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中遠海運控股股份有限公司
COSCO SHIPPING Holdings Co., Ltd.*
*(a joint stock limited company
incorporated in the People's Republic of
China with limited liability)*
(Stock Code: 1919)



**ORIENT OVERSEAS
(INTERNATIONAL) LIMITED**
東方海外(國際)有限公司*
*(Incorporated in Bermuda with limited
liability)*
(Stock Code: 316)

Faulkner Global Holdings Limited
*(Incorporated in the British Virgin Islands
with limited liability)*



**Shanghai Port Group (BVI) Development
Co., Limited**
上港集團 BVI 發展有限公司
*(Incorporated in the British Virgin
Islands with limited liability)*

JOINT ANNOUNCEMENT

- (1) PRE-CONDITIONAL VOLUNTARY GENERAL CASH OFFER
BY UBS ON BEHALF OF THE JOINT OFFERORS
TO ACQUIRE ALL OF THE ISSUED SHARES OF OOIL**
**(2) IRREVOCABLE UNDERTAKING BY CONTROLLING SHAREHOLDER TO
ACCEPT THE OFFER**
AND

- (3) VERY SUBSTANTIAL ACQUISITION FOR COSCO SHIPPING HOLDINGS**
Financial Adviser to the Joint Offerors **Financial Adviser to OOIL**



INTRODUCTION

The Joint Offerors and OOIL jointly announce on 7 July 2017 that UBS, on behalf of the Joint Offerors, firmly intends to make a voluntary general offer to acquire all of the issued OOIL Shares held by Qualifying OOIL Shareholders on the terms set out in this announcement, subject to the satisfaction or waiver of the Pre-Conditions.

THE VOLUNTARY GENERAL CASH OFFER

The Offer will be made on the following basis:

For each OOIL Share HK\$78.67 in cash

The Offer will be extended to all Qualifying OOIL Shareholders in accordance with the Code. OOIL Shares to be acquired under the Offer shall be fully paid and shall be acquired free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them as at the Offer Closing Date.

CONSIDERATION AND FINANCING

Assuming that the Offer is accepted in full, the financial resources required by the Joint Offerors to satisfy the consideration payable under the Offer will amount to approximately HK\$49,231.2 million. As at the date of this announcement, COSCO SHIPPING Offeror is financing the entire amount of the consideration from external debt financing, SIPG Offeror will contribute its portion of the consideration as set out in the section headed "Consortium Agreement - Allocation Proportion" below from external debt financing and/or internal resources, in which case COSCO SHIPPING Offeror's contribution to the consideration will reduce proportionately. UBS, financial adviser to the Joint Offerors, is satisfied that sufficient financial resources are available to COSCO SHIPPING Offeror to satisfy full acceptance of the Offer.

PRE-CONDITIONS TO THE OFFER

The making of the Offer is subject to the satisfaction or waiver of the following Pre-Conditions by the Pre-Conditions Long Stop Date:

- (a) with respect to anti-trust review in the PRC under the Anti-Monopoly Law of the PRC, the Anti-Monopoly Bureau of MOFCOM having made the decision not to conduct further review of the Offer or allowing the Offer to proceed or the Offer having been deemed to have been cleared by MOFCOM under the Anti-Monopoly Law of the PRC by virtue of all applicable waiting periods under the Anti-Monopoly Law of the PRC, in respect of the review of the Offer, having expired;
- (b) with respect to COSCO SHIPPING Offeror, the obtaining of approvals or authorisations from the NDRC, SASAC (if required) and SAFE (if required) in connection with the Offer;
- (c) with respect to anti-trust review in the EU under the EU Merger Regulation, the European Commission having made a decision to allow the Offer to proceed;
- (d) with respect to anti-trust review in the USA under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR), as amended, and the regulations thereunder, the expiration or termination of all or any applicable waiting periods (including any extensions thereof) in connection with the Offer; and

- (e) COSCO SHIPPING Holdings Shareholders passing resolutions at a general meeting to approve the Offer in accordance with the requirements under the Listing Rules and the material asset restructuring in accordance with the “Administrative Measures for the Major Asset Restructuring of Listed Companies” (《上市公司重大資產重組管理辦法》) issued by the CSRC.

COSCO SHIPPING Offeror shall take all necessary actions to procure all PRC approvals which are necessary for the consummation of the Offer, including but not limited to any approval and authorisation by, and filing and registration with, MOFCOM, NDRC, SAFE (if required), SASAC (if required) and Shanghai Stock Exchange.

The Joint Offerors will take all steps necessary, and OOIL will provide reasonable assistance to the Joint Offerors, to fulfil the Pre-Conditions, provided, however, in respect of Pre-Condition (c), that neither the Joint Offerors nor OOIL shall be required to agree to any term or take any action in connection with the satisfaction of such Pre-Conditions that would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Joint Offerors or OOIL. The Joint Offerors will do so in consultation with OOIL (including giving OOIL a reasonable opportunity to provide comments on draft copies of all filings, submissions, material correspondence and communications intended to be sent to the relevant governmental or regulatory bodies and to attend any meeting or conference call with such bodies) and keep OOIL updated as to progress towards the satisfaction of the Pre-Conditions.

The Joint Offerors and OOIL will issue a further announcement as soon as practicable after the Pre-Conditions have been satisfied or waived. If the Pre-Conditions are not satisfied or waived on or before the Pre-Conditions Long Stop Date, the Offer will not be made, and a further announcement will be made accordingly.

The Pre-Conditions (except for Pre-Condition (e)) shall be waivable by COSCO SHIPPING Offeror at its sole discretion. Pre-Condition (e) is not waivable.

WARNING: The Pre-Conditions must be satisfied or waived before the making of the Offer. The making of the Offer is therefore a possibility only and all references to the Offer in this announcement are references to the possible Offer which will be implemented if and only if the Pre-Conditions are satisfied or waived. Accordingly, OOIL Shareholders, COSCO SHIPPING Holdings Shareholders and prospective investors are advised to exercise caution when dealing in the securities of OOIL or COSCO SHIPPING Holdings.

CONDITIONS TO THE OFFER

The Offer is subject to the fulfilment of the following Conditions:

- (a) valid acceptances of the Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on or prior to the Offer Closing Date (or such later time and/or date as the Joint Offerors may decide and the Executive may approve) in respect of such number of OOIL Shares which, together with OOIL Shares already owned or agreed to be acquired before or during the Offer, would result in the Joint Offerors and their Concert Parties holding more than 50 per cent. of the voting rights in OOIL; and
- (b) no dividend or other distribution (whether in cash or in kind) having been declared, made or paid by OOIL to the OOIL Shareholders during the Offer Period (other than (i) any dividend or distribution regarding which OOIL has consulted the Joint Offerors and the amount of which does not exceed 25% of the profit attributable to the equity holders of OOIL for the relevant

period for which such dividend or distribution was declared) and (ii) if any dividend or distribution has been declared, made or paid pursuant to (i), any further dividend or distribution shall be subject to the consent of the Joint Offerors).

Pursuant to Note 2 to Rule 30.1 of the Code, the Joint Offerors may only invoke Condition (b) as a basis for not proceeding with the Offer if the circumstances which give rise to a right to invoke such Condition are of material significance to the Joint Offerors in the context of the Offer.

If the Conditions are not satisfied on or before the Offer Closing Date, the Offer will lapse unless the Offer Period is extended by the Joint Offerors (with the consent of the Executive).

WARNING: Closing of the Offer is subject to the Conditions being fulfilled. Accordingly, the issue of this announcement does not in any way imply that the Offer will be completed. The transactions contemplated by the Offer may or may not proceed. OOIL Shareholders, COSCO SHIPPING Holdings Shareholders and potential investors should therefore exercise caution when dealing in the securities of OOIL or COSCO SHIPPING Holdings.

INTENTIONS OF THE JOINT OFFERORS WITH REGARD TO OOIL

Container shipping business will remain COSCO SHIPPING Offeror Group's most important core businesses and most important strategic focus. After the completion of the Offer, the Joint Offerors intend to retain the listing status of OOIL, and maintain OOIL's global headquarters functions and presence in Hong Kong and continue to support Hong Kong as a global maritime center. The Joint Offerors are committed to the continuity and stability of OOIL management team, business, operations, and global service network as a whole after closing of the Offer. As such, the Joint Offerors intend to keep the existing OOIL branding so that the Joint Offerors and OOIL can provide customers with more diversified product offerings and better service experience, as both parties explore ways to achieve synergies and better operational efficiency.

Further, while keeping OOIL management teams and global service network, the Joint Offerors shall retain the existing compensation and benefit system at OOIL and not terminate the employment of any Employee at OOIL as a result of this transaction for at least 24 months after the Offer Closing Date, except for staff movements which are part of the normal conduct of business or due to personal performance or conduct issues. OOIL shall continue its current human resources practice and staff performance measurement, and monitor key performance indicators for operational efficiency and business growth.

MAINTAINING THE LISTING STATUS OF OOIL

The Joint Offerors intend to maintain the listing of OOIL Shares on the Stock Exchange following closing of the Offer.

There is a possibility that the public will hold less than 25 per cent. of OOIL Shares upon closing of the Offer depending on the level of acceptance. In that case, the Joint Offerors intend to take appropriate steps to restore the public float in compliance with the Listing Rules.

If less than 25 per cent. of OOIL Shares are held by the public or if the Stock Exchange believes (i) that a false market exists or may exist in the trading of OOIL Shares or (ii) that there are insufficient OOIL Shares in public hands to maintain an orderly market, the Stock Exchange may consider exercising its

discretion to suspend trading in OOIL Shares. In such connection, the Joint Offerors and OOIL undertake to the Stock Exchange to take appropriate steps to ensure restoration of the minimum percentage of OOIL Shares to public hands within a specified period which is acceptable to the Stock Exchange.

The Joint Offerors do not intend to exercise any rights to compulsorily acquire any OOIL Shares in respect of which the Offer is not accepted.

Further details of the Offer are set out in Part A of this announcement.

IRREVOCABLE UNDERTAKING TO ACCEPT THE OFFER

On 7 July 2017, COSCO SHIPPING Offeror, COSCO SHIPPING Holdings, China COSCO SHIPPING and the Controlling Shareholder entered into the Irrevocable Undertaking under which the Controlling Shareholder has irrevocably undertaken to accept, or procure the acceptance of, the Offer in respect of all of the IU Shares (being 429,950,088 OOIL Shares) owned by them, such IU Shares representing approximately 68.7 per cent. of the issued share capital of OOIL as at the Last Trading Date. The Irrevocable Undertaking is subject to the following conditions:

- (a) the offer price under the Offer being not less than HK\$78.67 per OOIL Share; and
- (b) the Offer being made within 7 days of the fulfilment or waiver (as applicable) of the Pre-Conditions, which fulfilment or waiver (as applicable) shall occur by no later than 30 June 2018 (unless otherwise agreed between the parties).

Further details of the Irrevocable Undertaking are set out in Part B of this announcement.

REVERSE TERMINATION FEE

COSCO SHIPPING Offeror has agreed, and China COSCO SHIPPING and COSCO SHIPPING Holdings have agreed to procure COSCO SHIPPING Offeror, to pay to OOIL a reverse termination fee of US\$253 million in the event that the Offer is not made or does not close ("the "Event") for any reason other than due to (i) the Controlling Shareholder's material breach of the Irrevocable Undertaking; or (ii) the non-fulfilment by the Pre-Conditions Long Stop Date of the Pre-Conditions with respect to the PRC, European Union anti-trust clearance and HSR approval as referred to in paragraphs (a), (c) and (d) of the section headed "3. Pre-Conditions to the Offer" in Part A of this announcement; or (iii) the non-fulfilment of the requirements of the Committee on Foreign Investment in the United States, such payment to be made within 14 days of such Event. The reverse termination fee shall be made by COSCO SHIPPING Offeror to OOIL without the withholding or deduction of any tax unless required by law. If any such withholding or deduction is required, COSCO SHIPPING Offeror shall pay to OOIL such additional amount as will ensure that OOIL receives the same total amount that it would have received if no such withholding or deduction had been required.

ALLOCATION BETWEEN JOINT OFFERORS

The Joint Offerors have agreed to acquire the OOIL Shares tendered for acceptance by Qualifying OOIL Shareholders pursuant to and in accordance with the terms of the Offer in the following proportion:

<i>OOIL Shares to be acquired under the Offer</i>	<i>Acquirer of the OOIL Shares and the proportion</i>
For the 429,950,088 OOIL Shares to be validly tendered for acceptance under the Offer pursuant to the Irrevocable Undertaking, representing approximately 68.7% of the issued share capital of the OOIL	9.9% to SIPG Offeror (representing 61,953,536 OOIL Shares) 58.8% to COSCO SHIPPING Offeror (representing 367,996,552 OOIL Shares)
For the remaining OOIL Shares to be validly tendered for acceptance under the Offer	100% to COSCO SHIPPING Offeror

SIPG Offeror will proceed with the Offer unless it cannot obtain SAFE approval for the relevant funds to be remitted from the PRC to pay for its consideration under the Offer.

UNDERTAKING BY SIPG OFFEROR

SIPG Offeror undertakes to use its best endeavours to provide sufficient financial resources according to its proportion of allocation of OOIL Shares to validly tendered acceptance as set out above.

UNDERTAKING BY COSCO SHIPPING OFFEROR

If SIPG Offeror does not have sufficient financial resources to complete the Offer according to its proportion of allocation of OOIL Shares to validly tendered acceptance as set out above due to it not obtaining the requisite SAFE approval for the relevant funds to be remitted from the PRC to pay for its portion of the consideration under the Offer, COSCO SHIPPING Offeror undertakes to complete the Offer in full as if it were the sole offeror for the Offer and for the purposes of this announcement.

INTERESTS IN OOIL SHARES

As at the Latest Trading Date, the Joint Offerors and their Concert Parties do not have any interest in OOIL Shares.

GENERAL

Composite Document

The Joint Offerors will despatch the Composite Document containing, among other things, (i) the full terms and details of the Offer; (ii) the recommendation from the Independent Board Committee in respect of the Offer; (iii) the letter from the independent financial adviser (to be appointed by the Independent Board Committee) in respect of the Offer; and (iv) the Form of Acceptance, within seven days after the satisfaction or waiver of the Pre-Conditions (not later than 7 July 2018). The Joint Offerors will apply to the Executive for their consent under Note 2 to Rule 8.2 of the Code to permit the Composite Document to be posted within the timeframe described above. If the Pre-Conditions Long Stop Date is extended beyond 30 June 2018, subject to the consent of the Executive, the despatch may

be extended to within seven days after such extended Pre-Conditions Long Stop Date.

Independent Board Committee and independent financial adviser

The Independent Board Committee comprising Mr. Simon Murray, Mr. Chow Philip Yiu Wah, Professor Wong Yue Chim Richard, Mr. Cheng Wai Sun Edward, Mr. Kwok King Man Clement has been established for the purpose of making a recommendation to the Qualifying OOIL Shareholders as to whether the Offer is fair and reasonable and as to acceptance.

The Independent Board Committee comprises all the independent non-executive OOIL Directors who have no direct or indirect interest in the Offer, other than as an OOIL Shareholder. The Independent Board Committee excludes the non-executive OOIL Director who is connected to the Controlling Shareholder.

An independent financial adviser will be appointed by OOIL, subject to the approval of the Independent Board Committee, as soon as reasonably practicable to advise the Independent Board Committee in relation to the terms of the Offer. The advice of the independent financial adviser will be contained in the Composite Document.

WARNING: The Pre-Conditions must be satisfied or waived before the making of the Offer. The making of the Offer is therefore a possibility only and all references to the Offer in this announcement are references to the possible Offer which will be implemented if and only if the Pre-Conditions are satisfied or waived. Accordingly, OOIL Shareholders, COSCO SHIPPING Holdings Shareholders and prospective investors are advised to exercise caution when dealing in the securities of OOIL or COSCO SHIPPING Holdings.

Closing of the Offer is subject to the Condition being fulfilled. Accordingly, the issue of this announcement does not in any way imply that the Offer will be completed. The transactions contemplated by the Offer may or may not proceed. OOIL Shareholders, COSCO SHIPPING Holdings Shareholders and potential investors should therefore exercise caution when dealing in the securities of OOIL or COSCO SHIPPING Holdings.

NOTICE TO U.S. HOLDERS OF OOIL SHARES

The Offer is being made for the securities of a company incorporated in Bermuda with limited liability and is subject to Hong Kong disclosure requirements, which are different from those of the USA. The financial information included in this announcement has been prepared in accordance with Hong Kong Financial Reporting Standards and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the USA. The Offer will be made in the USA pursuant to the applicable U.S. tender offer rules and otherwise in accordance with the requirements of the SFO. Accordingly, the Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under U.S. domestic tender offer procedures and law.

The receipt of cash pursuant to the Offer by a U.S. holder of OOIL Shares may be a taxable transaction for U.S. federal income tax purposes and under applicable state and local, as well as foreign and other tax laws. Each holder of OOIL Shares is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of acceptance of the Offer.

U.S. holders of OOIL Shares may encounter difficulty enforcing their rights and any claims arising out of the U.S. federal securities laws, as each of COSCO SHIPPING Holdings, the Joint Offerors and OOIL is located in a country outside the USA and some or all of their respective officers and directors may be residents of a country other than the United States. U.S. holders of OOIL Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, U.S. holders of OOIL Shares may encounter difficulty compelling a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.

In accordance with normal Hong Kong practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, the Joint Offerors hereby disclose that they or their affiliates, or their nominees, or their respective brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, OOIL Shares outside of the United States, other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance. In accordance with the Code and Rule 14e-5(b) of the U.S. Exchange Act, UBS and its affiliates may continue to act as exempt principal traders in the OOIL Shares on the Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices, provided that (i) any such purchase or arrangement complies with applicable law and is made outside the United States and (ii) if applicable, the Offer Price is increased to match any consideration paid in any such purchase or arrangement. Any information about such purchases will be reported to the SFC and, to the extent made public by the SFC, will be available on the website of the SFC at <http://www.sfc.hk>.

PART A: THE OFFER

1. Introduction

The Joint Offerors and OOIL jointly announce on 7 July 2017 that UBS, on behalf of the Joint Offerors, firmly intends to make a voluntary general offer to acquire all of the OOIL Shares held by Qualifying OOIL Shareholders on the terms set out in this announcement, subject to the satisfaction or waiver of the Pre-Conditions.

2. The Offer

For each OOIL Share HK\$78.67 in cash

The Offer will be extended to all Qualifying OOIL Shareholders in accordance with the Code. OOIL Shares to be acquired under the Offer shall be fully paid and shall be acquired free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them as at the Offer Closing Date.

The Joint Offerors will not increase the Offer Price. Shareholders and potential investors should be aware that, following the making of this statement, the Joint Offerors will not be allowed to increase the Offer Price. The Joint Offerors do not reserve the right to increase the Offer Price.

The Offer will be made in compliance with the Code.

Each of the Joint Offerors reserves its right to make the Offer or complete the acquisition of OOIL Shares through one or more wholly-owned subsidiaries that are directly or indirectly held by such Joint Offeror, provided that such wholly-owned subsidiary agrees to be bound by all the terms and conditions of the Consortium Agreement.

3. Pre-Conditions to the Offer

The making of the Offer is subject to the satisfaction or waiver of the following Pre-Conditions by the Pre-Conditions Long Stop Date:

- (a) with respect to anti-trust review in the PRC under the Anti-Monopoly Law of the PRC, the Anti-Monopoly Bureau of MOFCOM having made the decision not to conduct further review of the Offer or allowing the Offer to proceed or the Offer having been deemed to have been cleared by MOFCOM under the Anti-Monopoly Law of the PRC by virtue of all applicable waiting periods under the Anti-Monopoly Law of the PRC, in respect of the review of the Offer, having expired;
- (b) with respect to COSCO SHIPPING Offeror, the obtaining of approvals or authorisations from the NDRC, SASAC (if required) and SAFE (if required) in connection with the Offer;
- (c) with respect to anti-trust review in the EU under the EU Merger Regulation, the European Commission having made a decision to allow the Offer to proceed;
- (d) with respect to anti-trust review in the USA under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR), as amended, and the regulations

thereunder, the expiration or termination of all or any applicable waiting periods (including any extensions thereof) in connection with the Offer; and

- (e) COSCO SHIPPING Holdings Shareholders passing resolutions at a general meeting to approve the Offer in accordance with the requirements under the Listing Rules and the material asset restructuring in accordance with the “Administrative Measures for the Major Asset Restructuring of Listed Companies” (《上市公司重大資產重組管理辦法》) issued by the CSRC.

COSCO SHIPPING Offeror shall take all necessary actions to procure all PRC approvals which are necessary for the consummation of the Offer, including but not limited to any approval and authorisation by, and filing and registration with, MOFCOM, NDRC, SAFE (if required), SASAC (if required), and Shanghai Stock Exchange.

The Joint Offerors will take all steps necessary, and OOIL will provide reasonable assistance to the Joint Offerors, to fulfil the Pre-Conditions, provided, however, in respect of Pre-Condition (c), that neither the Joint Offerors nor OOIL shall be required to agree to any term or take any action in connection with the satisfaction of such Pre-Conditions that would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Joint Offerors or OOIL. The Joint Offerors will do so in consultation with OOIL (including giving OOIL a reasonable opportunity to provide comments on draft copies of all filings, submissions, material correspondence and communications intended to be sent to the relevant governmental or regulatory bodies and to attend any meeting or conference call with such bodies) and keep OOIL updated as to progress towards the satisfaction of the Pre-Conditions.

The Joint Offerors and OOIL will issue a further announcement as soon as practicable after the Pre-Conditions have been satisfied or waived. If the Pre-Conditions are not satisfied or waived on or before the Pre-Conditions Long Stop Date, the Offer will not be made, and a further announcement will be made accordingly.

The Pre-Conditions (except for Pre-Condition (e)) shall be waivable by COSCO SHIPPING Offeror at its sole discretion. Pre-Condition (e) is not waivable.

WARNING: The Pre-Conditions must be satisfied or waived before the making of the Offer. The making of the Offer is therefore a possibility only and all references to the Offer in this announcement are references to the possible Offer which will be implemented if and only if the Pre-Conditions are satisfied or waived. Accordingly, OOIL Shareholders, COSCO SHIPPING Holdings Shareholders and prospective investors are advised to exercise caution when dealing in the securities of OOIL or COSCO SHIPPING Holdings.

4. Conditions to the Offer

The Offer is subject to the fulfilment of the following Conditions:

- (a) valid acceptances of the Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on or prior to the Offer Closing Date (or such later time and/or date as the Joint Offerors may decide and the Executive may approve) in respect of such number of OOIL Shares which, together with OOIL Shares already owned or agreed to be

acquired before or during the Offer, would result in the Joint Offerors and their Concert Parties holding more than 50 per cent. of the voting rights in OOIL; and

- (b) no dividend or other distribution (whether in cash or in kind) having been declared, made or paid by OOIL to the OOIL Shareholders during the Offer Period (other than (i) any dividend or distribution regarding which OOIL has consulted the Joint Offerors and the amount of which does not exceed 25% of the profit attributable to the equity holders of OOIL for the relevant period for which such dividend or distribution was declared) and (ii) if any dividend or distribution has been declared, made or paid pursuant to (i), any further dividend or distribution shall be subject to the consent of the Joint Offerors).

Pursuant to Note 2 to Rule 30.1 of the Code, the Joint Offerors may only invoke Condition (b) as a basis for not proceeding with the Offer if the circumstances which give rise to a right to invoke such Condition are of material significance to the Joint Offerors in the context of the Offer.

If the Conditions are not satisfied on or before the Offer Closing Date, the Offer will lapse unless the Offer Period is extended by the Joint Offerors (with the consent of the Executive).

WARNING: Closing of the Offer is subject to the Conditions being fulfilled. Accordingly, the issue of this announcement does not in any way imply that the Offer will be completed. The transactions contemplated by the Offer may or may not proceed. OOIL Shareholders, COSCO SHIPPING Holdings Shareholders and potential investors should therefore exercise caution when dealing in the securities of OOIL or COSCO SHIPPING Holdings.

5. Offer Price

The Offer Price of HK\$78.67 per OOIL Share under the Offer represents:

- (a) a premium of approximately 37.8 per cent. over the closing price of HK\$57.10 per OOIL Share as quoted on the Stock Exchange on the Last Trading Date;
- (b) a premium of approximately 41.1 per cent. over the average closing price of HK\$55.76 per OOIL Share, being the average closing price of OOIL Shares as quoted on the Stock Exchange for the 5 trading days immediately prior to the Last Trading Date;
- (c) a premium of approximately 55.2 per cent. over the average closing price of HK\$50.69 per OOIL Share, being the average closing price of OOIL Shares as quoted on the Stock Exchange for the 30 trading days immediately prior to the Last Trading Date; and
- (d) a premium of approximately 40.0 per cent. over the audited net asset value per OOIL Share of approximately HK\$56.20 as at 31 December 2016.

6. Highest and lowest closing prices of OOIL Shares

During the six-month period ending on the Last Trading Date, the highest closing price of OOIL Shares as quoted on the Stock Exchange was HK\$57.15 per OOIL Share on 3 July 2017, and the lowest closing price of OOIL Shares as quoted on the Stock Exchange was HK\$36.55 per OOIL Share on 9 January 2017.

7. Total consideration under the Offer

As at the date of this announcement, there are 625,793,297 OOIL Shares in issue. Based on the Offer Price of HK\$78.67 per OOIL Share, the Offer is valued at approximately HK\$49,231.2 million. As at the date of this announcement, OOIL has no outstanding share options, warrants, derivatives or securities that carry a right to subscribe for or which are convertible into OOIL Shares.

The Offer Price was determined after taking into account, among other things, the trading multiples of comparable companies, precedent transactions in the industry, with reference to privatisation transactions in Hong Kong in recent years.

8. Information on the COSCO SHIPPING Offeror Group, COSCO Group and China COSCO SHIPPING

COSCO SHIPPING Offeror was incorporated in BVI on 8 May 2017 and was acquired by COSCO SHIPPING Holdings for the sole purpose of making the Offer and holding OOIL Shares. As at the date of this announcement, COSCO SHIPPING Offeror is directly wholly-owned by OCEAN SHIPPING Hong Kong, which is in turn directly wholly-owned by COSCO SHIPPING Holdings. Assuming the Offer becomes unconditional in all respects, COSCO SHIPPING Offeror will be the new holding company of the OOIL Group upon the close of the Offer. COSCO SHIPPING Offeror has not carried on any business since its incorporation, other than matters in connection with the Offer.

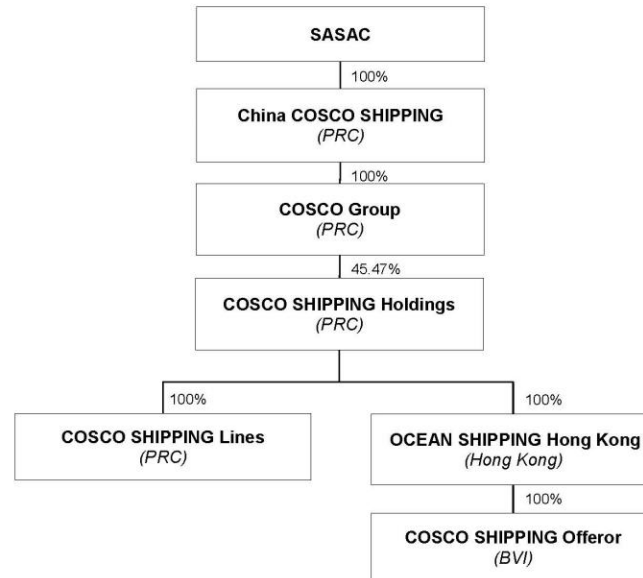
OCEAN SHIPPING Hong Kong was incorporated in Hong Kong on 6 July 2017 by COSCO SHIPPING Holdings as a direct wholly-owned subsidiary for the sole purpose of making the Offer and holding shares of the Joint Offerors. OCEAN SHIPPING Hong Kong has not carried on any business since their incorporation, other than matters in connection with the Offer.

COSCO SHIPPING Holdings was established in the PRC on 3 March 2005. COSCO SHIPPING Holdings, through its various subsidiaries, provides a wide range of container shipping and terminal services covering the whole shipping value chain for both international and domestic customers.

COSCO SHIPPING Lines is established in the PRC as a limited liability company. The principal business of COSCO SHIPPING Lines is container shipping.

As at the date of this announcement, (i) COSCO SHIPPING Lines is directly wholly-owned by COSCO SHIPPING Holdings; (ii) COSCO Group, by itself and through its subsidiaries, is interested in an aggregate of 45.47% of the total registered capital of COSCO SHIPPING Holdings; and (iii) COSCO Group is wholly-owned by China COSCO SHIPPING, which is in turn wholly-owned by SASAC.

The following chart sets out the relationship among the abovementioned members of the COSCO SHIPPING Offeror Group, COSCO Group and China COSCO SHIPPING as at the date of this announcement:



9. Information on SIPG Offeror

SIPG Offeror is a company incorporated in BVI with limited liability and is directly wholly-owned by Shanghai International Port Group (HK) Co., Limited, a company incorporated in Hong Kong with limited liability, which is in turn directly wholly-owned by SIPG..

SIPG Offeror is principally engaged in investment holding. SIPG is a company incorporated under the laws of the PRC (Shanghai Stock Exchange (stock code: 600018)). SIPG is principally engaged in port-related businesses, the main business sections of which include container sector, bulk cargo sector, port logistics sector and port service sector. SIPG is the operator of the public terminals in the Port of Shanghai in the PRC.

Upon completion of the Offer, SIPG Offeror's shareholding in OOIL would count towards "the public" under Rule 8.24 of the Listing Rules.

10. Information on the OOIL Group

OOIL is a limited company incorporated in Bermuda and OOIL Shares are listed on the Main Board of the Stock Exchange. The OOIL Group is principally engaged in the provision of container transport and logistic services. OOIL SubCo, a wholly owned subsidiary of OOIL, is one of the world's largest integrated international transportation, logistics and terminal companies, and is an industry leader in the use of information technology and e-commerce to manage the entire cargo transport process.

The audited consolidated net asset value of OOIL as at 31 December 2016 was approximately US\$4,519.3 million.

The audited consolidated net asset value per OOIL Share as at 31 December 2016 was approximately US\$7.22.

The consolidated audited net loss/profit of OOIL for the last two financial years ended 31 December 2016 and 2015 are as follows:

	For the year ended 31 December	
	2016	2015
	US\$'000	US\$'000
Net (loss)/profit before taxation	(199,667)	307,208
Net (loss)/profit after taxation	(219,221)	283,851

11. Reasons and benefits of the Offer for the COSCO SHIPPING Offeror Group and SIPG Offeror Group

For the COSCO SHIPPING Offeror Group

COSCO SHIPPING Holdings believes this acquisition will enable both COSCO SHIPPING Lines and OOIL to realise synergies, enhance profitability and achieve sustainable growth in the long term. The outstanding management system and service capabilities, as well as established global shipping network, of COSCO SHIPPING Holdings and OOIL can provide customers of both COSCO SHIPPING Lines and OOIL with more diversified product offerings and better service experience.

After the completion of the Offer, the combined COSCO SHIPPING Lines and OOIL will become one of the world's leading container shipping companies with more than 400 vessels and capacity exceeding 2.9 million TEUs including order book. In addition to this increase in scale, both parties will benefit from access to a combined and complementary global sales network and customer base, shipping network optimization, as well as advanced IT systems, to further drive synergies and operational efficiency.

Further, COSCO SHIPPING Holdings believes this transaction is of strategic importance to both OOIL and COSCO SHIPPING Holdings. COSCO SHIPPING Holdings believes that it will create value for its shareholders and customers, and will provide great opportunities for the employees of both companies to thrive on this enhanced platform. After the completion of the Offer, OOIL will continue to strengthen its core business in container shipping, as it becomes part of a larger and enhanced platform within COSCO SHIPPING Holdings Group, and can leverage on COSCO SHIPPING Holdings's global shipping network to drive future growth and synergies.

For the SIPG Offeror Group

SIPG has been the operator of the Port of Shanghai, the world's largest port in terms of container and cargo throughput for several consecutive years since 2010. SIPG Offeror can

bring significant strategic value and synergies to this transaction as one of the Joint Offerors. Both COSCO SHIPPING Holdings and OOIL can potentially benefit from further collaboration between their container shipping businesses and SIPG Offeror Group's port operations, among other things.

In addition, as the OOIL Shares to be acquired by SIPG Offeror contribute to public float, this arrangement can help with the intention to retain the listing status of OOIL, which helps support Hong Kong as a global maritime centre.

12. Intentions of the Joint Offerors with regard to OOIL

Container shipping business will remain COSCO SHIPPING Offeror Group's most important core businesses and most important strategic focus. After the completion of the Offer, the Joint Offerors intends to retain the listing status of OOIL, and maintain OOIL's global headquarters functions and presence in Hong Kong and continue to support Hong Kong as a global maritime center. The Joint Offerors are committed to the continuity and stability of OOIL management team, business, operations, and global service network as a whole after closing of the Offer. As such, the Joint Offerors intend to keep the existing OOIL branding so that the Joint Offerors and OOIL can provide customers with more diversified product offerings and better service experience, as both parties explore ways to achieve synergies and better operational efficiency.

Further, while keeping OOIL management teams and global service network, the Joint Offerors shall retain the existing compensation and benefit system at OOIL and not terminate the employment of any Employee at OOIL as a result of this transaction for at least 24 months after the Offer Closing Date, except for staff movements which are part of the normal conduct of business or due to personal performance or conduct issues. OOIL shall continue its current human resources practice and staff performance measurement, and monitor key performance indicators for operational efficiency and business growth.

13. Maintaining the listing status of OOIL

The Joint Offerors intend to maintain the listing of OOIL Shares on the Stock Exchange following closing of the Offer.

There is a possibility that the public will hold less than 25 per cent. of OOIL Shares upon closing of the Offer depending on the level of acceptance. In that case, the Joint Offerors intend to take appropriate steps to restore the public float in compliance with the Listing Rules.

If less than 25 per cent. of OOIL Shares are held by the public or if the Stock Exchange believes (i) that a false market exists or may exist in the trading of OOIL Shares or (ii) that there are insufficient OOIL Shares in public hands to maintain an orderly market, the Stock Exchange may consider exercising its discretion to suspend trading in OOIL Shares. In such connection, the Joint Offerors and OOIL undertake to the Stock Exchange to take appropriate steps to ensure restoration of the minimum percentage of OOIL Shares to public hands within a specified period which is acceptable to the Exchange.

The Joint Offerors do not intend to exercise any rights to compulsorily acquire any OOIL Shares in respect of which the Offer is not accepted.

14. Effect of accepting the Offer

By validly accepting the Offer, Qualifying OOIL Shareholders will sell to the Joint Offerors their tendered OOIL Shares free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them as at the Offer Closing Date.

15. Irrevocable undertaking

As at the date of this announcement, COSCO SHIPPING Offeror, COSCO SHIPPING Holdings and China COSCO SHIPPING have entered into an irrevocable undertaking with the Controlling Shareholder which agreed to tender, or procure the tender of, all of the IU Shares being 429,950,088 OOIL Shares owned by them in favour of the Offer (representing approximately 68.7 per cent. of the issued share capital of OOIL as at the Last Trading Date). Further information on the Irrevocable Undertaking is set out in Part B of this announcement.

As at the date of this announcement, apart from the Irrevocable Undertaking, the Joint Offerors and their Concert Parties have not received any indication or irrevocable commitment from any OOIL Shareholder to accept or reject the Offer.

16. Confirmation of financial resources

Assuming that the Offer is accepted in full, the financial resources required by the Joint Offerors to satisfy the consideration payable under the Offer will amount to approximately HK\$49,231.2 million. As at the date of this announcement, COSCO SHIPPING Offeror is financing the entire amount of the consideration from external debt financing, SIPG Offeror will contribute its portion of the consideration as set out in the section headed "Consortium Agreement - Allocation Proportion" below from external debt financing and/or internal resources, in which case COSCO SHIPPING Offeror's contribution to the consideration will reduce proportionately. UBS, financial adviser to the Joint Offerors, is satisfied that sufficient financial resources are available to COSCO SHIPPING Offeror to satisfy full acceptance of the Offer.

17. Hong Kong stamp duty

Seller's ad valorem stamp duty at the rate of 0.1 per cent. of the value of the consideration arising on acceptance of the Offer will be payable by the Qualifying OOIL Shareholders who accept the Offer insofar as their shares are registered on the Hong Kong Branch Register of OOIL. The relevant amount of stamp duty payable by the relevant Qualifying OOIL Shareholders will be deducted from the consideration payable to such Qualifying OOIL Shareholders under the Offer. Each of the Joint Offerors will bear its own portion of buyer's ad valorem stamp duty at the rate of 0.1 per cent. of the consideration payable in respect of relevant acceptances of the Offer and will be responsible to account to the Stamp Office of Hong Kong for all the stamp duty payable for the sale and purchase of the relevant OOIL Shares which are validly tendered for acceptance under the Offer.

18. Overseas shareholders

The making of the Offer to Qualifying OOIL Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws of the relevant

jurisdictions. Such Qualifying OOIL Shareholders may be prohibited or affected by the laws of the relevant jurisdictions and it is the responsibility of each such Qualifying OOIL Shareholder who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents, or filing and registration requirements which may be required to comply with all necessary formalities or legal or regulatory requirements and the payment of any transfer or other taxes due from such Qualifying OOIL Shareholder in such relevant jurisdictions.

Any acceptance by any Qualifying OOIL Shareholder will be deemed to constitute a representation and warranty from such Qualifying OOIL Shareholder to the Joint Offerors and OOIL that all local laws and requirements have been complied with and that the Offer can be accepted by such Qualifying OOIL Shareholder lawfully under the laws of the relevant jurisdiction. Qualifying OOIL Shareholders should consult their professional advisers if in doubt.

In the event that the despatch of the Composite Document to overseas Qualifying OOIL Shareholders is prohibited by any relevant law or may only be effected after compliance with conditions or requirements that are unduly burdensome, subject to the Executive's waivers, the Composite Document will not be despatched to such overseas Qualifying OOIL Shareholders. The Joint Offerors will apply for such waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Code at such time.

19. Settlement of consideration

Settlement of the consideration under the Offer will be made as soon as possible, but in any event within seven business days (as defined in the Code) of (i) the date of receipt of a complete and valid acceptance in respect of the Offer or (ii) the Offer Unconditional Date, whichever is the later.

20. Interests in OOIL Shares and derivatives

As at the Latest Trading Date, the Joint Offerors and their respective Concert Parties do not have any interest in OOIL Shares. By reason of being the financial adviser to the Joint Offerors, UBS is presumed to be acting in concert with the Joint Offerors in accordance with class 5 of the definition of "acting in concert" in the Code. Details of holdings or borrowings or lendings of, and dealings in, the OOIL Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Code) by other parts of the UBS group will be obtained as soon as possible after this announcement has been made in accordance with Note 1 to Rule 3.5 of the Code.

There have been no dealings by the Joint Offerors or any of their respective Concert Parties in the 6-month period prior to this announcement.

As at the date of this announcement:

- (a) there is no existing holding of voting rights and rights over OOIL Shares which is owned or controlled or directed by the Joint Offerors or any of their Concert Parties (save for those entities controlling, controlled by or under the same control as UBS that are exempt principal traders or exempt fund managers);

- (b) there is no existing holding of voting rights and rights over OOIL Shares in respect of which the Joint Offerors or any of their Concert Parties holds convertible securities, warrants or options (save for those entities controlling, controlled by or under the same control as UBS that are exempt principal traders or exempt fund managers);
- (c) there is no outstanding derivative in respect of securities in OOIL entered into by the Joint Offerors or any of their Concert Parties (save for those entities controlling, controlled by or under the same control as UBS that are exempt principal traders or exempt fund managers);
- (d) save as disclosed in the section headed “Irrevocable Undertaking to Accept the Offer” in Part B of this announcement, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Joint Offerors, the COSCO SHIPPING Holdings Shares or OOIL Shares and which might be material to the Offer;
- (e) there is no agreement or arrangements to which any of the Joint Offerors is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a Pre-Condition or a Condition; and
- (f) there are no relevant securities (as defined in Note 4 to Rule 22 of the Code) in OOIL which the Joint Offerors or any of their Concert Parties has borrowed or lent (save for those entities controlling, controlled by or under the same control as UBS that are exempt principal traders or exempt fund managers).

21. Composite Document

The Joint Offerors will despatch the Composite Document containing, among other things, (i) the full terms and details of the Offer; (ii) the recommendation from the Independent Board Committee in respect of the Offer; (iii) the letter from the independent financial adviser (to be appointed by the Independent Board Committee) in respect of the Offer; and (iv) the Form of Acceptance, within seven days after the satisfaction or waiver of the Pre-Conditions (not later than 7 July 2018). The Joint Offerors will apply to the Executive for their consent under Note 2 to Rule 8.2 of the Code to permit the Composite Document to be posted within the timeframe described above. If the Pre-Conditions Long Stop Date is extended beyond 30 June 2018, subject to the consent of the Executive, the despatch may be extended to within seven days after such extended Pre-Conditions Long Stop Date.

PART B: IRREVOCABLE UNDERTAKING TO ACCEPT THE OFFER

Date: 7 July 2017

Parties to the Irrevocable Undertaking:

- (1) Controlling Shareholder; and
- (2) COSCO SHIPPING Offeror, COSCO SHIPPING Holdings and China COSCO SHIPPING.

1. Irrevocable undertaking to accept the Offer

Under the Irrevocable Undertaking, the Controlling Shareholder has irrevocably undertaken to accept, or

procure the acceptance of, the Offer in respect of all of the IU Shares within seven days of the Offer Date. The IU Shares involve 429,950,088 OOIL Shares representing approximately 68.7 per cent. of the issued share capital of OOIL as at the Last Trading Date.

2. Consideration

The total consideration for the IU Shares will be approximately HK\$33,824.2 million.

3. No withdrawal

The Controlling Shareholder has undertaken that it will not, prior to the earlier of the closing or lapsing of the Offer, withdraw any acceptance of the Offer in respect of the IU Shares.

4. Lock up

The Controlling Shareholder has undertaken that it will not, prior to the earlier of the closing, lapsing or withdrawal of the Offer, sell, transfer, or encumber in any way any of its IU Shares, except under the terms of the Offer.

5. Conditions

The Irrevocable Undertaking is subject to the following conditions:

- (a) the offer price under the Offer being not less than HK\$78.67 per OOIL Share; and
- (b) the Offer being made within 7 days of the fulfilment or waiver (as applicable) of the Pre-Conditions, which fulfilment or waiver (as applicable) shall occur by no later than 30 June 2018 (unless otherwise agreed between the parties).

6. Reverse termination fee

COSCO SHIPPING Offeror has agreed, and China COSCO SHIPPING and COSCO SHIPPING Holdings have agreed to procure COSCO SHIPPING Offeror, to pay to OOIL a reverse termination fee of US\$253 million in the event that the Offer is not made or does not close (“the “Event”) for any reason other than due to (i) the Controlling Shareholder’s material breach of the Irrevocable Undertaking; or (ii) the non-fulfilment by the Pre-Conditions Long Stop Date of the Pre-Conditions with respect to the PRC, European Union anti-trust clearance and HSR approval as referred to in paragraphs (a), (c) and (d) of the section headed “3. Pre-Conditions to the Offer” in Part A of this announcement; or (iii) the non-fulfilment of the requirements of the Committee on Foreign Investment in the United States, such payment to be made within 14 days of such Event. The reverse termination fee shall be made by COSCO SHIPPING Offeror to OOIL without the withholding or deduction of any tax unless required by law. If any such withholding or deduction is required, COSCO SHIPPING Offeror shall pay to OOIL such additional amount as will ensure that OOIL receives the same total amount that it would have received if no such withholding or deduction had been required.

PART C: CONSORTIUM AGREEMENT

Date: 7 July 2017

1. Parties to the Consortium Agreement:

- (1) COSCO SHIPPING Offeror; and
- (2) SIPG Offeror.

2. Allocation proportion

The Joint Offerors have agreed to acquire the OOIL Shares tendered for acceptance by Qualifying OOIL Shareholders pursuant to and in accordance with the terms of the Offer in the following proportion:

<i>OOIL Shares to be acquired under the Offer</i>	<i>Acquirer of the OOIL Shares and the proportion</i>
For the 429,950,088 OOIL Shares to be validly tendered for acceptance under the Offer pursuant to the Irrevocable Undertaking, representing approximately 68.7% of the issued share capital of the OOIL	9.9% to SIPG Offeror (representing 61,953,536 OOIL Shares) 58.8% to COSCO SHIPPING Offeror (representing 367,996,552 OOIL Shares)
For the remaining OOIL Shares to be validly tendered for acceptance under the Offer	100% to COSCO SHIPPING Offeror

SIPG Offeror will proceed with the Offer unless it cannot obtain SAFE approval for the relevant funds to be remitted from the PRC to pay for its consideration under the Offer.

Undertaking by SIPG Offeror

SIPG Offeror undertakes to use its best endeavours to provide sufficient financial resources according to its proportion of allocation of OOIL Shares to validly tendered acceptance as set out above.

Undertaking by COSCO SHIPPING Offeror

If SIPG Offeror does not have sufficient financial resources to complete the Offer according to its proportion of allocation of OOIL Shares to validly tendered acceptance as set out above due to it not obtaining the requisite SAFE approval for the relevant funds to be remitted from the PRC to pay for its portion of the consideration under the Offer, COSCO SHIPPING Offeror undertakes to complete the Offer in full as if it were the sole offeror for the Offer and for the purposes of this announcement.

PART D: GENERAL

1. Independent Board Committee and independent financial adviser

The Independent Board Committee comprising Mr. Simon Murray, Mr. Chow Philip Yiu Wah, Professor Wong Yue Chim Richard, Mr. Cheng Wai Sun Edward and Mr. Kwok King Man Clement has been established for the purpose of making a recommendation to the Qualifying OOIL Shareholders as to whether the Offer is fair and reasonable and as to acceptance.

The Independent Board Committee comprises all the independent non-executive OOIL Directors who

have no direct or indirect interest in the Offer, other than as an OOIL Shareholder. The Independent Board Committee excludes the non-executive OOIL Director, Professor Roger King, who is connected to the Controlling Shareholder. Professor Roger King is the brother-in-law of Mr. Tung Chee Hwa who has an interest in a trust which has an indirect interest in the Controlling Shareholder.

An independent financial adviser will be appointed by OOIL, subject to the approval of the Independent Board Committee, as soon as reasonably practicable to advise the Independent Board Committee in relation to the terms of the Offer. The advice of the independent financial adviser will be contained in the Composite Document. The appointment of the independent financial adviser will be announced separately.

2. Implications under the Listing Rules for COSCO SHIPPING Holdings

As the highest applicable percentage ratio in respect of the Offer exceeds 100%, the Offer, if materialised, will constitute a very substantial acquisition for COSCO SHIPPING Holdings under Chapter 14 of the Listing Rules.

An extraordinary general meeting of COSCO SHIPPING Holdings will be held to consider, and if thought fit, pass the resolutions to approve the Offer. A circular containing, amongst other things, details of the Offer will be despatched to COSCO SHIPPING Holdings Shareholders on or before 30 November 2017 as additional time is required to prepare the information in the circular.

To the best of the knowledge, information and belief of the directors of COSCO SHIPPING Holdings, having made all reasonable enquiry, the Controlling Shareholder and their ultimate beneficial owners are third parties independent of COSCO SHIPPING Holdings and its connected persons.

The directors (including the independent non-executive directors) of COSCO SHIPPING Holdings believe that the terms and conditions of the Offer and the transactions contemplated thereunder are fair and reasonable and in the interest of COSCO SHIPPING Holdings Shareholders as a whole. China COSCO SHIPPING has irrevocably undertaken to OOIL to procure COSCO Group to vote all of its COSCO SHIPPING Holdings Shares (currently being 4,645,229,644 COSCO SHIPPING Holdings Shares) in favour of the resolutions in respect of the Offer at the extraordinary general meeting of COSCO SHIPPING Holdings. As at the date of this announcement, COSCO Group holds approximately 45.47% of the issued share capital of the COSCO SHIPPING Holdings.

3. Other regulatory implications

The Joint Offerors and OOIL will together take all necessary steps, including the Joint Offerors taking any accommodation and mitigation actions, to procure the approval or clearance by the Committee on Foreign Investment in the United States in relation to the Offer.

4. Dealings disclosure

In accordance with Rule 3.8 of the Code, associates (including persons holding 5 per cent. or more of a class of relevant securities (as defined in Note 4 to Rule 22 to the Code)) of OOIL and the Joint Offerors are hereby reminded to disclose their dealings in OOIL Shares pursuant to the requirements of the Code.

In accordance with Rule 3.8 of the Code, reproduced below is the full text of Note 11 to Rule 22 of the

Code:

“Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any seven day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

WARNING: as the making of the Offer is subject to the satisfaction or waiver of the Pre-Conditions, the Offer is a possibility only and may or may not be made. It depends on the satisfaction or waiver of the Pre-Conditions. Accordingly, OOIL Shareholders, COSCO SHIPPING Holdings Shareholders and prospective investors are advised to exercise caution when dealing in the securities of OOIL or COSCO SHIPPING Holdings.

Closing of the Offer is subject to the Conditions being fulfilled. Accordingly, the issue of this announcement does not in any way imply that the Offer will be completed. The transactions contemplated by the Offer may or may not proceed. OOIL Shareholders, COSCO SHIPPING Holdings Shareholders and prospective investors are advised to exercise caution when dealing in the securities of OOIL or COSCO SHIPPING Holdings.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Code;
“BVI”	means the British Virgin Islands;
“Code”	means the Hong Kong Code on Takeovers and Mergers;
“Companies Ordinance”	means the new Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
“Composite Document”	means the composite offer and response document to be issued, subject to satisfaction or waiver of the Pre-Conditions, by or on behalf of the Joint Offerors and OOIL to all Qualifying OOIL Shareholders in

	accordance with the Code containing, among other things, details of the Offer and the acceptance and transfer forms in respect of the Offer, as may be revised or supplemented as appropriate;
“Concert Parties”	means parties acting in concert with the Joint Offerors, as determined in accordance with the Code;
“Conditions”	means the conditions to the Offer, as set out under the section headed “Conditions to the Offer” in Part A of this announcement;
“Controlling Shareholder”	means Fortune Crest Inc. and Gala Way Company Inc.;
“Consortium Agreement”	means the consortium agreement between the Joint Offerors dated 7 July 2017;
“China COSCO SHIPPING”	means China COSCO Shipping Corporation Limited* (中國遠洋海運集團有限公司), a Chinese state-owned enterprise and the indirect controlling shareholder of COSCO SHIPPING Holdings;
“COSCO Group”	means China Ocean Shipping (Group) Company (中國遠洋運輸(集團)總公司), a PRC state-owned enterprise, the direct controlling shareholder currently owning an aggregate of 45.47% of the total registered capital of COSCO SHIPPING Holdings, and a wholly-owned subsidiary of China COSCO SHIPPING;
“COSCO SHIPPING Holdings”	means COSCO SHIPPING Holdings Co., Ltd.* (中遠海運控股股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1919) and the A shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601919);
“COSCO SHIPPING Holdings Shares”	means the ordinary shares (including A shares and H shares) of RMB1.00 each in the total registered capital of COSCO SHIPPING Holdings;
“COSCO SHIPPING Holdings Shareholders”	means persons who are registered as holders of COSCO SHIPPING Holdings Shares;

“COSCO SHIPPING Lines”	means COSCO SHIPPING Lines Co., Ltd.*(中遠海運集裝箱運輸有限公司), a company incorporated in the PRC and a subsidiary of COSCO SHIPPING Holdings;
“COSCO SHIPPING Offeror”	means Faulkner Global Holdings Limited, a company incorporated in BVI with BVI Company number 1944321 and is directly wholly-owned by OCEAN SHIPPING Hong Kong;
“COSCO SHIPPING Offeror Group”	means COSCO SHIPPING Holdings and its subsidiaries;
“CSRC”	means China Securities Regulatory Commission;
“Employees”	means all full-time employees of each OOIL Group Company as at the Offer Date and “Employee” means any of them;
“EU”	means the European Union;
“Executive”	means the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;
“Form of Acceptance”	means the form of acceptance and transfer in respect of the Offer accompanying the Composite Document;
“HK\$” or “HKD”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“HSR”	the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended;
“Independent Board Committee”	means the committee of all the independent non-executive OOIL Directors (none of whom have any direct or indirect interest in the Offer) which has been established for the purpose of making a recommendation to the Qualifying OOIL Shareholders as to whether the Offer is fair and reasonable and as to acceptance;
“Irrevocable Undertaking”	means the deed of irrevocable undertaking between the Controlling Shareholder, COSCO SHIPPING Offeror, COSCO SHIPPING Holdings and China

	COSCO SHIPPING dated 7 July 2017;
“IU Shares”	means the total of 429,950,088 OOIL Shares representing 68.7 per cent. of the issued share capital of OOIL as at the Last Trading Date;
“Joint Offerors”	means COSCO SHIPPING Offeror and SIPG Offeror;
“Last Trading Date”	means 6 July 2017, being the last trading day prior to the publication of this announcement;
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“MOFCOM”	means the Ministry of Commerce of the PRC or its authorised local agency, as applicable;
“NDRC”	means the National Development and Reform Commission of the PRC;
“OCEAN SHIPPING Hong Kong”	means OCEAN SHIPPING HOLDINGS (HONG KONG) LIMITED, a company incorporated with limited liability in Hong Kong and is directly wholly-owned by COSCO SHIPPING Holdings;
“Offer Closing Date”	means the date to be stated in the Composite Document as the first offer closing date of the Offer or any subsequent offer closing date of the Offer as may be extended or revised in accordance with the Code;
“Offer Date”	means the date on which the Offer is made, which for the avoidance of doubt means the date of despatch of the Composite Document to OOIL Shareholders;
“Offer Period”	has the meaning ascribed to it in the Code;
“Offer Price”	means HK\$78.67 per OOIL Share;
“Offer Unconditional Date”	means the date on which the Offer becomes or is declared unconditional in all respects;
“OOIL”	means Orient Overseas (International) Limited, a company incorporated in Bermuda with limited liability and listed on the Stock Exchange (stock code: 0316);

“OOIL Directors”	means the directors of OOIL from time to time;
“OOIL Group” or “OOIL Group Companies”	means OOIL and its subsidiaries from time to time and “OOIL Group Company” means any of them;
“OOIL Shareholders”	means registered holders of OOIL Shares from time to time;
“OOIL Shares”	means the ordinary shares of OOIL;
“OOIL SubCo”	means Orient Overseas Container Line Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of OOIL;
“PRC”	means the People’s Republic of China;
“Pre-Conditions”	means the pre-conditions to the Offer as set out in paragraphs (a) to (e) of the section headed “3. Pre-Conditions to the Offer” in Part A of this announcement”;
“Pre-Conditions Long Stop Date”	means 30 June 2018 or such later date as Joint Offerors and OOIL may agree in writing for the purpose of the Offer;
“Qualifying OOIL Shareholders”	means all OOIL Shareholders;
“SASAC”	means the State-owned Assets Supervision and Administration Commission of the State Council of the PRC;
“SFC”	means the Securities and Futures Commission;
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);
“SIPG”	means Shanghai International Port (Group) Co., Ltd.*(上海國際港務(集團)股份有限公司), a company established in the PRC with limited liability and the shares of which are listed on the Shanghai Stock Exchange (stock code: 600018);
“SIPG Offeror”	means Shanghai Port Group (BVI) Development Co., Limited (上港集團BVI發展有限公司), a company incorporated with limited liability in the BVI and is indirectly wholly-owned by SIPG;
“SIPG Offeror Group”	means SIPG and its subsidiaries;

“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“subsidiaries”	has the meaning ascribed to it under the Listing Rules;
“TEU”	means twenty-foot equivalent unit, a measurement for container shipping capacity;
“UBS”	UBS AG Hong Kong Branch, an institution licensed by the SFC to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) regulated activities under the SFO, the financial adviser to the Joint Offerors in relation to the Offer;
“USA”	means the United States of America, “ U.S. ” should be construed accordingly; and
“US\$”	means United States dollars, the lawful currency of the USA.

**For identification only*

By order of the board of COSCO SHIPPING Holdings Co., Ltd.* GUO Huawei Company Secretary	By order of the board of Faulkner Global Holdings Limited XU Zunwu Director	By order of the board of Orient Overseas (International) Limited Lammy LEE Company Secretary
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By order of the board of
**Shanghai Port Group (BVI)
Development Co., Limited**
XI Yanbing
Director

Hong Kong, 7 July 2017

As at the date of this announcement, the Executive Directors of OOIL are Messrs. TUNG Chee Chen, TUNG Lieh Cheung Andrew and TUNG Lieh Sing Alan; Non-Executive Director of OOIL is Professor Roger KING and Independent Non-Executive Directors of OOIL are Mr. Simon MURRAY, Mr. CHOW Philip Yiu Wah, Professor WONG Yue Chim Richard, Mr. CHENG Wai Sun Edward and Mr. KWOK King Man Clement.

The OOIL Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating the Joint Offerors or any of their associates or any parties acting in concert with any of them) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by the Joint Offerors or any of their associates or any parties acting in concert with any of them) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the directors of COSCO SHIPPING Offeror are Mr. XU Zunwu, Mr.

Deng Huangjun, and Mr. Tang Haifeng.

As at the date of this announcement, the directors of COSCO SHIPPING Holdings are Mr. WAN Min² (Chairman), Mr. HUANG Xiaowen¹ (Vice Chairman), Mr. XU Zunwu¹, Mr. MA Jianhua², Mr. WANG Haimin¹, Mr. Zhang Wei (張為)¹, Mr. FENG Boming², Mr. Zhang Wei (張煒)², Mr. CHEN Dong², Mr. YANG, Liang Yee Philip³, Mr. WU Dawei³, Mr. ZHOU Zhonghui³, Mr. TEO Siong Seng³ and Mr. KOO, Chee Kong Kenneth³.

¹ *Executive director*

² *Non-executive director*

³ *Independent non-executive director*

The directors of COSCO SHIPPING Offeror and the directors of COSCO SHIPPING Holdings jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to OOIL or any of its associates or any parties acting in concert with any of them, SIPG Offeror or any of its associates or SIPG or any of its associates) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by OOIL or any of its associates or any parties acting in concert with any of them, SIPG Offeror or any of its associates or SIPG or any of its associates) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the directors of SIPG Offeror are XI Yanbing and Intertrust First Director (BVI) Limited.

As at the date of this announcement, the directors of SIPG are CHEN Xuyuan, BAI Jingtao, YAN Jun, ZHENG Shaoping, WANG Erzhang, LI Yifan, DU Yongcheng, GUAN Yimin and ZHUANG Xiaoqing.

The directors of SIPG Offeror and SIPG jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to OOIL or any of its associates or any parties acting in concert with any of them, COSCO SHIPPING Offeror or any of its associates or COSCO SHIPPING Holdings or any of its associates) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by OOIL or any of its associates or any parties acting in concert with any of them, COSCO SHIPPING Offeror or any of its associates or COSCO SHIPPING Holdings or any of its associates) have

been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.