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*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 0598)**

**UPDATE ON THE MAJOR AND POSSIBLE CONNECTED TRANSACTION -  
LISTING OF A SHARES OF THE COMPANY AND THE MERGER AGREEMENT  
BECOMING UNCONDITIONAL**

Reference is made to the announcement and circular (“**Circular**”) of Sinotrans Limited (the “**Company**”) dated 28 February 2018 and 18 April 2018, respectively, with respect to the proposed issue of A shares and merger of Sinotrans Air Transportation Development Corporation Limited (“**Sinoair**”) by the Company through share exchange (“**Merger**”) as contemplated under the merger agreement dated 28 February 2018 entered into between the Company and Sinoair. Unless otherwise defined herein, capitalised terms used in this announcement have the same meaning as defined in the Circular.

***Listing of A Shares of the Company and Fulfillment of all conditions precedent***

On 14 January 2019, the Company received a notification from the Shanghai Stock Exchange with respect to the listing of A Shares of the Company and its approval on the listing of 5,255,916,875 A Shares of the Company on the Shanghai Stock Exchange, of which 1,351,637,231 A Shares are freely tradeable and will be listed on 18 January 2019 and the remaining 3,904,279,644 A Shares are restricted shares subject to lock-up requirement as disclosed in the Circular. The stock abbreviation of the A Shares of the Company is “中国外运” and the stock code is “601598”. Accordingly, all conditions precedent under the Merger Agreement have been satisfied as at the date of this announcement.

In anticipation of the listing of A Shares of the Company, the Company has also published the updated Articles of Association approved by its shareholders at the extraordinary general meeting held on 31 May 2018 and such Articles of Association will take effect on the listing date of A Shares on 18 January 2019.

In addition, each of China Merchants and SINOTRANS & CSC has further undertaken not to sell, during the period of two years following the expiry of the three years lock-up period as disclosed in the Circular, any Shares held by them directly or indirectly which were issued by the Company before Completion (excluding H Shares) at a price lower than the adjusted Issue Price of RMB5.24 per A Share (or as may be adjusted in accordance with the relevant requirements of the CSRC and the Shanghai Stock Exchange in certain circumstances such as payment of cash or script dividend, share issues by capitalisation of reserves and equity issues). If there is any breach by China

Merchants or SINOTRANS & CSC of its respective undertaking, the defaulting party is required to explain the reasons for such non-compliance in the meeting of holders of A Shares of the Company and on the media designated by the CSRC and apologize to the other holders of A Shares of the Company and public investors, and in addition, it is not allowed to sell any such Shares for six months from the day of the breach.

### ***Business update***

To update the Shareholders and its potential investors, the Company sets out below certain key financial information of the Group for the nine months ended 30 September 2018 which was unaudited and prepared based on the International Financial Reporting Standards:

	<b>As at 30 September 2018</b> (unaudited and in RMB'000 (unless specified otherwise))
Total assets	64,556,935
Total liabilities	37,570,426
Net assets	26,986,509
Equity attributable to owners of the Company	22,408,453
Debt to assets ratio (Total liabilities/Total assets x 100%)	58.20%
	<b>For the nine months ended 30 September 2018</b> (unaudited and in RMB'000 (unless specified otherwise))
Revenue	55,456,524
Operating profit	2,317,223
Profit for the period	2,356,033
Profit attributable to owners of the Company	1,937,998
Net cash inflow from operating activities	(156,229)
Operating profit margin (Operating profit/Revenue x 100%)	4.18%
Earnings per Share, basic (RMB)	0.32

By order of the Board  
**Sinotrans Limited**  
**Li Shichu**  
*Joint Company Secretary*

Beijing, 14 January 2019

*As at the date of this announcement, the board of directors of the Company comprises Wang Hong (Chairman), Song Dexing (Vice Chairman), Li Guanpeng (executive director), Song Rong (executive director), Wang Lin (executive director), Wu Xueming (executive director), Jerry Hsu (non-executive director), and four independent non-executive directors, namely Wang Taiwen, Meng Yan, Song Haiqing and Li Qian.*