

COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD.

(Incorporated in the Republic of Singapore)

(Company Registration Number: 196100159G)

THE PROPOSED DISPOSAL OF (A) 51% EQUITY INTEREST IN COSCO SHIPYARD GROUP CO., LTD.; (B) 50% EQUITY INTEREST IN COSCO (NANTONG) SHIPYARD CO., LTD.; AND (C) 39.1% EQUITY INTEREST IN COSCO (DALIAN) SHIPYARD CO., LTD. AS INTERESTED PERSON TRANSACTIONS

1. Introduction

The Board of Directors (the "**Board**") of COSCO SHIPPING International (Singapore) Co., Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 5 May 2017 entered into a conditional sale and purchase agreement (the "**Sale and Purchase Agreement**") with COSCO SHIPPING Heavy Industry Co., Ltd. (the "**Purchaser**") in relation to the proposed disposal (the "**Proposed Disposal**") by the Company of its (a) 51% equity interest in COSCO Shipyards Group Co., Ltd. ("**COSCO Shipyards**"); (b) 50% equity interest in COSCO (Nantong) Shipyards Co., Ltd. ("**Nantong COSCO Shipyards**"); and (c) 39.1% equity interest in COSCO (Dalian) Shipyards Co., Ltd. ("**Dalian COSCO Shipyards**"). COSCO Shipyards, Nantong COSCO Shipyards and Dalian COSCO Shipyards are collectively referred to as the "**Sale Companies**".

2. The Proposed Disposal

2.1 Information regarding the Purchaser

The Purchaser, a company incorporated in the People's Republic of China (the "**PRC**"), is a wholly-owned subsidiary of China COSCO SHIPPING Corporation Limited ("**China COSCO SHIPPING**").

China Ocean Shipping (Group) Company ("**COSCO Group**"), being the controlling shareholder of the Company which holds approximately 53.35% of the ordinary shares of the Company (the "**Shares**"), is also a wholly-owned subsidiary of China COSCO SHIPPING. As such, China COSCO SHIPPING indirectly holds a shareholding interest of approximately 53.35% in the Company through COSCO Group, and is an indirect controlling shareholder of the Company.

Mr Wang Yu Hang and Mr Liang Yan Feng, who are directors of the Company are also directors of the Purchaser.

2.2 Information regarding the Sale Companies

The Sale Companies are incorporated in the PRC. The Sale Companies are primarily engaged in shipyard, ship repair, ship building and marine engineering businesses.

2.2.1 COSCO Shipyards

Founded in 1988 and based in Dalian, COSCO Shipyards provides ship repair and conversion, ship building and offshore marine engineering services. COSCO Shipyards has 6 shipyards in Nantong, Qidong, Dalian, Zhoushan, Guangdong and Shanghai.

2.2.2 Nantong COSCO Shipyards

Nantong COSCO Shipyards was incorporated in the PRC in 1990. It is a 50%-owned subsidiary of COSCO Shipyards. Nantong COSCO Shipyards owns and operates 2 floating docks and 3 berths, and occupies approximately 334,000m² land area. Nantong COSCO Shipyards provides ship repair and conversion and offshore engineering services. In past years, the shipyard has delivered semi-submersible

drilling rigs, jack-up drilling rigs, wind turbine installation vessels, floating accommodation units and drilling tender barges.

2.2.3 Dalian COSCO Shipyard

Established in 1992, Dalian COSCO Shipyard is a 59%-owned subsidiary of COSCO Shipyard. Providing services of ship repair and conversion, ship building and offshore marine engineering, Dalian COSCO Shipyard has a total floating and dry dock capacity of 610,000 tons, 13 berths, 5 production lines and 4 cranes. In past years, Dalian COSCO Shipyard has delivered projects of heavy lift vessels, bulk carriers, module carriers, salvage lifting vessels, jack-up rigs and FPSO conversions.

2.3 Valuation

The Company commissioned China Tong Cheng Assets Appraisal Co., Ltd. (中通诚资产评估有限公司) as an independent valuer to evaluate the assets of COSCO Shipyard, Nantong COSCO Shipyard and Dalian COSCO Shipyard (the “**Valuation**”). The aggregate Valuation of the Sale Shares was determined to be RMB 1,592.37 million (equivalent to approximately S\$322.75 million) as at 31 December 2016. The Valuation was conducted considering the asset-based approach and market approach, and the asset-based approach results have been chosen to be the final Valuation result.

Copies of the valuation reports in respect of the Valuation of each of the Sale Companies are available for inspection. Please refer to paragraph 13 of this announcement.

3. Benefits of and rationale for the Proposed Disposal

3.1 The Proposed Disposal allows the Group to achieve the following objectives:

- 3.1.1 the Company has been facing and continues to face challenging market conditions in its offshore marine and shipbuilding business and this segment has been making substantial losses for the past 2 financial years and continue to incur losses for the first quarter of 2017. On 24 February 2017, the Company announced that it had been informed by its parent company, China COSCO SHIPPING that China COSCO SHIPPING group (the “**Parent Group**”) plans to acquire the Company’s equity interests in COSCO Shipyard, Nantong COSCO Shipyard and Dalian COSCO Shipyard for the purpose of centralising the operations and management of the shipyard businesses of the Parent Group;
- 3.1.2 such centralisation would allow for more efficient shipyard operations, maximally tapping on the Parent Group’s management and technical expertise; and
- 3.1.3 the Proposed Disposal will enable the Company to exit from a loss-making business and create cash for investment in potential future new businesses, substantially reduce the Company’s debt and improve the Company’s financial position.

3.2 The Company intends to use the sale proceeds from the Proposed Disposal to fund future projects, which may include mergers and acquisitions, and for working capital requirements of the Group. In this regard, the Company’s management has commenced and is actively reviewing potential investment opportunities and the Company will provide updates as necessary at the appropriate time.

4. Salient terms of the Sale and Purchase Agreement

4.1 Consideration

Pursuant to the terms of the Sale and Purchase Agreement, the Company has agreed to sell to the Purchaser, and the Purchaser has agreed to purchase from the Company a (a) 51% equity interest in COSCO Shipyard; (b) 50% equity interest in Nantong COSCO Shipyard; and (c) 39.1% equity interest in Dalian COSCO Shipyard, owned by the Company (such

equity interests collectively, the “**Sale Shares**”).

The consideration for the Sale Shares (the “**Consideration**”) was arrived at after arm’s length negotiations between the Company and the Purchaser (the “**Parties**”) on a willing-buyer and willing-seller basis and taking into account the following:

4.1.1 in respect of COSCO Shipyard:

- (a) the value of net assets of COSCO Shipyard as of 31 December 2016 (the “**Benchmark Date**”) appraised by China Tong Cheng Assets Appraisal Co., Ltd. (中通诚资产评估有限公司) engaged by the Company, and filed with the authorised state-owned assets supervision and administration organisation of RMB 2,716,865,818.78; and
- (b) Ruihua Certified Public Accountants ((瑞华会计师事务所 (特殊普通合伙)), which is engaged by the Purchaser, has conducted a special audit on COSCO Shipyard’s profits and losses for the period between 1 January 2017 and 31 March 2017, and issued an audit report, according to which, for the aforementioned period, the losses of COSCO Shipyard amount to RMB 393,652,823.91, while other equity change* is RMB 3,590,630.74.

The consideration of the 51% equity interest in COSCO Shipyard is calculated as the sum of: (i) 51% of RMB 2,716,865,818.78 (being the total value of net assets of COSCO Shipyard as of the Benchmark Date as stated in paragraph 4.1.1(a)); and (ii) 51% of negative RMB 390,062,193.17 (being the losses of COSCO Shipyard adjusted for other equity change* for the period between 1 January 2017 and 31 March 2017 as stated in paragraph 4.1.1(b)). Based on such calculation, the consideration of the 51% equity interest of COSCO Shipyard is RMB 1,186,669,849.06 (the “**COSCO Shipyard Consideration**”);

4.1.2 in respect of Nantong COSCO Shipyard:

- (a) the value of net assets of Nantong COSCO Shipyard as of the Benchmark Date appraised by China Tong Cheng Assets Appraisal Co., Ltd. (中通诚资产评估有限公司) engaged by the Company, and filed with the authorised state-owned assets supervision and administration organisation of RMB 602,040,762.45; and
- (b) Ruihua Certified Public Accountants (瑞华会计师事务所 (特殊普通合伙)), which is engaged by the Purchaser, has conducted a special audit on Nantong COSCO Shipyard’s profits and losses for the period between 1 January 2017 and 31 March 2017, and issued an audit report, according to which, for the aforementioned period, the losses of Nantong COSCO Shipyard amount to RMB 43,734,552.58, while other equity change* is RMB 0.

The consideration of the 50% equity interest in Nantong COSCO Shipyard is calculated as the sum of: (i) 50% of RMB 602,040,762.45 (being the total value of net assets of Nantong COSCO Shipyard as of the Benchmark Date as stated in paragraph 4.1.2(a)); and (ii) 50% of negative RMB 43,734,552.58 (being the losses of Nantong COSCO Shipyard adjusted for other equity change* for the period between 1 January 2017 and 31 March 2017 as stated in paragraph 4.1.2(b)). Based on such calculation, the consideration of the 50% equity interest of Nantong COSCO Shipyard is RMB 279,153,104.94 (the “**Nantong COSCO Shipyard Consideration**”); and

4.1.3 in respect of Dalian COSCO Shipyard:

- (a) the value of net assets of Dalian COSCO Shipyard as of the Benchmark Date appraised by China Tong Cheng Assets Appraisal Co., Ltd. (中通诚资产评估有限公司) engaged by the Company, and filed with the authorised state-owned assets supervision and administration organisation of negative RMB 241,060,889.64;
- (b) Ruihua Certified Public Accountants (瑞华会计师事务所(特殊普通合伙)), which is engaged by the Purchaser, has conducted a special audit on Dalian COSCO Shipyard's profits and losses for the period between 1 January 2017 and 31 March 2017, and issued an audit report, according to which, for the aforementioned period, the losses of Dalian COSCO Shipyard amount to RMB 294,577,590.58, while other equity change* is RMB 5,805,834.34.

The Parties acknowledge that, if the consideration of the 39.1% equity interest in Dalian COSCO Shipyard is to be determined on the same bases as those applicable to the transfer of the 51% equity interest in COSCO Shipyard and the 50% equity interest in Nantong COSCO Shipyard as set out above, the consideration of the 39.1% equity interest in Dalian COSCO Shipyard is calculated as the sum of: (i) 39.1% of negative RMB 241,060,889.64 (being the total value of net assets of Dalian COSCO Shipyard as of the Benchmark Date as stated in paragraph 4.1.3(a)); and (ii) 39.1% of negative RMB 288,771,756.24 (being the losses of Dalian COSCO Shipyard adjusted for other equity change* for the period between 1 January 2017 and 31 March 2017 as stated in paragraph 4.1.3(b)). Based on such calculation, the consideration of the 39.1% equity interest in Dalian COSCO Shipyard is negative RMB 207,164,564.54. Given that the consideration of the 39.1% equity interest in Dalian COSCO Shipyard calculated on the basis set out above is negative, the Parties agreed that the consideration of the 39.1% equity interest of Dalian COSCO Shipyard is RMB 1 (the "**Dalian COSCO Shipyard Consideration**").

Note :

* "Other equity change" refers to other comprehensive income.

4.1.4 The Parties agreed that the aggregate Consideration of the Sale Shares is RMB 1,465,822,955.00, which is calculated as the sum of the COSCO Shipyard Consideration, the Nantong COSCO Shipyard Consideration and the Dalian COSCO Shipyard Consideration.

4.1.5 Under the Sale and Purchase Agreement, the Purchaser shall be entitled to any distributable profits (and any other interest) attributable to the Sale Shares and assume any loss attributable to the Sale Shares from and after 1 April 2017.

4.2 Conditions Precedent

Completion of the Sale and Purchase Agreement ("**Completion**") is conditional upon the satisfaction of the following conditions precedent:

- 4.2.1 the transfer of the Sale Shares being approved by and the registration procedure being completed with the state-owned asset supervision and administration commission (SASAC) or its authorized agency in accordance with applicable laws and regulations;
- 4.2.2 the Parties having completed their respective internal approval process set out below in accordance with applicable laws and regulations and its constitution/articles of association:
 - (a) the Company having obtained the approval of its shareholders in a general meeting for the Proposed Disposal; and

- (b) the Purchaser having obtained the approval of its shareholders in a general meeting for the Proposed Disposal;
- 4.2.3 no breach of the Sale and Purchase Agreement has occurred and all representations and warranties made by the Parties under the Sale and Purchase Agreement are true, accurate, complete and not misleading;
- 4.2.4 the transfer of the Sale Shares, the conversion of the Sale Companies from foreign-funded enterprises into domestic-funded enterprises, the amendments to the articles of association of the Sale Companies, and the termination of existing joint venture contract have been approved by the competent department of commerce;
- 4.2.5 the Proposed Disposal having been approved by Singapore Exchange Securities Trading Limited (“**SGX-ST**”), where required, and where approval from SGX-ST is obtained subject to any conditions, such conditions being reasonably acceptable to the Company; and
- 4.2.6 the shareholders of the Sale Companies (other than the Company) having waived their rights of pre-emption, rights of first refusal or tag-along rights, if any, in relation to the transfer of the Sale Shares from the Company to the Purchaser under the Sale and Purchase Agreement.

The Purchaser agreed that it will represent the Parties to obtain all waivers of pre-emption rights, rights of first refusal and tag-along rights, if any, in relation to the transfer of the Sale Shares, and all the approvals required by the governmental authorities, including but not limited to the commerce agency, administration for industry and commerce, bank, State Administration of Foreign Exchange (“**SAFE**”) and administration of taxation and to use its best endeavors to obtain the approval documents which are specified in the conditions precedent on or prior to 31 December 2017 (or such other date as the Parties may mutually agree in writing) (the “**Long-stop Date**”).

The Company shall take reasonable efforts to assist the Purchaser with the formalities to complete the transfer of the Sale Shares, including but not limited to obtaining the approval of the competent authority for commerce, registration of the changes with the industrial and commercial registries, removal of board members and officials, handover, and any other relevant procedures.

Unless otherwise agreed between the Parties, in the event that any of the conditions precedent are not complied with before the Long-stop Date, the Parties shall discuss and negotiate the waiver of all or any of the conditions precedent, to extend the Long-stop Date or to terminate the Sale and Purchase Agreement and to reach an agreement within 20 business days from the Long-stop Date (or such other period as the Parties may mutually agree in writing) (the “**Negotiation Period**”).

The transfer of the Sale Shares of each Sale Company may take place on different dates. In the event that the conditions precedent are not satisfied before the Long-stop Date or within the Negotiation Period, and the Parties are not able to agree on any waiver of the conditions precedent, or an extension of the Long-Stop Date or the termination of the Sale and Purchase Agreement, the Sale and Purchase Agreement shall be terminated at the expiry of the Negotiation Period.

In such an event, the Parties shall not have any right or obligation or duty under the Sale and Purchase Agreement (except in respect of a breach of the Sale and Purchase Agreement prior to its termination, or if otherwise provided in the Sale and Purchase Agreement).

4.3 Terms of Payment

The Parties agreed that the Purchaser shall complete withholding tax formalities pursuant to applicable laws and regulations for the Proposed Disposal and deliver all related certificates and receipts to the Company for confirmation. Within 20 calendar days upon the approvals

required by the governmental authorities, including but not limited to the administration of taxation, SAFE and the bank, the Purchaser shall pay the Consideration in RMB or foreign exchange of RMB equivalent in a lump sum by deducting withholding and remitting tax pursuant to applicable laws and regulations to the Company. The Consideration shall be determined and paid into the bank account designated by the Company.

5. **Financial Effects**

5.1 The Consideration is RMB 1,465,822,955.00 (equivalent to approximately S\$297.10 million) as set out in paragraph 4.1.4 of this announcement.

5.2 For illustrative purposes, assuming that the Proposed Disposal is completed on 31 March 2017, the excess of the proceeds (after deducting capital gains tax) over the carrying value of the Sale Shares as at 31 March 2017 of S\$3.93 million is approximately S\$285.35 million and the gain on the Proposed Disposal (after deducting capital gains tax and reclassification of translation reserves and fair value reserves) is approximately S\$360.07 million.

5.3 The financial effects of the Proposed Disposal are purely for illustrative purposes only and are neither indicative of the actual financial effects of the Proposed Disposal on the net tangible assets ("**NTA**") per Share and earnings per Share ("**EPS**") of the Company, nor do they represent the future financial performance and/or position of the Company immediately following Completion. The pro forma financial effects analysis of the Proposed Disposal has been prepared on the following key bases and assumptions:

- (a) the financial effects of the Proposed Disposal on the NTA per Share and EPS of the Company are based on the latest announced audited consolidated financial statements of the Group for the financial year ended 31 December 2016;
- (b) for the purposes of illustrating the financial effects of the Proposed Disposal on the NTA per Share of the Company, it is assumed that the Proposed Disposal had been completed on 31 December 2016;
- (c) for the purposes of illustrating the financial effects of the Proposed Disposal on the EPS of the Company, it is assumed that the Proposed Disposal had been completed on 1 January 2016; and
- (d) the NTA per Share and EPS of the Company is computed based on 2,239,244,954 Shares in issue as at 31 December 2016.

5.4 **Effect of the Proposed Disposal on the NTA per Share**

On the bases and assumptions set out in paragraph 5.3 above, the pro forma effect of the Proposed Disposal on the NTA per Share of the Company is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA (S\$'000)	326,524	550,623
NTA per Share (cents)	14.58	24.59

5.5 Effect of the Proposed Disposal on EPS

On the bases and assumptions set out in paragraph 5.3 above, the pro forma effect of the Proposed Disposal on the EPS of the Company is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Loss attributable to equity holders of the Company (S\$'000)	(446,499)	(177,138)
EPS (cents)	(20.83)	(7.91)

6. Relative figures of the Proposed Disposal under Chapter 10 of the Listing Manual

Based on the financial statements for the period ended 31 March 2017 (being the latest announced unaudited consolidated financial statements of the Group), the relative figures computed on the bases set out in Rule 1006 of the Listing Manual for the Proposed Disposal are as follows:

Listing Rule	Bases	Relative Figures (%)
1006(a)	The aggregate net asset value (" NAV ") of the Sale Shares to be disposed of, compared with the Group's NAV	Not meaningful ⁽¹⁾
1006(b)	The aggregate net losses ⁽²⁾ attributable to the Sale Shares to be disposed of, compared with the Group's net losses	94% ⁽³⁾
1006(c)	The aggregate value of the Consideration, compared with the Company's market capitalisation based on the total number of Shares in issue (excluding treasury shares)	47% ⁽⁴⁾
1006(d)	The number of equity securities issued by the Company as consideration for the Proposed Disposal, compared with the number of equity securities of the Company previously in issue	N.A. ⁽⁵⁾
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves.	N.A. ⁽⁶⁾

Notes:

- Based on the aggregate NAV of the Sale Shares as at 31 March 2017 of negative S\$76,138,000, divided by the Group's NAV as at 31 March 2017 of S\$173,443,000. Net assets refer to total assets less total liabilities.
- Net losses refer to losses before income tax, minority interests and exceptional items.
- Based on the aggregate unaudited net loss attributable to the Sale Shares for the three months ended 31 March 2017 of S\$134,950,000, divided by the Group's unaudited net loss for the three months ended 31 March 2017 of S\$143,972,000.
- Market capitalisation of the Company as at 4 May 2017, being the market day preceding the date of the Sale and Purchase Agreement, was S\$638.18 million.
- Not applicable as no equity securities will be issued by the Company in connection with the Proposed Disposal.
- Not applicable as the Company is not a mineral, oil and gas company.

As the relative figures under Rule 1006(b) and Rule 1006(c) exceed 20%, the Proposed Disposal constitutes a "major transaction" under Chapter 10 of the Listing Manual and is

subject to shareholders' approval in a general meeting.

7. Interested Person Transaction

The Purchaser is wholly-owned by China COSCO SHIPPING. COSCO Group, being the controlling shareholder of the Company, is also wholly-owned by China COSCO SHIPPING. In respect of the Proposed Disposal, the Company is the "entity at risk" for the purposes of Chapter 9 of the Listing Manual. The Purchaser is therefore an "interested person" and the Proposed Disposal constitutes an "interested person transaction" within the meaning of Chapter 9 of the Listing Manual.

Mr Wang Yu Hang and Mr Liang Yan Feng, who are directors of the Company are also directors of the Purchaser.

The Consideration of RMB 1,465,822,955.00 (equivalent to approximately S\$297.10 million) represents approximately 91% of the latest audited NTA of the Group as at 31 December 2016 of S\$326,524,000. In accordance with Chapter 9 of the Listing Manual, the Proposed Disposal is an interested person transaction, the aggregate transaction value of which is more than 5% of the latest audited NTA of the Group, and is hence subject to the approval of shareholders of the Company at a general meeting to be convened.

Directors of the Company who are also directors of the Purchaser as well as their respective associates, will abstain from voting on the Proposed Disposal in respect of their respective shareholdings in the Company, if any.

Other than in connection with the Proposed Disposal, transactions less than S\$100,000 and transactions under the general mandate for recurrent transactions with interested persons approved by shareholders at the Company's extraordinary general meeting on 20 April 2017, the Company has not entered into any other interested person transactions in the current financial year.

8. Interests of Directors and Controlling Shareholders

The Purchaser is wholly-owned by China COSCO SHIPPING. COSCO Group, being the controlling shareholder of the Company, is also wholly-owned by China COSCO SHIPPING.

Mr Wang Yu Hang and Mr Liang Yan Feng, who are directors of the Company are also directors of the Purchaser.

Save as disclosed in this announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal. No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal.

9. Other information

The Proposed Disposal involves the disposal of the Company's ship repair, shipbuilding and marine engineering business in the PRC, which is currently the largest business activity of the Company. After the Proposed Disposal, the Company will retain and continue its ship repair and marine engineering business in Singapore and its businesses in the shipping segment and "others" business segment (which includes property) as disclosed in the Company's annual report for the year ended 31 December 2016. The Company intends to consult with SGX-ST whether the Company would fall within the meaning of a "cash company" under Rule 1018 of the Listing Manual by reason of the Proposed Disposal.

The Proposed Disposal is not contingent upon the Company falling outside the meaning of a "cash company" (as explained in Rule 1018 of the Listing Manual).

10. Independent Financial Adviser

PrimePartners Corporate Finance Pte. Ltd. has been appointed by the Company as the

independent financial adviser (the "IFA") to advise the independent Directors on the Proposed Disposal.

The Audit Committee of the Company is obtaining an opinion from the IFA before forming its view, which will be disclosed in the Circular to shareholders, on whether the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

11. Shareholders' Approval

In addition to Chapter 9 of the Listing Manual, Section 160 of the Companies Act (Chapter 50) provides that the Directors of the Company shall not carry into effect any proposals for disposing of the whole or substantially the whole of the Company's undertaking or property unless those proposals have been approved by the Company in general meeting. As the Proposed Disposal would constitute a disposal by the Company of substantially the whole of its undertaking, the Company is also required to obtain shareholders' approval for the Proposed Disposal pursuant to Section 160 of the Companies Act (Chapter 50).

A Circular containing, *inter alia*, further details of the Proposed Disposal, the opinion and recommendation of the IFA and the notice of the Extraordinary General Meeting ("EGM") to be convened will be despatched to shareholders of the Company in due course.

12. Abstention from Recommendation and Voting

China COSCO SHIPPING and COSCO Group and their associates, being interested persons in relation to the Proposed Disposal, will abstain from voting at the EGM in respect of the Shares of the Company held by them on the resolution relating to the Proposed Disposal. Mr Wang Yu Hang, Mr Gu Jing Song, Mr Li Xi Bei, Mr Liang Yan Feng, Mr Li Man and Mr Ouyang Chao Mei being members of the managing body of or Directors nominated by COSCO Group will also abstain from making any recommendation to shareholders in respect of the resolution relating to the Proposed Disposal and will not accept appointments as proxies for voting on the resolution at the EGM unless specific instructions have been given in the proxy instrument on how the shareholders wish their votes to be cast for the resolution.

China COSCO SHIPPING, COSCO Group, Mr Wang Yu Hang, Mr Gu Jing Song, Mr Li Xi Bei, Mr Liang Yan Feng, Mr Li Man and Mr Ouyang Chao Mei will also ensure that their respective associates will abstain from voting on the resolution relating to the Proposed Disposal.

13. Documents available for inspection

Copies of the Sale and Purchase Agreement and the valuation reports in respect of the Valuation of each of the Sale Companies may be inspected at the registered office of the Company at 30 Cecil Street #26-01 Prudential Tower Singapore 049712 during normal business hours for a period of three months from the date of this announcement.

By Order of the Board
COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD.

Gu Jing Song
Vice Chairman and President
5 May 2017