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廈門國際港務股份有限公司  
**XIAMEN INTERNATIONAL PORT CO., LTD\***

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 3378)**

**DISCLOSEABLE TRANSACTION -  
FURTHER COMPENSATION FOR  
BUSINESS RELOCATION**

Reference is made to (i) the announcements of the Company dated 14 October 2012, 31 December 2012, 5 February 2013, 26 December 2013, 11 August 2014 and 10 September 2014 (the “**Announcements**”); and (ii) the circular of the Company dated 16 November 2012, all relating to the Land Resumption, Asset Resumption and Office Relocation (the “**Circular**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as those defined therein.

On 19 December 2014, Xiamen Port Development has entered into the Early Relocation Agreement, pursuant to which Xiamen Land Development Centre has agreed that, in addition to the total consideration of the Construction Works amounting up to RMB100,000,000 which will be entirely funded by Xiamen Land Development Centre as disclosed in the Company’s announcement dated 10 September 2014, it will provide to Xiamen Port Development a further cash compensation of not more than RMB262,680,000 to offset the costs and expenses to be incurred by Xiamen Port Development for the Business Relocation and the Temporary Settlement.

As the highest applicable Relevant Ratio is above 5% but less than 25%, the receipt of the Further Compensation by Xiamen Port Development, either individually or in the aggregate with the Construction Works Compensation, constitutes discloseable transaction of the Company under the Listing Rules and is therefore subject to the reporting and announcement requirements as set out in Chapter 14 of the Listing Rules.

Principal terms of the Further Compensation are summarised below:

Date: 19 December 2014

Parties: (i) Xiamen Port Development; and

(ii) Xiamen Land Development Centre

**Subject matter:** In addition to the Construction Works at a total consideration amounting up to RMB100,000,000 which will be entirely funded by Xiamen Land Development Centre as disclosed in the Company's announcement dated 10 September 2014 (the "**Construction Works Compensation**"), Xiamen Land Development Centre will provide to Xiamen Port Development a further cash compensation of not more than RMB262,680,000 to offset the costs and expenses to be incurred by Xiamen Port Development for the Business Relocation and the Temporary Settlement.

**Consideration:** The Further Compensation shall be not more than RMB262,680,000, which was determined after arm's length negotiation between Xiamen Port Development and Xiamen Land Development Centre based on the complexity, technical uniqueness and functional needs of the Business Relocation and the Temporary Settlement by reference to (i) the estimated total rent of approximately RMB176,840,000 payable by Xiamen Port Development for the Temporary Settlement (including the rental expenses paid to Xiamen Terminal Group for the Temporary Space contemplated under the relevant ITG Terminal tenancy agreement; (ii) the estimated costs for relocation of the production equipment of approximately RMB44,500,000; (iii) the estimated additional costs for refitting and upgrading the production facilities of approximately RMB30,870,000; and (iv) the estimated costs for relocation of the stored cargos of approximately RMB10,470,000. As at the date of this announcement, (i) approximately RMB222,200,000 of the Further Compensation has been approved by the relevant governmental authorities in Xiamen and (ii) approximately RMB40,480,000 of the Further Compensation is still subject to the audit and confirmation by the said authorities.

The Further Compensation will be paid in cash by Xiamen Land Development Centre to Xiamen Port Development in the following manner:

- (i) approximately RMB100,000,000 will be paid within five business days after Xiamen Land Development Centre receives the relevant financial fund appropriated by the relevant governmental authorities in Xiamen;
- (ii) provided that Xiamen Land Development Centre receives the relevant financial fund appropriated by the abovementioned authorities, approximately RMB122,200,000 will be paid within five business days after Xiamen Port Development can complete the Business Relocation and deliver vacant possession of the Land Lots; and
- (iii) provided that Xiamen Land Development Centre receives the

relevant financial fund appropriated by the abovementioned authorities, the remaining amount of the Further Compensation will be paid within one month after the audit and confirmation by the relevant governmental authorities in Xiamen is completed.

## **REASONS FOR AND BENEFITS OF THE RECEIPT OF THE FURTHER COMPENSATION**

The Board is of the view that the receipt of the Further Compensation from Xiamen Land Development Centre is sufficient to offset the relevant costs and expenses to be incurred by Xiamen Port Development for the Business Relocation and the Temporary Settlement, which could further effectively safeguard the legitimate interests of Xiamen Port Development and the Group in addition to its receipt of the Construction Works Compensation.

The Board is of the view that the terms of the Early Relocation Agreement are on normal commercial terms, are concluded in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the highest applicable Relevant Ratio is above 5% but less than 25%, the receipt of the Further Compensation by Xiamen Port Development, either individually or in the aggregate with the Construction Works Compensation, constitutes discloseable transaction of the Company under the Listing Rules and is therefore subject to the reporting and announcement requirements as set out in Chapter 14 of the Listing Rules.

## **GENERAL**

The Group is the largest port terminal operator in Xiamen, the PRC. It is also the only group providing full scale ancillary value-added port services in Xiamen. The Group is principally engaged in, inter alia, (i) container loading and unloading and storage for international and domestic trade; (ii) bulk/general cargo loading and unloading and storage for international and domestic trade; and (iii) ancillary value-added port services, including shipping agency, tallying, tugboat berthing and unberthing and port-related logistics in Xiamen.

Xiamen Land Development Centre is a public institution in Xiamen through which the Xiamen Municipal People's Government manages its land reserves. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Xiamen Land Development Centre, together with its ultimate beneficial owner, are not connected persons (as defined in the Listing Rules) of the Company and are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Asset Resumption” has the meaning ascribed thereto under the Circular;

“Board”	the board of Directors of the Company;
“Business Relocation”	the relocation of Xiamen Port Development’s bulk/general cargo loading and unloading business currently operated on certain land lots at the Dongdu Terminal (which includes berths nos. 3 and 4 of Dongdu Terminal), together with the related equipments, on a date earlier than the agreed timing under the Second Land Resumption Agreement, which is within 30 months after the Second Land Resumption Agreement is executed and becomes effective, as requested by Xiamen Land Development Centre;
“Company”	Xiamen International Port Co., Ltd* (廈門國際港務股份有限公司), a joint stock limited company incorporated in PRC, the H Shares of which are listed on the Stock Exchange;
“connected person”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Early Relocation Agreement”	the agreement entered into between Xiamen Port Development and Xiamen Land Development Centre on 19 December 2014 in respect of, inter alia, the provision of the Further Compensation from Xiamen Land Development Centre to Xiamen Port Development;
“Further Compensation”	the further cash compensation of not more than RMB262,680,000 to be provided by Xiamen Land Development Centre to Xiamen Port Development to offset the costs and expenses to be incurred by Xiamen Port Development for the Business Relocation and the Temporary Settlement pursuant to the Early Relocation Agreement;
“Group”	the Company and its subsidiaries;
“Hong Kong”	The Hong Kong Special Administrative Region of PRC;
“Land Resumption”	has the meaning ascribed thereto under the Circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited;
“Office Relocation”	has the meaning ascribed thereto under the Circular;

“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan;
“Relevant Ratios”	the five ratios as set out in Rule 14.07 of the Listing Rules;
“RMB”	Renminbi, the lawful currency of PRC;
“Second Land Resumption Agreement”	has the meaning ascribed thereto under the Circular;
“Share(s)”	shares of nominal value RMB1.00 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Shares;
“Shenzhen Stock Exchange”	The Shenzhen Stock Exchange based in Shenzhen, PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Temporary Settlement”	the temporary settlement of Xiamen Port Development’s bulk/general cargo loading and unloading business at ITG Terminal (國貿碼頭) as a result of the Business Relocation;
“Xiamen Land Development Centre”	Xiamen Land Development Centre* (廈門市土地發展中心), a public institution established in Xiamen, PRC under Xiamen Municipal Land, Resources and Housing Administrative Bureau (廈門市國土資源與房產管理局);
“Xiamen Port Development”	Xiamen Port Development Co., Ltd.* (廈門港務發展股份有限公司), a joint stock limited company established in PRC which is a non-wholly owned subsidiary of the Company, whose A shares are listed on the Shenzhen Stock Exchange and is held as to approximately 55.13% by the Company;
“Xiamen Terminal Group”	Xiamen Container Terminal Group Co., Ltd.* (廈門集裝箱碼頭集團有限公司), a non-wholly owned subsidiary of the Company and is held as to 59.75% by the Company; and
“%”	per cent

By order of the Board  
**Xiamen International Port Co., Ltd**  
**Yang Hongtu**  
*Joint Company Secretary*

Xiamen, PRC, 19 December 2014

*As at the date of this announcement, the executive directors of the Company are Mr. Lin Kaibiao, Mr. Fang Yao, Mr. Huang Zirong and Mr. Ke Dong; the non-executive directors of the Company are Mr. Zheng Yongen, Mr. Chen Dingyu, Ms. Miao Luping and Mr. Fu Chengjing; and the independent non-executive directors of the Company are Mr. Liu Feng, Mr. Hui Wang Chuen, Mr. Lin Pengjiu, Mr. Huang Shumeng and Mr. Shao Zheping.*

*\*For identification purpose only*