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CHINA OCEAN INDUSTRY GROUP LIMITED

中海重工集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00651)

**SUPPLEMENTAL ANNOUNCEMENT
RELATING TO THE MAJOR TRANSACTION
IN RELATION TO
DISPOSAL OF 20% EQUITY INTEREST IN
ZHEJIANG OCEAN**

Financial Adviser



Reference is made to the announcements of the Company dated 28 February 2019, 6 March 2019, 11 April 2019, 3 May 2019, 17 May 2019, 30 May 2019, 15 July 2019, 30 July 2019, 31 August 2019, 30 October 2019, and 21 November 2019 (collectively “Announcements”) and the circular dated 14 August 2019 (the “Circular”) in relation to, among other things, the Disposal. Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meaning as those defined in the Announcements and the Circular.

The Company hereby supplements information contained in the Announcements as follows:

As at the date of this announcement, save for the conditions precedent 1, 2, 4, 5 and 7, all other conditions precedents of the Disposal have been fulfilled.

For the conditions precedent 4, as advised by the Purchaser, the Purchaser is in the course of obtaining legal advice for internal approvals and consents in relation to the completion of Disposal.

For the conditions precedent 1 and 2, the fulfillment of the conditions are subject to the settlement schedule of the consideration by the Purchaser, which shall be arranged upon having obtained the internal approvals and consents for the completion of Disposal as above mentioned in conditions precedent 4.

For the condition precedent 5, upon the fulfillment of conditions precedent 1 and 2, the parties to the Share Purchase Agreement shall submit and apply to the relevant government authorities for the necessary governmental approvals, registration and filing (if needed) for the completion of the Zhejiang Ocean Disposal and therefore relevant documentation would be the completed.

Subject to the fulfillment of all other conditions precedent, the condition precedent 7 shall be fulfilled without unforeseen circumstances.

All the conditions precedent of the Disposal are expected to be fulfilled or waived by the end of December 2019.

By order of the Board
China Ocean Industry Group Limited
Li Ming
Chairman

Hong Kong, 17 December 2019

As at the date of this announcement, the Board of the Company comprises two executive directors, namely, Mr. Li Ming and Mr. Zhang Shi Hong; and three independent non-executive directors, namely, Ms. Xiang Siying, Mr. Hu Bai He and Ms. Xiang Ying.