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中海集裝箱運輸股份有限公司  
**China Shipping Container Lines Company Limited**\*

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock code: 02866)**

**DISCLOSEABLE TRANSACTIONS**  
**ACQUISITION OF EIGHT VESSELS**

The Board is pleased to announce that on 29 July 2015, CSCL HK, a wholly-owned subsidiary of the Company, entered into the Shipbuilding Contracts with the Builders, pursuant to which CSCL HK agreed to purchase and the Builders agreed to sell eight Vessels. The aggregate consideration payable for the Vessel Acquisition under the Shipbuilding Contracts is US\$934,400,000 (equivalent to approximately RMB5,713,856,000).

The highest applicable percentage ratio set out in the Listing Rules for the Vessel Acquisition as contemplated under the Shipbuilding Contracts exceeds 5% but less than 25%, the Vessel Acquisition constitutes discloseable transactions of the Company under Rule 14.06(2) of the Listing Rules and is therefore subject to notification and announcement requirements under Chapter 14 of the Listing Rules but exempt from shareholders' approval requirement under the Listing Rules.

**A. THE SHIPBUILDING CONTRACTS**

**Date:** 29 July 2015

**Parties:** (a) CSCL HK (as buyer); and  
(b) the Builders (as seller).

**Assets to be acquired:** Pursuant to the Shipbuilding Contracts, the Builders agreed to design, build, launch, equip, complete, deliver and sell, and CSCL HK agreed to purchase and accept delivery of, eight Vessels.

**Consideration and Payment Term:** The aggregate consideration payable for eight Vessels under the Shipbuilding Contracts is US\$934,400,000 (equivalent to approximately RMB5,713,856,000).

The consideration for each Vessel will be payable in US\$ by CSCL HK to the Builders under each of the Shipbuilding Contracts in four instalments in an aggregate of US\$116,800,000 (equivalent to approximately RMB714,232,000) in accordance with the following manner:

- (a) First instalment: within 15 Business Days after the effective date of the relevant Shipbuilding Contract, CSCL HK shall pay 10% of the consideration for such Vessel in the amount of US\$11,680,000 (equivalent to approximately RMB71,423,200);
- (b) Second instalment: when keeling such Vessel, CSCL HK shall pay 10% of the consideration for such Vessel in the amount of US\$11,680,000 (equivalent to approximately RMB71,423,200) within 7 Business Days after receipt of the original progress certificate;
- (c) Third instalment: when launching such Vessel, CSCL HK shall pay 10% of the consideration for such Vessel in the amount of US\$11,680,000 (equivalent to approximately RMB71,423,200) within 7 Business Days after receipt of the original progress certificate; and
- (d) Fourth instalment: when delivering such Vessel, CSCL HK shall pay 70% of the consideration for such Vessel in the amount of US\$81,760,000 (equivalent to approximately RMB499,962,400) within 7 Business Days after receipt of the full set of the original delivery documents signed by buyer and sellers.

The consideration for each Vessel is subject to adjustments in the event of: (i) any delay in the delivery of such Vessel; (ii) insufficient deadweight of such Vessel; (iii) insufficient speed of such Vessel; (iv) excessive fuel consumption by such Vessel; and/or (v) insufficient number of container loading of such Vessel. The aforesaid adjustments shall be settled together with the fourth instalment.

The abovementioned consideration was determined after numerous detailed specification discussions and commercial negotiations between CSCL HK and counterparties which possess comprehensive competitiveness in price, terms of payment and delivery time and are selected by CSCL HK based on the initial specification of container vessel with a capacity of 13,500 TEU of the Group.

The abovementioned consideration will be funded from internal resources of CSCL HK and bank financing. It is expected that the Vessel Acquisition will increase the debt-to-assets ratio of the Group.

**Refund Term:** In the event that CSCL HK refuses to accept such Vessel before its delivery pursuant to the terms of the relevant Shipbuilding Contract, the Builders shall, within 5 Business Days after receipt of a notice of vessel abandonment, refund CSCL HK in cheque or by wire transfer to a bank account designated by CSCL HK all the advance progress payments paid to the Builders, together with the interest accrued from the respective dates for said progress payment through wire transfer to the refund date (the interest rate shall be calculated by latest published three-month LIBOR plus one percentage point).

If the Builders fail to refund on time, in addition to refunding all payments aforesaid together with the interest accrued, the Builders shall also pay to CSCL HK all interest accrued from the past due date to the actual refund date (the interest rate shall be calculated by latest published three-month LIBOR plus one percentage point).

**Delivery Time:** Pursuant to the Shipbuilding Contracts, the delivery dates for eight Vessels shall be: (i) for the first Vessel, no later than 30 April 2018; (ii) for the second Vessel, no later than 30 June 2018; (iii) for the third Vessel, no later than 31 July 2018; (iv) for the fourth Vessel, no later than 31 August 2018; (v) for the fifth Vessel, no later than 30 September 2018, (vi) for the sixth Vessel, no later than 31 October 2018, (vii) for the seventh Vessel, no later than 30 November 2018, and (viii) for the eighth Vessel, no later than 31 December 2018, respectively.

**Guarantee/Security:** Quality Guarantee: Under the Shipbuilding Contracts, the Builders guarantee that for a period of 12 months after the delivery of a Vessel, if there is any breakdown or damage with hull structure and materials, mechanical equipments and electronic devices arising from the Builders and/or their respective subcontractors, such breakdown or damage shall be repaired and replaced free of charge by the Builders.

By the end of such 12-month warranty period, parties will enter into a warranty agreement. Items, period and place of warranty are determined in accordance with the notice of warranty coverage sent to the Builders by CSCL HK. The Builders guarantee the quality of warranty and will complete the warranty items as per request at their own expenses. The Builders shall also provide another 6-month warranty for every item repaired or replaced under the 12-month warranty mentioned above, however, the total warranty period shall not be longer than 18 months after the delivery of such Vessel.

## **B. REASONS FOR AND BENEFITS OF ENTERING INTO THE SHIPBUILDING CONTRACTS**

The Group positively responds to the development trend for large-scale container vessels in the shipping market, adheres to low-carbon environmental protection initiatives and is committed to adjusting and optimizing the structure of its fleet. The Vessel Acquisition will further help optimize the Group's fleet structure, increase shipment scale, and enhance the Group's comprehensive competitiveness. According to the internal estimation and calculation, the Vessel Acquisition provides certain risk-resistance and is economically and technologically feasible.

In light of the above, the Board (including the independent non-executive Directors) believes that the terms of the transactions contemplated under the Shipbuilding Contracts are fair and reasonable, on normal commercial terms and in the interest of the Company and the Shareholders as a whole.

## **C. INFORMATION ON THE PARTIES TO THE SHIPBUILDING CONTRACTS**

### **1. CSCL HK**

CSCL HK is a wholly-owned subsidiary of the Company and is principally engaged in the international container transportation.

### **2. The Builders**

Shanghai Jiangnan Changxing Shipbuilding Co., Ltd. is a domestic joint venture with limited liability, with its registered office and principal place of business located at No. 2468 Changxing Jiangnan Avenue, Changxing Town, Chongming District, Shanghai. Its legal representative is Chen Jianliang and its registered capital is RMB2,309.107692 million. Its actual controller is Hudong-Zhonghua Shipbuilding (Group) Co., Ltd. whose actual controller is China State Shipbuilding Corporation. Its scope of business covers vessels, vessel equipments, port machineries and etc. From 2012 to 2014, its total annual completion volume of shipbuilding was 2.279 million DWT, 1.214 million DWT and 1.555 million DWT, respectively. Its total assets, net asset, operating income and profit for 2014 were approximately RMB6,398 million, RMB2,660 million, RMB1,863 million and RMB-444 million, respectively.

China Shipbuilding Trading Co., Ltd. is a collectively-owned enterprise, with its registered office and principal place of business located at No. 56 South Street B, Zhongguancun, Haidian District, Beijing. Its legal representative is Li Hongtao and its registered capital is RMB195.58 million. Its scope of business covers operating and agency of import and export services, labour dispatch and etc. Its actual controller is China State Shipbuilding Corporation. For 2012 to 2014, its annual trade amount was approximately RMB59.3 billion, RMB43.4 billion and RMB45.6 billion, respectively. Its total asset, equity attributable to shareholders, total operating income and profit were approximately RMB20,588 million, RMB7,883 million, RMB6,592 million and RMB213 million, respectively.

Shanghai Jiangnan Changxing Shipbuilding Co., Ltd. is principally responsible for the design and construction of the Vessels under the Shipbuilding Contracts while China Shipbuilding Trading Co., Ltd. is principally responsible for collecting payments under the Shipbuilding Contracts.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Builders and their respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

#### **D. IMPLICATIONS UNDER THE LISTING RULES**

The highest applicable percentage ratio set out in the Listing Rules for the Vessel Acquisition as contemplated under the Shipbuilding Contracts exceeds 5% but less than 25%, the Vessel Acquisition constitutes discloseable transactions of the Company under Rule 14.06(2) of the Listing Rules and is therefore subject to notification and announcement requirements under Chapter 14 of the Listing Rules but exempt from shareholders' approval requirement under the Listing Rules.

#### **E. DEFINITIONS**

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

<b>“Board”</b>	the board of Directors of the Company
<b>“Builders”</b>	Shanghai Jiangnan Changxing Shipbuilding Co., Ltd. (上海江南長興造船有限責任公司), a limited liability company incorporated in the PRC, and China Shipbuilding Trading Co., Ltd. (中國船舶工業貿易公司), a collectively-owned enterprise incorporated in the PRC
<b>“Business Day”</b>	all calendar days save for Saturday, Sunday and public holiday of the PRC and Hong Kong
<b>“Company”</b>	China Shipping Container Lines Company Limited (中海集裝箱運輸股份有限公司), a joint stock limited company incorporated in the PRC, of which 3,751,000,000 H shares are listed on the Stock Exchange and 7,932,125,000 A shares are listed on the Shanghai Stock Exchange
<b>“connected person”</b>	has the meaning ascribed thereto under the Listing Rules
<b>“CSCL HK”</b>	China Shipping Container Lines (Hong Kong) Co., Ltd. (中海集裝箱運輸(香港)有限公司), a limited company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
<b>“Director(s)”</b>	the director(s) of the Company

<b>“Group”</b>	the Company and its subsidiaries
<b>“Hong Kong”</b>	Hong Kong Special Administrative Region of the PRC
<b>“LIBOR”</b>	London Interbank Offered Rate
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“percentage ratios”</b>	has the meaning ascribed to such term under the Listing Rules
<b>“PRC”</b>	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
<b>“RMB”</b>	Renminbi, the lawful currency of the PRC
<b>“Shareholder(s)”</b>	the shareholder(s) of the Company, including holders of H shares and holders of A shares
<b>“Shipbuilding Contracts”</b>	eight shipbuilding contracts for the construction of eight 13,500 TEU class container carriers (No. H3025/H3026/H3027/H3028/H3029/H3030/H3031/H3032) entered into between CSCL HK (as buyer) and the Builders (as seller) on 29 July 2015 pursuant to which the Builders shall design, build, launch, equip, complete, deliver and sell, and CSCL HK shall purchase and accept delivery of, eight Vessels
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“TEU”</b>	twenty-foot equivalent units, a standard unit of measurement of the volume of a container with a length of 20 feet, height of 8 feet and 6 inches and width of 8 feet
<b>“US\$”</b>	United States dollar, the lawful currency of the United States of America
<b>“Vessel”</b>	each container vessel with a capacity of 13,500 TEU to be acquired by CSCL HK from the Builders under each Shipbuilding Contract, which is registered in Hong Kong

“**Vessel Acquisition**” the acquisition of eight Vessels by CSCL HK from the Builders pursuant to the Shipbuilding Contracts

“%” per cent.

By order of the Board of  
**China Shipping Container Lines Company Limited**  
**Yu Zhen**  
*Joint Company Secretary*

Shanghai, the PRC  
29 July 2015

*The Board as at the date of this announcement comprises of Mr. Zhang Guofa, Mr. Huang Xiaowen and Mr. Zhao Hongzhou, being executive Directors, Ms. Su Min, Mr. Ding Nong, Mr. Liu Xihan, Mr. Yu Zenggang and Mr. Chen Jihong, being non-executive Directors, and Ms. Zhang Nan, Mr. Guan Yimin, Mr. Shi Xin, Ms. Hai Chi Yuet and Mr. Graeme Jack, being independent non-executive Directors.*

*The exchange rate adopted in this announcement for illustration purpose only is US\$1.00 = RMB6.1150. Such conversion should not be construed as a representation that the currency could actually be converted at that rate.*

\* *The Company is a registered non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name “China Shipping Container Lines Company Limited”.*