

News Release

21 January 2019 | *For immediate release*

China Navigation to acquire the bulk shipping activities of Hamburg Süd

Both companies have reached an agreement for CNCo to acquire RAO, Furness Withy Chartering and the bulk activities in Alianca Navegação

Singapore, Hamburg - Hamburg Süd and The China Navigation Company (CNCo), a subsidiary of the Swire Group, today announced an agreement for CNCo to acquire the bulk shipping business in Hamburg Süd which includes Rudolf A. Oetker (RAO), Furness Withy Chartering and the bulk activities in Alianca Navegação (Aliabulk).

The bulk shipping business in Hamburg Süd operates from Hamburg, London, Melbourne and Rio de Janeiro with a chartered fleet of approximately 45 vessels in the segments: Handysize, Supra/Ultramax and Kamsarmax/Panamax. Whereas liner shipping activities in Hamburg Süd involves transporting cargo in containers, bulk shipping involves flexibly transporting dry goods – such as agricultural raw materials, ore and steel – in bulk carriers from port to port worldwide, depending on the customer's requirements.

“With this step, Hamburg Süd is focusing as planned on its liner business with its two container shipping brands, Hamburg Süd and Aliança,” says Dr. Arnt Vespermann, CEO of Hamburg Süd. “As part of Maersk, the world's largest liner shipping company, this clear focus is a logical step. At the same time, CNCo is an established and well-respected company in bulk shipping that is on a growth course in this segment and therefore constitutes a good new home for RAO, Furness Withy and Aliança Bulk.”

Headquartered in Singapore, CNCo is the wholly owned deep-sea ship owning and operating division of the multinational Swire Group. Today, the company employs around 2,500 employees globally and owns and operates about 135 vessels consisting mainly of dry bulk



carriers and multipurpose liner vessels. Swire Bulk, its dry bulk trading business, was established in 2012 and trades a modern fuel-efficient fleet of over 100 Handysize and Supra/Ultramax vessels comprising owned, long term and short term-chartered tonnage. Swire Bulk is focused on being a leading provider of sustainable and innovative shipping services and partner of choice for its long-term charterers and industrial customers.

“CNCo is excited to have successfully signed this acquisition,” commented James Woodrow, Managing Director of The China Navigation Company. “There are some very natural synergies between the businesses and we are delighted to acquire such an experienced and high-quality team and business that complements our own modern eco fleet and helps to develop our strategic expansion in to the Supra/Ultramax segment. We share a strong corporate culture with a rich history spanning close to 150 years between Hamburg Sud (1871), The China Navigation Company (1872) and Furness Withy (1891) that demonstrates a shared vision and long-term commitment to the maritime industry.”

Closing of the agreement is expected by the end of the first quarter of 2019, subject to regulatory approval. The parties have agreed not to disclose the sales price. The RAO Tankers business unit is not included in the sale and will remain part of the Hamburg Süd Group for the time being.

/ End



About Hamburg Süd

Hamburg Südamerikanische Dampfschiffahrts-Gesellschaft A/S & Co KG – Hamburg Süd for short – ranks among the ten largest container shipping brands worldwide and is part of Maersk Line, the world’s largest container shipping company. Well-trained employees in 250 offices spread across more than 100 countries ensure that customers receive logistics solutions tailored to their individual needs. Founded in 1871, Hamburg Süd enjoys a global presence as a quality brand with its Brazilian subsidiary Aliança. Hamburg Süd is one of the Top 5 reefer brands, is among the market leaders in the North–South trades, and serves all significant East–West trade lanes. In tramp shipping, Hamburg Süd operates bulk carriers and product tankers under the names Rudolf A. Oetker (RAO), Furness Withy Chartering and Aliança Bulk (Aliabulk). High quality standards, reliable service, a personal touch and sustainability are all an integral part of Hamburg Süd’s brand values. More information on the Internet at: hamburgsud.com.

About The China Navigation Company Pte. Ltd (CNCo)

CNCo is the wholly owned, deep-sea ship owning and operating arm of the multinational Swire Group. CNCo was founded in 1872 in Shanghai and started its operations trading on China’s Yangtze River. Since then the company has expanded globally while its primary operational focus remains in the Asia-Pacific region. The company operates a global network of multipurpose liner services for the transportation of containerised, breakbulk, heavylift and project cargoes in addition to providing dry bulk and bulk logistics services on a worldwide basis, through its three core operating divisions – Swire Shipping, Swire Bulk and Swire Bulk Logistics.

For more information on CNCo, please visit www.swirecnco.com



CHINA NAVIGATION



SWIRE

HAMBURG  SÜD

Media Contacts

Eleanor TAN

Global Head, Corporate Communications

The China Navigation Company Pte. Ltd

Tel: +65 6632 0314

Mobile: +65 8399 4017

Email: eleanor.tan@swirecnco.com

Yee Wen WONG

Corporate Communications Manager

The China Navigation Company Pte. Ltd

Tel: +65 6632 0799

Mobile: +65 9299 6305

Email: yeewen.wong@swirecnco.com