



Hutchison Port Holdings Trust is a business trust constituted on 25 February 2011 under the laws of the Republic of Singapore and managed by Hutchison Port Holdings Management Pte. Limited.

CO-MANAGEMENT OF THE KWAI TSING CONTAINER TERMINALS WHICH HUTCHISON PORT HOLDINGS TRUST HAS AN INTEREST IN

Pursuant to Rule 703 of the Listing Manual of Singapore Exchange Securities Trading Limited, Hutchison Port Holdings Management Pte. Limited (the **"Trustee-Manager"**), as trustee-manager of Hutchison Port Holdings Trust (**"HPH Trust"**), wishes to announce that on 19 December 2016, Hongkong International Terminals Limited (**"HIT"**), COSCO-HIT Terminals (Hong Kong) Limited (**"CHT"**) and Asia Container Terminals Limited (**"ACT"**) entered into a Co-Management Agreement (the **"Agreement"**) regarding the terms on which they currently and going forward will collaborate with each other for the efficient management and operation of the 16 berths across Terminals 4, 6, 7, 8 and 9 (together the **"Combined Terminals"**) of Kwai Tsing, New Territories, Hong Kong (the **"Arrangement"**).

HIT, which owns 12 berths in Terminal 4, 6, 7 and 9, is a wholly-owned subsidiary of HPH Trust. CHT, which owns 2 berths in Terminal 8 East, is effectively held as to 50% by each of COSCO SHIPPING Ports Limited (**"CSPL"**) and HPH Trust through certain intermediary companies. ACT, which owns 2 berths in Terminal 8 West, is effectively held as to 60% and 40%, respectively by CSPL and HPH Trust through certain intermediary companies.

Pursuant to the Agreement, one management team will be responsible for the day-to-day operations and for managing, operating and conducting the business of the container terminal facilities of the Combined Terminals in order to improve efficiencies in the operation of the Combined Terminals. The revenue and expenses from the management and operation of the facilities of the Combined Terminals will be allocated among the parties by reference to the respective designed capacity of the facilities owned by each party. The Agreement may be terminated by any party in certain circumstances upon the giving of not less than three months' written notice.



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Rationale for the Arrangement

The Trustee-Manager believes that the Arrangement will enable the Combined Terminals to deploy their facilities and manpower resources in a more cost effective manner. Taking into account the changing dynamics of the shipping industry with the formation of strategic alliances between shipping lines, the Trustee-Manager is of the view that the Arrangement would create additional capacity by increasing the flexibility in the overall berth and yard planning among the 16 berths across the Combined Terminals to better accommodate the need of such shipping alliances for enhanced service, thereby increasing the overall competitiveness of the Combined Terminals.

By Order of the Board

Hutchison Port Holdings Management Pte. Limited

(as trustee-manager of Hutchison Port Holdings Trust)

(Company Registration No. 201100749W)

Ms Lynn Wan Tiew Leng

Company Secretary

19 December 2016

About HPH Trust

HPH Trust is a container port business trust listed in Singapore.

The portfolio of HPH Trust consists of interests in deep-water container port assets located in Hong Kong and Shenzhen, the People's Republic of China, two of the world's busiest container port cities, as well as certain port ancillary services and the economic benefits of river ports complementary to the deep-water container ports operated by HPH Trust.

The investment mandate of HPH Trust is principally to invest in, develop, operate and manage deep-water container ports in the Guangdong Province, Hong Kong and Macau, one of the world's largest trading hubs by throughput.

HPH Trust is managed by Hutchison Port Holdings Management Pte. Limited, with the key objective of providing unitholders with stable and regular distributions as well as long-term distribution per unit growth.