

CHINA MERCHANTS HOLDINGS (PACIFIC) LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 198101278D

ANNOUNCEMENT

SUPPLEMENTAL AGREEMENT AND COMPLETION OF THE PROPOSED ACQUISITION OF HONG KONG HONEST QUEEN INTERNATIONAL INVESTMENT LIMITED

1. INTRODUCTION

The Board of Directors (the “**Board**”) of China Merchants Holdings (Pacific) Limited (the “**Company**”) refers to the proposed acquisition by the Company from Liu Qiang and Gong Xiaoping (the “**Sellers**”) of the entire issued share capital of Hong Kong Honest Queen International Investment Limited (the “**Target**”) and a shareholder’s loan made by Liu Qiang to the Target (as reflected in the books of the Target on the date of completion) (the “**Acquisition**”). The Target is the holding company of Honest Queen International (Jiangxi) Jiurui Expressway Development Co., Ltd (诚坤国际(江西)九瑞高速公路发展有限公司) (“**Jiurui Expressway Co**”). Jiurui Expressway Co owns the rights to operate the Jiurui Expressway (Jiujiang - Ruichang Section) (江西省九江至瑞昌高速公路), an expressway located in Jiangxi Province, People’s Republic of China.

All capitalised terms used and not defined herein shall have the same meanings given to them in the announcements dated 21 July 2014, 15 August 2014 and 22 August 2014 as well as the circular to shareholders dated 22 August 2014 in connection with the Acquisition.

2. SUPPLEMENTAL AGREEMENT

Pursuant to the terms of the conditional share purchase agreement dated 21 July 2014 entered into between the Company and the Sellers (the “**Share Purchase Agreement**”), the Company will issue the Consideration Shares to the Sellers (or their nominee, Hongda Asia Limited) at an issue price of S\$0.985 per Consideration Share as part of the Consideration. The Board wishes to announce that the Company and the Sellers have today entered into a supplemental agreement to the Share Purchase Agreement (the “**Supplemental Agreement**”) to, *inter alia*, change the parties the Company will be issuing the Consideration Shares to pursuant to the Share Purchase Agreement. Pursuant to the Supplemental Agreement, the Company will now issue the Consideration Shares to the Sellers (or their nominee, Hongda International Asset Management Limited (洪大国际资产管理有限有限公司) (“**Hongda International**”)) or any other company as may be nominated by the Sellers.

Save as disclosed in this Announcement, all other terms of the Share Purchase Agreement remain the same.

3. COMPLETION

The Board also wishes to announce that, as at 9 September 2014, all the conditions precedent (“**Conditions**”) for the completion of the Acquisition have been satisfied pursuant to the terms of the Share Purchase Agreement. Notwithstanding that pursuant to the terms of the Share Purchase Agreement, Completion will take place on the date falling 10 business days following satisfaction of the Conditions the Company and the Sellers have, pursuant to the Supplemental Agreement, agreed to complete the Acquisition today. Accordingly, the Company has issued the Consideration Shares to the Sellers’ nominee Hongda International pursuant to the terms of the Share Purchase Agreement and the Supplemental Agreement. Following Completion, the Target and Jiurui Expressway Co are now wholly-owned subsidiaries of CMHP and members of the CMHP Group.

Immediately following the issue of the Consideration Shares, the total number of issued and paid-up Shares of the Company has increased from 757,428,084 prior to such issue, to 876,803,071 and Hongda International owns approximately 13.61 per cent. of the enlarged issued share capital of the Company.

As previously announced by the Company, the SGX-ST has advised that it has approved in-principle the listing and quotation of the Consideration Shares, subject to, *inter alia*, compliance with the SGX-ST’s listing requirements. The approval in-principle by the SGX-ST for the listing and quotation of the Consideration Shares is not to be taken as an indication of the merits of the Acquisition, the Consideration Shares, the Company and/or its subsidiaries.

4. FURTHER INFORMATION

Copies of the Share Purchase Agreement and the Supplemental Agreement are available for inspection during normal business hours at the registered office of the Company at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, for a period of three months commencing from the date of this Announcement.

BY ORDER OF THE BOARD

Lim Lay Hoon
Company Secretary
Singapore, 9 September 2014