



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

**UPDATE ON BUILDING CONTRACT FOR ONE (1) UNIT SEMI-SUBMERSIBLE
ACCOMMODATION RIG**

The Board of Directors of COSCO Corporation (Singapore) Limited (the “Company”) refers to the Company’s announcements on 2 July 2015 in relation to the building contract for one (1) unit of Harsh Environment Semi-Submersible Accommodation Rig (the “Rig”), signed between COSCO Qidong Offshore Co., Ltd (“COSCO Qidong”), a subsidiary of the Company’s 51% owned subsidiary, COSCO Shipyard Group Co., Ltd, and Axis Nova Singapore Pte. Ltd (the “Shipowner”).

The Board wishes to announce that the Shipowner and COSCO Qidong have mutually agreed to re-extend the delivery date of the Rig, previously scheduled for delivery on 15 July 2016, to 20 August 2017, subject to certain terms and conditions.

Under the agreement, the Shipowner can elect to take delivery of the Rig (construction of which has now been completed) at any time during the extension period by giving COSCO Qidong not less than 80 days’ prior written notice. In the event that the Shipowner elects not to take delivery of the Rig and exercises its right to cancel the building contract, the Shipowner shall not exercise such right prior to 4 August 2017.

In view of the rescheduling and the uncertainty as to when the Shipowner will take delivery of the Rig, it is not possible to ascertain the financial impact of the agreement for rescheduling at this point in time.

The Company will make announcements of any significant development in this matter at the appropriate junctures.

By Order of the Board
Gu Jing Song
Vice Chairman and President
30 September 2016