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中國海洋捕撈
CHINA OCEAN FISHING
HOLDINGS LIMITED

China Ocean Fishing Holdings Limited

中國海洋捕撈控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 8047)

VOLUNTARY ANNOUNCEMENT

MEMORANDUM OF UNDERSTANDING IN RELATION TO A PROPOSED ACQUISITION OF 70% EQUITY INTEREST IN THE TARGET COMPANY

This announcement is made by China Ocean Fishing Holdings Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) on a voluntary basis. The purpose of this announcement is to keep the shareholders of the Company (the “**Shareholders**”) and potential investors informed of the latest business development of the Group.

Memorandum of Understanding

The board of directors of the Company (the “**Directors**”) is pleased to announce that on 15 March 2017, a wholly-owned subsidiary of the Company, Jin Yu Tang Shenzhen Fishery Co., Ltd 深圳市進玉堂漁業有限公司 (the “**Purchaser**”), entered into a memorandum of understanding (the “**Memorandum**”) with Ms. Chen Suifang* 陳遂芳 (“**Vendor 1**”) and Ms. Zou Lian* 鄒戀 (“**Vendor 2**”, collectively with Vendor 1, the “**Vendors**”), pursuant to which the Vendors proposed to sell and the Purchaser proposed to acquire, in aggregate, 70% equity interest in Shenzhen Qisen Fishery Company Limited* 深圳啟森漁業有限公司 (the “**Target Company**” and the “**Proposed Acquisition**” respectively).

Major terms of the Memorandum

Date: 15 March 2017

Parties:

1. Vendors: (a) Ms. Chen Suifang* 陳遂芳, being Vendor 1
(b) Ms. Zou Lian* 鄒戀, being Vendor 2
2. Purchaser: Jin Yu Tang Shenzhen Fishery Co., Ltd 深圳市進玉堂漁業有限公司

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Vendors are third parties independent of the Company and its connected persons in accordance with the Listing Rules.

Assets to be acquired

Under the Memorandum, the Purchaser intends to acquire and the Vendors intend to dispose of, in aggregate, 70% equity interest in the Target Company, which shall be free from any encumbrance. After the Proposed Acquisition, the Target Company will be owned as to 70% and 30% by the Purchaser and Vendor 1, respectively.

Due diligence review

The Purchaser will commence due diligence review on the business of the Target Company. The Purchaser is entitled to perform such due diligence review notwithstanding the signing of the formal agreement in respect of the Proposed Acquisition.

Exclusivity period

Pursuant to the Memorandum, the Vendors agrees that for a period of 30 days (or such later date as mutually agreed by the Vendors and the Purchaser) commencing from the first day after the signing of the Memorandum not to negotiate or discuss with any person or entity other than the Purchaser with respect to the Proposed Acquisition.

Consideration

The consideration for the Memorandum and the exclusivity period as well as the commencement of the due diligent review is RMB5,000,000 (the "**Earnest Money**") payable in cash within 10 business days from the date of signing of the Memorandum. In case the formal sale and purchase agreement(s) is/are entered into, the Earnest Money under the Memorandum shall form part of the consideration under the formal sale and purchase agreement(s). In case the Memorandum cannot lead to the entering into the formal sale and purchase agreement after 30 days exclusivity period or the Memorandum is lapse or terminated for any reason, the Vendors shall refund the Earnest Money within 10 business day after receiving a written notice from the Purchaser.

The parties agreed the consideration under the formal sale and purchase agreement(s) will be payable in cash and/or issuing convertible bonds by the Company. The exact amount of the consideration for the Proposed Acquisition shall be subject to further negotiation between the Vendors and the Purchaser.

Non legal-binding effect

Save for the exclusivity period, the due diligence review, the cost and expense, governing law and jurisdiction, earnest money, refund arrangements and confidentiality clauses in the Memorandum, the Memorandum does not constitute any legally binding commitment of the Vendors and the Purchaser in respect of the Proposed Acquisition.

The Proposed Acquisition is subject to the execution and completion of the formal sale and purchase agreement(s). The Vendors and the Purchaser will further negotiate for the conditions to the completion of the Proposed Acquisition to be included in the formal sale and purchase agreement(s).

Information of the Target Company

The Target Company is a company established in the People's Republic of China with limited liability. The Target Company is principally engaged in, amongst other things, fishing and catching business in open sea beyond the coastal region.

As at the date of this announcement, the Target Company is 100% owned by the Vendors, of which 80.03% and 19.97% were owned by Vendor 1 and Vendor 2 respectively.

Reasons for entering into the Memorandum

The principal activity of the Company is investment holding. The Group is principally engaged in supply chain management services and money lending business.

The Company has been actively looking for opportunities to create shareholders' value through making investments and/or acquiring business or projects that have promising outlooks and prospects, in particular, marine fishing business. The Directors consider that the Memorandum could provide an opportunity to the Company to enter into the aquaculture and therefore it is in the interest of the Company and its shareholders as a whole.

The Memorandum is not legally binding on the parties in respect of the Proposed Acquisition and is subject to the entering into of formal sale and purchase agreement(s). The Memorandum may or may not lead to the entering into and/or completion of any formal sale and purchase agreement(s). Any such further business development mentioned above may or may not materialize. The Shareholders and/or the potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

In case the entering into any formal sale and purchase agreement(s) constitutes a notifiable transaction of the Company, further announcement(s) will be made in compliance with the Rules Governing the Listing of Securities on The Growth Enterprise Market (the “GEM”) of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) as and when appropriate.

By order of the board of
China Ocean Fishing Holdings Limited
Liu Rongsheng
Executive Director and Chairman

Hong Kong, 15 March 2017

As at the date of this announcement, the executive Directors are Mr. Liu Rongsheng, Lord Cao Yunde, Mr. Gan Weiming, Dr. Chu Ping Hang and Mr. Chen Liang and independent non-executive Directors are Mr. Chui Man Lung Everett, Ms. Li Mei and Ms. Li Yuen Fong, Michelle.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its publication. This announcement will also be published on the Company’s website at <http://www.chinaoceanfishing.hk>.

* *The English translation of Chinese names or words in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names and words.*