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(Incorporated in Hong Kong with limited liability under the Companies Ordinance)
(Stock Code: 00144)

Executive Directors:

Mr. Li Xiaopeng (*Chairman*)
Mr. Hu Jianhua (*Vice Chairman*)
Mr. Wang Hong
Mr. Hua Li
Mr. Bai Jingtao (*Managing Director*)
Mr. Wang Zhixian
Mr. Zheng Shaoping
Ms. Shi Wei

Registered Office:

38th Floor
China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

Independent Non-executive Directors:

Mr. Kut Ying Hay
Mr. Lee Yip Wah Peter
Mr. Li Kwok Heem John
Mr. Li Ka Fai David
Mr. Bong Shu Ying Francis

28 April 2017

To the Shareholders

Dear Sir or Madam,

The purpose of this circular (the “**Circular**”) is to give shareholders (the “**Shareholders**”) of China Merchants Port Holdings Company Limited (the “**Company**”) information on matters to be dealt with at the annual general meeting of the Company (the “**AGM**”) scheduled on 2 June 2017, which include the following proposals: (i) the re-election of retiring Directors, (ii) the grant of mandate to grant options, and (iii) the renewal of the general mandates for buy-back and issue of shares, as set out in the notice of the AGM (the “**AGM Notice**”) dated 28 April 2017. This circular also provides particulars of Directors subject to re-election and sets out an explanatory statement regarding the buy-back mandate, as required to be sent to the Shareholders under the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the

“**Stock Exchange**”). This circular also constitutes the memorandum required under section 239 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**Companies Ordinance**”). Reference in this document to “**Shares**” means fully-paid share(s) of all classes in the share capital of the Company.

1 RE-ELECTION OF RETIRING DIRECTORS

As at 21 April 2017 (the “**Latest Practicable Date**”), the board of Directors (the “**Board**”) comprises Mr. Li Xiaopeng, Mr. Hu Jianhua, Mr. Wang Hong, Mr. Hua Li, Mr. Bai Jingtao, Mr. Wang Zhixian, Mr. Zheng Shaoping and Ms. Shi Wei who are the executive directors, and Mr. Kut Ying Hay, Mr. Lee Yip Wah Peter, Mr. Li Kwok Heem John, Mr. Li Ka Fai David, and Mr. Bong Shu Ying Francis who are the independent non-executive directors.

Pursuant to article 89 of the articles of association of the Company (the “**Articles of Association**”), Mr. Li Xiaopeng, Mr. Wang Hong, Mr. Wang Zhixian, Mr. Zheng Shaoping and Mr. Bong Shu Ying Francis shall retire from office by rotation at the AGM and shall be eligible and offer themselves for re-election. Pursuant to article 95 of the Articles of Association, Mr. Hua Li and Ms. Shi Wei shall retire from office at the AGM and shall be eligible and offer themselves for re-election. Details of the directors of the Company (the “**Directors**”) proposed to be re-elected at the AGM are set out in Appendix I to this circular.

2 MANDATE TO GRANT OPTIONS AND GENERAL MANDATES TO BUY BACK AND ISSUE SHARES

Under section 141 of the Companies Ordinance, directors of a company shall not, without shareholders’ prior approval in general meeting, allot new shares or grant rights to subscribe for, or to convert any security into shares in the company. The Company has a Share Option Scheme which was approved by the Shareholders on 9 December 2011 under which the Directors may grant to any participants of the Share Option Scheme share options to subscribe for Shares, subject to the terms and conditions as stipulated therein. Therefore, the Directors propose to seek the approval of the Shareholders at the AGM to grant to the Directors an unconditional mandate to grant share options under the Share Option Scheme, as set out in item 5A of the AGM Notice.

In addition, the Directors propose to seek the approval of the Shareholders at the AGM for the grant of:

- (a) the Buy-back Mandate (as defined in Appendix II to this circular) to buy back Shares up to a maximum of 10% of the Shares in issue as at the date of passing of the relevant resolutions, as set out in item 5C of the AGM Notice;
- (b) the issue mandate to issue Shares up to a maximum of 20% of the Shares in issue as at the date of passing of the relevant resolutions, as set out in item 5B of the AGM Notice; and
- (c) authority to the Directors to increase the maximum number of new Shares which may be issued under the general issue mandate (as referred to in paragraph (b) above) by adding to it the number of the Shares bought back pursuant to the Buy-back Mandate (as referred to in paragraph (a) above), as set out in item 5D of the AGM Notice.

An explanatory statement containing all information required pursuant to Rule 10.06(1)(b) of the Listing Rules is set out in Appendix II to this circular.

As at the Latest Practicable Date, 2,625,739,562 Shares were in issue. On the basis of such figure, the Directors would be authorised to issue up to 525,147,912 Shares during the period up to the next annual general meeting in 2018 or the expiration of the period within which the next annual general meeting of the Company is required by law to be held or the revocation or variation of the general issue mandate by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

3 RECOMMENDATION

The Directors believe that the proposals for (i) the re-election of retiring Directors, (ii) the grant of the mandate to grant options, and (iii) the renewal of the general mandates for buy-back and issue of Shares are in the best interest of the Company and the Shareholders as a whole. The Board recommends the Shareholders to vote in favour of all related resolutions to be proposed at the AGM.

Yours faithfully
By order of the Board
China Merchants Port Holdings Company Limited
Li Xiaopeng
Chairman

APPENDIX I TO THE CIRCULAR

The following are the particulars of the Directors (as required by Rule 13.51(2) of the Listing Rules) that are subject to retirement at the AGM and proposed for re-election in accordance with the Articles of Association at the AGM. Unless otherwise stated, companies referred to in this Appendix I are unlisted companies.

Mr. Li Xiaopeng, aged 57, is the Chairman of the Company, and the Group President and Vice Chairman of China Merchants Group Limited. He graduated from the doctorate program of Wuhan University, majoring in finance and holds a Ph.D. in economics. He is a Senior Economist. Mr. Li is a vice chairman of China Merchants Bank Co., Ltd., shares of which are listed on both the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited. He is also concurrently acting as vice chairman of China Urban Financial Society, vice chairman of China Rural Financial Society and vice chairman of China Tourism Association. Mr. Li previously served as vice president of China Huarong Asset Management Corporation, assistant to the president and head of Beijing branch of Industrial and Commercial Bank of China (now known as Industrial and Commercial Bank of China Limited, "ICBC", shares of which are listed on both the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited), vice president of ICBC, executive director and vice president of ICBC, and chairman of the board of supervisors of China Investment Corporation. He also once served concurrently as chairman of ICBC International Holdings Ltd., chairman of ICBC Financial Leasing Co., Ltd., and chairman of ICBC Credit Suisse Asset Management Co., Ltd., and chairman of China Merchants Energy Shipping Company Limited, shares of which are listed on the Shanghai Stock Exchange. He was appointed to the Board of Directors as Executive Director and Vice Chairman on 25 August 2014. Mr. Li was appointed as the Chairman of the Company on 18 February 2016.

Mr. Li's directorship with the Company is subject to retirement by rotation pursuant to the Articles of Association. Mr. Li is an Executive Director of the Company. As at the Latest Practicable Date, Mr. Li does not hold any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"). Mr. Li has not received and is not entitled to any Director's fee. There is an existing service contract between Mr. Li and the Company for a term of three years commencing on 25 August 2014.

Mr. Wang Hong, aged 54, is the Executive Vice President of China Merchants Group Limited. He is also a Chairman of China International Marine Containers (Group) Co., Ltd., shares of which are listed on both the Shenzhen Stock Exchange and The Stock Exchange of Hong Kong Limited. He graduated from Dalian Maritime University in the PRC in Marine Engineering in 1982, and is a holder of Master in Business Administration from Graduate School of Beijing University of Science and Technology and a holder of PhD in Management from Graduate School of China Academy of Social Science. Mr. Wang successively served as General Manager of Shipping Department, General Manager of Finance and Accounting Department, and Vice President of China Communications Import & Export Corp., Managing Director of Hoi Tung Marine Machinery Suppliers Ltd., General Manager of Performance Evaluation Department, Human Resources Department, Strategic and Research Department and Strategic Planning Department and Chief Economist of China Merchants Group Limited, and the Chairman of the Supervisory Committee of China Merchants Energy Shipping Company Limited, shares of which are listed on the Shanghai Stock Exchange. He was the Deputy Managing Director and Chief Operational Officer of the Company, the Vice Chairman of Shanghai International Port (Group) Co., Ltd., shares of which are listed on the Shanghai Stock Exchange, the Chairman of China Merchants Holdings (Pacific) Limited, shares of which are listed on Singapore

Exchange Limited, and a Director of China Merchants Property Development Company Limited, shares of which are listed on the Shenzhen Stock Exchange. Mr. Wang has extensive experience in shipping industry, international trading, financing and accounting and human resources management. He was appointed to the Board of Directors as Executive Director on 11 May 2005.

Mr. Wang's directorship with the Company is subject to retirement by rotation pursuant to the Articles of Association. Mr. Wang is an Executive Director of the Company. As at the Latest Practicable Date, Mr. Wang has personal interest in 356,474 Shares within the meaning of Part XV of the SFO. Mr. Wang has not received and is not entitled to any Director's fee. There is an existing service contract between Mr. Wang and the Company for a term of three years commencing on 29 March 2015.

Mr. Hua Li, aged 45, is the General Manager of Finance Department of China Merchants Group Limited. He graduated from Shanghai Maritime University with a Bachelor Degree of Accounting. He then obtained a Master Degree of Accounting from The Chinese University of Hong Kong and a Master Degree of Business Administration from The Hong Kong University of Science and Technology. He is a (non-practising) Certified Public Accountant of PRC. Mr. Hua has extensive management experience in Financial Management. He has been with the Group over 20 years, working successively as the Deputy Manager, Deputy Director and Director of Finance Department of China Merchants Group Limited, Manager of Finance Department of China Merchants Transportation Holdings Company Limited, Chief Finance Officer of China Merchants Shekou Industrial Zone Company Limited (now known as China Merchants Shekou Industrial Zone Holdings Co., Ltd.). He is also currently a Director of China Merchants Energy Shipping Co., Ltd, shares of which are listed on the Shanghai Stock Exchange, a Non-executive Director of China Merchants Securities Co., Ltd., shares of which are listed on The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange. He was appointed to the Board of Directors as Executive Director on 29 November 2016.

Mr. Hua's directorship with the Company is subject to retirement pursuant to the Articles of Association. Mr. Hua is an Executive Director of the Company. As at the Latest Practicable Date, Mr. Hua does not hold any interest in the Shares within the meaning of Part XV of the SFO. Mr. Hua has not received and is not entitled to any Director's fee. There is an existing service contract between Mr. Hua and the Company for a term of three years commencing on 29 November 2016.

Mr. Wang Zhixian, aged 51, joined the Company in July 1992 and is the Executive Director and Deputy General Manager of the Company. He is also a Non-executive Director of China International Marine Containers (Group) Co., Ltd., shares of which are listed on both the Shenzhen Stock Exchange and The Stock Exchange of Hong Kong Limited. He graduated from Tianjin University, Shanghai Jiaotong University with a Master of Science. He obtained a master degree of Business Administration from Peking University. Mr. Wang has extensive management experience in port and shipping industry. Prior to joining the Company, he worked in Hempel-Hai Hong Paint Company as sales manager. After joining the Company, he was the Deputy General Manager of Industrial Management Department, General Manager of Business Planning Department, and he was the Deputy General Manager of Shenzhen Mawan Port Services Co., Ltd., the Chairman and CEO of Ningbo Daxie China Merchants International Terminal Co., Ltd. and the Managing Director of China Merchants Port Services (Shenzhen) Co., Ltd. and Shenzhen Haixing Harbour Development Co., Ltd.. He was appointed to the Board of Directors as Executive Director on 18 February 2016.

Mr. Wang's directorship with the Company is subject to retirement by rotation pursuant to the Articles of Association. Mr. Wang is an Executive Director of the Company. As at the Latest Practicable Date, Mr. Wang does not hold any interest in the Shares within the meaning of Part XV of the SFO. Mr. Wang has not received and is not entitled to any Director's fee. There is an existing service contract between Mr. Wang and the Company for a term of three years commencing on 18 February 2016.

Mr. Zheng Shaoping, aged 53, is the Executive Director and Deputy General Manager of the Company. He is also a Non-executive Director of Dalian Port (PDA) Company Limited, shares of which are listed on both The Stock Exchange of Hong Kong Limited and Shanghai Stock Exchange. He graduated from Dalian Maritime University with Postgraduate Diploma in International Maritime Law, and obtained a Master Degree of Business Administration at University of Wales. Mr. Zheng has over 20 years' experience in the field of port management and successively served as the Vice Chairman of China Merchants Bonded Logistics Co., Ltd., the Chairman of Shekou Container Terminals Ltd., the General Manager and Chairman of Chiwan Container Terminal Co., Ltd., the General Manager and the Chairman of Shenzhen Chiwan Harbour Container Co., Ltd. and the Managing Director and the Chairman of Shenzhen Chiwan Wharf Holdings Limited, shares of which are listed on the Shenzhen Stock Exchange. He was appointed to the Board of Directors as Executive Director on 10 February 2012.

Mr. Zheng's directorship with the Company is subject to retirement by rotation pursuant to the Articles of Association. Mr. Zheng is an Executive Director of the Company. As at the Latest Practicable Date, Mr. Zheng does not hold any interest in the Shares within the meaning of Part XV of the SFO. Mr. Zheng has not received and is not entitled to any Director's fee. There is an existing service contract between Mr. Zheng and the Company for a term of three years commencing on 29 March 2015.

Ms. Shi Wei, aged 53, is the the Executive Director and Deputy General Manager of the Company. She graduated from Anhui University with a Master Degree of International Economics Law, and obtained a Master Degree of Executive Master of Business Management of Cheung Kong Graduate School of Business. Ms. Shi has over 20 years' experience in the field of maritime and port and transportation management and she successively held the post of Head of Legal Section of Transport Management Bureau of Shenzhen Municipality, Vice Commissioner of Shenzhen Highway Management Bureau, the Commissioner of Western Transportation of Transport Commission of Shenzhen Municipality, Deputy Inspector of Transport Commission of Shenzhen Municipality. She is currently as the Chairman of Shenzhen Chiwan Wharf Holdings Limited, shares of which are listed on the Shenzhen Stock Exchange, the Chairman of Shenzhen Hauxing Harbor Development Company Ltd. and the Chairman of China Merchants Port Service (Shenzhen) Co., Ltd. She was appointed to the Board of Directors as Executive Director on 29 November 2016.

Ms. Shi's directorship with the Company is subject to retirement pursuant to the Articles of Association. Ms. Shi is an Executive Director of the Company. As at the Latest Practicable Date, Ms. Shi does not hold any interest in the Shares within the meaning of Part XV of the SFO. Ms. Shi has not received and is not entitled to any Director's fee. There is an existing service contract between Ms. Shi and the Company for a term of three years commencing on 29 November 2016.

Mr. Bong Shu Ying Francis, aged 75, OBE, JP, is currently a Non-executive Director of Cosmopolitan International Holdings Limited, shares of which are listed on The Stock Exchange of Hong Kong Limited. Mr. Bong holds a Bachelor's degree of Sciences in Engineering from the University of Hong Kong and was the Chairman of the Hong Kong University Engineering Advisory Committee. He is a former President of the Hong Kong Institution of Engineers, a former President of Hong Kong Academy of Engineering Sciences, a Fellow of the Institution of Civil Engineers (UK) and a Fellow of the Institution of Structural Engineers (UK). Mr. Bong is an Honorary Fellow of the University of Hong Kong and he was appointed a Justice of Peace in 1992 by the Government of Hong Kong and he received an OBE award in 1997 for his outstanding contribution to the development of the engineering profession in Hong Kong. Mr. Bong was a former Director of AECOM Technology Corporation, a company listed on the New York Stock Exchange. He was appointed to the Board of Directors as Independent Non-executive Director on 14 July 2010.

Mr. Bong's directorship with the Company is subject to retirement by rotation pursuant to the Articles of Association. Mr. Bong is an Independent Non-executive Director of the Company. As at the Latest Practicable Date, Mr. Bong does not hold any interest in the Shares within the meaning of Part XV of the SFO. For the year ended 31 December 2016, Mr. Bong received a director's fee of HK\$260,000. There is an existing service contract between Mr. Bong and the Company for a term of three years commencing from 14 July 2016.

Save as disclosed above, each of Mr. Li Xiaopeng, Mr. Wang Hong, Mr. Hua Li, Mr. Wang Zhixian, Mr. Zheng Shaoping, Ms. Shi Wei and Mr. Bong Shu Ying Francis did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group. Save as disclosed above, each of Mr. Li Xiaopeng, Mr. Wang Hong, Mr. Hua Li, Mr. Wang Zhixian, Mr. Zheng Shaoping, Ms. Shi Wei and Mr. Bong Shu Ying Francis is independent of and not connected with any Director, senior management or substantial or controlling shareholder of the Company.

Save as disclosed above, each of Mr. Li Xiaopeng, Mr. Wang Hong, Mr. Hua Li, Mr. Wang Zhixian, Mr. Zheng Shaoping, Ms. Shi Wei and Mr. Bong Shu Ying Francis has confirmed that there are no other matters relating to his or her re-election that need to be brought to the attention of the Shareholders and there is no other information in relation to his or her re-election which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

APPENDIX II TO THE CIRCULAR

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules.

SHAREHOLDER APPROVAL

All buy-backs of securities by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval in relation to specific transactions.

SOURCE OF FUNDS

Buy-backs by a company may only be funded out of funds legally available for the purpose in accordance with its articles of association and the laws of Hong Kong.

TRADING RESTRICTIONS

The total number of shares which a company is authorised to buy back on the Stock Exchange is limited to the shares representing up to a maximum of 10% of the existing issued shares, and warrants representing 10% of all such warrants at the date of the resolution approving the grant of the general mandate.

EXERCISE OF THE BUY-BACK MANDATE

Whilst the Directors do not presently intend to buy back any Shares, they believe that the flexibility afforded by the mandate granted to them if the ordinary resolution set out as item 5C of the AGM Notice (the “**Buy-back Mandate**”) is passed would be beneficial to the Company.

It is proposed that up to 10% of the Shares in issue at the date of the passing of the resolution to approve the Buy-back Mandate may be bought back. As at the Latest Practicable Date, 2,625,739,562 Shares were in issue. On the basis of such figure, the Directors would be authorised to buy back up to 262,573,956 Shares during the period up to the next annual general meeting in 2018 or the expiration of the period within which the next annual general meeting of the Company is required by law to be held or the revocation or variation of the Buy-back Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

REASONS FOR BUY-BACKS

Buy-backs of Shares will only be made when the Directors believe that such a buy-back will benefit the Company and its Shareholders. Such buy-backs may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share.

FUNDING OF BUY-BACKS

Buy-backs pursuant to the Buy-back Mandate would be financed entirely from the Company’s available cash flow or working capital facilities. Any buy-backs will be made out of funds of the Company legally permitted to be utilised in this connection in accordance with its articles of association and the laws of Hong Kong. Under the Companies Ordinance, payment in respect of a share buy-back may be made out of the Company’s distributable profits and/or out of the proceeds of a fresh issue of shares made for the purpose of the buy-back.

There might be a material adverse impact on the working capital, or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2016) in the event that the Buy-back Mandate is exercised in full. However, the Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

None of the Directors, and to the best of their knowledge, having made all reasonable enquiries, none of their close associates, has any present intention, if the Buy-back Mandate is exercised, to sell any Shares to the Company or its subsidiaries.

No core connected persons of the Company (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, if the Buy-back Mandate is exercised.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Buy-back Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

SHARE BUY-BACK MADE BY THE COMPANY

The Company had not bought back any Shares during the last six months (whether on the Stock Exchange or otherwise).

TAKEOVERS CODE CONSEQUENCES

If as a result of a buy-back of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**"). As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. A waiver of this provision would not normally be given except in extraordinary circumstances.

The Directors are not aware of any consequence which may arise under the Takeovers Code as a result of any buy-backs if the Buy-back Mandate is exercised in full. As at the Latest Practicable Date, China Merchants Group Limited ("**CMG**"), the ultimate holding company of the Company, has a 54.78% shareholding interest in the Company. If the Buy-back Mandate is exercised in full, based on the number of Shares in issue as at the Latest Practicable Date, CMG will hold up to 60.87% shareholding interest in the Company, depending on the extent to which the Buy-back Mandate is exercised. The Company may not buy back Shares which would result in the proportion of Shares held by the public being reduced to less than 25%.

MARKET PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the printing of this circular were:

	Share Prices (per share)	
	Highest (HK\$)	Lowest (HK\$)
2016		
April	24.95	21.95
May	23.25	20.55
June	22.20	19.36
July	23.20	20.25
August	23.30	21.80
September	23.80	19.96
October	22.00	19.90
November	20.50	19.00
December	20.20	18.80
2017		
January	21.00	19.16
February	22.40	20.50
March	23.00	21.00
April (up to and including the Latest Practicable Date)	23.25	21.60