

CHINA MERCHANTS HOLDINGS (PACIFIC) LIMITED

(Incorporated in the Republic of Singapore)

Company Registration No. 198101278D

ANNOUNCEMENT

TERM LOAN FACILITY

The board of directors (the “**Board**”) of China Merchants Holdings (Pacific) Limited (the “**Company**”) refers to the Company’s circular to shareholders dated 28 August 2015 (the “**Circular**”) in relation to, *inter alia*, the Guixing Acquisition, the Guiyang Acquisition and the Yangping Acquisition (the “**Acquisitions**”) and the Company’s announcement dated 15 September 2015 in relation to the entry by the Company of a facility agreement for a 12-month term loan facility in an aggregate amount of US\$350 million (the “**Bridging Facility**”).

All capitalised terms used and not defined herein shall have the meanings ascribed to them in the Circular.

As disclosed in the Circular, the aggregate consideration payable for the Acquisitions, *inter alia*, will be funded by the net proceeds of the Preferential Offering and external bank borrowings. In this regard, the Board wishes to announce that the Company has today entered into a facility agreement (the “**Agreement**”) for a five-year term loan facility in an aggregate amount of US\$350 million (the “**Facility**”) to refinance the Bridging Facility.

In compliance with Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), the Board wishes to announce the following:

- (i) pursuant to the terms of the Agreement, each of the following events or circumstances constitute an event of default: (a) the Company ceasing to be directly or indirectly majority owned and controlled by China Merchants Group Limited (“**CMG**”), an indirect controlling shareholder of the Company and the ultimate holding company of the Company¹, or (b) CMG ceasing to be wholly owned and controlled by the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) of the People’s Republic of China (collectively, the “**Controlling Shareholder Conditions**”); and
- (ii) the aggregate level of facilities of the Company and its subsidiaries that may be affected by a breach of any of the Controlling Shareholder Conditions is approximately HK\$5.97 billion² as at the date of this Announcement.

Pursuant to Rule 728 of the Listing Manual, the Company will also obtain an undertaking from its direct controlling shareholder, Easton Overseas Limited (“**Easton**”), to notify the Company, as soon as Easton becomes aware, of any share pledging arrangements relating to its shares in the Company and of any event which may result in a breach of the Company’s loan provisions under the Agreement.

BY ORDER OF THE BOARD

Lim Lay Hoon
Company Secretary
Singapore, 30 December 2015

¹ CMG is deemed to be interested in the 1,361,619,393 shares of the Company held by Easton Overseas Limited, its indirect wholly-owned subsidiary, representing approximately 75.88 per cent. of the issued share capital of the Company as at the date of this Announcement.

² This amount excludes the aforementioned US\$350 million Bridging Facility as the same will be refinanced by the five-year term loan facility provided under the Agreement.