

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.



秦 皇 島 港 股 份 有 限 公 司
QINHUANGDAO PORT CO., LTD.*

(a joint stock limited liability company incorporated in the People's Republic of China)

(Stock Code: 3369)

NOTICE OF 2016 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2016 annual general meeting (“**AGM**”) of Qinhuangdao Port Co., Ltd.* (the “**Company**”) will be held at 10:00 a.m. on Friday, 16 June 2017 at Qinhuangdao Sea View Hotel, 25 Donggang Road, Haigang District, Qinhuangdao, Hebei Province, the People’s Republic of China (the “**PRC**”) for the purpose of considering and if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. The resolution regarding the report of the board of directors of the Company (the “**Board**”) for the year ended 31 December 2016;
2. The resolution regarding the report of the supervisory committee of the Company for the year ended 31 December 2016;
3. The resolution regarding the audited final financial report of the Company for the year ended 31 December 2016;
4. The resolution regarding the re-appointment of Ernst & Young Hua Ming LLP as the auditor of the Company for the year 2017 and the audit fees for the year 2017;
5. The resolution regarding the appointment of Mr. YANG Wensheng as an executive Director of the Company and the authorisation for the Board to determine his remuneration;
6. The resolution regarding the dilution of current returns as a result of the initial public offering of RMB ordinary shares (A Shares) and remedial measures;

Subject to the passing of the special resolution No. 8 below at the AGM and the completion of the A Share issue, to approve and confirm the preparation and adoption of the dilution of current returns as a result of the A Share issue and remedial measures; and

* *For identification purpose only*

SPECIAL RESOLUTIONS

7. The resolution regarding the general mandate to issue shares of the Company:
- (A) Subject to any applicable law, administrative regulations, departmental rules and regulatory documents of the Company, to grant the general mandate to the Board to separately or concurrently authorise, allot, issue, grant and/or otherwise deal with shares (overseas listed foreign shares of nominal value of RMB1.00 each in the share capital of the Company (“**H Share(s)**”) and/or domestic shares of nominal value of RMB1.00 each in the registered share capital of the Company (“**Domestic Share(s)**”), of which A Shares are included in Domestic Shares, securities convertible into shares, share options and warrants that carry rights to subscribe for any shares or securities that are convertible into shares, or other securities that carry rights to subscribe for or are convertible into shares, provided that the following conditions are satisfied:
- (a) The number of H Shares, Domestic Shares, securities convertible into shares, share options and warrants that carry rights to subscribe for any shares or securities that are convertible into shares, or other securities that carry rights to subscribe for or are convertible into shares to be authorised, allotted, issued, granted and/or otherwise deal with by the Board (securities to be issued are calculated based on the total number of H Shares/Domestic Shares convertible into) shall not exceed 20% of the total nominal value of the issued share capital of the respective class on the date of passing of this resolution (“**General Mandate**”);
- (b) The General Mandate shall be valid from the date of passing of this resolution until the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the 12-month period following the passing of this resolution at the AGM; or
- (iii) the time upon which the General Mandate was revoked or varied by a special resolution of shareholders at the general meeting.
- (c) The board shall only exercise its power under the General Mandate in accordance with the PRC laws, administrative regulations, departmental rules or regulatory documents as approved by security regulatory authorities, various government authorities and/or any other regulatory authorities;
- (B) In the event the allocation of shares with voting rights will result in effective changes in control of the Company, the board shall seek prior shareholders’ approval by a special resolution before allocating those shares;

(C) Subject to the approval for the issuance of additional shares by the board pursuant to condition (A) above, to authorize the board to:

- (a) formulate the detailed issuance proposal, including but not limited to the following: 1. class and number of shares to be issued; 2. pricing methodology and/or issue price (including price range); 3. the date for the commencement and closing of the issue; 4. specific use of proceeds raised; 5. make or grant any recommendation, agreement and share options which may be necessary for exercising power under this clause; 6. other contents that should be included in the detail issue proposal as required under relevant laws and regulations and other regulatory documents, and as requested by relevant regulatory authorities and stock exchange of the listing place; and
- (b) implement the detailed issuance proposal, deal with matters in relation to the increase in registered capital of the Company as to reflect the shares to be issued under the authorisation granted under this resolution, make any amendments to articles in relation to issue of shares and registered capital under the articles of association of the Company as it duly think appropriate and necessary, submit all documents in relation to the amendments and other documents relating to the exercise of General Mandate to relevant regulatory authorities for filing and registration, and take any other necessary actions and proceed other necessary procedures in order to implement the issue proposal and realize the increase in registered capital of the Company.

8. The resolution regarding the initial public offering of RMB ordinary shares (A Shares) and its listing

Subject to approval from China Securities Regulatory Commission (“CSRC”) and other relevant regulatory authorities, to consider and approve the A Share issue proposal:

- Place of listing : The Shanghai Stock Exchange (“SSE”)
- Type of shares to be issued and nominal value : Class A ordinary shares with a nominal value of RMB1.00 each
- Number of A Shares to be issued : The size of A Shares to be issued will be no more than 558,000,000 A Shares. The final issue size shall be determined by the Board as authorised at the general meeting and the sponsor (lead underwriter) through negotiation according to actual conditions. Only new shares will be issued under the A Share issue and there won’t be any transfer of Shares held by existing Shareholders

Target subscribers : Qualified investors subject to market consultation, and natural persons, legal entities and other institutions in the territory of the PRC who have maintained RMB ordinary shares (A Shares) holder accounts with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (except those prohibited by the PRC laws, administrative regulations, departmental rules, regulatory documents and other regulatory requirements which the Company is subject to)

The Company will procure the connected persons under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) not to subscribe for the A Shares and will take all reasonable measures (including a subscription blacklist to be compiled by the Company and the lead underwriter in order to cross-check the eligibility of bidders and prevent connected persons from subscribing) to ensure that none of the subscribers of the A Shares is a connected person of the Company.

Pricing methodology : Subject to the market principle, to determine the issue price within the price range based on the results of the cumulative bidding price consultations and market conditions through consulting to investors subject to market consultation (or to determine the issue price by other methods as recognized by the CSRC)

If the Company eventually decides to issue A Shares under the General Mandate, the Company will ensure that the final issue price complies with the Listing Rules, among others, the requirements of Rule 13.36(5); if the Company eventually decides to issue A Shares under other forms of Shareholders’ authorisation (such as a specific mandate) (if later approved by the Shareholders), the Company will ensure the final issue price complies with other relevant requirements of the Listing Rules.

Method of issue : The A Share issue will be conducted by a combination of offline placing to investors subject to market consultation and online subscription by market capitalization or other methods as determined by the regulatory authorities

If the Company eventually decides to issue A Shares under the General Mandate, the Company will ensure that the final issue price complies with the Listing Rules, among others, the requirements of Rule 13.36(5); if the Company eventually decides to issue A Shares under other forms of Shareholders' authorisation (such as a specific mandate) (if later approved by the Shareholders), the Company will ensure the final issue price complies with other relevant requirements of the Listing Rules.

Use of proceeds : The proceeds from the Issue, after deduction of its issue expenses, are proposed to be used to construct new terminals and ports, conduct technology innovations, procure equipment, replenish working capital and repay bank loans. In the event that, the actual net proceeds (after deduction of its issue expenses) exceed the amount to be used in the abovementioned projects to be financed by the proceeds, any excess will be applied to supplement the working capital of the Company; in the event that, the actual proceeds (after deduction of its issue expenses) are less than the amount to be used in the abovementioned investment projects, the Company will make up the shortfall through its own funds or bank loans.

Before the receipt of proceeds raised from the Issue and listing, the Company can subsidize the above investment projects with own funds and bank loans based on the actual progress of each investment project. Upon the receipt of proceeds raised, such proceeds will be utilised for replacing the self-owned capital applied in such investment projects and/or repayment of bank loans.

- Issue expenses : The underwriting expenses and other issue expenses (including legal expenses, audit fee, handling charges for the Issue) for this Issue and its listing are borne by the Company.
- Validity of the resolution : The A Share issue proposal shall be subject to approval by shareholders at the AGM. Upon approval, the A Share issue proposal shall be valid for 24 months from the date of passing of such resolution at the AGM
9. The resolution regarding the authorisation of the board at the general meeting to deal with, in its absolute discretion, all specific matters relating to the initial public offering of RMB ordinary shares (A Shares) and its listing
- (A) Subject to the passing of the special resolution No. 8 above at the AGM, to approve and confirm the authorisation to the Board to deal with, in its absolute discretion, all specific matters relating to the A Share issue and listing, including but not limited to the following:
- (1) pursuant to the A Share issue proposal, as well as the PRC laws, administrative regulations, departmental rules, regulatory documents and relevant provisions of securities regulatory authorities, and on the basis of actual circumstances, to implement the detail issue proposal of A Shares, including but not limited to determining the specific issue date, issue size, issue targets, methods of issue, methods of pricing, issue price, the proportion between online and offline issue, specific subscription methods and other matters relating to the A Share issue and its listing;
 - (2) to handle matters relating to the A Share issue, including but not limited to, examination, registration, filing, approval and consent procedural matters with relevant government departments, regulatory authorities, the SSE and the Shanghai Branch of China Securities Depository and Clearing Corporation Limited; to prepare, sign, modify, execute any agreements, contracts or the necessary documents relating to the A Share issue and listing (including but not limited to letter of intent, prospectus, sponsorship agreement, underwriting agreement, listing agreement, various announcements and shareholder notices, etc.);
 - (3) upon completion of the A Share issue, to revise the relevant provisions of the articles of association of the Company in accordance with the actual circumstances, and to handle the registration of the relevant changes with the industry and commerce authorities;
 - (4) to make necessary adjustments on the A Share issue proposal, in accordance with the circumstances of the actual implementation of the A Share issue proposal, the market conditions, policy adjustments and the views of regulatory authorities;

- (5) based on review and opinions of regulatory authorities on the A Share issue and the projects to be financed by proceeds raised, taking into consideration of specific market conditions, to amend and adjust the details relating to the A Share issue and utilization of its proceeds; in accordance with the actual investment amount of proceeds and the progress of the projects to be financed by proceeds raised, to adjust arrangement of projects to be financed by proceeds raised and its actual investment and implementation progress; to enter into significant contracts in the process of operation of proceeds toward investment projects to be financed by proceeds raised;
 - (6) to handle matters in relation to transfer of state-owned shares in accordance with the relevant laws and regulations;
 - (7) for the purpose of the A Share issue, to engage and appoint relevant intermediaries, determine their remunerations and sign engagement or appointment agreements; and
 - (8) to handle other unspecified matters which the Board may consider relevant to the A Share issue.
- (B) Subject to the passing of the special resolution No. 9(A) above at the AGM, the board may authorise the chairman or any of the executive directors, to sign legal documents relating to the A Share issue, including but not limited to letter of intent, prospectus, letter of undertaking, sponsorship agreement, underwriting agreement, listing agreement, engagement or appointment agreement of all intermediaries, various announcements and shareholders' notices, etc.
- (C) The above authorisation shall be valid for 24 months from the date of considering and passing of such resolution at the AGM; and
10. The resolution regarding tentatively no distribution of any profit of the Company for the year ended 31 December 2016 and tentatively no declaration of final dividend for the year ended 31 December 2016.

By order of the Board
Qinhuangdao Port Co., Ltd.*
CAO Ziyu
Chairman

The People's Republic of China, 28 April 2017

Notes:

1. The form of proxy and the reply slip for the AGM will be dispatched and posted in due course as well as the 2016 annual report of the Company. Any shareholders of the Company (the “**Shareholders**”) who intend to appoint a proxy should firstly read the 2016 annual report of the Company which is posted on the website of the Stock Exchange and the Company’s website or dispatched to the Shareholders concerned. The 2016 annual report consists of the 2016 Report of the Directors, the 2016 Report of the Supervisory Committee and the audited financial statements and the auditor’s report for the year of 2016.
2. All votes of resolutions at the AGM will be taken by poll pursuant to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the results of the poll will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.portqhd.com) in accordance with the Listing Rules.
3. In order to determine the holders of H Shares who will be entitled to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 17 May 2017 to Friday, 16 June 2017 (both days inclusive), during which period no transfer of Shares will be registered. In order for the holders of H Shares of the Company to qualify for attending the AGM, all completed share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, and in any case no later than 4:30 p.m. on Tuesday, 16 May 2017.
4. Any Shareholders entitled to attend and vote at the AGM can appoint one or more proxies to attend and, on a poll, vote on his/her behalf. A proxy need not be a Shareholder.
5. The instrument appointing a proxy shall be in writing under the hand of the Shareholder or of his/her attorney duly authorised in writing or, if the Shareholder is a corporation, either under its common seal or under the hand of its directors or an attorney duly authorised in writing to sign the same. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorising the attorney to sign, or other authorisation documents shall be notarized. For holders of H Shares, the aforementioned documents must be lodged with the share registrar for H Shares, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong or the office of the Board at Room 511, Qinhuangdao Port Co., Ltd.*, 35 Haibin Road, Qinhuangdao, Hebei Province, PRC (for holders of Domestic Shares) not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof in order for such documents to be valid. Completion and delivery of the form of proxy shall not preclude a Shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. Holders of H Shares who intend to attend the AGM (in person or by proxy) shall complete and deliver the reply slip of AGM enclosed to the share registrar for H Shares of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong or the office of the Board at Room 511, Qinhuangdao Port Co., Ltd.*, 35 Haibin Road, Qinhuangdao, Hebei Province, PRC (for holders of Domestic Shares) on or before Friday, 26 May 2017.
7. If a proxy attends the AGM on behalf of a Shareholder, he/she should produce his/her identification document and the power of attorney or other documents signed by the appointer or his/her legal representative, which specifies the date of its issuance. If a representative of a corporate Shareholder attends the AGM, such representative shall produce his/her identification document and the notarized copy of the resolution passed by the board of directors or other authority or other notarized copy of any authorisation documents issued by such corporate Shareholder.
8. The AGM is expected to last for no more than one hour. Shareholders who attend the AGM (in person or by proxy) shall bear their own travelling and accommodation expenses.
9. The contact of the Company:
Address: 35 Haibin Road, Qinhuangdao, Hebei Province, PRC
Postal Code: 066000
Fax: 0335-3093599
10. All votes of resolutions at the AGM will be taken by poll pursuant to the Listing Rules and the results of the poll will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.portqhd.com) in accordance with the Listing Rules.

As at the date of this notice, the executive Directors of the Company are CAO Ziyu, WANG Lubiao and MA Xiping; the non-executive Directors of the Company are LI Jianping and MI Xianwei; and the independent non-executive Directors of the Company are LI Man Choi, ZHAO Zhen, ZANG Xiuqing and HOU Shujun.