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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)

DISCLOSEABLE TRANSACTION FORMATION OF JOINT VENTURE

The board of directors of the Company is pleased to announce that, after trading hours on 6 May 2019, the Subsidiary and the Mr. Theang entered into a Joint Venture Agreement to enable the Company to conduct aquaculture business in the Cambodia for a period of 10 years. Pursuant to the Joint Venture Agreement, the Subsidiary and Mr. Theang have conditionally agreed to make a capital contribution in the amount of US\$16.0 million and US\$4.0 million, respectively, to the Joint Venture Company in consideration for the Ordinary Shares. Upon Completion, the Subsidiary and Mr. Theang will own 80% and 20% of the voting interests in the Joint Venture Company, respectively.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) of the Transaction exceeds 5% but less than 25%, the Joint Venture constitutes a discloseable transaction of the Company under the GEM Listing Rules and are subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

THE JOINT VENTURE

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THE JOINT VENTURE AGREEMENT

Date: 6 May 2019

Parties:

- (i) Jin Yu Tang (Cambodia) Fishery Co., Ltd., a company established in Cambodia with limited liability and is a wholly-owned subsidiary of the Company; and
- (ii) Mr. Theang Chhoeung.

(each a “**Party**”, and collectively the “**Parties**”)

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, Mr. Theang is a third party independent of the Company and its connected persons (as defined in the GEM Listing Rules).

Contribution and Voting Rights in the Joint Venture Company

Pursuant to the Joint Venture Agreement, the Subsidiary and Mr. Theang have conditionally agreed to make a capital contribution in the amount US\$16.0 million and US\$4.0 million, respectively, to the Joint Venture Company in consideration for the Ordinary Shares.

The capital contribution by the Subsidiary in the amount of US\$16.0 million shall comprise of the following:

- i. US\$520,000, being the value of the cold storage equipment and cold storage building to be provided and developed by the Subsidiary on the Land for the operation of the Joint Venture Company;
- ii. US\$14,688,000 to be paid in cash, being 80% of the value of the Land to be used for the operation of the Joint Venture;
- iii. US\$792,000 to be paid in cash.

The capital contribution of US\$4.0 million by Mr. Theang shall comprise of the following:

- i. US\$130,000, being the value of the cold storage equipment and cold storage building to be provided and developed by the Subsidiary on the Land for the operation of the Joint Venture Company;
- ii. US\$3,672,000, being 20% of the value of the Land to be used for the operation of the Joint Venture; and
- iii. US\$198,000 to be paid in cash.

The Subsidiary intends to finance the capital contribution by way its internal resources, equity and/or debt financing.

Upon Completion, the Subsidiary and Mr. Theang will own 80% and 20% of the voting interests in the Joint Venture Company, respectively.

Basis of the Contribution

The Contribution was determined after arm's length negotiations between the Company and Mr. Theang on normal commercial terms with reference to: (i) the business potential of the Joint Venture; and (ii) the current condition and market price of the Land.

Development of the Joint Venture

The Parties have agreed to establish a joint venture relationship in accordance with the following terms to develop the Joint Venture Company:

1. The Parties shall be jointly responsible for the company registration of the Joint Venture Company in Cambodia.
2. The Joint Venture shall be in effect for a period of 10 years from the date of establishment of the Joint Venture Company, subject to extension by mutual agreement between the Parties;
3. The Subsidiary shall be responsible for the provision of necessary and reasonable working capital of the Joint Venture Company;
4. The Subsidiary shall be responsible for the investment in, and promotion overall management of, the business related matters of the Joint Venture Company;
5. Mr. Theang shall be responsible for transferring the Land to the name of the Joint Venture Company and all related fees.
6. Mr. Theang shall be responsible for obtaining governmental approvals and licenses related to the operation of the Joint Venture Company.

Completion

Completion shall take place within 15 days from the date of receipt of the land ownership certificate, in respect of the Land, to be issued by the Ministry of Land Management, Urban Planning and Construction of Cambodia by Mr. Theang, or such other date as the Subsidiary and Mr. Theang may agree in writing.

Governance of the Joint Venture Company

Pursuant to the Joint Venture Agreement, the Joint Venture Company will consist of three directors, of which the Subsidiary will be entitled to designate two directors and Mr. Theang will be entitled to designate one director.

General matters of the Joint Venture Company shall be approved by shareholders representing more than 51% of the voting rights of the Joint Venture Company.

Significant matters of the Joint Venture Company shall be approved by: (i) shareholders representing not less than 75% of the voting rights of the Joint Venture Company, and (ii) unanimous decision of all directors of the Joint Venture Company.

INFORMATION ON THE PARTIES

The Subsidiary is a company established in Cambodia with limited liability and is a wholly-owned subsidiary of the Company. The principal business of the Subsidiary is ocean fishing.

Mr. Theang is a businessman in aquaculture business for over 20 years.

REASONS FOR ENTERING INTO THE JOINT VENTURE AGREEMENT

The principal activity of the Company is investment holding. The Group is principally engaged in ocean fishing business, 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 businesses or projects that have promising outlooks and prospects, in particular, the marine fishing business. The Directors consider that the Joint Venture could provide an opportunity to the Company to enter into the aquaculture business and therefore it is in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) of the Transaction exceeds 5% but less than 25%, the Joint Venture constitutes a discloseable transaction of the Company under the GEM Listing Rules and are subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, capitalized terms used shall have the following meanings:

“Board”	The board of Directors;
“Company”	China Ocean Fishing Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the GEM of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“GEM Listing Rules”	The Rules Governing the Listing of Securities on the GEM of the Stock Exchange;
“Group”	The Company and its subsidiaries;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“Joint Venture”	The development and operation of the Joint Venture Company by the Parties pursuant to the terms of the Joint Venture Agreement;
“Joint Venture Agreement”	The joint venture agreement dated 6 May 2019 entered into between the Subsidiary and Mr. Theang;
“Joint Venture Company”	Zhongguo Haiyang (Cambodia) Fishery Co., Ltd., a Cambodian limited liability company to be jointly invested by the Parties pursuant to the terms of the Joint Venture Agreement;
“Land”	The land owned by Mr. Theang as at the date of this announcement to be used for the operation of the Joint Venture Company situated on Sre Anbol District, Koh Kong, Boeng Preav, Chroy village, Cambodia and with a total area of 102 hectares, which shall be transferred to the Joint Venture Company by Mr. Theang pursuant to the terms of the Joint Venture Agreement;
“Parties”	The Subsidiary and Mr. Theang;
“Mr. Theang”	Mr. Theang Chhoeung;

“PRC”	People’s Republic of China;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	Jin Yu Tang (Cambodia) Fishery Co., Ltd., a company established in Cambodia with limited liability and is a wholly-owned subsidiary of the Company.

By Order of the Board
China Ocean Fishing Holdings Limited
Liu Rongsheng
Executive Director and Chairman

Hong Kong, 6 May 2019

As at the date of this announcement, the executive Directors are Mr. Liu Rongsheng, Mr. Fan Guocheng and Ms. Wei Qing; non-executive Directors are Mr. Yang Yong and Mr. Lui Chun Pong; independent non-executive Directors are Mr. Pang Pui Hung, Paton, Mr. Lam Man Hing and Mr. Li Cao.

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>.