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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)

ANNOUNCEMENT

CONTINUING CONNECTED TRANSACTIONS PURSUANT TO RULE 14A.60(1) OF THE LISTING RULES

Reference is made to the announcements of the Company dated 26 February 2021, 28 July 2021 and 25 November 2021 in relation to the acquisition of 34.99% equity interests in TCT by COSCO SHIPPING Ports (Tianjin) (a wholly-owned subsidiary of the Company) from Tianjin Port Holdings.

Following completion of the Acquisition on 3 December 2021, the Company, through its wholly-owned subsidiaries, holds 51% equity interests in TCT. Accordingly, TCT became a subsidiary of the Company. Tianjin Port Holdings, which owns 41.69% equity interests in TCT, is a substantial shareholder of TCT and therefore became a connected person of the Company at the subsidiary level. Tianjin Port Finance, a company held directly and indirectly as to 43.652% by Tianjin Port Holdings and as to 56.348% by Tianjin Port Group (which is the ultimate holding company of Tianjin Port Holdings) and other subsidiaries of Tianjin Port Group, became a connected person of the Company at the subsidiary level accordingly by virtue of its being an associate of Tianjin Port Holdings.

Prior to completion of the Acquisition, TCT had entered into the Agreement Deposits Contract with Tianjin Port Finance, pursuant to which Tianjin Port Finance agreed to accept RMB agreement deposits from TCT. The transactions contemplated under the Agreement Deposits Contract became continuing connected transactions of the Company following completion of the Acquisition.

Pursuant to Rule 14A.60 of the Listing Rules, the Company is required to comply with the annual review and disclosure requirements (including publishing an announcement and annual reporting) if TCT continues to conduct the transactions contemplated under the Agreement Deposits Contract. In the event that the Agreement Deposits Contract is renewed or its terms are varied, the Company will comply with all applicable connected transaction requirements under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the announcements of the Company dated 26 February 2021, 28 July 2021 and 25 November 2021 in relation to the acquisition of 34.99% equity interests in TCT by COSCO SHIPPING Ports (Tianjin) (a wholly-owned subsidiary of the Company) from Tianjin Port Holdings.

Following completion of the Acquisition on 3 December 2021, the Company, through its wholly-owned subsidiaries, holds 51% equity interests in TCT. Accordingly, TCT became a subsidiary of the Company. Tianjin Port Holdings, which owns 41.69% equity interests in TCT, is a substantial shareholder of TCT and therefore became a connected person of the Company at the subsidiary level. Tianjin Port Finance, a company held directly and indirectly as to 43.652% by Tianjin Port Holdings and as to 56.348% by Tianjin Port Group (which is the ultimate holding company of Tianjin Port Holdings) and other subsidiaries of Tianjin Port Group, became a connected person of the Company at the subsidiary level accordingly by virtue of its being an associate of Tianjin Port Holdings.

Prior to completion of the Acquisition, TCT had entered into the Agreement Deposits Contract with Tianjin Port Finance. The transactions contemplated under the Agreement Deposits Contract became continuing connected transactions of the Company following completion of the Acquisition. The principal terms of the Agreement Deposits Contract are disclosed in this announcement in compliance with Rule 14A.60(1) of the Listing Rules.

THE AGREEMENT DEPOSITS CONTRACT

Date: 21 January 2011

Parties: (1) TCT; and
(2) Tianjin Port Finance

Term: From 24 January 2011 to 23 January 2012, and renewed annually automatically, unless notice of non-renewal is given by either party before the end of the then current term.

The next automatic renewal date will be 24 January 2022.

Nature of transactions: Tianjin Port Finance agreed to accept RMB agreement deposits from TCT, with the basic deposit requirement being RMB500,000.

Pricing terms: Interest on the deposits is payable quarterly on the 20th day of the last month of each calendar quarter and accrues at the following interest rates:

- (1) for the part of the deposits within the basic deposit requirement (i.e. the first RMB500,000): the interest rate for demand deposits as listed by PBOC as at the relevant interest settlement date; and
- (2) for the balance: the interest rate for agreement deposits as published by PBOC as at the relevant interest settlement date.

The amount of interest is calculated by adopting the accumulated interest method. If any of the interest rates is adjusted by PBOC during any interest period, interest will be calculated separately for the parts of the interest period before and after the adjustment respectively.

The highest daily balance of the deposits under the Agreement Deposits Contract (including accrued interest) during the period from 3 December 2021 (being the date of completion of the Acquisition) to 31 December 2021 was approximately RMB350 million. Taking into account the historical levels of the balance of the deposits and the current anticipated cash flow requirements of TCT, it is expected that the highest daily balance of the deposits under the

Agreement Deposits Contract (including accrued interest) for the period from 1 January 2022 to 23 January 2022 (being the last day of the current term of the Agreement Deposits Contract) will not exceed RMB380 million. The highest applicable percentage ratio (as defined in the Listing Rules) in respect of the transactions contemplated under the Agreement Deposits Contract during each of such two periods exceeds 1% but is less than 5%.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS UNDER THE AGREEMENT DEPOSITS CONTRACT

TCT uses agreement deposits services in its ordinary course of business for convenient access to cash when needed while earning interest on funds which await deployment. Since the agreement deposits services offered by Tianjin Port Finance contemplated under the Agreement Deposits Contract are on terms no less favourable to TCT than those generally offered by banks in the PRC for comparable agreement deposits, TCT opted to continue to utilise its agreement deposits account with Tianjin Port Finance following completion of the Acquisition. The Agreement Deposits Contract does not preclude TCT from using the services of other financial institutions as it thinks fit and appropriate for its benefit. Where required, TCT will solicit other reference quotations, where available, from independent third party financial institutions in respect of similar transactions for comparison and consideration.

The Directors (including the independent non-executive Directors) consider that the Agreement Deposits Contract and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms, and that the terms thereof are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As Tianjin Port Finance became a connected person of the Company following completion of the Acquisition, pursuant to Rule 14A.60 of the Listing Rules, the Company is required to comply with the annual review and disclosure requirements (including publishing an announcement and annual reporting) if TCT continues to conduct the transactions contemplated under the Agreement Deposits Contract. In the event that the Agreement Deposits Contract is renewed or its terms are varied, the Company will comply with all applicable connected transaction requirements under Chapter 14A of the Listing Rules.

None of the Directors has a material interest in the transactions contemplated under the Agreement Deposits Contract.

INFORMATION ON THE PARTIES TO THE AGREEMENT DEPOSITS CONTRACT

The principal business of the Company is investment holding. The Group is principally engaged in the businesses of managing and operating terminals, and related businesses. TCT is a company incorporated in the PRC with limited liability and is principally engaged in the operation of container terminal at the port of Tianjin in the PRC.

Tianjin Port Finance is a company incorporated in the PRC with limited liability and is a non-bank financial institution principally engaged in the provision of financial services to Tianjin Port Group and its affiliates (including TCT) but not to other parties. The business activities of Tianjin Port Finance are regulated and supervised by the PBOC and the China Banking and Insurance Regulatory Commission. Tianjin Port Finance is held directly and indirectly as to 43.652% by Tianjin Port Holdings and as to 56.348% by Tianjin Port Group and other subsidiaries of Tianjin Port Group. Tianjin Port Holdings is a company incorporated in the PRC

with limited liability, the shares of which are listed on the Shanghai Stock Exchange (Stock Code: 600717). Tianjin Port Holdings is a non-wholly owned subsidiary of Tianjin Port Development, which is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3382). The ultimate holding company of Tianjin Port Development is Tianjin Port Group. Accordingly, Tianjin Port Finance is a subsidiary of Tianjin Port Group. The principal business of Tianjin Port Group includes port handling and stevedoring services, warehousing, logistics, and port area land development at the port of Tianjin in the PRC through its group companies.

DEFINITIONS

“Acquisition”	the acquisition of 34.99% equity interests in TCT by COSCO SHIPPING Ports (Tianjin) from Tianjin Port Holdings under the equity transfer agreement dated 26 February 2021 entered into between the Company, COSCO SHIPPING Ports (Tianjin) and Tianjin Port Holdings
“Agreement Deposits Contract”	the agreement dated 21 January 2011 entered into between TCT and Tianjin Port Finance, pursuant to which Tianjin Port Finance agreed to accept RMB agreement deposits from TCT
“associate”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”	COSCO SHIPPING Ports Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1199)
“connected person”	has the meaning ascribed thereto in the Listing Rules
“COSCO SHIPPING Ports (Tianjin)”	COSCO SHIPPING Ports (Tianjin) Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PBOC”	the People’s Bank of China
“PRC”	the People’s Republic of China, which for the purpose of this announcement and unless the context suggests otherwise, shall exclude the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules
“TCT”	Tianjin Port Container Terminal Co., Ltd.* 天津港集裝箱碼頭有限公司, a company incorporated in the PRC with limited liability and a non-wholly-owned subsidiary of the Company
“Tianjin Port Development”	Tianjin Port Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3382)
“Tianjin Port Finance”	Tianjin Port Finance Co., Ltd.* 天津港財務有限公司, a company incorporated in the PRC with limited liability
“Tianjin Port Group”	Tianjin Port (Group) Co., Ltd.* 天津港(集團)有限公司, an entity reorganised as a wholly state-owned company in the PRC on 29 July 2004 and holding the business owned and operated by the former government regulatory body of the port of Tianjin
“Tianjin Port Holdings”	Tianjin Port Holdings Co., Ltd.* 天津港股份有限公司, a company incorporated in the PRC with limited liability and the shares of which are listed on the Shanghai Stock Exchange (Stock Code: 600717)
“%”	percent

For the purposes of this announcement, the English name with an asterisk () is an unofficial English transliteration or translation and is for identification purposes only.*

By Order of the Board
COSCO SHIPPING Ports Limited
FENG Boming
Chairman

Hong Kong, 10 January 2022

As at the date of this announcement, the Board comprises Mr. FENG Boming¹ (Chairman), Mr. ZHANG Dayu¹ (Managing Director), Mr. DENG Huangjun¹, Mr. ZHANG Wei², Mr. CHEN Dong², Dr. WONG Tin Yau, Kelvin¹, Dr. FAN HSU Lai Tai, Rita³, Mr. Adrian David LI Man Kiu³, Mr. LAM Yiu Kin³, Prof. CHAN Ka Lok³ and Mr. YANG Liang Yee Philip³.

¹ Executive Director

² Non-executive Director

³ Independent Non-executive Director