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招商局港口控股有限公司

CHINA MERCHANTS PORT HOLDINGS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code : 00144)

**CONTINUING CONNECTED TRANSACTION -
SUPPLEMENTAL PROPERTY SERVICES AGREEMENT**

DETERMINATION OF ANNUAL CAPS

BACKGROUND

Reference is made to the announcement of the Company dated 11 October 2016 in relation to the entering into of the Supplemental Property Services Agreement and the determination of the annual cap in respect of the fees payable to CMPM under the Property Services Agreement (as amended by the Supplemental Property Services Agreement) for the year ending 31 December 2016.

Shenzhen Jinyu entered into the Property Services Agreement with CMPM (an indirect subsidiary of CMG, the ultimate holding company of the Company) on 25 September 2015 in relation to the provision of certain property services (such as cleaning, repair and maintenance, security and other daily management services) for the Target Property. On 11 October 2016, Shenzhen Jinyu and CMPM entered into the Supplemental Property Services Agreement to amend certain payment terms under the Property Services Agreement and the Directors resolved to set the annual cap in respect of the fees payable to CMPM under the Property Services Agreement (as amended by the Supplemental Property Services Agreement) at RMB7,900,000 (equivalent to approximately HK\$9,175,000) for the year ending 31 December 2016. The term of the Property Services Agreement (as amended by the Supplemental Property Services Agreement), remains unchanged, being three years from 11 March 2016 which is the date of completion of construction of the Target Property.

For the purpose of Rule 14A.53 of the Listing Rules, on 28 October 2016, the Directors resolved to set the annual caps in respect of the fees payable to CPM under the Property Services Agreement (as amended by the Supplemental Property Services Agreement) at RMB13,000,000 (equivalent to approximately HK\$15,098,722), RMB13,000,000 (equivalent to approximately HK\$15,098,722) and RMB2,550,000 (equivalent to approximately HK\$2,961,672) for the year ending 31 December 2017, for the year ending 31 December 2018 and for the two months and eleven days ending 11 March 2019, respectively. The annual caps are determined based on the management's projection of the rental income of the commercial portion of the Target Property and the occupancy rate of the office tower portion of the Target Property of this period and also the fees charged by CPM to other third parties for similar services. The Directors, including the independent non-executive Directors, are of the view that the annual caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Since the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the annual caps for the fees payable to CPM under the Property Services Agreement (as amended by the Supplemental Property Services Agreement) exceed 0.1% but are below 5%, the transactions contemplated under the Property Services Agreement are therefore exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules but are subject to the reporting, annual review and announcement requirements.

None of the Directors have a material interest in the Property Services Agreement, the Supplemental Property Services Agreement and the setting of the annual caps under such agreements. Accordingly, no Director was required to abstain from voting on the board resolutions in respect thereof.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors of the Company
“CMG”	China Merchants Group Limited, a company incorporated in the PRC and the ultimate holding company of the Company

“CMPM”	China Merchants Property Management Company Limited (招商局物業管理有限公司), an indirect subsidiary of CMG
“Company”	China Merchants Port Holdings Company Limited, a company incorporated in Hong Kong and whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited
“connected person”	has the meaning ascribed to this term under the Listing Rules
“Directors”	the directors of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Property Services Agreement”	the property services agreement dated 25 September 2015 entered into between Shenzhen Jinyu and CMPM in relation to the provision of certain property services by CMPM
“RMB”	Renminbi, the lawful currency of the PRC
“Shenzhen Jinyu”	Shenzhen Jinyu Rongtai Investment Development Company Limited (深圳金域融泰投資發展有限公司), a company incorporated in the PRC and a wholly-owned subsidiary of the Company
“Supplemental Property Services Agreement”	the supplemental property services agreement dated 11 October 2016 entered into between Shenzhen Jinyu and CMPM in relation to certain amendments to the Property Services Agreement

“**Target Property**” the property named Nanhai Yikumeng Industrial Building (南海意庫夢工場大廈) located in Third Industrial Road, Nanshan District, Shenzhen, Guangdong Province, which is developed by Shenzhen Jinyu

“%” per cent.

For reference only, an exchange rate of HK\$1.00 to RMB0.8610 has been used for the conversion of Renminbi into Hong Kong dollars in this announcement.

By Order of the Board
China Merchants Port Holdings Company Limited
Li Xiaopeng
Chairman

Hong Kong, 28 October 2016

As at the date of this announcement, the Board comprises Mr. Li Xiaopeng, Mr. Hu Jianhua, Mr. Fu Gangfeng, Mr. Yu Liming, Mr. Wang Hong, Mr. Deng Renjie, Mr. Bai Jingtao, Mr. Wang Zhixian and Mr. Zheng Shaoping as executive directors; and Mr. Kut Ying Hay, Mr. Lee Yip Wah Peter, Mr. Li Kwok Heem John, Mr. Li Ka Fai David and Mr. Bong Shu Ying Francis as independent non-executive directors.