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## **COSCO SHIPPING Ports Limited** **中遠海運港口有限公司**

*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 1199)**

### **VOLUNTARY ANNOUNCEMENT**

#### **MERGER OF TIANJIN CONTAINER TERMINALS**

This announcement is made by COSCO SHIPPING Ports Limited (the “**Company**”) on a voluntary basis.

The board of directors (the “**Board**”) of the Company is pleased to announce that on 30 June 2019 (the “**Signing Date**”), COSCO Ports (Tianjin) Limited (“**CP Tianjin**”) and China Shipping Terminal Development Co., Ltd. (中海碼頭發展有限公司) (“**CSTD**”), both being wholly-owned subsidiaries of the Company, entered into a merger agreement with Tianjin Port Holdings Co., Ltd. (天津港股份有限公司) (“**Tianjin Port Holdings**”), China Merchants International Terminals (Tianjin) Limited (招商局國際港口(天津)有限公司) (“**CM Terminals**”), Tianjin Port Container Terminal Co., Ltd. (天津港集裝箱碼頭有限公司) (“**TCT**”), Tianjin Five Continents International Container Terminal Co., Ltd. (天津五洲國際集裝箱碼頭有限公司) (“**FICT**”) and Tianjin Orient Container Terminals Co., Ltd. (天津東方海陸集裝箱碼頭有限公司) (“**TOCT**”) pursuant to which TCT as the surviving entity will absorb and merge with FICT and TOCT (the “**Merger**”).

TCT was and will be wholly-owned by Tianjin Port Holdings as at the Signing Date and immediately before the completion of the Merger. FICT was and will be held as to 51.854%, 17.073%, 14% and 17.073% by Tianjin Port Holdings, CP Tianjin, CSTD and CM Terminals respectively as at the Signing Date and immediately before the completion of the Merger. TOCT was and will be held as to 75.5% and 24.5% by Tianjin Port Holdings and CP Tianjin respectively as at the Signing Date and immediately before the completion of the Merger.

Upon completion of the Merger, TCT as the surviving entity will succeed all assets, business, credits, debts and employees of FICT and TOCT. FICT and TOCT will be deregistered as legal entities and the shareholders of FICT and TOCT immediately before the completion of the Merger will hold equity interests in TCT. Based on the valuation of TCT, FICT and TOCT and after arm’s length negotiations among the parties, the equity structure of TCT, as the surviving entity, upon completion of the Merger will be as follows:

<b>Name of Shareholder</b>	<b>Registered Capital</b> <i>(Renminbi)</i>	<b>Equity Percentage</b>
Tianjin Port Holdings	1,846,694,178.36	76.68%
CP Tianjin	241,072,101.27	10.01%
CSTD	144,498,762.00	6.00%
CM Terminals	176,047,658.37	7.31%
<b>Total</b>	<b>2,408,312,700.00</b>	<b>100.00%</b>
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The completion of the Merger is conditional upon, among others, the consent of the employees' (or employees representatives') congress of TCT, FICT and TOCT and the publication of the notice to creditors.

### **Reasons for and benefits of the transaction**

The Company believes that the Merger will be beneficial to further exert the strength of each party, optimise the allocation of resources, enhance the unified management of the relevant terminals, lower operational costs, and thereby increase the overall competitiveness of TCT and enhancing its efficiency.

### **Information on the Group and the relevant parties**

The Company and its subsidiaries (including CP Tianjin and CSTD) are principally engaged in the businesses of managing and operating terminals, and related businesses.

Tianjin Port Holdings is principally engaged in containerised and non-containerised cargo handling services, sales, and other port ancillary services at the port of Tianjin in the People's Republic of China, primarily through its subsidiaries and associated companies.

CM Terminals is principally engaged in investment holding.

By Order of the Board  
**COSCO SHIPPING Ports Limited**  
**ZHANG Wei (張為)**  
*Chairman & Managing Director*

Hong Kong, 2 July 2019

As at the date of this announcement, the Board comprises Mr. ZHANG Wei (張為)<sup>1</sup> (Chairman & Managing Director), Mr. DENG Huangjun<sup>1</sup>, Mr. FENG Boming<sup>2</sup>, Mr. ZHANG Wei (張煒)<sup>2</sup>, Mr. CHEN Dong<sup>2</sup>, Mr. WANG Haimin<sup>2</sup>, Dr. WONG Tin Yau, Kelvin<sup>1</sup>, Dr. FAN HSU Lai Tai, Rita<sup>3</sup>, Mr. Adrian David LI Man Kiu<sup>3</sup>, Mr. FAN Ergang<sup>3</sup>, Mr. LAM Yiu Kin<sup>3</sup> and Prof. CHAN Ka Lok<sup>3</sup>.

<sup>1</sup> Executive Director

<sup>2</sup> Non-executive Director

<sup>3</sup> Independent Non-executive Director