

**CIRCULAR DATED 5 APRIL 2018**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately.**

If you have sold or transferred all your shares in COSCO SHIPPING International (Singapore) Co., Ltd. (the “**Company**”), you should immediately forward this Circular together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



**COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD.**

(Company Registration No.: 196100159G)  
(Incorporated in the Republic of Singapore)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO**

**THE PROPOSED RATIFICATION OF THE VOLUNTARY CONDITIONAL CASH OFFER FOR ALL OF THE ISSUED ORDINARY SHARES IN THE CAPITAL OF COGENT HOLDINGS LIMITED**

*Financial Adviser to the Company*



**BANK OF CHINA LIMITED, SINGAPORE BRANCH**

(Entity No.: S36FC0753G)  
(Foreign Company registered in the Republic of Singapore)

**IMPORTANT DATES AND TIMES**

Last date and time for lodgement of Proxy Form	:	25 April 2018 at 3:00 p.m.
Date and time of Extraordinary General Meeting	:	27 April 2018 at 3:00 p.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2:00 p.m. on the same day and at the same place)
Venue of Extraordinary General Meeting	:	Marina Bay Sands Expo & Convention Centre Level 3 Cassia Ballroom 3201A-3 & 3301A-3 Marina Bay Sands 10 Bayfront Avenue Singapore 018956

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## DEFINITIONS

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<b>“ACRA”</b>	:	Accounting and Corporate Regulatory Authority of Singapore
<b>“Aggregate Consideration”</b>	:	Shall have the meaning set out in section 4.1 of this Circular
<b>“AGM”</b>	:	Shall have the meaning set out in section 9.9(a) of this Circular
<b>“BOC”</b>	:	Bank of China Limited, Singapore Branch
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Chapter 10 Announcement”</b>	:	Shall have the meaning set out in section 1.3 of this Circular
<b>“China COSCO”</b>	:	Shall have the meaning set out in section 6(a) of this Circular
<b>“CHL ”</b>	:	Cogent Holdings Limited
<b>“CHL1HFY2017 Results”</b>	:	Shall have the meaning set out in note 1 to section 8.2 of this Circular
<b>“CHL Delisting Announcement”</b>	:	Shall have the meaning set out in section 1.1 of this Circular
<b>“CHL Delisting Approval Announcement”</b>	:	Shall have the meaning set out in section 1.1 of this Circular
<b>“CHL Group”</b>	:	CHL and/or any of its subsidiaries
<b>“CHL Shareholders”</b>	:	Holders of CHL Shares (other than CDP) as indicated on the Register and Depositors who have CHL Shares entered against their names in the Depository Register
<b>“CHL Shares”</b>	:	Issued and paid-up ordinary shares in the capital of CHL
<b>“Circular”</b>	:	This circular dated 5 April 2018 to Shareholders
<b>“Close of Offer Announcement”</b>	:	Shall have the meaning set out in section 1.1 of this Circular
<b>“Closing Date”</b>	:	5:30 p.m. on 19 January 2018
<b>“Code”</b>	:	The Singapore Code on Take-overs and Mergers
<b>“Companies Act”</b>	:	The Companies Act, Chapter 50 of Singapore
<b>“Company”</b>	:	COSCO SHIPPING International (Singapore) Co., Ltd.
<b>“Completion of Compulsory Acquisition Announcement”</b>	:	Shall have the meaning set out in section 1.1 of this Circular
<b>“Compulsory Acquisition Right”</b>	:	Shall have the meaning set out in section 1.1 of this Circular
<b>“COSCL”</b>	:	Shall have the meaning set out in section 9(a) of this Circular
<b>“Despatch Date”</b>	:	24 November 2017, being the date of despatch of the Offer Document
<b>“Despatch of Compulsory Acquisition Notices Announcement”</b>	:	Shall have the meaning set out in section 1.1 of this Circular

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## DEFINITIONS

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<b>“Directors”</b>	:	Directors of the Company
<b>“Dissenting CHL Shareholders”</b>	:	CHL Shareholders who have not accepted the Offer or whose CHL Shares have not otherwise been acquired or agreed to be acquired by the Company as at the Closing Date
<b>“EGM”</b>	:	Extraordinary General Meeting
<b>“EPS”</b>	:	Earnings per share
<b>“Exercise of Compulsory Acquisition Right Announcement”</b>	:	Shall have the meaning set out in section 1.1 of this Circular
<b>“Extension”</b>	:	Shall have the meaning set out in section 9.8 of this Circular
<b>“FY”</b>	:	Unless otherwise stated, in respect of the Company, financial year ended or ending (as the case may be) on 31 December of a particular year as stated
<b>“IFA Letter”</b>	:	Shall have the meaning set out in section 16.2 of this Circular
<b>“Irrevocable Undertakings”</b>	:	The irrevocable undertakings given by the Undertaking CHL Shareholders to the Company to, amongst other things, accept the Offer
<b>“Key Undertaking CHL Shareholders”</b>	:	Tan Yeow Khoon, Tan Yeow Lam, and Tan Min Cheow, Benson
<b>“Latest Practicable Date”</b>	:	28 March 2018
<b>“Listing Manual”</b>	:	The Listing Manual of the SGX-ST
<b>“NTA”</b>	:	Shall have the meaning set out in section 4.2 of this Circular
<b>“Offer”</b>	:	Shall have the meaning set out in section 1.1 of this Circular
<b>“Offer Announcement”</b>	:	Shall have the meaning set out in section 1.1 of this Circular
<b>“Offer Announcement Date”</b>	:	Shall have the meaning set out in section 1.1 of this Circular
<b>“Offer Document”</b>	:	The formal offer document issued by BOC, for and on behalf of the Company, to CHL Shareholders in connection with the Offer on 24 November 2017
<b>“Offer Price”</b>	:	S\$1.02 in cash for each CHL Share
<b>“Offer Unconditional Announcement”</b>	:	Shall have the meaning set out in section 1.1 of this Circular
<b>“PRC”</b>	:	People’s Republic of China
<b>“Register”</b>	:	The Register of Members maintained by CHL as required under Section 190 of the Companies Act
<b>“Register of Directors’ Shareholdings”</b>	:	The Register of Directors’ Shareholdings maintained by the Company as required under Section 164 of the Companies Act

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## DEFINITIONS

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<b>“Register of Substantial Shareholders”</b>	:	The Register of Substantial Shareholders maintained by the Company as required under Section 88 of the Companies Act
<b>“SFA”</b>	:	The Securities and Futures Act, Chapter 289 of Singapore
<b>“SGXNET”</b>	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Shareholders”</b>	:	Holder of shares in the Company (other than CDP) as indicated on the Register and Depositors who have shares in the Company entered against their names in the Depository Register
<b>“Substantial Shareholders”</b>	:	Any Shareholder holding not less than 5% of shares in the Company
<b>“Undertaking CHL Shareholders”</b>	:	Tan Yeow Khoon, Tan Yeow Lam, Tan Min Cheow, Benson, and Ng Poh Choo
<b>“VWAP”</b>	:	Volume weighted average price
<b>“Waiver”</b>	:	Shall have the meaning set out in section 1.3 of this Circular
<b>“%”</b>	:	Percentage or per centum

**Depositors, etc.** The expressions **“Depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

**Genders, etc.** Word importing the singular shall, where applicable, include the plural and *vice versa*. Words importing a single gender shall, where applicable, include any or all genders. References to persons shall, where applicable, include corporations.

**Headings.** The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

**Rounding.** Any discrepancies in the tables, charts and/or diagrams in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, any figure shown as a total may not be an arithmetic aggregation of the figures that precede it.

**Statutes.** Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Code, the Listing Manual, the SFA or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to that word under the Companies Act, the Code, the Listing Manual, the SFA or that modification, as the case may be, unless the context otherwise requires.

**Subsidiaries.** The expression **“subsidiaries”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

**Time and date.** Any references to a time of day and date in this Circular shall be a reference to Singapore time and date respectively, unless otherwise specified.

**Statements which are reproduced in their entirety from the Offer Document are set out in this Circular within quotes and/or in italics, and all capitalised terms and expressions within these reproduced statements shall have the same meanings ascribed to them in the Offer Document.**

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## LETTER TO SHAREHOLDERS

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### COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD.

(Company Registration No.: 196100159G)  
(Incorporated in the Republic of Singapore)

**Directors:**

Wang Yu Hang (Chairman)  
Gu Jing Song (Vice Chairman and President)  
Li Xi Bei  
Liang Yan Feng  
Tom Yee Lat Shing  
Wang Kai Yuen  
Er Kwong Wah  
Ang Swee Tian  
Li Man (alternate Director to Wang Yu Hang)  
Ouyang Chao Mei (alternate Director to Liang Yan Feng)

**Registered Office:**

30 Cecil Street  
#26-01 Prudential Tower  
Singapore 049712

5 April 2018

**To: Shareholders of COSCO SHIPPING International (Singapore) Co., Ltd.**

Dear Sir/Madam,

#### THE PROPOSED RATIFICATION OF THE VOLUNTARY CONDITIONAL CASH OFFER FOR ALL OF THE ISSUED ORDINARY SHARES IN THE CAPITAL OF COGENT HOLDINGS LIMITED

#### 1. INTRODUCTION

- 1.1 **The Offer.** On 3 November 2017 ("**Offer Announcement Date**"), Bank of China Limited, Singapore Branch ("**BOC**") announced ("**Offer Announcement**"), for and on behalf of the Company, that the Company intended to make a voluntary conditional cash offer for all the CHL Shares including all shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Company (the "**Offer**").

On 24 November 2017 ("**Despatch Date**"), the formal offer document setting out the terms and conditions of the Offer was despatched to the CHL Shareholders ("**Offer Document**").

On 2 January 2018, BOC announced, for and on behalf of the Company that the Offer had turned unconditional as to acceptances and in all other respects ("**Offer Unconditional Announcement**").

On 19 January 2018, BOC announced, for and on behalf of the Company, among other things, that the Offer had closed with effect from 5:30 p.m. on the same day ("**Close of Offer Announcement**") and the Company had received valid acceptances in respect of an aggregate of 470,413,690 CHL Shares, representing approximately 98.31% of the total number of issued CHL Shares. Accordingly, the Company was entitled to and will exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire, at the Offer Price, all the CHL Shares of Dissenting CHL Shareholders ("**Compulsory Acquisition Right**").

On 29 January 2018, BOC announced, for and on behalf of the Company that it had on the same date given notice to the Dissenting CHL Shareholders of its intention to exercise the Compulsory Acquisition Right ("**Despatch of Compulsory Acquisition Notices Announcement**").

On 7 February 2018, CHL announced that it had obtained confirmation from the SGX-ST that, based on CHL's submissions and representations to the SGX-ST, the SGX-ST had no objections to CHL being delisted from the Official List of the SGX-ST following the completion of the Compulsory Acquisition Right ("**CHL Delisting Approval Announcement**").

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## LETTER TO SHAREHOLDERS

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On 2 March 2018, BOC announced, for and on behalf of the Company that it had exercised the Compulsory Acquisition Right to acquire the CHL Shares from the Dissenting CHL Shareholders at the Offer Price (“**Exercise of Compulsory Acquisition Right Announcement**”).

On 6 March 2018, BOC announced, for and on behalf of the Company that the compulsory acquisition of the remaining shares in CHL not acquired through the Offer had been completed (“**Completion of Compulsory Acquisition Announcement**”).

On 6 March 2018, CHL announced that following the completion of the Exercise of Compulsory Acquisition Right, CHL would be delisted from the official list of the SGX-ST with effect from 9:00 a.m. on 8 March 2018 (“**CHL Delisting Announcement**”).

- 1.2 **Announcements.** Copies of the Offer Announcement, Offer Document, Offer Unconditional Announcement, Close of Offer Announcement, Despatch of Compulsory Acquisition Notices Announcement, CHL Delisting Approval Announcement, Exercise of Compulsory Acquisition Right Announcement, Completion of Compulsory Acquisition Announcement and CHL Delisting Announcement, are available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).
- 1.3 **Approval of Shareholders.** Although the Offer required the approval of Shareholders as it constituted a major transaction by the Company under Chapter 10 of the Listing Manual, the Company had applied for, and received a waiver from the SGX-ST from the requirement to convene an EGM to seek Shareholders’ prior approval under Rule 1014(2) of the Listing Manual for the Offer and obtained the SGX-ST’s approval for the Company to seek Shareholders’ ratification of the Offer at an EGM following the Closing Date (the “**Waiver**”). The reasons for seeking the Waiver are detailed under section 9 of this Circular. Further details of the Waiver are set out in the Company’s announcement on 3 November 2017, copies of which are available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com) (“**Chapter 10 Announcement**”).
- 1.4 **EGM.** In accordance with the terms of the Waiver dated 25 September 2017 from the SGX-ST, this Circular is being issued to Shareholders to, amongst other things, convene the EGM to seek Shareholders’ ratification of the Offer. In this regard, the Directors are convening the EGM at Marina Bay Sands Expo & Convention Centre, Level 3 Cassia Ballroom 3201A-3 & 3301A-3, Marina Bay Sands, 10 Bayfront Avenue, Singapore 018956 on 27 April 2018 at 3:00 p.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2:00 p.m. on the same day and at the same place).

## 2. THE OFFER

- 2.1 **Terms of the Offer.** The Company made the Offer for all the CHL Shares in accordance with Section 139 of the SFA, the Code and on the following basis as extracted from sections 2 and 3 of the Offer Document below.

### “2. THE OFFER

- 2.1 **Offer Price.** *For and on behalf of the Offeror, BOC hereby makes the Offer, in accordance with Section 139 of the SFA and the Code, and subject to the terms and conditions of this Offer Document, for all the Shares on the following basis:*

- (a) **for each Share: S\$1.02 in cash (the “Offer Price”); and**
- (b) **the Offeror does not intend to revise the Offer Price or any other terms of the Offer, save that the Offeror reserves the right to do so in a competitive situation.**



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## LETTER TO SHAREHOLDERS

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- 2.2 **Shares of parties acting in concert.** *The Offer is extended, on the same terms and conditions, to all Shares, including any and all Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror in connection with the Offer.*
- 2.3 **No Encumbrances.** *The Shares will be acquired (i) fully paid-up, (ii) free from all liens, equities, pledges, mortgages, charges, encumbrances, rights of pre-emption, rights of first refusal, moratoriums, powers of sale, declarations of trust, hypothecation, retention of title, options or rights to purchase and other third party rights and interests of any kind or nature whatsoever or any agreements, arrangements or obligations to create any of the foregoing (“**Encumbrances**”), and (iii) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (collectively, “**Distributions**”) that may be announced, declared, paid or made by CHL in respect of the Shares on or after the Offer Announcement Date.*
- 2.4 **Adjustment for Distributions.** *Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by CHL on or after the Offer Announcement Date.*

*Accordingly, if any Distribution is announced, declared, paid or made by CHL on or after the Offer Announcement Date to a Shareholder who validly accepts or has validly accepted the Offer (the “**Accepting Shareholder**”), the Offer Price payable to such Accepting Shareholder shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Shares tendered in acceptance of the Offer by the Accepting Shareholder falls, as follows:*

- (a) if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution (the “**Books Closure Date**”), the Offer Price for each Share shall remain unadjusted and the Offeror shall pay the Accepting Shareholder the unadjusted Offer Price for each Share, as the Offeror will receive the Distribution in respect of such Share from CHL; or*
  - (b) if such settlement falls after the Books Closure Date, the Offer Price for each Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Share (the Offer Price after such reduction, the “**Adjusted Offer Price**”) and the Offeror shall pay the Accepting Shareholder the Adjusted Offer Price for each Share, as the Offeror will not receive the Distribution in respect of such Share from CHL.*
- 2.5 **Offer Acceptance Condition.** *The Offer is conditional upon the Offeror having received, by the Closing Date, valid acceptances (which have not been withdrawn) in respect of such number of Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (either before or during the Offer, and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with it holding such number of Shares carrying more than 50% of the voting rights attributable to all the Shares (excluding treasury shares) as at the Closing Date (such condition, the “**Offer Acceptance Condition**”).*

***Pursuant to the Irrevocable Undertakings, the aggregate number of Shares held by the Undertaking Shareholders amounts to 403,502,775 Shares, representing approximately 84.33% of all Shares in issue as at the Latest Practicable Date.***



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## LETTER TO SHAREHOLDERS

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*Based on the total number of issued Shares as at the Latest Practicable Date, the Offer Acceptance Condition will be satisfied upon receipt of valid acceptances from the Undertaking Shareholders pursuant to the Irrevocable Undertakings and the Offer will become and be capable of being declared unconditional as to acceptances and in all other respects.*

<p><b>EACH UNDERTAKING SHAREHOLDER HAS UNDERTAKEN TO THE OFFEROR TO ACCEPT THE OFFER ON OR BEFORE 3 JANUARY 2018 (WEDNESDAY).</b></p>
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*Save for the Offer Acceptance Condition, the Offer is unconditional in all other respects.*

2.6 **No Options and Awards.** As at the Latest Practicable Date, CHL has in place the following employee or performance share incentive schemes:

- (a) the Cogent Holdings Employee Share Option Scheme (the “**ESOS**”); and
- (b) the Cogent Holdings Performance Share Plan (the “**PSP**”).

*Based on the latest information available to the Offeror, as at the Latest Practicable Date, as CHL has not implemented the ESOS or the PSP, there are no outstanding options granted pursuant to the ESOS (“**Options**”) and no outstanding awards granted pursuant to the PSP (“**Awards**”). Accordingly, the Offer will not be extended to any Share allotted and issued pursuant to the exercise of any Option or the vesting of any Award and no comparable offer for, or other proposal in respect of, any Option or Award will be made by BOC, for and on behalf of the Offeror, in connection with the Offer.*

### 3. WARRANTY

*A Shareholder who tenders his Shares in acceptance of the Offer will be deemed to unconditionally and irrevocably represent, warrant and undertake to the Offeror that he sells such Shares, as or on behalf of the beneficial owner(s) thereof, (i) fully paid-up; (ii) free from all Encumbrances; and (iii) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any) that may be announced, declared, paid or made by CHL in respect of the Shares on or after the Offer Announcement Date.”*

2.2 **Further details.** Please refer to the Offer Document for more information on the details and the terms upon which the Offer was made, including the Irrevocable Undertakings given by the Undertaking CHL Shareholders and the Key Undertaking CHL Shareholders’ agreement to waive their rights to receive, in aggregate, an amount equal to S\$20 million within the time prescribed under Rule 30 of the Code.

### 3. OUTCOME OF THE OFFER

3.1 **Acceptances.** Between the Despatch Date and up to the Closing Date, the Company received valid acceptances, pursuant to the Offer, in respect of an aggregate of 470,413,690 CHL Shares, representing approximately 98.31% of CHL Shares in issue as at the Closing Date.

3.2 **Compulsory acquisition.** On 2 March 2018, the Company exercised the Compulsory Acquisition Right and made arrangements for the remaining CHL Shares to be transferred to the Company and for the Company to be registered as the holder of the remaining CHL Shares.

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## LETTER TO SHAREHOLDERS

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3.3 **Aggregate shareholding.** As at the Latest Practicable Date, the Company owned or controlled an aggregate of 478,500,000 CHL Shares, representing approximately 100% of the CHL Shares in issue.

3.4 **Settlement.** The settlement of the purchases of CHL Shares was satisfied wholly in cash and by way of acceptances of the Offer pursuant to Rule 30 of the Code or by the Company exercising the Compulsory Acquisition Right.

### 4. FINANCIAL EVALUATION OF THE OFFER

4.1 **Aggregate Consideration.** Based on the Offer Price, the maximum consideration payable by the Company for the CHL Shares under the Offer was S\$488,070,000 ("**Aggregate Consideration**").

4.2 **Bases for arriving at the Offer Price.** In arriving at the Offer Price, the Company took into consideration, amongst other things, (i) the historical and prevailing market price of the CHL Shares, (ii) the historical financial position and performance of CHL, and (iii) the premium to acquire statutory control of CHL as at the Offer Announcement Date. The Offer Price represents:

- (a) a premium of approximately 5.2% over the last transacted price of S\$0.970 per CHL Share on 2 November 2017 (being the last full market day on which the CHL Shares were traded prior to the Offer Announcement Date);
- (b) a premium of approximately 6.2% over the volume weighted average transacted price ("**VWAP**") of S\$0.960 per CHL Share for the period from 3 October 2017 to 2 November 2017 (being the one-month period prior to the Offer Announcement Date);
- (c) a premium of approximately 12.7% over the VWAP of S\$0.905 per CHL Share for the period from 3 August 2017 to 2 November 2017 (being the three-month period prior to the Offer Announcement Date);
- (d) a premium of approximately 20.3% over the VWAP of S\$0.848 per CHL Share for the period from 3 May 2017 to 2 November 2017 (being the six-month period prior to the Offer Announcement Date);
- (e) an implied price to earnings ratio of 15.2 times based on the latest audited consolidated earnings per CHL Share of S\$0.067 for the financial year ended 31 December 2016; and
- (f) an implied price to net tangible assets ("**NTA**") of 3.4 times based on the NTA per CHL Share of S\$0.298 as at 30 June 2017, being the latest unaudited NTA before the Offer Announcement Date.

4.3 **Funding for the Offer.** The acquisition of the CHL Shares was funded by way of internal cash resources of the Company and bank borrowings obtained by the Company for the purpose of the Offer. In this regard, the Company entered into a loan facility agreement for a three year term loan facility and a one year term loan facility in the aggregate principal amount of up to S\$350,000,000 on terms set out in a facility agreement dated 26 December 2017 in order to partially fund acceptances under the Offer.

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## LETTER TO SHAREHOLDERS

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4.4 **Value of CHL Shares.** The last transacted price of the CHL Shares on the SGX-ST on 2 November 2017 (being the last full market day on which the CHL Shares were traded prior to the Offer Announcement Date) was S\$0.970 per CHL Share. Separately, the NTA per CHL Share:

- (a) based on the latest announced unaudited results of CHL as at the Offer Announcement Date, being the six-month period ended 30 June 2017, is S\$0.298; and
- (b) based on the latest announced unaudited results of CHL as at the Latest Practicable Date, being the nine-month period ended 30 September 2017, is S\$0.282<sup>1</sup>.

4.5 **Net profits of CHL.** The profit before income tax, minority interests and extraordinary items attributable to the CHL Shares acquired (assuming acquisition of 100% of CHL Shares):

- (a) based on the latest announced unaudited results of CHL as at the Offer Announcement Date, being the six-month period ended 30 June 2017, is S\$20,156,000; and
- (b) based on the latest announced unaudited results of CHL as at the Latest Practicable Date, being the nine-month period ended 30 September 2017, is S\$29,285,000<sup>2</sup>.

## 5. INFORMATION ON CHL

5.1 **Date of incorporation and listing.** CHL was incorporated on 18 June 2007 and was listed on the mainboard of the SGX-ST until 8 March 2018 following the completion of the Company's exercise of the Compulsory Acquisition Right following the Closing Date. The CHL Group is among Singapore's leading logistics management service providers with a broad-based clientele that includes local small and medium sized enterprises, large local companies and multinational companies.

5.2 **Directors of CHL.** The directors of CHL as at the Latest Practicable Date are:

- (a) Gu Jing Song (Executive Chairman);
- (b) Li Xi Bei (Executive Director);
- (c) Tan Min Cheow, Benson (Chief Executive Officer);
- (d) Chan Soo Sen (Lead Independent Director);
- (e) Chua Cheow Khoo Michael (Independent Director); and
- (f) Teo Lip Hua Benedict (Independent Director).

5.3 **Share capital.** As at the Latest Practicable Date, CHL has an issued and paid-up capital of approximately S\$45,949,767 comprising 478,500,000 CHL Shares with no treasury shares (based on the results of the instant information search of CHL dated the Latest Practicable Date conducted with ACRA).

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1 CHL had on 7 February 2018 announced that it had obtained a waiver from the SGX-ST in relation to the requirement to announce its full year results. As such, the latest available announced results to calculate the NTA is based on the nine-month period ended 30 September 2017.

2 CHL had on 7 February 2018 announced that it had obtained a waiver from the SGX-ST in relation to the requirement to announce its full year results. As such, the latest available announced results to calculate the profit before income tax, minority interests and extraordinary items is based on the nine-month period ended 30 September 2017.

## LETTER TO SHAREHOLDERS

- 5.4 **Summary financial information.** A summary of the financial performance of the CHL Group for (i) the six-month period ended 30 June 2017 and (ii) the nine-month period ended 30 September 2017 is set out below:

	Unaudited 6 months ended 30 June 2017 \$'000	Unaudited 9 months ended 30 September 2017 \$'000
Revenue	70,034	105,325
Other operating income	2,135	2,501
Operating expenses		
- Employee benefits expenses	(14,175)	(21,223)
- Depreciation	(5,183)	(8,401)
- Rentals on leased premises	(11,644)	(17,554)
- Amortisation of prepaid land lease rights	(13)	(20)
- Contract services	(7,573)	(10,975)
- Fuel and utilities	(3,679)	(5,536)
- Storage and handling charges	(1,484)	(2,437)
- Repair and maintenance	(2,202)	(3,426)
- Hire of vehicle and equipment	(587)	(788)
- Others	(4,056)	(5,975)
	(50,596)	(76,335)
	21,573	31,491
Finance costs	(1,417)	(2,206)
<b>Profit before tax</b>	20,156	29,285
Income tax expense	(3,769)	(5,536)
<b>Profit for the period, net of tax</b>	16,387	23,749
<b>Profit attributable to:</b>		
Owners of the Company	16,387	23,752
Non-controlling interests	–	(3)
	16,387	23,749

## LETTER TO SHAREHOLDERS

A summary of the financial position of CHL Group for (i) the six-month period ended 30 June 2017 and (ii) the nine-month period ended 30 September 2017 is set out below:

	Unaudited as at 30 June 2017 \$'000	Unaudited as at 30 September 2017 \$'000
<b>Assets</b>		
<b>Current assets</b>		
Cash and bank balances	66,471	55,214
Trade receivables	16,048	17,008
Other receivables	4,488	3,976
Inventories	–	36
Total current assets	87,007	76,234
<b>Non-current assets</b>		
Property, plant and equipment	218,279	222,156
Other investment	128	128
Trade receivables	634	396
Other receivables	2,218	2,309
Total non-current assets	221,259	224,989
<b>Total assets</b>	308,266	301,223
<b>Liabilities and Equity</b>		
<b>Current liabilities</b>		
Current portion of bank loans	13,787	12,784
Current portion of finance leases	2,830	2,769
Trade payables	7,721	7,509
Other payables	22,467	26,282
Provision for reinstatement costs	1,207	753
Income tax payable	6,693	5,155
Total current liabilities	54,705	55,252
<b>Non-current liabilities</b>		
Bank loans	99,785	97,810
Finance leases	7,197	8,593
Other payables	755	765
Provision for reinstatement costs	1,391	1,391
Deferred tax liabilities	1,746	2,070
Total non-current liabilities	110,874	110,629
<b>Capital and reserves</b>		
Share capital	45,092	45,092
Capital reserve	506	506
Merger deficit	(16,033)	(16,033)
Foreign currency translation reserve	(823)	(798)
Accumulated profits	113,945	106,333
	142,687	135,100
Non-controlling interests	–	242
<b>Total equity</b>	142,687	135,342
<b>Total liabilities and equity</b>	308,266	301,223

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## LETTER TO SHAREHOLDERS

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The above financial information is extracted from, and should be read in conjunction with, the unaudited consolidated financial statements of the CHL Group for the six-month period ended 30 June 2017 and the nine-month period ended 30 September 2017 (copies of which are available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com)).

### 6. RATIONALE FOR THE OFFER

The Company is of the view that the Offer represented an opportunity for it to acquire control in one of Singapore's leading full service, integrated logistics service providers with a track record of over 40 years. It is envisaged that:

- (a) as the Company's ultimate holding company, China COSCO Shipping Corporation Limited ("**China COSCO**"), has a well-established logistics business network throughout the PRC, the Company will be able to leverage on China COSCO's existing logistics business platform to potentially develop new business opportunities in the logistics sector in Southeast Asia, taking advantage of the "Belt and Road Initiative" formulated by the PRC Government in 2013; and
- (b) the Company will be able to offer end-to-end services to its customers with logistical needs in Singapore and Malaysia, thereby increasing the Company's competitive edge in relation to its global competitors and entrenching its customers.

### 7. THE COMPANY'S INTENTIONS IN RELATION TO CHL

The Company presently intends for CHL to continue with its existing business activities and has no intention to (i) introduce any major changes to the existing businesses of CHL, (ii) re-deploy any of the major fixed assets of CHL, or (iii) discontinue the employment of any employees of the CHL Group, other than in the ordinary course of business. Nonetheless, the Company retains the flexibility at any time to consider any options or opportunities which may present themselves and which it regards to be in the interests of any member of the CHL Group and/or the Company.

### 8. CHAPTER 10 OF THE LISTING MANUAL

- 8.1 **Major transaction.** Rule 1014 of the Listing Manual provides that where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20%, the transaction is classified as a major transaction and requires the approval of Shareholders.
- 8.2 **Relative figures for the Offer.** As the Company has acquired all the CHL Shares, the relative figures for the Offer, computed on the bases set out in Rule 1006 of the Listing Manual, are as follows:

Rule 1006	Bases	Percentage (%) <sup>(1)</sup>	Percentage (%) <sup>(2)</sup>	Percentage (%) <sup>(3)</sup>
(a)	Net asset value of the CHL Shares to be disposed of, compared with the COSCO Group's net asset value.	Not applicable	Not applicable	Not applicable
(b)	Net profits <sup>(4)</sup> attributable to the CHL Shares compared with the COSCO Group's net profits <sup>(4)</sup> .	Not meaningful <sup>(5)</sup>	Not meaningful <sup>(6)</sup>	Not meaningful <sup>(7)</sup>
(c)	Aggregate value of consideration payable for the CHL Shares compared with the Company's market capitalisation (based on the total number of issued shares excluding treasury shares).	72.5% <sup>(8)</sup>	72.5% <sup>(8)</sup>	72.5% <sup>(8)</sup>

## LETTER TO SHAREHOLDERS

Rule 1006	Bases	Percentage (%) <sup>(1)</sup>	Percentage (%) <sup>(2)</sup>	Percentage (%) <sup>(3)</sup>
(d)	The number of equity securities issued by the Company as consideration for the CHL Shares, compared with the number of equity securities previously in issue.	Not applicable	Not applicable	Not applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the COSCO Group's proved and probable reserves.	Not applicable	Not applicable	Not applicable

### Notes:

- (1) The relative figures set out in this column are calculated based on comparing CHL's consolidated unaudited financial results for the first half of the financial year ended 31 December 2017 ("**CHL1HFY2017 Results**") against the Company's consolidated unaudited financial results up to and including the third quarter of the financial year ended 31 December 2017, being the respective latest announced unaudited financial results of CHL and the Company as at the Offer Announcement Date.
- (2) The relative figures set out in this column are calculated based on comparing CHL1HFY2017 Results against the Company's consolidated unaudited financial results for the first half of the financial year ended 31 December 2017.
- (3) The relative figures set out in this column are calculated based on comparing the CHL audited financial results for FY2017 against the Company's consolidated audited financial results for FY2017.
- (4) Under Rule 1002(3)(b) of the Listing Manual, "Net profits" refers to profits or loss before income tax, minority interest, and extraordinary items.
- (5) The relative figure is not meaningful as the Company made a loss from continuing operations of \$23,579,000 for the period up to and including the third quarter of the financial year ended 31 December 2017, and CHL made a profit of S\$20,156,000 for the first half of the financial year ended 31 December 2017.
- (6) The relative figure is not meaningful as the Company made a loss of \$178,682,000 for the first half of the financial year ended 31 December 2017 (based on unaudited second quarter financial statement announcement), and CHL made a profit of S\$20,156,000 for the first half of the financial year ended 31 December 2017.
- (7) The relative figure is not meaningful as the Company made a loss from continuing operations of \$26,649,000 for FY2017, and CHL made a profit of S\$26,477,000 for FY2017.
- (8) Based on the VWAP of the Company of S\$0.300 on 2 November 2017 (being the last full market day on which the Company's shares were traded prior to the Offer Announcement Date) and the Aggregate Consideration set out in section 4.1 of this Circular.

**8.3 Shareholder approval required.** As the relative figures computed on the bases set out in Rule 1006(c) exceeds 20%, the Offer constitutes a major transaction for the Company under Chapter 10 of the Listing Manual and is therefore subject to the approval of the Shareholders at an EGM.

## 9. WAIVER APPLICATION

**9.1 Application.** The Company made an application to the SGX-ST for a waiver from the requirement to convene an EGM to seek Shareholders' prior approval under Rule 1014(2) of the Listing Manual in connection with the Offer and sought the SGX-ST's approval for the Company to seek Shareholders' ratification of the Offer at an EGM following the close of the Offer.

**9.2 Reasons for the Waiver application.** The Company sought the Waiver for, amongst other things, the following reasons:

- (a) the Company sought approval for the Offer from its parent company, China Ocean Shipping Company Limited ("**COSCL**", formerly known as China Ocean Shipping (Group) Company), which as at the Offer Announcement Date had a direct shareholding interest of approximately 53.35% in the Company. In this regard, the Company also sought an undertaking from COSCL to vote in favour of the resolution at the EGM; and



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## LETTER TO SHAREHOLDERS

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- (b) with the undertaking from COSCL, minority Shareholders of the Company would not be prejudiced if the Company does not seek Shareholders' prior approval to effect the Offer as the result of the Shareholders' votes will be the same whether Shareholders' approval is sought before or after the close of the Offer. In any event, as the Company proposed to convene an EGM following the close of the Offer to ratify the Offer, the minority Shareholders of the Company would not be denied an opportunity to discuss their views relating to the Offer.

9.3 **SGX-ST Waiver.** On 3 November 2017, the Company announced that the SGX-ST had approved the Company's application for the Waiver, subject to the following conditions:

- (a) unanimous approval of the Directors for the Offer;
- (b) submission of a written undertaking from the Company that it will seek Shareholders' ratification for the Offer at an EGM to be convened within three months from the close of the Offer;
- (c) COSCL providing a written undertaking to the Company that:
  - (i) it will vote in favour of the resolution to ratify the Offer at the EGM to be convened; and
  - (ii) it will not dispose of any part of its existing shares in the Company before and on the date of the EGM;
- (d) submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and the constitution of the Company; and
- (e) the Company's announcement via SGXNET of:
  - (i) the grant of the Waiver, the reasons for seeking the Waiver and the conditions as required under Rule 107 of the Listing Manual;
  - (ii) full details of the Offer including information required under Rule 1010 of the Listing Manual; and
  - (iii) unanimous approval of the Directors for the Offer.

9.4 **Unanimous approval.** The Directors, after having considered, amongst other things, the rationale for the Offer, unanimously approved the Offer.

9.5 **Confirmation from the Company.** The Company provided a written confirmation that the Waiver does not contravene any laws and regulations governing the Company and the constitution of the Company.

9.6 **Written undertaking from the Company.** The Company provided a written undertaking that it would seek Shareholders' ratification of the Offer at an EGM to be convened within three months from the close of the Offer.

9.7 **Irrevocable undertaking from COSCL.** The Company received an irrevocable undertaking from COSCL, pursuant to which COSCL has undertaken to, amongst other things:

- (a) vote in favour of the resolution to ratify the Offer at the EGM to be convened; and
- (b) not dispose of any part of its existing shares in the Company before and on the date of the EGM.

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## LETTER TO SHAREHOLDERS

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- 9.8 **Extension of time granted.** Under the terms of the Waiver, the last date on which the Company may seek Shareholders' ratification would be 19 April 2018, being 3 months from the Closing Date. On 16 January 2018, the Company announced that the SGX-ST had granted an extension of time to seek Shareholders' ratification of the Offer from 19 April 2018 to 27 April 2018 (the "**Extension**").
- 9.9 **Reasons for application of extension of time.** The Company sought the Extension for the following reasons:
- (a) the Directors had earlier approved the date of the Company's Annual General Meeting ("**AGM**") to be 27 April 2018;
  - (b) holding the EGM together with the AGM would help the Company to save the costs of hiring a venue to hold the EGM separately; and
  - (c) Shareholders would not be inconvenienced by having to attend two general meetings of the Company within the short span of two weeks.

### 10. FINANCIAL EFFECTS OF THE OFFER

- 10.1 **Illustration only.** For illustrative purposes only, the financial effects of the Offer on the Company are set out below. The said financial effects do not represent a projection of the actual financial performance or the actual financial position and/or results of the Company after the Closing Date and are not indicative of the future financial position and earnings of the Company.
- 10.2 **Assumptions.** The financial effects of the Offer on the Company's consolidated NTA per share and consolidated EPS, are set out below, and have been prepared using the respective audited consolidated financial statements of the Company and CHL for their respective financial years ended 31 December 2017, and are based on the following key assumptions:
- (a) the Company acquires all the CHL Shares and owns 100% of CHL;
  - (b) all of the CHL Shares were acquired at the Offer Price;
  - (c) the Offer had been completed on 1 January 2017 (being the beginning of the most recently completed financial year of the Company) for the purpose of computing the financial effects on the consolidated EPS;
  - (d) the Offer had been completed on 31 December 2017 (being the end of the most recently completed financial year of the Company) for the purpose of computing the financial effects on the consolidated NTA per share;
  - (e) the financial effects computation below have taken into account (i) borrowing costs of approximately S\$9,500,000 and (ii) an estimated increase in depreciation costs of S\$5,000,000 based on the fair values of the property, plant and equipment acquired for the purpose of computing the financial effects on the consolidated EPS; and
  - (f) there being no difference between the consideration and the fair values of the net identifiable assets of the CHL Group (i.e. no goodwill recognised). The difference between the fair values of the net identifiable assets of the CHL Group and the book values of the net assets of the CHL Group is allocated to property, plant and equipment.

## LETTER TO SHAREHOLDERS

### 10.3 Effect on NTA of the Company.

	Financial Year ended 31 December 2017	After the Offer
NTA (S\$'000)	515,201	515,201
Number of issued shares in the Company	2,239,244,954	2,239,244,954
NTA per share (S\$ cents)	23.01	23.01

### 10.4 Effect on EPS of the Company.

	Financial Year ended 31 December 2017	After the Offer
Profit attributable to equity holders of the Company (S\$'000)	263,876	269,025
Weighted average number of ordinary shares outstanding for EPS	2,239,244,954	2,239,244,954
EPS (S\$ cents)	11.78	12.01

## 11. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 11.1 **Interests of Directors.** The interests of the Directors in the shares of the Company based on information as recorded in the Register of Directors' Shareholdings of the Company as at the Latest Practicable Date are set out below:

Directors:	Direct Interest		Deemed Interest <sup>(1)</sup>	
	No. of Shares	%	No. of Shares	%
Wang Yu Hang	—	—	—	—
Gu Jing Song	—	—	—	—
Li Xi Bei	—	—	—	—
Liang Yan Feng	—	—	—	—
Tom Yee Lat Shing	1,400,000	0.06	—	—
Wang Kai Yuen	900,000	0.04	100,000	n.m. <sup>(2)</sup>
Er Kwong Wah	650,000	0.03	—	—
Ang Swee Tian	130,000	n.m.	5,000	n.m.
Li Man (alternate Director to Wang Yu Hang)	—	—	—	—
Ouyang Chao Mei (alternate Director to Liang Yan Feng)	—	—	—	—

**Notes:**

(1) The relevant Directors are deemed to be interested in the shares held by their respective spouses.

(2) "n.m." means "not meaningful".

## LETTER TO SHAREHOLDERS

**11.2 Interests of Substantial Shareholders.** The interests of the Substantial Shareholders in the shares of the Company, based on information as recorded in the Register of Substantial Shareholders of the Company as at the Latest Practicable Date are set out below:

Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
COSCL (formerly known as China Ocean Shipping (Group) Company)	1,194,565,488	53.35	—	—
China COSCO	—	—	1,194,565,488 <sup>(1)</sup>	53.35

**Note:**

(1) China COSCO is deemed interested in the shares of the Company as it holds all the issued shares in COSCL.

**11.3 Other interests.** As at the Latest Practicable Date, the following Directors and alternate Directors of the Company have been appointed to the boards of the following entities within the CHL Group with effect from 24 January 2018 (save as indicated otherwise):

- (a) Gu Jing Song and Li Xi Bei, who are Directors of the Company, are also directors of CHL; and
- (b) Li Man, the alternate Director to Wang Yu Hang, is a director of the following subsidiaries of CHL:
  - (i) SH Cogent Logistics Pte Ltd;
  - (ii) Cogent Jurong Island Pte. Ltd.;
  - (iii) Cogent Container Depot Pte. Ltd.;
  - (iv) Cogent Realty Capital Pte. Ltd.;
  - (v) Cogent Automotive Logistics Pte. Ltd.;
  - (vi) Cogent Land Capital Pte. Ltd.;
  - (vii) Cogent Investment Group Pte. Ltd.;
  - (viii) Cogent Container Depot (M) Sdn. Bhd. (with effect from 8 January 2018); and
  - (ix) SH Cogent Logistics Sdn. Bhd. (with effect from 8 January 2018).

**11.4 No other interest.** Save as disclosed in sections 11.1 to 11.3 of this Circular, none of the Directors or the Substantial Shareholders of the Company had any interest, direct or indirect, in the Offer.

## **12. NO DIRECTORS' SERVICE CONTRACTS**

No person was proposed to be appointed as a Director of the Company in connection with the Offer. Accordingly, no service contract was proposed to be entered into between the Company and any such person.

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## LETTER TO SHAREHOLDERS

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### 13. EXTRAORDINARY GENERAL MEETING

The EGM will be held at Marina Bay Sands Expo & Convention Centre, Level 3 Cassia Ballroom 3201A-3 & 3301A-3, Marina Bay Sands, 10 Bayfront Avenue, Singapore 018956 on 27 April 2018 at 3:00 p.m. (or as soon after the conclusion or adjournment of the AGM of the Company to be held at 2:00 p.m. on the same day and at the same place), for the purpose of considering and, if thought fit, passing, with or without any amendment, the Ordinary Resolution set out in the Notice of EGM.

### 14. ACTION TO BE TAKEN BY SHAREHOLDERS

- 14.1 **Appointment of Proxies.** If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event so as to arrive at the registered office of the Company at 30 Cecil Street, #26-01 Prudential Tower, Singapore 049712 no later than 48 hours before the time fixed for the EGM. Completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Form will be deemed to be revoked.
- 14.2 **When Depositor is regarded as a Shareholder.** A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the EGM.

### 15. FINANCIAL ADVISER

- 15.1 **Consent.** BOC, as financial adviser to the Company, have given and have not withdrawn their written consent to the issue of this Circular with the inclusion of their names and all references to their names in the form and context in which they appear in this Circular.
- 15.2 **Responsibility statement.** To the best of BOC's knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed ratification of the Offer, the Company and its subsidiaries, and BOC is not aware of any facts the omission of which would make any statement in the document misleading.

### 16. DIRECTORS' RECOMMENDATION

- 16.1 **Offer Price.** The Directors had considered and deliberated on the price to be offered for the CHL Shares prior to the making of the Offer. In particular, the Offer Price was determined after taking into account the factors stated in section 4 of this Circular.
- 16.2 **Opinion of the independent financial adviser of CHL.** The Directors also note that the independent financial adviser, CIMB Bank Berhad, appointed by CHL in connection with the Offer has stated in its letter dated 7 December 2017 (the "IFA Letter") to the directors of CHL who are considered independent for the purposes of the Offer that they are of the opinion that the Offer Price is fair and reasonable under prevailing market, economic, industry, monetary and other relevant conditions as at the date of the IFA Letter.
- 16.3 **Recommendation.** The Directors, having considered and reviewed, amongst other things, the terms and the rationale for the Offer, are of the opinion that the Offer is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the ordinary resolution to be proposed at the EGM.

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## LETTER TO SHAREHOLDERS

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### 17. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept fully responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed ratification of the Offer, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from, published, or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

### 18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 30 Cecil Street, #26-01 Prudential Tower, Singapore 049712, during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the Offer Announcement;
- (b) the Chapter 10 Announcement;
- (c) the Offer Document;
- (d) the Offer Unconditional Announcement;
- (e) the Close of Offer Announcement;
- (f) the Despatch of Compulsory Acquisition Notices Announcement
- (g) the CHL Delisting Approval Announcement;
- (h) the Exercise of Compulsory Acquisition Right Announcement;
- (i) the Completion of Compulsory Acquisition Announcement; and
- (j) The CHL Delisting Announcement.

Yours faithfully

For and on behalf of the Board of Directors of  
**COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD.**

**Gu Jing Song**

Vice Chairman and President

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### **COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD.**

(Company Registration No.: 196100159G)  
(Incorporated in the Republic of Singapore)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting of **COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD.** (the “**Company**”) will be held at Marina Bay Sands Expo & Convention Centre, Level 3 Cassia Ballroom 3201A-3 & 3301A-3, Marina Bay Sands, 10 Bayfront Avenue, Singapore 018956 on 27 April 2018 at 3:00 p.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2:00 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing (with or without modifications), the ordinary resolution set out below:

### **ORDINARY RESOLUTION – THE PROPOSED RATIFICATION OF THE VOLUNTARY CONDITIONAL CASH OFFER FOR ALL OF THE ISSUED ORDINARY SHARES IN THE CAPITAL OF COGENT HOLDINGS LIMITED**

RESOLVED THAT pursuant to Rule 1014 of the Listing Manual of the SGX-ST, approval be and is hereby given for:

- (a) the ratification of the voluntary conditional cash offer for all of the CHL Shares including all CHL Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Company; and
- (b) the Directors and/or any of them be and are hereby authorised to complete and do all such things (including executing such documents as may be required) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

### **BY ORDER OF THE BOARD**

Tan Wee Sin  
Company Secretary

5 April 2018  
Singapore



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### NOTES:

1. A member of the Company entitled to attend and vote at the EGM is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
3. A member of the Company who is a Relevant Intermediary entitled to attend and vote at the EGM of the Company is entitled to appoint more than two (2) proxies to attend and vote in his/her stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

**"Relevant Intermediary"** means:

- (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore ("**CPF Act**"), in respect of shares purchased under the subsidiary legislation made under the CPF Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. The instrument appointing a proxy or proxies must be deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02 Singapore 068898 not later than 48 hours before the time set for holding the EGM.
  5. The instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any attorney duly authorised.
  6. A corporation which is a member may also authorise by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the EGM in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

### Personal data privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

**COSCO SHIPPING INTERNATIONAL  
(SINGAPORE) CO., LTD.**

Company Registration No.: 196100159G  
(Incorporated in the Republic of Singapore)

**PROXY FORM  
EXTRAORDINARY GENERAL MEETING**

**Important:**

1. For investors who have used their CPF monies to buy the Company's shares, this Circular is sent to them at the request of their CPF Approved Nominees solely **FOR INFORMATION ONLY**.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intends and purposes if used or purported to be used by them.
3. CPF investors who wish to vote should contact their CPF Approved Nominees.

I/We \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC / Passport No./ UEN) of

\_\_\_\_\_ (Address)

being a member of COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD. ("**Company**"), hereby appoint:-

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)
and/or (delete as appropriate)			
Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Extraordinary General Meeting ("**EGM**") of the Company to be held at Marina Bay Sands Expo & Convention Centre, Level 3 Cassia Ballroom 3201A-3 & 3301A-3, Marina Bay Sands, 10 Bayfront Avenue, Singapore 018956 on 27 April 2018 at 3:00 p.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2:00 p.m. on the same day and at the same place) and at any adjournment thereof.

I/We have indicated with an "X" in the appropriate box against the item how I/we wish my/our proxy/proxies to vote. If no specific direction as to voting is given or in the event of any item arising not summarised below, my/our proxy/proxies may vote or abstain at the discretion of my/our proxy/proxies.

Ordinary Resolution	For	Against
To approve the proposed ratification		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

Total No. of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	
<b>Total</b>	

\_\_\_\_\_  
Signature of Member(s)/Common Seal

**IMPORTANT: Please read notes for this Proxy Form**



## NOTES:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A Shareholder (other than a Relevant Intermediary) of the Company entitled to attend and vote at the EGM is entitled to appoint one or two proxies to attend and vote on his behalf. Such proxy need not be a member of the Company. Where a Shareholder appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
3. A member of the Company who is a Relevant Intermediary entitled to attend and vote at the EGM of the Company is entitled to appoint more than two (2) proxies to attend and vote in his/her stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

**"Relevant Intermediary"** means:

- (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore ("**CPF Act**"), in respect of shares purchased under the subsidiary legislation made under the CPF Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. The instrument appointing a proxy or proxies must be deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02, Singapore 068898 not less than 48 hours before the time set for holding the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.
  5. The instrument appointing a proxy or proxies must be under the hand of the appointer or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of a director or an officer or attorney duly authorised.
  6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
  7. A corporation which is a Shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
  8. An investor who buys shares using CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) may attend and cast his vote(s) at the EGM in person. CPF Investors and SRS Investors who are unable to attend the EGM but would like to vote, may inform their CPF and/or SRS approved nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF Investors and SRS Investors shall be precluded from attending the EGM.
  9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of a Shareholder whose shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the Shareholder, being the appointer, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

## Personal data privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.