom.

COSCO Nantong has completed construction work of approximately 96% of the hull and approximately 47.96% of the topside module of the Project. No additional construction work has been carried out by COSCO Nantong under the Project during the CVA proceedings. To-date, ATP UK has made partial of the installment payments to COSCO Nantong under the vessel building contract, and a part of the variation order remains unpaid.

COSCO Nantong has informed the Company that COSCO Nantong has been elected as one of the members of the Creditors’ Committee and has so far, attended one initial and two formal meetings of the Creditors’ Committee under the CVA. One meeting separately between COSCO Nantong and the Supervisors of the CVA (“**Supervisors**”) has been held and another is on schedule. COSCO Nantong has submitted the additional supporting documents for filing proof of claims further requested by the Supervisors recently. The Supervisors are in the process of reviewing and analyzing the documents submitted by COSCO Nantong.

COSCO Nantong has also informed the Company that pursuant to the CVA proposal approved under the legal proceedings in the United Kingdom, the vessel building contract would be terminated and such termination would be deemed to be under the default of ATP UK. COSCO Nantong shall be entitled to retain any installments paid by ATP UK. COSCO Nantong shall also have full right and power either to complete or not to complete the Project as it deems fit, and to sell the Project at a public or private sale.

Potential buyers have shown interest in the Project. To-date, no agreement has been entered into for the sale of the Project.

Given COSCO Nantong’s contractual position established under the vessel building contract, and current status of the CVA proceedings, together with COSCO Nantong’s marketing on the Project and current market situation and barring any unforeseen circumstances, the Company does not expect this event to have a material impact on the Company’s net tangible assets and earnings per share for the financial year ending 31 December 2014.

The Company will make announcements of any material developments in this matter at the appropriate junctures.

By Order of the Board

Wu Zi Heng
Vice Chairman and President
22 July 2014