
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer and other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in COSCO SHIPPING Development Co., Ltd., you should at once hand this circular and the forms of proxy to the purchaser or the transferee or to licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



中遠海運發展股份有限公司
COSCO SHIPPING Development Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02866)

- (1) 2025 REPORT OF THE BOARD**
- (2) 2025 FINANCIAL STATEMENTS AND AUDITORS' REPORT**
- (3) 2025 PROFIT DISTRIBUTION PLAN**
- (4) PROPOSED GRANT OF AUTHORIZATION TO THE BOARD TO DETERMINE DETAILS OF THE 2026 INTERIM PROFIT DISTRIBUTION PLAN**
- (5) REMUNERATION OF DIRECTORS FOR THE YEAR 2026**
- (6) APPOINTMENT OF DOMESTIC AUDITOR, INTERNAL CONTROL AUDITOR AND INTERNATIONAL AUDITOR FOR THE YEAR 2026**
- (7) PROPOSED FORMULATION OF MEASURES FOR THE REMUNERATION MANAGEMENT OF DIRECTORS AND SENIOR MANAGEMENT**
- (8) DISCLOSEABLE AND CONNECTED TRANSACTIONS ASSIGNMENT AND NOVATION AGREEMENTS**
- (9) PROVISION OF GUARANTEES**
- (10) PROPOSED GRANT OF A SHARE REPURCHASE MANDATE**
- (11) PROPOSED GRANT OF H SHARE REPURCHASE MANDATE**
- (12) PROPOSED RE-ELECTION OF DIRECTORS**
- (13) 2025 WORK REPORT OF INDEPENDENT DIRECTORS**
- (14) NOTICE OF ANNUAL GENERAL MEETING AND**
- (15) NOTICE OF H SHAREHOLDERS' CLASS MEETING**

**Independent Financial Adviser to
the Independent Board Committee and Independent Shareholders**

MESSIS 大有融資

Capitalised terms used in this cover shall have the same meanings as those defined in this circular. The Notice of AGM convening the AGM to be held at 1:30 p.m. on Tuesday, 30 June 2026 at 3rd Floor, Ocean Hotel, No. 1171 Dong Da Ming Road, Hongkou District, Shanghai, the PRC is set out on pages AGM-1 to AGM-7 of this circular. The notice of the H Shareholders' Class Meeting to be held on the same date and at the same place immediately after the A Shareholders' Class Meeting, which will be held immediately after the AGM on the same date and at the same place, is set out on pages HCM-1 to HCM-5 of this circular.

A letter from the Board is set out on pages 8 to 40 of this circular and the letter from the Independent Board Committee is set out on page 41 of this circular. A letter from Messis Capital Limited, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 42 to 61 of this circular.

* The Company is a registered non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name "COSCO SHIPPING Development Co., Ltd.".

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2026 Vessel Leasing Agreement I”	the vessel leasing agreement dated 21 May 2026 entered into between Oriental Fleet SHIPPING 11 Limited and Wai Fung Shipping Limited in relation to the leasing of the Target Vessels I
“2026 Vessel Leasing Agreement II”	the vessel leasing agreement dated 21 May 2026 entered into between Oriental Fleet SHIPPING 12 Limited and Wai Fung Shipping Limited in relation to the leasing of the Target Vessels II
“2026 Vessel Leasing Agreements”	collectively, the 2026 Vessel Leasing Agreement I and the 2026 Vessel Leasing Agreement II
“A Share(s)”	the domestic share(s) in the ordinary share capital of the Company with a par value of RMB1.00 each, which are listed on the Shanghai Stock Exchange
“A Share Class Meeting” or “A Shareholders’ Class Meeting”	the forthcoming class meeting of the A Shareholders to be convened immediately after the AGM on the same date and at the same place of the AGM
“A Share Repurchase Mandate”	the general mandate proposed to be granted to the Board to repurchase A Shares not exceeding 10% of the number of A Shares in issue (excluding any treasury Shares and A Shares that have been repurchased but not yet cancelled) as at the date of passing the proposed relevant resolutions at the AGM, the A Share Class Meeting and the H Share Class Meeting
“A Shareholder(s)”	holder(s) of A Share(s)
“AGM”	the forthcoming annual general meeting of the Company to be convened at 1:30 p.m. on Tuesday, 30 June 2026 at 3rd Floor, Ocean Hotel, No. 1171 Dong Da Ming Road, Hongkou District, Shanghai, the PRC (or any adjournment thereof) to consider and, if thought fit, approve the resolutions contained in the Notice of AGM
“Announcement”	the announcement of the Company dated 21 May 2026, in relation to, among other things, the Assignment and Novation Agreements
“Articles of Association”	the articles of association of the Company as amended and adopted from time to time
“Assignment and Novation Agreements”	collectively, the Memoranda of Agreement and the Deeds of Novation

DEFINITIONS

“Board”	the board of Directors of the Company
“business day(s)”	the day(s) on which banks are generally open for business in Beijing, Hong Kong and New York, excluding Saturdays, Sundays and public holidays
“China Shipping”	China Shipping Group Company Limited [#] (中國海運集團有限公司), a PRC state-owned enterprise, a direct controlling shareholder of the Company and a wholly-owned subsidiary of COSCO SHIPPING
“Company”	COSCO SHIPPING Development Co., Ltd.* (中遠海運發展股份有限公司), a joint stock limited company established in the PRC, the H Shares and the A Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 02866) and the Shanghai Stock Exchange (Stock Code: 601866), respectively
“Computershare”	Computershare Hong Kong Investor Services Limited, the H Share registrar of the Company
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Hong Kong Listing Rules
“COSCO SHIPPING”	China COSCO SHIPPING Corporation Limited [#] (中國遠洋海運集團有限公司), a PRC state-owned enterprise and an indirect controlling shareholder of the Company
“COSCO SHIPPING Bulk”	COSCO SHIPPING Bulk Co., Ltd. [#] (中遠海運散貨運輸有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of COSCO SHIPPING
“COSCO SHIPPING Bulk Group”	COSCO SHIPPING Bulk and its subsidiaries
“COSCO SHIPPING Development HK”	COSCO SHIPPING Development (Hong Kong) Co., Ltd. (中遠海運發展(香港)有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“COSCO SHIPPING Group”	COSCO SHIPPING, its subsidiaries and/or its associates (excluding the Group)
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)

DEFINITIONS

“Deeds of Novation”	collectively, the Deeds of Novation I and the Deeds of Novation II
“Deeds of Novation I”	collectively, the deeds of novation dated 21 May 2026 entered into among Wai Fung Shipping Limited, Oriental Fleet SHIPPING 11 Limited and Heavy Industry (Yangzhou) in relation to the novation of the Existing Shipbuilding Contracts I in accordance with the Memorandum of Agreement I
“Deeds of Novation II”	collectively, the deeds of novation dated 21 May 2026 entered into among Marienvoy Shipping Limited, Oriental Fleet SHIPPING 12 Limited and Heavy Industry (Zhoushan) in relation to the novation of the Existing Shipbuilding Contracts II in accordance with the Memorandum of Agreement II
“Director(s)”	the director(s) of the Company
“DWT”	deadweight tonnage, a standard unit of measurement of the maximum weight a ship can carry
“Existing Shipbuilding Contracts”	collectively, the Existing Shipbuilding Contracts I and the Existing Shipbuilding Contracts II
“Existing Shipbuilding Contracts I”	collectively, the shipbuilding contracts dated 20 December 2024 entered into between Wai Fung Shipping Limited as buyer and Heavy Industry (Yangzhou) as seller in relation to the construction of the eight 211,000 DWT bulk carriers, as amended and supplemented from time to time
“Existing Shipbuilding Contracts II”	collectively, the shipbuilding contracts dated 30 June 2025 entered into between Marienvoy Shipping Limited as buyer and Heavy Industry (Zhoushan) as seller in relation to the construction of the two 64,000 DWT bulk carriers
“Florens Asset Management”	Florens Asset Management Company Limited (佛羅倫資產管理有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Florens Container”	Florens Container Industry Limited, a company incorporated under the laws of British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Florens Container Hainan”	Florens Container (Hainan) Co., Ltd. [#] (佛羅倫集裝箱(海南)有限公司), a limited liability company established in the PRC and a wholly-owned subsidiary of the Company

DEFINITIONS

“Florens Maritime”	Florens Maritime Limited, a company incorporated under the laws of Bermuda with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Guaranteed Subsidiaries”	collectively, COSCO SHIPPING Development HK, Florens Asset Management, Florens Container, Oriental Fleet, Oriental Fleet Pulp 01, Florens Maritime, Hainan COSCO, Florens China and Florens Container Hainan
“H Share(s)”	the overseas listed foreign shares in the ordinary share capital of the Company with a par value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange
“H Share Class Meeting” or “H Shareholders’ Class Meeting”	the forthcoming class meeting of the H Shareholders to be convened on the same date and at the same place immediately after the A Share Class Meeting (which is to be held immediately after the AGM on the same date and at the same place)
“H Share Repurchase Mandate”	the general mandate proposed to be granted to the Board to repurchase H Shares not exceeding 10% of the number of H Shares in issue (excluding any treasury Shares and H Shares that have been repurchased but not yet cancelled) as at the date of passing the proposed relevant resolutions at the AGM, the A Share Class Meeting and the H Share Class Meeting
“Heavy Industry (Yangzhou)”	COSCO SHIPPING Heavy Industry (Yangzhou) Co., Ltd. [#] (揚州中遠海運重工有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of COSCO SHIPPING
“Heavy Industry (Zhoushan)”	COSCO SHIPPING Heavy Industry (Zhoushan) Co., Ltd. [#] (舟山中遠海運重工有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of COSCO SHIPPING
“H Shareholder(s)”	holder(s) of H Share(s)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules” or “Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	the independent board committee of the Company comprising Mr. Shao Ruiqing, Mr. Chan Kwok Leung and Mr. Wu Daqi, being all the independent non-executive Directors, which is formed to advise the Independent Shareholders on the Assignment and Novation Agreements and the transactions contemplated thereunder in accordance with the Listing Rules
“Independent Financial Adviser”	Messis Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Assignment and Novation Agreements and the transactions contemplated thereunder
“Latest Practicable Date”	3 June 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Master Operating Lease Services Agreement”	the master operating lease services agreement dated 30 October 2025 entered into between the Company and COSCO SHIPPING in respect of the provision of operating lease services by the Group to the COSCO SHIPPING Group, and the purchase of operating lease services by the COSCO SHIPPING Group from the Group, as approved by the independent shareholders at the extraordinary general meeting of the Company dated 15 December 2025
“Memoranda of Agreement”	collectively, the Memorandum of Agreement I and Memorandum of Agreement II
“Memorandum of Agreement I”	the memorandum of agreement dated 21 May 2026 entered into between Wai Fung Shipping Limited as assignor and Oriental Fleet SHIPPING 11 Limited as assignee in relation to the assignment and novation of the Existing Shipbuilding Contracts I
“Memorandum of Agreement II”	the memorandum of agreement dated 21 May 2026 entered into between Marienvoy Shipping Limited as assignor and Oriental Fleet SHIPPING 12 Limited as assignee in relation to the assignment and novation of the Existing Shipbuilding Contracts II

DEFINITIONS

“Notice of AGM”	the notice of the AGM dated 8 June 2026, which is set out on AGM-1 to AGM-7 of this circular
“Oriental Fleet”	Oriental Fleet International Co., Ltd. (東方富利國際有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Oriental Fleet Pulp 01”	Oriental Fleet Pulp 01 Limited (東方富利紙漿01有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Oriental Fleet Shipping 02”	Oriental Fleet Shipping 02 Limited (東方富利海運02有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Overseas Regulatory Announcement”	the overseas regulatory announcement of the Company dated 21 May 2026 in relation to the Provision of Guarantees
“PRC”	the People’s Republic of China
“PRC Company Law”	PRC Company Law (《中華人民共和國公司法》) and its amendments issued from time to time
“Provision of Guarantees”	the proposed provisions of guarantees in the aggregate amounts of not exceeding RMB8.8 billion (or its equivalent in other currencies) for the Guaranteed Subsidiaries and the relevant authorisation to the Board, further details of which are set out in the Overseas Regulatory Announcement
“Register of Members”	the register of H Shares members of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“treasury share(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules, as amended from time to time

DEFINITIONS

“US\$” United States dollar, the lawful currency of the United States of America

“%” per cent

In addition, the terms “associate”, “connected person”, “connected transaction”, “controlling shareholder”, “percentage ratio(s)” and “subsidiary(ies)” shall have the meanings ascribed to them under the Listing Rules.

* *The Company is a registered non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name “COSCO SHIPPING Development Co., Ltd.”.*

For identification purposes only.

LETTER FROM THE BOARD



中遠海運發展股份有限公司
COSCO SHIPPING Development Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02866)

Executive Director:

Mr. Zhang Mingwen (Chairman)
Mr. Wang Kunhui

Non-executive Directors:

Mr. Ip Sing Chi
Ms. Zhang Xueyan
Mr. Zheng Xiaozhe

Independent Non-executive Directors:

Mr. Shao Ruiqing
Mr. Chan Kwok Leung
Mr. Wu Daqi

Legal address in the PRC:

Room A-538
International Trade Center
Lin-gang Special Area of the Shanghai Pilot
Free Trade Zone
Shanghai
The PRC

Principal place of business in the PRC:

No. 1 Building, Lane 1318 Shangcheng Road
Pudong New Area
Shanghai
The PRC

Principal place of business in Hong Kong:

51/F, COSCO Tower
183 Queen's Road Central
Hong Kong

8 June 2026

To the Shareholders

Dear Sir/Madam,

- (1) 2025 REPORT OF THE BOARD
- (2) 2025 FINANCIAL STATEMENTS AND AUDITORS' REPORT
- (3) 2025 PROFIT DISTRIBUTION PLAN
- (4) PROPOSED GRANT OF AUTHORIZATION TO THE BOARD
TO DETERMINE DETAILS OF THE 2026 INTERIM
PROFIT DISTRIBUTION PLAN
- (5) REMUNERATION OF DIRECTORS FOR THE YEAR 2026
- (6) APPOINTMENT OF DOMESTIC AUDITOR,
INTERNAL CONTROL AUDITOR AND INTERNATIONAL AUDITOR
FOR THE YEAR 2026
- (7) PROPOSED FORMULATION OF MEASURES FOR
THE REMUNERATION MANAGEMENT OF DIRECTORS AND
SENIOR MANAGEMENT
- (8) DISCLOSEABLE AND CONNECTED TRANSACTIONS
ASSIGNMENT AND NOVATION AGREEMENTS
- (9) PROVISION OF GUARANTEES
- (10) PROPOSED GRANT OF A SHARE REPURCHASE MANDATE
- (11) PROPOSED GRANT OF H SHARE REPURCHASE MANDATE
- (12) PROPOSED RE-ELECTION OF DIRECTORS
- (13) 2025 WORK REPORT OF INDEPENDENT DIRECTORS
- (14) NOTICE OF ANNUAL GENERAL MEETING
AND
- (15) NOTICE OF H SHAREHOLDERS' CLASS MEETING

LETTER FROM THE BOARD

I. INTRODUCTION

The purpose of this circular is to provide you with, among other things:

- (i) such information as is reasonably necessary to enable you to make an informed decision as to whether to vote for or against the resolutions to be proposed at the AGM and the H Shareholders' Class Meeting; and
- (ii) further details of the shareholders' resolutions to be proposed at the AGM and the H Shareholders' Class Meeting.

At the AGM, ordinary resolutions will be proposed to approve:

- (i) the report of the Board for the year ended 31 December 2025;
- (ii) the audited financial statements and the auditors' report of the Group for the year ended 31 December 2025;
- (iii) the proposed profit distribution plan of the Company and the proposed payment of a final dividend of RMB0.015 per Share (inclusive of applicable tax) for the year ended 31 December 2025;
- (iv) the proposed grant of authorization to the Board to determine details of the 2026 interim profit distribution plan;
- (v) the remuneration of the Directors for the year 2026;
- (vi) the appointment of the domestic auditor, the internal control auditor and international auditor for the year 2026;
- (vii) the formulation of Measures for the Remuneration Management of Directors and Senior Management; and
- (viii) the Assignment and Novation Agreements and the transactions contemplated thereunder.

At the AGM, special resolutions will be proposed to approve:

- (i) the Provision of Guarantees;
- (ii) the proposed grant of A Share Repurchase Mandate; and
- (iii) the proposed grant of H Share Repurchase Mandate.

At the AGM, ordinary resolutions voted by cumulative voting system will be proposed to approve the re-election of Directors.

LETTER FROM THE BOARD

At the AGM, the report below will be proposed for Shareholders' review without voting by Shareholders:

- (i) the work report of the independent non-executive Directors for the year ended 31 December 2025.

At the H Shareholders' Class Meeting, special resolution will be proposed to approve:

- (i) the proposed grant of A Share Repurchase Mandate; and
- (ii) the proposed grant of H Share Repurchase Mandate.

II. REPORT OF THE BOARD FOR THE YEAR ENDED 31 DECEMBER 2025

An ordinary resolution will be proposed at the AGM to approve the report of the Board for the year ended 31 December 2025. The full text of the aforesaid report of the Board is set out in the annual report of the Company which has been sent to the Shareholders on 24 April 2026.

The report of the Board for the year ended 31 December 2025 was considered and approved by the Board on 30 March 2026 and will be submitted, by way of ordinary resolution, for the Shareholders' consideration and approval at the AGM.

III. AUDITED FINANCIAL STATEMENTS AND AUDITORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

An ordinary resolution will be proposed at the AGM to approve the audited financial statements and the auditors' report of the Group for the year ended 31 December 2025. The full text of the aforesaid financial statements and auditors' report is set out in the annual report of the Company which has been sent to the Shareholders on 24 April 2026.

The audited financial statements and the auditors' report of the Group for the year ended 31 December 2025 was considered and approved by the Board on 30 March 2026 and will be submitted, by way of ordinary resolution, for the Shareholders' consideration and approval at the AGM.

IV. 2025 PROFIT DISTRIBUTION PLAN

1. Proposed payment of a final dividend

An ordinary resolution will be proposed at the AGM to approve the proposed profit distribution plan of the Company for the year ended 31 December 2025 in accordance with the Articles of Association.

According to the China Accounting Standards for Business Enterprises, the parent company's profit available for distribution at the end of 2025 in the consolidated financial statements of the Company for 2025 was RMB971,863,762.48. The Board has resolved to distribute profits for the year 2025 on the basis of the total share capital registered on the date of registration of equity distribution less the number of shares in the Company's repurchase special account.

LETTER FROM THE BOARD

As considered and unanimously approved by the Board, the Company has proposed to pay a final dividend of RMB0.015 (inclusive of applicable tax) per Share for the year ended 31 December 2025. If there is a change in the total share capital of the Company available for equity distribution during the period from the date of first disclosure of this profit distribution plan (i.e., 30 March 2026) to the record date for the equity distribution, the Company will adjust the total distribution amount based on the principle of maintaining an unchanged distribution amount per Share. If there are subsequent changes in the total share capital, separate announcement(s) will be made to detail the specific adjustments.

The final dividend will be paid to A Shareholders and domestic investors investing in H Shares through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect in RMB and to H Shareholders in HK\$. The actual amount of final dividend to be distributed and paid to H Shareholders in HK\$ will be calculated in accordance with the average middle exchange rate for RMB to HK\$ as quoted by the People's Bank of China for the period of one week before the announcement of the final dividend, being the date of the AGM (subject to the approval by the Shareholders). It is expected that the final dividend in respect of the H Shares will be distributed and paid after the approval at the AGM on or around 31 July 2026.

The 2025 profit distribution plan was considered and approved by the Board on 30 March 2026 and will be submitted, by way of ordinary resolution, for the Shareholders' consideration and approval at the AGM.

2. Enterprise income tax

According to the Law on Corporate Income Tax of the People's Republic of China and the relevant implementation rules which came into effect on 1 January 2008, the Company is required to withhold corporate income tax at the rate of 10% before distributing the final dividends for the year ended 31 December 2025 to non-resident enterprise shareholders as appearing on the Register of Members. Any Shares not registered in the name of an individual person, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations will be treated as being held by non-resident enterprise shareholders and will therefore be subject to the withholding of the corporate income tax. After receiving the final dividends, non-resident enterprise shareholders may apply, personally or by proxy, to provide materials to the competent taxation authorities proving their eligibility to be the actual beneficiaries under the taxation agreements (arrangement) to enjoy tax refund.

3. Individual income tax

Pursuant to the requirements of Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policies Regarding Individual Income Tax (Cai Shui Zi [1994] No. 020) (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)), individual foreigners are exempted from individual income tax on dividends and bonus received from foreign-invested enterprises in the PRC. As the Company is a foreign-invested joint stock limited company, foreign individual H Shareholders whose names appeared on the Register of Members are not required to pay the individual income tax of the PRC.

For dividends received by mainland individual investors from investing in H shares of the Company, the Company will withhold and pay individual income tax payable by such mainland individual investors at the rate of 20% on their behalf.

LETTER FROM THE BOARD

4. Profit distribution for domestic investors investing in H Shares through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect

Shanghai-Hong Kong Stock Connect

For domestic investors (including enterprises and individuals) investing in the H Shares through the Shanghai Stock Exchange, the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the H Shareholders through Shanghai-Hong Kong Stock Connect, will receive the final dividends paid by the Company and further distribute the final dividends to the relevant investors of H Shares through Shanghai-Hong Kong Stock Connect through its depository and clearing system.

The final dividends will be paid to investors investing in H Shares through Shanghai-Hong Kong Stock Connect in RMB. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Caishui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) issued by the Ministry of Finance of the PRC, the State Administration of Taxation and the CSRC:

- (i) for dividends received by mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the relevant H share listed company shall withhold and pay individual income tax payable by such mainland individual investors at the rate of 20% on their behalf;
- (ii) for dividends received by mainland securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, individual income tax payable by such mainland securities investment funds shall be withheld and paid by the relevant H share listed company in the same manner as stated in paragraph (i) above; and
- (iii) for dividends received by mainland enterprise investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the relevant H share listed company shall not withhold or pay the income tax of dividends for mainland enterprise investors and those enterprise investors shall report and pay the income tax themselves.

Shenzhen-Hong Kong Stock Connect

For domestic investors (including enterprises and individuals) investing in the H Shares through the Shenzhen Stock Exchange, the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the H Shareholders through Shenzhen-Hong Kong Stock Connect, will receive the final dividends paid by the Company and further distribute the final dividends to the relevant investors of H Shares through Shenzhen-Hong Kong Stock Connect through its depository and clearing system.

LETTER FROM THE BOARD

The final dividends will be paid to investors investing in H Shares through Shenzhen-Hong Kong Stock Connect in RMB. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)):

- (i) for dividends received by mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the relevant H share listed company shall withhold and pay individual income tax payable by such mainland individual investors at the rate of 20% on their behalf;
- (ii) dividends received by mainland securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, individual income tax payable by such mainland securities investment funds shall be withheld and paid by the relevant H share listed company in the same manner as stated in paragraph (i) above; and
- (iii) for dividends received by mainland enterprise investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the relevant H share listed company shall not withhold or pay the income tax of dividends for mainland enterprise investors and those enterprise investors shall report and pay the income tax themselves.

The record date, the date of distribution and other arrangements in relation to the payment of the final dividends to domestic investors investing in the H Shares through Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect will be the same as those for the H Shareholders.

5. To qualify for the proposed final dividend for the year ended 31 December 2025

For the purpose of determining the H Shareholders' entitlement to the proposed final dividend for the year ended 31 December 2025, the Register of Members will be closed from Tuesday, 14, July 2026 to Friday, 17 July 2026 (both days inclusive), during which period no transfer of H Shares of the Company will be registered. The H Shareholders whose names appear on the Register of Members at the close of business on Friday, 17 July 2026 are entitled to receive the proposed final dividend. In order to qualify for the proposed final dividend, the H Shareholders shall lodge all transfer documents together with the relevant share certificates to Computershare, the H Share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 13 July 2026.

LETTER FROM THE BOARD

V. PROPOSED GRANT OF AUTHORIZATION TO THE BOARD TO DETERMINE DETAILS OF THE 2026 INTERIM PROFIT DISTRIBUTION PLAN

Pursuant to the Articles of Association, an ordinary resolution will be proposed at the AGM to approve the proposed grant of authorization of the Board to determine details of the 2026 interim profit distribution plan.

The Board proposes to the Shareholders' general meeting to authorize the Board to determine details of the 2026 interim profit distribution plan of the Company and to handle the matters related to the interim profit distribution at its sole discretion, that is, subject to satisfaction of the conditions of distribution of cash dividends pursuant to the Articles of Association in effect at that time, the Board may determine to conduct the 2026 interim profit distribution by the way of cash dividends, and the total cash dividends shall be no more than 30% of the Company's net profit attributable to shareholders of the listed company in the first half of 2026. Whether to implement the interim profit distribution and the specific amount of distribution shall be determined by the Board based on the 2026 interim results and the capital requirements of the Company.

The proposed grant of authorization to the Board to determine details of the 2026 interim profit distribution plan was considered and approved by the Board on 30 March 2026 and will be submitted, by way of an ordinary resolution, for the Shareholders' consideration and approval at the AGM.

VI. REMUNERATION OF DIRECTORS FOR THE YEAR 2026

An ordinary resolution will be proposed at the AGM to approve the remuneration of the Directors for the year 2026, details of which are as follows:

- (i) for executive Directors: the remuneration received shall be in accordance with the remuneration standard for their respective positions as executive Directors or members of the senior management;
- (ii) for non-executive Directors: (a) the non-executive Directors nominated by the controlling shareholders and hold executive positions at COSCO SHIPPING and its direct subsidiaries, shall receive no remuneration from the Company as they have been remunerated by COSCO SHIPPING or its direct subsidiaries; (b) the non-executive Directors nominated by the controlling shareholders and do not hold executive positions at COSCO SHIPPING and its direct subsidiaries, shall receive a combination of basic remuneration and performance-based remuneration subject to appraisal by the Company; and (c) the external non-executive Directors shall receive remuneration based on the remuneration standard for the independent non-executive Directors in sub-paragraph (iii) below as applicable; and
- (iii) for independent non-executive Directors: the remuneration received shall be pursuant to the remuneration standard approved by the Shareholders in the 2019 annual general meeting, i.e. (a) the remuneration standard for the onshore independent non-executive Directors who are residents in the PRC is RMB150,000 per year (before tax), and (b) the remuneration standard for the offshore independent non-executive Directors who are residents outside the PRC is RMB300,000 per year (before tax). Both onshore independent non-executive Directors and offshore independent non-executive Directors shall perform their duties and functions as independent non-executive Directors of the Company.

LETTER FROM THE BOARD

Taking into account (i) remuneration arrangement for comparable companies incorporated in the PRC and (ii) the recommendation of the remuneration committee of the Company, the Board considers the above compensation arrangement is fair and reasonable and in the interest of the Company and its Shareholders as a whole.

The abovementioned resolution in relation to the remuneration of the Directors was considered and approved by the Board on 30 March 2026 and will be submitted, by way of ordinary resolution, for the Shareholders' consideration and approval at the AGM.

VII. APPOINTMENT OF DOMESTIC AUDITOR, INTERNAL CONTROL AUDITOR AND INTERNATIONAL AUDITOR FOR THE YEAR 2026

Reference is made to the announcement of the Company dated 21 May 2026 regarding the proposed change of auditors.

As ShineWing Certified Public Accountants LLP (“**ShineWing**”) and SHINEWING (HK) CPA Limited (“**SHINEWING (HK)**”) have served as the Company's annual auditors for eight and four consecutive years, respectively, in accordance with the relevant provisions of the Measures for Administration of Selection and Engagement of Accounting Firms by State-Owned Enterprises and Listed Companies (Cai Kuai [2023] No. 4) 《國有企業、上市公司選聘會計師事務所管理辦法》((財會[2023]4號)), and for the purpose of further strengthening auditor independence and implementing the auditor rotation system, the Board considers it good corporate governance practice to rotate its domestic auditor, internal control auditor, and international auditor at an appropriate time.

ShineWing and SHINEWING (HK) have confirmed to the Board that there are no matters in relation to the change of auditors that need to be brought to the attention of the shareholders of the Company. The Board has also confirmed that there are no disagreements or outstanding matters between the Company and ShineWing, and between the Company and SHINEWING (HK), and the Board is not aware of any other matters in relation to the proposed change of auditors that need to be brought to the attention of the shareholders.

On 19 May 2026, the Company convened the 20th meeting of the audit committee of the Board for 2026, at which the “Proposal on the Selection and Engagement of the Company's 2026 A+H Share Financial Report Auditors and Internal Control Auditors (《關於選聘公司2026年度A+H股財務報告審計師、內部控制審計師的議案》)” was considered and approved. The audit committee was of the view that BDO China Shu Lun Pan Certified Public Accountants LLP (“**BDO China**”) possesses the requisite professional qualifications, professional competence, investor protection capability and integrity, and that there is no circumstance that violates the independence requirements of the “*Code of Professional Ethics for Certified Public Accountants of China* (《中國註冊會計師職業道德守則》)”, and agreed to appoint BDO China as the Company's domestic auditor for 2026 (the “**2026 Domestic Auditor**”) and internal control auditor for 2026 (the “**2026 Internal Control Auditor**”), and agreed to submit the proposal to the Board for consideration. In addition, the audit committee was of the view that BDO Limited (“**BDO (HK)**”) possesses the requisite professional qualifications, professional competence, investor protection capability and integrity, and agreed to appoint BDO (HK) as the Company's international auditor for 2026 (the “**2026 International Auditor**”), and agreed to submit the proposal to the Board for consideration. At the 37th meeting of the seventh session of the Board held on 21 May 2026, the Company considered and approved the “Proposal on the Selection and Engagement of the Company's 2026 A+H Share Financial Report Auditors and Internal Control Auditors”. The Board resolved to recommend the appointment of BDO China as the Company's 2026 Domestic Auditor and 2026 Internal Control Auditor, and BDO (HK) as the Company's 2026 International Auditor, to hold office from the conclusion of the 2025 annual general meeting until the conclusion of the next annual general meeting of

LETTER FROM THE BOARD

the Company. The proposed appointments are subject to the approval of the shareholders at the annual general meeting, and the completion of the client acceptance procedures of BDO China and BDO (HK), respectively, pursuant to the applicable rules.

Each of the following ordinary resolutions will be proposed at the AGM to approve the appointment of the domestic auditor, the internal control auditor and the international auditor of the Company, details of which are as follows:

- (i) to appoint BDO China as the 2026 Domestic Auditor, with remuneration of RMB4.88 million (inclusive of applicable tax);
- (ii) to appoint BDO China as the 2026 Internal Control Auditor, with remuneration of RMB0.80 million (inclusive of applicable tax); and
- (iii) to appoint BDO (HK) as the 2026 International Auditor, with remuneration of RMB4.70 million (inclusive of applicable tax).

The aforementioned fees were determined after taking into account, among other things, the complexity of the Group's business and its business plans, the expected scope of audit, the audit timetable, the qualifications and experience of the proposed auditors, audit resources and expected workload, as well as market rates for the relevant services.

The abovementioned resolutions in relation to the re-appointment of the 2026 Domestic Auditor, the 2026 Internal Control Auditor and the 2026 International Auditor were considered and approved by the Board on 21 May 2026 and will be submitted, by way of ordinary resolutions, for the Shareholders' consideration and approval at the AGM.

VIII. PROPOSED RE-ELECTION OF DIRECTORS

On 21 May 2026, the Board proposed the re-election of Directors to form the eighth session of the Board.

Pursuant to the articles of association of the Company, the proposed re-election shall be subject to approval of the Shareholders at a general meeting of the Company. The ordinary resolutions in relation to the proposed re-election will be proposed at the AGM.

The Board has proposed to re-elect the following persons as Directors of the eighth session of the Board:

- (i) to re-elect Mr. Zhang Mingwen and Mr. Wang Kunhui and as executive Directors of the eighth session of the Board;
- (ii) to re-elect Mr. Ip Sing Chi, Ms. Zhang Xueyan and Mr. Zheng Xiaozhe as non-executive Directors of the eighth session of the Board; and
- (iii) to re-elect Mr. Shao Ruiqing, Mr. Chan Kwok Leung and Mr. Wu Daqi as independent non-executive Directors of the eighth session of the Board.

LETTER FROM THE BOARD

According to Article 10.2 of the Articles of Association, each of the Directors shall be appointed for a term of three years, and may offer themselves for re-election upon expiry of such term if being eligible. However, pursuant to relevant requirements of the Articles of Association, the CSRC and the Shanghai Stock Exchange, the appointment of an independent non-executive Director shall be subject to a maximum term of six years.

Save as Mr. Shao Ruiqing and Mr. Chan Kwok Leung, the term of office of the eighth session of the Board shall commence from 1 July 2026 upon the conclusion of the AGM, and end on 30 June 2029. The terms of office of Mr. Shao Ruiqing and Mr. Chan Kwok Leung shall commence from 1 July 2026 upon the conclusion of the AGM, and end on 28 June 2027 and 26 February 2029, respectively.

The Nomination Committee shall consider candidates on merit against objective criteria and with due regard for the benefits of diversity of the Board. The factors considered by the Nomination Committee in assessing the suitability of a proposed candidate include: (i) reputation for integrity; (ii) accomplishments, expertise and industry experience which may be relevant to the Group; (iii) commitment to the business of the Group in respect of time, interest and attention; (iv) perspectives, skills and experience that the candidate can contribute to the Board; (v) diversity in a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service; (vi) Board succession planning considerations and long-term objectives of the Group; and (vii) the independence of such candidate with reference to, among other things, the requirements as set out in Rule 3.13 of the Listing Rules.

The Nomination Committee has assessed and reviewed the written confirmation of independence of each of Mr. Shao Ruiqing, Mr. Chan Kwok Leung and Mr. Wu Daqi based on the independence criteria as set out in Rule 3.13 of the Listing Rules, and is satisfied that each of Mr. Shao Ruiqing, Mr. Chan Kwok Leung and Mr. Wu Daqi is independent in accordance with Rule 3.13 of the Listing Rules. In addition, the Nomination Committee, having evaluated the performance of each of Mr. Shao Ruiqing, Mr. Chan Kwok Leung and Mr. Wu Daqi, is of the view that each of Mr. Shao Ruiqing, Mr. Chan Kwok Leung and Mr. Wu Daqi has provided valuable contributions to the Company and has demonstrated their abilities to provide independent, balanced and objective view to the Company's affairs.

The Nomination Committee is also of the view that each of the nominees above can contribute to the diversity of the Board, especially, with their diversified educational background, professional experience in the fields of public accounting and auditing, higher education, marketing, transportation, investment banking, corporate finance, container shipping operations and shipping logistics, as well as personal connections in various industries.

For the biographical details of the Directors proposed for election and re-election, please refer to Appendix II to this circular and the announcement of the Company dated 21 May 2026.

Save as disclosed in this circular, there are no other matters in relation to the proposed election of Directors that need to be brought to the attention of the Shareholders nor any other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

LETTER FROM THE BOARD

IX. PROPOSED FORMULATION OF MEASURES FOR THE REMUNERATION MANAGEMENT OF DIRECTORS AND SENIOR MANAGEMENT

In order to further improve the remuneration management system for the Directors and senior management of the Company, in accordance with relevant laws, regulations, the Code of Corporate Governance for Listed Companies on the Shanghai Stock Exchange and the Articles of Association, and in light of the actual circumstances of the Company, the resolution in relation to the formulation of the Measures for the Remuneration Management of Directors and Senior Management was considered and approved by the Remuneration Committee and the Board on 19 May 2026 and 21 May 2026, respectively. The resolution in relation to the proposed formulation of the Measures for the Remuneration Management of Directors and Senior Management will be put forward by way of an ordinary resolution for the Shareholders' consideration and approval at the AGM. For details, please refer to Appendix III to this circular and the overseas regulatory announcement of the Company dated 21 May 2026.

X. PROVISION OF GUARANTEES

As disclosed in the Overseas Regulatory Announcement, on 21 May 2026, the Board resolved that the Company shall provide the following guarantees for the Guaranteed Subsidiaries in the aggregate amounts of not exceeding RMB8.8 billion (or its equivalent in other currencies) during the period from 1 July 2026 to 30 June 2027 and the relevant authorization shall be given to the Board to consider and approve each guarantee within the approved cap, including but not limited to the manner, type, term and amount of the guarantees:

- (i) the provision of guarantee for COSCO SHIPPING Development HK by the Company in the amount of not exceeding RMB1.5 billion (or its equivalent in other currencies);
- (ii) the provision of guarantee for Florens Asset Management by the Company in the amount of not exceeding RMB1 billion (or its equivalent in other currencies);
- (iii) the provision of guarantee for Florens Container by the Company in the amount of not exceeding RMB1.5 billion (or its equivalent in other currencies);
- (iv) the provision of guarantee for Florens Maritime by the Company in the amount of not exceeding RMB1.5 billion (or its equivalent in other currencies);
- (v) the provision of guarantee for Florens Container Hainan by the Company in the amount of not exceeding RMB0.5 billion (or its equivalent in other currencies);
- (vi) the provision of guarantee for Oriental Fleet by the Company in the amount of not exceeding RMB1.5 billion (or its equivalent in other currencies);
- (vii) the provision of guarantee for Oriental Fleet Pulp 01 by the Company in the amount of not exceeding RMB0.3 billion (or its equivalent in other currencies); and
- (viii) the provision of guarantee for Oriental Fleet Shipping 02 by the Company in the amount of not exceeding RMB1 billion (or its equivalent in other currencies).

LETTER FROM THE BOARD

Pursuant to the relevant requirements under relevant PRC laws and regulations and the Articles of Association, the Provision of Guarantees shall be subject to the approval of the Shareholders.

The resolution in relation to the Provision of Guarantees will be submitted, by way of special resolution, for the Shareholders' consideration and approval at the AGM.

XI. PROPOSED GRANT OF A SHARE REPURCHASE MANDATE

In order to maintain the value of the Company and the interests of the Shareholders and give the Company the flexibility to repurchase Shares if and when appropriate, the resolution in relation to the proposed grant of the A Share Repurchase Mandate was considered and approved by the Board on 21 May 2026. The resolution in relation to the proposed grant of the A Share Repurchase Mandate will be proposed by way of special resolution for the Shareholders' consideration and approval at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, details of which are set out below and in the notices of the AGM and the H Shareholders' Class Meeting contained in this circular.

Pursuant to the A Share Repurchase Mandate, the total number of A Shares repurchased by the Company with its own funds or self-raised funds during the Relevant Period (as defined below) shall not exceed 10% of the total number of A Shares in issue (excluding any treasury Shares and A Shares that have been repurchased but not yet cancelled) as at the date of consideration and approval of the resolution in relation to the grant of the A Share Repurchase Mandate at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting.

For the purpose of the A Share Repurchase Mandate, the "Relevant Period" means the period from the date of passing of the special resolution in relation to the grant of the A Share Repurchase Mandate at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting until whichever is the earliest of:

- (i) the conclusion of 2026 annual general meeting of the Company; or
- (ii) the date on which the A Share Repurchase Mandate is revoked or varied by a special resolution at any general meeting, A Shareholders' class meeting and H Shareholders' class meeting of the Company.

The proposed grant of the A Share Repurchase Mandate is only an authorisation to the Board at the AGM to deal with matters relating to the repurchase of A Shares. Upon consideration and approval at the general meeting, the Company will determine the timing for implementing the repurchase based on the Company's actual situation and share price performance in compliance with the relevant requirements of applicable PRC laws. An explanatory statement containing information regarding the proposed grant of the A Share Repurchase Mandate is set out in Appendix I to this circular. The proposed grant of the A Share Repurchase Mandate is subject to the approval of the Shareholders at the AGM and the approval of A Shareholders and H Shareholders at the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, respectively, by way of special resolution.

LETTER FROM THE BOARD

XII. PROPOSED GRANT OF H SHARE REPURCHASE MANDATE

In order to maintain the value of the Company and the interests of the Shareholders and give the Company the flexibility to repurchase Shares if and when appropriate, the resolution in relation to the proposed grant of the H Share Repurchase Mandate was considered and approved by the Board on 21 May 2026. The resolution in relation to the proposed grant of the H Share Repurchase Mandate will be proposed by way of special resolution for the Shareholders' consideration and approval at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, details of which are set out below and in the notices of the AGM and the H Shareholders' Class Meeting contained in this circular.

Pursuant to the H Share Repurchase Mandate, the total number of H Shares repurchased by the Company with its own funds or self-raised funds during the Relevant Period (as defined below) shall not exceed 10% of the total number of H Shares in issue (excluding any treasury Shares and H Shares that have been repurchased but not yet cancelled) as at the date of consideration and approval of the resolution in relation to the grant of the H Share Repurchase Mandate at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting.

For the purpose of the H Share Repurchase Mandate, the "Relevant Period" means the period from the date of passing of the special resolution in relation to the grant of the H Share Repurchase Mandate at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting until whichever is the earliest of:

- (i) the conclusion of the 2026 annual general meeting of the Company; or
- (ii) the date on which the H Share Repurchase Mandate is revoked or varied by a special resolution at any general meeting, A Shareholders' class meeting and H Shareholders' class meeting of the Company.

The proposed grant of the H Share Repurchase Mandate is only an authorisation to the Board at the AGM to deal with matters relating to the repurchase of Shares. Upon consideration and approval at the general meeting, the Company will determine the timing for implementing the repurchase based on the Company's actual situation and share price performance in compliance with the relevant requirements of the Hong Kong Listing Rules. An explanatory statement containing information regarding the proposed grant of the H Share Repurchase Mandate is set out in Appendix I to this circular. The proposed grant of the H Repurchase Mandate is subject to the approval of the Shareholders at the AGM and the approval of A Shareholders and H Shareholders at the A Shareholders' Class Meeting and the H Shareholders' Class Meeting, respectively, by way of special resolution.

LETTER FROM THE BOARD

XIII. DISCLOSEABLE AND CONNECTED TRANSACTIONS – ASSIGNMENT AND NOVATION AGREEMENTS

Reference is made to the Announcement, in relation to, among other things, the Assignment and Novation Agreements and the transactions contemplated thereunder.

The Group proposes to acquire the Target Vessels, comprising eight 211,000 DWT bulk carriers and two 64,000 DWT bulk carriers, through the Assignment and Novation Agreements. Immediately after delivery of the Target Vessels, the COSCO SHIPPING Bulk Group will charter-in the Target Vessels from the Group pursuant to the 2026 Vessel Leasing Agreements.

In this connection, on 21 May 2026:

- (i) Wai Fung Shipping Limited and Oriental Fleet SHIPPING 11 Limited entered into the Memorandum of Agreement I, pursuant to which Wai Fung Shipping Limited agrees to transfer and Oriental Fleet SHIPPING 11 Limited agrees to take over all rights, responsibilities and liabilities under the Existing Shipbuilding Contracts I in respect of eight 211,000 DWT bulk carriers under construction, i.e. the Target Vessels I;
- (ii) Marienvoy Shipping Limited and Oriental Fleet SHIPPING 12 Limited entered into the Memorandum of Agreement II, pursuant to which Marienvoy Shipping Limited agrees to transfer and Oriental Fleet SHIPPING 12 Limited agrees to take over all rights, responsibilities and liabilities under the Existing Shipbuilding Contracts II in respect of two 64,000 DWT bulk carriers under construction, i.e. the Target Vessels II;
- (iii) Wai Fung Shipping Limited, Oriental Fleet SHIPPING 11 Limited and Heavy Industry (Yangzhou) entered into the Deeds of Novation I in relation to the novation of the Existing Shipbuilding Contracts I in accordance with the Memorandum of Agreement I; and
- (iv) Marienvoy Shipping Limited, Oriental Fleet SHIPPING 12 Limited and Heavy Industry (Zhoushan) entered into the Deeds of Novation II in relation to the novation of the Existing Shipbuilding Contracts II in accordance with the Memorandum of Agreement II.

For details of the 2026 Vessel Leasing Agreements, please refer to the Announcement. In accordance with the Listing Rules, the Assignment and Novation Agreements will be submitted for the Independent Shareholders' consideration and approval at the AGM by way of ordinary resolution, the details of which will be set out below.

1. ASSIGNMENT AND NOVATION AGREEMENTS

The principal terms of the Memorandum of Agreement I and the transactions contemplated thereunder are as follows:

- Date:** 21 May 2026
- Parties:**
- (1) Wai Fung Shipping Limited, as assignor; and
 - (2) Oriental Fleet SHIPPING 11 Limited, as assignee.

LETTER FROM THE BOARD

Subject matter: Pursuant to the Memorandum of Agreement I, Wai Fung Shipping Limited agrees to transfer and Oriental Fleet SHIPPING 11 Limited agrees to take over all rights, responsibilities and liabilities under the Existing Shipbuilding Contracts I in respect of the Target Vessels I, which are expected to be delivered by Heavy Industry (Yangzhou) from August 2027 to November 2028, subject to any agreed arrangements of delay in delivery.

Consideration: The consideration payable by Oriental Fleet SHIPPING 11 Limited under the Memorandum of Agreement I shall be approximately RMB1,387.3113 million in cash, exclusive of tax, which was determined after arm's length negotiations between the parties with reference to the appraised value of the Target Vessels I as at 31 December 2025.

The book value of the Target Vessels I was approximately RMB1,355.2899 million as at 31 December 2025. Based on the valuation report, the appraised value of the Target Vessels I was approximately RMB1,387.3113 million, representing an appreciation of approximately RMB32.0213 million, or approximately 2.36%, over its book value.

Following the novation, Oriental Fleet SHIPPING 11 Limited will also assume the obligation to pay any outstanding shipbuilding instalments, any adjustments to the contract price and related supervision costs in accordance with the relevant agreements.

Valuation: The appraised value of the Target Vessels I is set out in the valuation report ("**Valuation Report I**") prepared by an independent valuer, China Tong Cheng Assets Appraisal Co., Ltd. (the "**Valuer**"). The appraised value represents the market value of the Target Vessels I as at the valuation benchmark date, i.e. 31 December 2025. The valuation was conducted using the cost approach.

The calculation formula under the cost approach is as follows:

Market value of the Target Vessels I = book value in US dollars of the Target Vessels I as at the valuation benchmark date × exchange rate × price index + capital cost.

The book value of the Target Vessels I was adopted as the replacement cost basis for the valuation because the Target Vessels I were vessels under construction, and such book value reflected the construction progress and costs incurred up to the valuation benchmark date. As the Target Vessels I were newbuild vessels under construction, no separate depreciation or other adjustment was made.

LETTER FROM THE BOARD

The appreciation over the book value was mainly attributable to the price index adjustment and the capital cost taken into account by the Valuer. The price index reflected the increase in the construction contract price of comparable vessels between the date of signing of the relevant shipbuilding contracts and the valuation benchmark date, based on the market enquiries conducted by the Valuer in respect of vessels of the same or similar type as at the valuation benchmark date. The capital cost represented the estimated funding cost of the amount already invested in the relevant Target Vessel I over the period from the date of entering into the Existing Shipbuilding Contracts I to the valuation benchmark date, having regard to the applicable interest rate. Therefore, the Directors consider that the consideration is on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The Valuation Report I is set out in Appendix V. The Valuation Report I has completed the filing and approval procedures with COSCO SHIPPING.

Source of funds:

The consideration payable by Oriental Fleet SHIPPING 11 Limited under the Memorandum of Agreement I will be funded by the internal resources and external financing of the Group.

Please refer to the disclosure below regarding the expected funding arrangement of Aggregate Cost I for further details.

Payment:

The consideration payable by Oriental Fleet SHIPPING 11 Limited under the Memorandum of Agreement I shall be paid in two instalments and remitted to the bank account designated by Wai Fung Shipping Limited. The first instalment, being approximately RMB892.8 million, shall be paid within seven Banking Days after the effective date of the Memorandum of Agreement I and receipt by Oriental Fleet SHIPPING 11 Limited of a written payment notice from Wai Fung Shipping Limited. The second instalment, being approximately RMB494.5113 million, shall be paid within seven Banking Days after Oriental Fleet SHIPPING 11 Limited receives the mid-year adjustment for the 2026 investment plan at the parent company level and a written payment notice from Wai Fung Shipping Limited. For the avoidance of doubt, the mid-year adjustment to the 2026 investment plan at the parent company level is only a payment milestone under the payment arrangement, and does not and will not affect the amount or basis of determination of the consideration payable.

Supervision and inspection:

Oriental Fleet SHIPPING 11 Limited shall maintain at the shipyard of Heavy Industry (Yangzhou), at its own cost and expense, one or more representatives to supervise and survey the construction of the Target Vessels I.

LETTER FROM THE BOARD

- Effectiveness:** Unless otherwise agreed in writing between the parties, the Memorandum of Agreement I shall come into effect provided that all the conditions below are satisfied:
- (1) the authorized representative of Wai Fung Shipping Limited having signed the Memorandum of Agreement I;
 - (2) the authorized representative of Oriental Fleet SHIPPING 11 Limited having signed the Memorandum of Agreement I;
 - (3) the approval of the Memorandum of Agreement I and the transactions thereunder from the board of directors of COSCO SHIPPING Bulk, the parent company of Wai Fung Shipping Limited, having been obtained; and
 - (4) the approval of the Memorandum of Agreement I and the transactions contemplated thereunder from the Independent Shareholders at a general meeting of the Company having been obtained.

As at the Latest Practicable Date, the conditions set out in sub-paragraphs (1) to (3) above have been satisfied.

The principal terms of the Memorandum of Agreement II and the transactions contemplated thereunder are as follows:

- Date:** 21 May 2026
- Parties:**
- (1) Marienvoy Shipping Limited, as assignor; and
 - (2) Oriental Fleet SHIPPING 12 Limited, as assignee.
- Subject matter:** Pursuant to the Memorandum of Agreement II, Marienvoy Shipping Limited agrees to transfer and Oriental Fleet SHIPPING 12 Limited agrees to take over all rights, responsibilities and liabilities under the Existing Shipbuilding Contracts II in respect of the Target Vessels II, which are expected to be delivered by Heavy Industry (Zhoushan) by July 2026 and August 2026, respectively, subject to any agreed arrangements of delay in delivery.
- Consideration:** The consideration payable by Oriental Fleet SHIPPING 12 Limited under the Memorandum of Agreement II shall be approximately US\$24.9897 million in cash, exclusive of tax, which was determined after arm's length negotiations between the parties with reference to the appraised value of the Target Vessels II as at 31 March 2026.

LETTER FROM THE BOARD

The book value of the Target Vessels II was approximately US\$24.8500 million as at 31 March 2026. Based on the valuation report, the appraised value of the Target Vessels II was approximately US\$24.9897 million, representing an appreciation of approximately US\$0.1397 million, or approximately 0.56%, over its book value.

Following the novation, Oriental Fleet SHIPPING 12 Limited will also assume the obligation to pay any outstanding shipbuilding instalments, any adjustments to the contract price and related supervision costs in accordance with the relevant agreements.

Valuation:

The appraised value of the Target Vessels II is set out in the valuation report (“**Valuation Report II**”) prepared by the Valuer. The appraised value represents the market value of the Target Vessels II as at the valuation benchmark date, i.e. 31 March 2026. The valuation was conducted using the cost approach.

The calculation formula under the cost approach for the Target Vessels II is as follows:

Market value of the Target Vessels II = book value of the Target Vessels II as at the valuation benchmark date × price index + capital cost.

The book value of the Target Vessels II was adopted as the replacement cost basis for the valuation because the Target Vessels II were vessels under construction, and such book value reflected the construction progress and costs incurred up to the valuation benchmark date. As the Target Vessels II were newbuild vessels under construction, no separate depreciation or other adjustment was made.

The appreciation over the book value was mainly attributable to the capital cost taken into account by the Valuer. The capital cost represented the estimated funding cost of the amounts already invested in the Target Vessels II over the period from the date of entering into the Existing Shipbuilding Contracts II to the valuation benchmark date, having regard to the applicable interest rate. The price index adopted for the Target Vessels II was 1.0000, as the construction contract price of vessels of the same type as at the date of entering into the relevant shipbuilding contracts and as at the valuation benchmark date was the same, based on the vessel price information obtained by the Valuer. Therefore, the Directors consider that the consideration is on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The Valuation Report II is set out in Appendix VI. The Valuation Report II has completed the filing and approval procedures with COSCO SHIPPING.

LETTER FROM THE BOARD

Source of funds: The consideration payable by Oriental Fleet SHIPPING 12 Limited under the Memorandum of Agreement II will be funded by the internal resources and external financing of the Group.

Please refer to the disclosure below regarding the expected funding arrangement of Aggregate Cost II for further details.

Payment: The consideration payable by Oriental Fleet SHIPPING 12 Limited under the Memorandum of Agreement II shall be paid and remitted to the bank account designated by Marienvoy Shipping Limited within seven business days after Oriental Fleet SHIPPING 12 Limited receives the mid-year adjustment for the 2026 investment plan at the parent company level and a written payment notice from Marienvoy Shipping Limited. For the avoidance of doubt, the mid-year adjustment to the 2026 investment plan at the parent company level is only a payment milestone under the payment arrangement, and does not and will not affect the amount or basis of determination of the consideration payable.

Supervision and inspection: Oriental Fleet SHIPPING 12 Limited shall maintain at the shipyard of Heavy Industry (Zhoushan), at its own cost and expense, one or more representatives to supervise and survey the construction of the Target Vessels II.

Effectiveness: Unless otherwise agreed in writing between the parties, the Memorandum of Agreement II shall come into effect provided that all the conditions below are satisfied:

- (1) the authorized representative of Marienvoy Shipping Limited having signed the Memorandum of Agreement II;
- (2) the authorized representative of Oriental Fleet SHIPPING 12 Limited having signed the Memorandum of Agreement II;
- (3) the approval of the Memorandum of Agreement II and the transactions thereunder by the board of directors of COSCO SHIPPING Bulk, the parent company of Marienvoy Shipping Limited, having been obtained; and
- (4) the approval of the Memorandum of Agreement II and the transactions contemplated thereunder from the Independent Shareholders at a general meeting of the Company having been obtained.

As at the Latest Practicable Date, the conditions set out in sub-paragraphs (1) to (3) above have been satisfied.

LETTER FROM THE BOARD

The principal terms of the Deeds of Novation I and the transactions contemplated thereunder are as follows:

- Date:** 21 May 2026
- Parties:**
- (1) Wai Fung Shipping Limited, as original buyer;
 - (2) Oriental Fleet SHIPPING 11 Limited, as new buyer; and
 - (3) Heavy Industry (Yangzhou), as seller.
- Subject matter:** Pursuant to the Deeds of Novation I, with effect from the effective date of the relevant Deed of Novation I, Oriental Fleet SHIPPING 11 Limited shall replace Wai Fung Shipping Limited as the buyer under the relevant Existing Shipbuilding Contract I in respect of the relevant Target Vessel I. The relevant Existing Shipbuilding Contract I shall thereafter be construed and treated in all respects as if Oriental Fleet SHIPPING 11 Limited had been named therein as the buyer instead of Wai Fung Shipping Limited; and Oriental Fleet SHIPPING 11 Limited shall assume and enjoy all rights, benefits, title, obligations and liabilities of Wai Fung Shipping Limited under the relevant Existing Shipbuilding Contract I.
- Contract price and payment:** The aggregate contract price of the Target Vessels I under the Existing Shipbuilding Contracts I is US\$606.4 million, exclusive of tax.
- The contract price of the Target Vessels I shall be payable in five instalments based on progress intervals on the construction of each vessel. The first instalment, representing 30% of the contract price, i.e. approximately US\$181.89 million, has been paid by Wai Fung Shipping Limited. Following completion of the novation, the remaining four instalments, which represent 70% of the contract price and are relatively evenly spread across the remaining payment milestones, will be payable by Oriental Fleet SHIPPING 11 Limited based on the payment schedule. The remaining instalments are expected to be settled in RMB based on the applicable exchange rate agreed with Heavy Industry (Yangzhou).
- The book value of the Target Vessels I was RMB1,355.2899 million as at 31 December 2025. The difference between such book value and the first instalment paid by Wai Fung Shipping Limited was primarily attributable to the capitalised interest recognised during the period from the payment date of the first instalment to the valuation benchmark date of Valuation Report I.

LETTER FROM THE BOARD

The aggregate cost (the “**Aggregate Cost I**”) to be borne by Oriental Fleet SHIPPING 11 Limited in respect of the Target Vessels I under the Memorandum of Agreement I and the Deeds of Novation I is expected to comprise (i) approximately RMB1,387.3113 million payable to Wai Fung Shipping Limited under the Memorandum of Agreement I; and (ii) approximately US\$424.48 million, exclusive of tax, payable to Heavy Industry (Yangzhou) under the Existing Shipbuilding Contracts I, representing the remaining shipbuilding instalments following the novation.

The Target Vessels I are methanol- and ammonia-ready Newcastlemax bulk cargo vessels. The contract price of the Target Vessels I was determined after arm’s length negotiations between the relevant parties with reference to, among other things, (i) the specifications and technical features of the Target Vessels I, (ii) the expected delivery schedule, (iii) third-party vessel market data obtained from a renowned international maritime market database, including newbuilding price data, recent comparable newbuilding orders and newbuilding price indices, based on which the Directors considered that the Aggregate Cost I per vessel fell within the range of reported order prices of comparable vessels ordered earlier this year, (iv) the market quotations obtained by COSCO SHIPPING Bulk Group in respect of comparable vessels at the relevant time, and (v) the market price information of comparable vessels as at the valuation benchmark date obtained by the Valuer during the valuation process. Therefore, the Directors considers that contract price herein is on normal commercial terms, fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

Any price adjustment of the contract price under the Existing Shipbuilding Contracts I following novation shall be settled between Oriental Fleet SHIPPING 11 Limited and Heavy Industry (Yangzhou) only.

Source of funds:

The Aggregate Cost I is expected to be funded by the internal resources of the Group as to 25% and external financing of the Group as to 75%.

Effectiveness:

The Deeds of Novation I shall become effective when the following conditions have been duly fulfilled:

- (1) the due signing of the relevant Deed of Novation I by the authorized representatives of the parties hereto;
- (2) Heavy Industry (Yangzhou) receives a written notice from Wai Fung Shipping Limited, confirming that the Board of Directors of COSCO SHIPPING Bulk has approved the transaction completed, with a copy to Oriental Fleet SHIPPING 11 Limited; and

LETTER FROM THE BOARD

- (3) Heavy Industry (Yangzhou) receives a written notice from Oriental Fleet SHIPPING 11 Limited confirming that the Independent Shareholders at a general meeting of the Company have approved this Deed and the transaction contemplated hereunder, with a copy to Wai Fung Shipping Limited.

As at the Latest Practicable Date, the conditions set out in sub-paragraphs (1) and (2) above have been satisfied.

The principal terms of the Deeds of Novation II and the transactions contemplated thereunder are as follows:

- Date:** 21 May 2026
- Parties:**
- (1) Marienvoy Shipping Limited, as original buyer;
 - (2) Oriental Fleet SHIPPING 12 Limited, as new buyer; and
 - (3) Heavy Industry (Zhoushan), as seller.
- Subject matter:** Pursuant to the Deeds of Novation II, with effect from the effective date of the relevant Deed of Novation II, Oriental Fleet SHIPPING 12 Limited shall replace Marienvoy Shipping Limited as the buyer under the relevant Existing Shipbuilding Contract II in respect of the relevant Target Vessel II. The relevant Existing Shipbuilding Contract II shall thereafter be construed and treated in all respects as if Oriental Fleet SHIPPING 12 Limited had been named therein as the buyer instead of Marienvoy Shipping Limited; and Oriental Fleet SHIPPING 12 Limited shall assume and enjoy all rights, benefits, title, obligations and liabilities of Marienvoy Shipping Limited under the relevant Existing Shipbuilding Contract II.
- Contract price and payment:** The aggregate contract price of the Target Vessels II under the Existing Shipbuilding Contracts II is US\$71.0 million, exclusive of tax.
- Marienvoy Shipping Limited had paid an aggregate amount of US\$24.85 million under the Existing Shipbuilding Contracts II. Following completion of the novation, the remaining amount will be payable by Oriental Fleet SHIPPING 12 Limited in a lump sum.

LETTER FROM THE BOARD

The aggregate cost (the “**Aggregate Cost II**”, together with Aggregate Cost I, the “**Aggregate Costs**”) to be borne by Oriental Fleet SHIPPING 12 Limited in respect of the Target Vessels II under the Memorandum of Agreement II and the Deeds of Novation II is expected to be US\$71.1397 million, comprising (i) the consideration of approximately US\$24.9897 million payable to Marienvoy Shipping Limited under the Memorandum of Agreement II; and (ii) the remaining amount payable to Heavy Industry (Zhoushan) under the Existing Shipbuilding Contracts II, which are estimated to be approximately US\$46.15 million, exclusive of tax.

The Target Vessels II are 64,000 DWT bulk carriers. The contract price of the Target Vessels II was determined after arm’s length negotiations between the relevant parties with reference to, among other things, (i) the specifications and technical features of the Target Vessels II, (ii) the expected delivery schedule, (iii) third-party vessel market data obtained from a renowned international maritime market database, including newbuilding price data, recent comparable newbuilding orders and newbuilding price indices, based on which the Directors considered that the Aggregate Cost II per vessel fell within the range of reported order prices of comparable vessels ordered earlier this year, (iv) the market quotations obtained by COSCO SHIPPING Bulk Group in respect of comparable vessels at the relevant time, and (v) the market price information of comparable vessels as at the valuation benchmark date obtained by the Valuer during the valuation process. Therefore, the Directors considers that contract price herein is on normal commercial terms, fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

Any price adjustment of the contract price under the Existing Shipbuilding Contracts II following novation shall be settled between Oriental Fleet SHIPPING 12 Limited and Heavy Industry (Zhoushan) only.

Source of funds:

The Aggregate Cost II is expected to be funded by the internal resources of the Group as to 25% and external financing of the Group as to 75%.

Effectiveness:

The Deeds of Novation II shall become effective when the following conditions have been duly fulfilled:

- (1) the due signing of the relevant Deed of Novation II by the authorized representatives of the parties hereto;
- (2) Heavy Industry (Zhoushan) receives a written notice from Marienvoy Shipping Limited, confirming that the Board of Directors of COSCO SHIPPING Bulk has approved the transaction completed, with a copy to Oriental Fleet SHIPPING 12 Limited; and

LETTER FROM THE BOARD

- (3) Heavy Industry (Zhoushan) receives a written notice from Oriental Fleet SHIPPING 12 Limited confirming that the Independent Shareholders at a general meeting of the Company have approved this Deed and the transaction contemplated hereunder, with a copy to Marienvoy Shipping Limited.

As at the Latest Practicable Date, the conditions set out in sub-paragraphs (1) and (2) above have been satisfied.

The principal terms of the 2026 Vessel Leasing Agreements are as follows:

Date: 21 May 2026

- Parties:**
- (1) **For the 2026 Vessel Leasing Agreement I:**
- (1) Oriental Fleet SHIPPING 11 Limited, as owner/lessor;
and
- (2) Wai Fung Shipping Limited, as charterer/lessee.
- (2) **For the 2026 Vessel Leasing Agreement II:**
- (1) Oriental Fleet SHIPPING 12 Limited, as owner/lessor;
and
- (2) Wai Fung Shipping Limited, as charterer/lessee.

Subject matter: Pursuant to the 2026 Vessel Leasing Agreement I, Oriental Fleet SHIPPING 11 Limited has agreed to provide vessel leasing services to Wai Fung Shipping Limited in relation to the eight 211,000 DWT bulk carriers to be acquired by Oriental Fleet SHIPPING 11 Limited under the Assignment and Novation Agreements.

Pursuant to the 2026 Vessel Leasing Agreement II, Oriental Fleet SHIPPING 12 Limited has agreed to provide vessel leasing services to Wai Fung Shipping Limited in relation to the two 64,000 DWT bulk carriers to be acquired by Oriental Fleet SHIPPING 12 Limited under the Assignment and Novation Agreements.

Vessels to be chartered: The vessels to be chartered under the 2026 Vessel Leasing Agreement I are the eight 211,000 DWT bulk carriers under construction, being the Target Vessels I.

The vessels to be chartered under the 2026 Vessel Leasing Agreement II are the two 64,000 DWT bulk carriers under construction, being the Target Vessels II.

LETTER FROM THE BOARD

Lease arrangements and period:

The Target Vessels I are expected to be leased under operating bareboat charters. The lease period of each Target Vessel I shall commence from the delivery date of the relevant vessel and shall be 240 months plus or minus 180 days at the charterer's option.

Upon expiration of the lease period of each Target Vessel I, Wai Fung Shipping Limited shall return such vessel to Oriental Fleet SHIPPING 11 Limited.

The Target Vessels II are expected to be leased under time charters. The lease period of each Target Vessel II shall commence from the delivery date of the relevant vessel and shall be 180 months plus or minus 90 days at the charterer's option.

Upon expiration of the lease period of each Target Vessel II, Wai Fung Shipping Limited shall return such vessel to Oriental Fleet SHIPPING 12 Limited.

Pricing terms and policies:

The pricing terms for vessel leasing services to be provided by Oriental Fleet SHIPPING 11 Limited/ Oriental Fleet SHIPPING 12 Limited to Wai Fung Shipping Limited were determined by both parties through arm's length negotiation, with reference to factors such as prevailing market price offered by other leasing companies, vessel construction price, vessel specifications and delivery date, as well as the general pricing principles and price determination procedures under the Master Operating Lease Services Agreement. Such terms shall be no less favourable to the Group than the terms of vessel leasing services provided by the Group to independent third parties.

Pursuant to the Master Operating Lease Services Agreement, the prices for the provision of operating lease services shall be determined in accordance with the principles of fairness and reasonableness with reference to the corresponding market price (being the price at which the same or similar type of services are provided by independent third parties in the ordinary course of business in the same area and on normal commercial terms). The above market price is generally based on the historical quotations from independent third parties in the relevant time.

LETTER FROM THE BOARD

The Directors are of the view that the market price determined based on the historical quotations from independent third parties reflects the terms which are commonly based by market participants in their ordinary course of business in the relevant industry, reflects the fluctuation of supply and demand in the market to a certain extent, and is commercially reasonable and in line with the industry practice, and therefore the resulting market price is fair and reasonable and in the interests of the Company and the Shareholders. In addition, the pricing of the operating lease services provided by the Group will also take into account the impact of the overall market conditions, and on the basis of market price, a reasonable buffer of approximately 10% to cope with the increase in costs caused by uncertainties. At the time of entering each implementation agreements for the specific transactions contemplated under the Master Operating Lease Services Agreement, the Group will also examine the pricing terms charged by the Group to all other independent third-party customer(s), if applicable, so as to ensure the price to be charged by the Group to COSCO SHIPPING would be no less favourable than that charged by the Group to independent third-party customers.

For further details, please refer to the paragraphs headed “2026 Vessel Leasing Agreement I — Rental amount” below.

Rental amount

The expected maximum annual rent payable to the Group for each Target Vessel I after delivery will be approximately RMB45.50 million, exclusive of tax, and the expected maximum annual rent payable to the Group for each Target Vessel II after delivery will be approximately RMB38.22 million, exclusive of tax, taking into account the upgrades to the vessels’ fuel and propulsion systems, and the potential rent adjustments as detailed below.

The proposed annual caps for the vessel leasing services under the 2026 Vessel Leasing Agreements payable to the Group are as follows:

Year ending 31 December 2026	Year ending 31 December 2027	Year ending 31 December 2028	Each of the years ending 31 December 2029 to 2041	Each of the years ending 31 December 2042 to 2047	Year ending 31 December 2048
RMB40.0 million	RMB170.0 million	RMB400.0 million	RMB450.0 million	RMB370.0 million	RMB185.0 million

LETTER FROM THE BOARD

In arriving at the proposed Annual Caps, the Company has considered:

- (i) the expected aggregate annual rent of the Target Vessels under lease under the 2026 Vessel Leasing Agreements, calculated based on the formula below:

daily rent of such type of the vessels × number of days under lease during each year × number of such vessels under lease during each year

- (ii) expected rent adjustment due to expected vessel price adjustment during the course of shipbuilding as a result of equipment upgrades or adjustment and optimization of design of vessels;
- (iii) expected rent adjustment after delivery of vessels in light of equipment upgrades, modifications and structural optimization of vessels, as requested by the lessee to meet international conventions and environmental requirements upgrades; and
- (iv) the expected delivery schedule of the Target Vessels, taking into account possible early delivery or delay in delivery of the Target Vessels.

The aforementioned expected rent adjustments mainly considered the investment amount involved in additional equipment and upgrades, the estimated additional value created for lessee due to vessel upgrades, and the expected return on investment of equipment. The Board is of the view that it is reasonable and also in line with the industry practice for the Group, as lessor, to transfer to the lessee, the aforementioned additional investment costs incurred due to equipment upgrades during the course of shipbuilding or after delivery of the vessels for the compliance with the relevant environmental regulations in order to maintain the Company's investment return. The Board is of the view that the aforesaid rent adjustments are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

2. REASONS FOR AND BENEFITS OF THE ASSIGNMENT AND NOVATION AGREEMENTS

With a focus on shipping and logistics industry, the Company concentrates on the integrated development with container manufacturing, container leasing and shipping leasing business as the core businesses, underpinned by investment management, so as to achieve integrated development of industry and finance and strive to grow into a world-class industry-finance operator in the shipping industry with COSCO SHIPPING's characteristics.

It is proposed that immediately after the delivery of the Target Vessels, comprising eight 211,000 DWT bulk carriers and two 64,000 DWT bulk carriers under construction, the COSCO SHIPPING Bulk Group will charter-in the Target Vessels from the Group under the 2026 Vessel Leasing Agreements. The pricing terms under the 2026 Vessel Leasing Agreements shall be determined in accordance with the general pricing principles and price determination procedures under the Master Operating Lease Services Agreement. The transactions contemplated under the Assignment and Novation Agreements, and the subsequent leasing of such vessels by the Group to the COSCO SHIPPING Bulk Group, i.e. the 2026 Vessel Leasing Agreements, are part and parcel of the overall operating lease arrangements between the Group and the COSCO SHIPPING Bulk Group. The Directors believe that the transactions will further expand the scale of the Group's vessel leasing business, enhance the quality of its vessel asset portfolio, strengthen the foundation for the development of its vessel leasing business and contribute to stable long-term income and cash flow for the Group.

LETTER FROM THE BOARD

The Company actively responds to the green and low-carbon development trend of the shipping industry, continues to implement its strategic development plan for a shipping industry-finance operator, and enhances its value discovery and value creation capabilities. Through the transactions under the Assignment and Novation Agreements and the 2026 Vessel Leasing Agreements, the Company will further leverage the synergy between industry and finance, expand the scale and improve the quality of the Company's ship assets, strengthen the foundation of the development of its vessel leasing business, contribute to the stable long-term income and cash flow, enhance its overall financial soundness and reinforce its long-term development momentum. In particular, the eight 211,000 DWT bulk carriers are methanol- and ammonia-ready bulk carriers. By investing in high-quality shipping capacity featuring newer vessels with green, environmentally friendly, well-configured and highly versatile specifications, the Company demonstrates its support for global energy conservation, emission reduction and sustainable development strategies, and contributes to the transformation and upgrade of traditional industries. In addition, building on its accumulated experience, the Company will deepen collaboration with upstream and downstream enterprises along the shipping industry chain to explore use cases for RMB in "manufacturing, leasing and shipping", further advancing the implementation of the use of RMB in the international shipping sector and enhancing its market competitiveness.

The Directors (including the independent non-executive Directors, whose view is also set out in the Letter from the Independent Board Committee of this circular) consider that the Assignment and Novation Agreements and the transactions contemplated thereunder were entered into in the ordinary and usual course of business of the Group and are on normal commercial terms, and that the terms of the Assignment and Novation Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

3. FINANCIAL EFFECTS OF THE ASSIGNMENT AND NOVATION AGREEMENTS

Following completion of the Assignment and Novation Agreements and prior to delivery of the Target Vessels, the consideration paid by the Group under the Assignment and Novation Agreements and the instalments paid by the Group under the Existing Shipbuilding Contracts, if any, will be accounted for as property, plant and equipment in the consolidated financial statements of the Group. Upon delivery of the Target Vessels, the Target Vessels will continue to be accounted for as property, plant and equipment or classified as finance lease receivables, based on the respective terms under 2026 Vessel Leasing Agreements in the consolidated financial statements of the Group based on their respective acquisition costs or net investment in the leases. It is expected that there will not be any significant immediate effect on the net assets of the Group as the increase in property, plant and equipment or finance lease receivables will be offset by the decrease in cash, which is expected to represent 25% of the Aggregate Costs, and the increase in liabilities due to the obtaining of external financing, which is expected to represent 75% of the Aggregate Costs, for the payment of the Aggregate Costs, depending on the actual financing arrangement to settle the consideration. As part of the Aggregate Costs is contemplated to be funded by external financing, the transactions may lead to an increase in the Company's debt-to-equity ratio. However, such impact is not expected to be material to the Group, having considered that a majority of the Aggregate Costs will be payable in instalments tied to the construction progress of each vessel. In addition, the Company will continue to focus on strengthening its operating cash flows and optimising resource allocation to effectively manage its leverage.

The rent receivable by the Group under the 2026 Vessel Leasing Agreements will be accounted for as revenue in the consolidated financial statements of the Group. It is expected that the maximum annual income derived from the Target Vessels after delivery will be no more than approximately RMB450.0 million, taking into account the expected rent adjustments as disclosed in the Announcement. The above estimates may differ from the actual financial effect of the relevant contracts.

LETTER FROM THE BOARD

The above analysis is for illustrative purposes only and does not represent the actual financial performance and position of the Company after completion of the transactions under the Assignment and Novation Agreements or during the term of the 2026 Vessel Leasing Agreements, which shall be subject to final audit by the auditors of the Group.

4. INFORMATION ON THE GROUP AND THE PARTIES TO THE ASSIGNMENT AND NOVATION AGREEMENTS

Information on the Group

The Company is a joint stock company established under the laws of the PRC with limited liability, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange and the A Shares of which are listed on the Shanghai Stock Exchange.

With a focus on the integrated logistics industry, the Group develops container manufacturing, container leasing and shipping leasing as its core businesses and shipping supply chain finance services as auxiliary business, and leverages the support from investment management to achieve industry-finance-investment integrated development.

Information on Oriental Fleet SHIPPING 11 Limited

Oriental Fleet SHIPPING 11 Limited is a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company. It is principally engaged in ship holding and management, financing and leasing services.

Information on Oriental Fleet SHIPPING 12 Limited

Oriental Fleet SHIPPING 12 Limited is a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company. It is principally engaged in ship holding and management, financing and leasing services.

Information on COSCO SHIPPING Bulk

COSCO SHIPPING Bulk is a company established in the PRC with limited liability and a wholly-owned subsidiary of COSCO SHIPPING. It is principally engaged in dry bulk shipping, semi-liner dry bulk shipping, whole-process logistics services, parcel cargo shipping services and coastal shipping services.

Information on Wai Fung Shipping Limited

Wai Fung Shipping Limited is a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of COSCO SHIPPING Bulk. It is principally engaged in ship holding and management.

Information on Marienvoy Shipping Limited

Marienvoy Shipping Limited is a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of COSCO SHIPPING Bulk. It is principally engaged in ship holding and management.

LETTER FROM THE BOARD

Information on Heavy Industry (Yangzhou)

Heavy Industry (Yangzhou) is a company established in the PRC with limited liability and is a wholly-owned subsidiary of COSCO SHIPPING. It is principally engaged in ship designing, manufacturing and repair.

Information on Heavy Industry (Zhoushan)

Heavy Industry (Zhoushan) is a company established in the PRC with limited liability and is a wholly-owned subsidiary of COSCO SHIPPING. It is principally engaged in ship designing, manufacturing and repair.

5. IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rules 14.22 and 14A.81 of the Listing Rules the transactions contemplated under the Assignment and Novation Agreements should be aggregated, as they are similar in nature and all involve the Group taking over the rights and obligations under the Existing Shipbuilding Contracts through the Assignment and Novation Agreements.

As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the transactions contemplated under the Assignment and Novation Agreements exceed 5% but are less than 25%, the transactions contemplated under the Assignment and Novation Agreements constitute discloseable transactions of the Company which are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, COSCO SHIPPING was an indirect controlling shareholder of the Company and therefore a connected person of the Company. Each of COSCO SHIPPING Bulk, Wai Fung Shipping Limited, Marienvoy Shipping Limited, Heavy Industry (Yangzhou) and Heavy Industry (Zhoushan) is a directly or indirectly wholly-owned subsidiary of COSCO SHIPPING. Accordingly, COSCO SHIPPING Bulk, Wai Fung Shipping Limited, Marienvoy Shipping Limited, Heavy Industry (Yangzhou) and Heavy Industry (Zhoushan) are associates of COSCO SHIPPING and therefore connected persons of the Company.

Accordingly, the Assignment and Novation Agreements and the transactions contemplated thereunder constitute connected transactions of the Company which are subject to the reporting, announcement, and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Zhang Mingwen, Mr. Wang Kunhui, Mr. Ip Sing Chi, Ms. Zhang Xueyan and Mr. Zheng Xiaozhe, who hold directorship(s) or act as senior management in COSCO SHIPPING and/or its associates and were recommended by China Shipping to the Board, have abstained from voting on the relevant Board resolution approving the Assignment and Novation Agreements and the transactions contemplated thereunder. Save as aforementioned, none of the other Directors has a material interest in the Assignment and Novation Agreements and the transactions contemplated thereunder. Therefore, no other Director has abstained from voting on such Board resolution.

LETTER FROM THE BOARD

6. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee (comprising all the independent non-executive Directors) has been formed in accordance with Chapter 14A of the Listing Rules to advise the Independent Shareholders on the Assignment and Novation Agreements and the transactions contemplated thereunder.

Messis Capital Limited has been appointed by the Company as the Independent Financial Adviser with the approval of the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders in respect of the Assignment and Novation Agreements and the transactions contemplated thereunder.

XIV. WORK REPORT OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The full text of the work reports of the independent non-executive Directors for the year ended 31 December 2025 are set out in the overseas regulatory announcements of the Company dated 30 March 2026, which will be proposed for the Shareholders' review without voting by the Shareholders at the AGM.

XV. AGM AND CLASS MEETINGS

The AGM of the Company will be held at 1:30 p.m. on Tuesday, 30 June 2026 at 3rd Floor, Ocean Hotel, No. 1171 Dong Da Ming Road, Hongkou District, Shanghai, the PRC, the A Shareholders' Class Meeting will be held at the same place immediately after the conclusion of the AGM, and the H Shareholders' Class Meeting will be held at the same place immediately after the conclusion of the A Shareholders' Class Meeting.

The AGM will be convened for the Shareholders to consider and, if thought fit, approve the above resolutions. The resolutions in relation to (i) 2025 report of the board; (ii) 2025 financial statements and auditors' report; (iii) 2025 profit distribution plan; (iv) grant of authorization to the Board to determine details of the 2026 interim profit distribution plan; (v) remuneration of directors for the year 2026; (vi) appointment of domestic auditor, internal control auditor and international auditor for the year 2026; (vii) formulation of Measures for the Remuneration Management of Directors and Senior Management and (viii) the Assignment and Novation Agreements and the transactions contemplated thereunder will be submitted, by way of ordinary resolutions, for the Shareholders' approval at the AGM. The resolutions in relation to (i) the Provision of Guarantees; (ii) the proposed grant of A Share Repurchase Mandate; and (iii) the proposed grant of H Share Repurchase Mandate will be submitted, by way of special resolutions, for the Shareholders' approval at the AGM. In addition, the resolutions in relation to the re-election of Directors will be submitted, by way of ordinary resolutions voted by cumulative voting system, for the Shareholders' approval at the AGM. The H Share Class Meeting will be convened to consider and, if thought fit, approve the special resolutions in respect of the proposed grant of the A Share Repurchase Mandate and the proposed grant of the H Share Repurchase Mandate. The voting in relation to such resolutions will be conducted by way of poll.

The Notice of the AGM, which contains the resolutions to be proposed at the AGM, is set out on pages AGM-1 to AGM-7 of this circular. The notice of the H Shareholders' Class Meeting, which contains the resolution to be proposed at the H Shareholders' Class Meeting, is set out on pages HCM-1 to HCM-5 of this circular.

As at the Latest Practicable Date, COSCO SHIPPING and its associates controlled or were entitled to exercise control over the voting rights in respect of 6,152,228,290 A Shares and 100,944,000 H Shares, representing approximately 47.38% of the total issued share capital of the Company. COSCO SHIPPING

LETTER FROM THE BOARD

and its associates and all other Shareholder(s) (if any) who are involved or interested in the Assignment and Novation Agreements and the transactions contemplated thereunder will be required to abstain from voting on these relevant resolution to be proposed at the AGM. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholder has a material interest in the resolutions to be proposed at the AGM and H Share Class Meeting, and therefore no Shareholder is required to abstain from voting at the AGM and the H Share Class Meeting for such resolutions.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, no other Shareholders have a material interest in these relevant resolutions, and therefore no other Shareholders are required to abstain from voting at the AGM for such resolutions.

For the H Shareholders, the forms of proxy should be returned to Computershare, the H Share registrar of the Company, by hand or by post not less than 24 hours before the time appointed for holding the AGM and/or the H Share Class Meeting or any adjourned meeting thereof.

Completion and return of the forms of proxy will not preclude a Shareholder from attending and voting in person at the AGM and/or the H Share Class Meeting or at any adjourned meeting thereof should you so wish, but in such event the instrument appointing a proxy shall be deemed to be revoked.

XVI. CLOSE OF REGISTER OF MEMBERS

To attend and vote at the AGM and H Share Class Meeting

For the purpose of ascertaining the H Shareholders' entitlement to attend and vote at the AGM and the H Share Class Meeting or any adjournment or postponement thereof (as the case may be), the Register of Members will be closed from Wednesday, 24 June 2026 to Tuesday, 30 June 2026 (both days inclusive), during which period no transfer of H Shares will be registered. The H Shareholders whose names appear on the Register of Members on Tuesday, 30 June 2026 are entitled to attend and vote at the AGM.

In order to attend and vote at the AGM, the H Shareholders shall lodge all transfer documents together with the relevant share certificates to Computershare, the H Share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 23 June 2026.

To qualify for the proposed final dividend for the year ended 31 December 2025

For the purpose of determining the H Shareholders' entitlement to the proposed final dividend for the year ended 31 December 2025, the Register of Members will be closed from Tuesday, 14 July 2026 to Friday, 17 July 2026 (both days inclusive), during which period no transfer of H Shares of the Company will be registered. The H Shareholders whose names appear on the Register of Members on Friday, 17 July 2026 are entitled to receive the proposed final dividend. In order to qualify for the proposed final dividend, the H Shareholders shall lodge all transfer documents together with the relevant share certificates to Computershare, the H Share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 13 July 2026.

LETTER FROM THE BOARD

XVII. RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee set out on page 41 of this circular and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 42 to 61 of this circular in connection with the Assignment and Novation Agreements and the principal factors and reasons considered by the Independent Financial Adviser in arriving at such advice.

The Independent Board Committee, having considered the terms of the Assignment and Novation Agreements and the advice of the Independent Financial Adviser, are of the opinion that: (i) the Assignment and Novation Agreements were entered into in the ordinary and usual course of business of the Company on normal commercial terms; and (ii) the terms of the Assignment and Novation Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolution to approve the Assignment and Novation Agreements and the transactions contemplated thereunder.

The Board recommends the Independent Shareholders to vote in favour of the resolution to approve the Assignment and Novation Agreements and the transactions contemplated thereunder at the AGM.

The Board also considers that other resolutions set out in this circular are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of these resolutions to be proposed at the AGM, the A Share Class Meeting and the H Share Class Meeting.

By order of the Board
COSCO SHIPPING Development Co., Ltd.*
Cai Lei
Company Secretary

* *The Company is a registered non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name "COSCO SHIPPING Development Co., Ltd."*



中遠海運發展股份有限公司
COSCO SHIPPING Development Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02866)

8 June 2026

To the Independent Shareholders

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTIONS
ASSIGNMENT AND NOVATION AGREEMENTS**

We refer to the circular of the Company dated 8 June 2026 (the “Circular”), of which this letter forms part. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Circular.

We have been appointed as members of the Independent Board Committee to advise the Independent Shareholders in respect of the Assignment and Novation Agreements and the transactions contemplated thereunder, details of which are set out in the “Letter from the Board” in the Circular. Messis Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

We wish to draw your attention to the “Letter from the Board” set out on pages 8 to 40 of the Circular, the “Letter from Independent Financial Adviser” set out on pages 42 to 61 of the Circular and the additional information set out in Appendix IV to the Circular.

Having taken into account, among other things, the principal factors and reasons considered by, and the advice of, the Independent Financial Adviser as set out in the “Letter from the Independent Financial Adviser” in the Circular, we concur with the view of the Independent Financial Adviser and consider that the Assignment and Novation Agreements were entered into in the ordinary and usual course of business of the Group and are on normal commercial terms. The terms of the Assignment and Novation Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution in relation to the Assignment and Novation Agreements and the transactions contemplated thereunder to be proposed at the AGM.

Yours faithfully,

Independent Board Committee

Mr. Chan Kwok Leung

Independent non-executive Directors

Mr. Shao Ruiqing

Mr. Wu Daqi

* The Company is a registered non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name “COSCO SHIPPING Development Co., Ltd.”.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the letter of advice from the Independent Financial Adviser, Messis Capital Limited, to the Independent Board Committee and the Independent Shareholders in relation to the terms of the Assignment and Novation Agreements which has been prepared for the purpose of inclusion in this circular.

MESSIS 大有融資

8 June 2026

To: *The Independent Board Committee and the Independent Shareholders of
COSCO Shipping Development Co., Ltd.*

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTIONS ASSIGNMENT AND NOVATION AGREEMENTS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Assignment and Novation Agreements and the transactions contemplated thereunder. Details of the Assignment and Novation Agreements are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company to the Shareholders dated 8 June 2026 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

With reference to the announcement of the Company dated 21 May 2026, Oriental Fleet SHIPPING 11 Limited and Oriental Fleet SHIPPING 12 Limited, both being wholly-owned subsidiaries of the Company entered into the following Assignment and Novation Agreements with the respective parties to acquire a total of ten bulk carriers under construction:

- (a) Wai Fung Shipping Limited and Oriental Fleet SHIPPING 11 Limited entered into the Memorandum of Agreement I, pursuant to which Wai Fung Shipping Limited agrees to transfer and Oriental Fleet SHIPPING 11 Limited agrees to take over all rights, responsibilities and liabilities under the Existing Shipbuilding Contracts I in respect of eight 211,000 DWT bulk carriers under construction;
- (b) Marienvoy Shipping Limited and Oriental Fleet SHIPPING 12 Limited entered into the Memorandum of Agreement II, pursuant to which Marienvoy Shipping Limited agrees to transfer and Oriental Fleet SHIPPING 12 Limited agrees to take over all rights, responsibilities and liabilities under the Existing Shipbuilding Contracts II in respect of two 64,000 DWT bulk carriers under construction;
- (c) Wai Fung Shipping Limited, Oriental Fleet SHIPPING 11 Limited and Heavy Industry (Yangzhou), the seller, entered into the Deeds of Novation I in relation to the novation of the Existing Shipbuilding Contracts I in accordance with the Memorandum of Agreement I; and
- (d) Marienvoy Shipping Limited, Oriental Fleet SHIPPING 12 Limited and Heavy Industry (Zhoushan), the seller, entered into the Deeds of Novation II in relation to the novation of the Existing Shipbuilding Contracts II in accordance with the Memorandum of Agreement II.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The principal terms of each of the Assignment and Novation Agreements are set out in the Letter from the Board.

As at the Latest Practicable Date, COSCO SHIPPING is an indirect controlling shareholder of the Company and therefore a connected person of the Company. Each of Wai Fung Shipping Limited, Marienvoy Shipping Limited, Heavy Industry (Yangzhou) and Heavy Industry (Zhoushan) is a direct or indirect wholly-owned subsidiary of COSCO SHIPPING. Accordingly, Wai Fung Shipping Limited, Marienvoy Shipping Limited, Heavy Industry (Yangzhou) and Heavy Industry (Zhoushan) are associates of COSCO SHIPPING and therefore connected persons of the Company. Accordingly, the Assignment and Novation Agreements and the transactions contemplated thereunder constitute connected transactions of the Company.

Pursuant to Rules 14.22 and 14A.81 of the Listing Rules, the transactions contemplated under the Assignment and Novation Agreements should be aggregated, as they are similar in nature and all involve the Group taking over the rights and obligations under the Existing Shipbuilding Contracts through the Assignment and Novation Agreements. With reference to the Letter from the Board, as it is expected that one or more applicable percentage ratios calculated in accordance with the Listing Rules in respect of the transactions contemplated under the Assignment and Novation Agreements exceed 5% but are less than 25%, the transactions contemplated under the Assignment and Novation Agreements constitute discloseable transactions of the Company which are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules, as well as the reporting, announcement, and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Save for COSCO SHIPPING and its associates, being controlling shareholders of the Company and are regarded as having material interest in the transactions contemplated under the Assignment and Novation Agreements, no Shareholders will be required to abstain from voting on the resolution approving the Assignment and Novation Agreements. As Mr. Zhang Mingwen, Mr. Wang Kunhui, Mr. Ip Sing Chi, Ms. Zhang Xueyan and Mr. Zheng Xiaozhe, who hold directorship(s) or act as senior management in COSCO SHIPPING and/or its associates and were recommended by China Shipping to the Board, they have abstained from voting on the relevant Board resolution approving the Assignment and Novation Agreements. Save as disclosed above, no other Directors have material interests in the transactions contemplated under the Assignment and Novation Agreements and therefore no other Directors have abstained from voting in respect of the relevant Board resolutions.

The Independent Board Committee, comprising all three independent non-executive Directors, namely Mr. Shao Ruiqing, Mr. Chan Kwok Leung and Mr. Wu Daqi, has been established to consider and make a recommendation to the Independent Shareholders on whether the Assignment and Novation Agreements is fair and reasonable, and is in the interests of the Company and the Shareholders as a whole. We, Messis Capital Limited, have been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

Save for being appointed as the independent financial adviser of COSCO Shipping Energy Transportation Co., Ltd. (stock code: 1138), a non-wholly owned subsidiary of COSCO SHIPPING and a connected person of the Company, in relation to a discloseable and connected transaction dated 2 June 2026 which is not related to this engagement, Messis Capital Limited is not connected with the Directors or substantial shareholders of the Company or any of their respective associates and therefore is considered suitable to give independent advice to the Independent Board Committee and the Independent Shareholders. In the past two years, there was no engagement between the Company and us. Apart from normal professional fees payable to us in connection with the aforementioned appointment by COSCO Shipping Energy Transportation Co., Ltd. and this appointment of us as independent financial adviser by the Company, no arrangement exists whereby Messis Capital Limited will receive any fees or benefits

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

from the Company or the Directors or substantial shareholders of the Company or any of their respective associates. The previous engagement with COSCO Shipping Energy Transportation Co., Ltd. would not affect our independence from the Company and we are independent under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in connection with the transactions contemplated under the Assignment and Novation Agreements.

BASIS OF OUR OPINION

In formulating our opinions and recommendations, we have reviewed, inter alia, (i) the Assignment and Novation Agreements; (ii) the Valuation Report I and Valuation Report II; and (iii) the annual report of the Company for the year ended 31 December 2025 (the “**2025 Annual Report**”). We have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the Company, the Directors and the management of the Company. We have assumed that all information, representations and opinions contained or referred to in the Circular and all information and representations which have been provided by the Company, the Directors and the management of the Company for which they are solely and wholly responsible, are true and accurate at the time they were made and will continue to be accurate as at the Latest Practicable Date. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the management of the Company.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 the Circular 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 therein or the document misleading.

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any material facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Company, the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs of the Group and any parties in relation to the Assignment and Novation Agreements.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Assignment and Novation Agreements. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendations to the Independent Board Committee and the Independent Shareholders, we have considered the following principal factors and reasons:

1. Information on the Group

The Company is a joint stock limited company established under the laws of the PRC with limited liability, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange and the A Shares of which are listed on the Shanghai Stock Exchange. The Group is principally engaged in container manufacturing, container leasing, shipping leasing and investment management businesses.

The tables below set forth a summary of the consolidated financial information of the Company for the year ended 31 December 2025 (“FY2025”) and 2024 (“FY2024”) respectively as extracted from the 2025 Annual Report:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
	(Audited)	(Audited)
Revenue	24,984,736	27,411,245
Profit for the year from continuing operations	1,738,106	1,422,506
Non-current assets	111,087,673	108,238,698
Current assets	20,503,245	18,128,440
Non-current liabilities	53,703,457	56,389,962
Current liabilities	46,659,942	39,371,497
Net assets	31,227,519	30,605,679

With reference to the 2025 Annual Report, total revenue of the Group decreased by approximately RMB2,426.5 million or 8.9% from RMB27,411.2 million in FY2024 to RMB24,984.7 million in FY2025. The decrease in total revenue of RMB2,426.5 million in FY2025 was mainly driven by the decrease in segment revenue generated from container manufacturing business segment which decreased by approximately RMB2,518.1 million or 12.7% mainly resulted from the slowdown in container market demand and the decline in sales price of new containers, as affected by the global macroeconomic and trade patterns.

Despite the decrease in total revenue in FY2025 and the relatively stable gross margins of 18.0% in FY2025 and 16.9% in FY2024, profit for the year from continuing operations increased significantly by approximately RMB315.6 million or 22.2% from RMB1,422.5 million in FY2024 to RMB1,738.1 million in FY2025 which was mainly resulted from the decrease in finance cost amounting to approximately RMB443.1 million attributable to lower effective interest rate on borrowings that improved the net profits of the Company in FY2025.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at 31 December 2025, total assets of the Group amounted to approximately RMB131,590.9 million, presenting an increase of approximately RMB5,223.8 million or 4.1% as compared with that as at 31 December 2024. The increase in total assets of RMB5,223.8 million was attributable to (i) increase in non-current assets amounting to RMB2,849.0 million mainly contributed by addition of containers and construction-in-progress that increased the Company's property, plant and equipment during the year; and (ii) increase in current assets amounting to RMB2,374.8 million contributed by increase in cash and cash equivalent mainly arising from net inflow from borrowings and other funding activities.

As at 31 December 2025, total liabilities of the Group amounted to RMB100,363.4 million, presenting an increase of approximately RMB4,601.9 million or 4.8% as compared with that as at 31 December 2024. The increase in current liabilities in FY2025 was mainly attributable to the current portion of corporate bonds and increase in current portion of bank and other borrowings that are due within one year. The decrease in non-current liabilities was mainly attributable to the reallocation of the current portion of bank and other borrowings to current liabilities. The total bank and other borrowings remained stable at approximately RMB76,012.5 million in FY2025 as compared to approximately RMB75,806.1 million in FY2024.

As a result of the foregoing, the net assets of the Company as at 31 December 2025 increased by approximately RMB621.8 million or 2.0% from RMB30,605.7 million in FY2024 to RMB31,227.5 million in FY2025.

2. Reasons for and benefit of the Assignment and Novation Agreements

The Group is principally engaged in container manufacturing, container leasing, shipping leasing and investment management businesses. As discussed with management of the Group, we are given to understand that immediately after the delivery of the Target Vessels, the COSCO SHIPPING Bulk Group will charter the Target Vessels from the Group under the 2026 Vessel Leasing Agreements so as to further expand the scale of the Group's shipping leasing business, enhance the quality of its vessel asset portfolio, strengthen the foundation for the development of its shipping leasing business and contribute to stable long-term income and cash flow for the Group. We noticed from the 2025 Annual Report that shipping leasing business represented a material business segment of the Group contributing over RMB2,000 million to revenue in each of FY2025 and FY2024. We understand from management that the Assignment and Novation Agreements enable the Company to improve the quality of its ship assets by including the Target Vessels in its fleet upon their delivery and solidify leading position in China's shipping leasing sector while the rent receivable by the Group under the 2026 Vessel Leasing Agreements will be accounted for as revenue in the consolidated financial statements of the Group that contribute to the stable long-term income and cash flow, enhance the Company's overall financial soundness and reinforce its long-term development momentum.

Having considered that (i) the shipping leasing business is one of the Group's principal business with material revenue contribution; (ii) the entering into of the Assignment and Novation Agreements would expand the scale of the shipping leasing business, improve quality of the Group's ship assets and increase the proportion of self-owned vessels of the Group; and (iii) the Group is expected to enjoy a stable long-term income stream following the delivery of the Target Vessels which will be chartered to the COSCO SHIPPING Bulk Group pursuant to the 2026 Vessel Leasing Agreements, we concur with the Directors' view that the Assignment and Novation Agreements were entered into in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

3. Principal terms of the Assignment and Novation Agreements

(a) *Memorandum of Agreement I*

- Date:** 21 May 2026
- Parties:** (1) Wai Fung Shipping Limited, as assignor; and
(2) Oriental Fleet SHIPPING 11 Limited, as assignee.
- Subject matter:** Pursuant to the Memorandum of Agreement I, Wai Fung Shipping Limited agrees to transfer and Oriental Fleet SHIPPING 11 Limited agrees to take over all rights, responsibilities and liabilities under the Existing Shipbuilding Contracts I in respect of the Target Vessels I, which are expected to be delivered by Heavy Industry (Yangzhou) from August 2027 to November 2028, subject to any agreed arrangements of delay in delivery.
- Consideration:** The consideration payable by Oriental Fleet SHIPPING 11 Limited under the Memorandum of Agreement I shall be approximately RMB1,387.3113 million in cash, which was determined after arm's length negotiations between the parties with reference to the appraised value of the Target Vessels I as at 31 December 2025.
- The book value of the Target Vessels I was approximately RMB1,355.2899 million as at 31 December 2025. Based on the valuation report, the appraised value of the Target Vessels I was approximately RMB1,387.3113 million, representing an appreciation of approximately RMB32.0213 million, or approximately 2.36%, over its book value.
- Following the novation, Oriental Fleet SHIPPING 11 Limited will also assume the obligation to pay any outstanding shipbuilding instalments, any adjustments to the contract price and related supervision costs in accordance with the relevant agreements.
- Valuation:** The appraised value of the Target Vessels I is set out in the valuation report ("**Valuation Report I**") prepared by an independent valuer, China Tong Cheng Assets Appraisal Co., Ltd. (the "**Valuer**"). The appraised value represents the market value of the Target Vessels I as at the valuation benchmark date, i.e. 31 December 2025. The valuation was conducted using the cost approach.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Valuation Report I is set out in Appendix V. The Valuation Report I has completed the filing and approval procedures with COSCO SHIPPING.

Source of funds: The consideration payable by Oriental Fleet SHIPPING 11 Limited under the Memorandum of Agreement I will be funded by the internal resources and external financing of the Group.

Payment: The consideration payable by Oriental Fleet SHIPPING 11 Limited under the Memorandum of Agreement I shall be paid in two instalments and remitted to the bank account designated by Wai Fung Shipping Limited. The first instalment, being approximately RMB892.8 million, shall be paid within seven Banking Days after the effective date of the Memorandum of Agreement I and receipt by Oriental Fleet SHIPPING 11 Limited of a written payment notice from Wai Fung Shipping Limited. The second instalment, being approximately RMB494.5113 million, shall be paid within seven Banking Days after Oriental Fleet SHIPPING 11 Limited receives the mid-year adjustment for the 2026 investment plan at the parent company level and a written payment notice from Wai Fung Shipping Limited. For the avoidance of doubt, the mid-year adjustment to the 2026 investment plan at the parent company level is only a payment milestone under the payment arrangement, and does not and will not affect the amount or basis of determination of the consideration payable.

Supervision and inspection: Oriental Fleet SHIPPING 11 Limited shall maintain at the shipyard of Heavy Industry (Yangzhou), at its own cost and expense, one or more representatives to supervise and survey the construction of the Target Vessels I.

Effectiveness: Unless otherwise agreed in writing between the parties, the Memorandum of Agreement I shall come into effect provided that all the conditions below are satisfied:

- (1) the authorized representative of Wai Fung Shipping Limited having signed the Memorandum of Agreement I;
- (2) the authorized representative of Oriental Fleet SHIPPING 11 Limited having signed the Memorandum of Agreement I;

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (3) the approval of the Memorandum of Agreement I and the transactions thereunder from the board of directors of COSCO SHIPPING Bulk, the parent company of Wai Fung Shipping Limited, having been obtained; and
- (4) the approval of the Memorandum of Agreement I and the transactions contemplated thereunder from the Independent Shareholders at a general meeting of the Company having been obtained.

As at the Latest Practicable Date, the conditions set out in sub-paragraphs (1) to (3) above have been satisfied.

(b) Memorandum of Agreement II

Date: 21 May 2026

Parties:

- (1) Marienvoy Shipping Limited, as assignor; and
- (2) Oriental Fleet SHIPPING 12 Limited, as assignee.

Subject matter: Pursuant to the Memorandum of Agreement II, Marienvoy Shipping Limited agrees to transfer and Oriental Fleet SHIPPING 12 Limited agrees to take over all rights, responsibilities and liabilities under the Existing Shipbuilding Contracts II in respect of the Target Vessels II, which are expected to be delivered by Heavy Industry (Zhoushan) by July 2026 and August 2026, respectively, subject to any agreed arrangements of delay in delivery.

Consideration: The consideration payable by Oriental Fleet SHIPPING 12 Limited under the Memorandum of Agreement II shall be approximately US\$24.9897 million in cash, which was determined after arm's length negotiations between the parties with reference to the appraised value of the Target Vessels II as at 31 March 2026.

The book value of the Target Vessels II was approximately US\$24.8500 million as at 31 March 2026. Based on the valuation report, the appraised value of the Target Vessels II was approximately US\$24.9897 million, representing an appreciation of approximately US\$0.1397 million, or approximately 0.56%, over its book value.

Following the novation, Oriental Fleet SHIPPING 12 Limited will also assume the obligation to pay any outstanding shipbuilding instalments, any adjustments to the contract price and related supervision costs in accordance with the relevant agreements.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- Valuation:** The appraised value of the Target Vessels II is set out in the valuation report (“**Valuation Report II**”) prepared by the Valuer. The appraised value represents the market value of the Target Vessels II as at the valuation benchmark date, i.e. 31 March 2026. The valuation was conducted using the cost approach.
- The Valuation Report II is set out in Appendix VI. The Valuation Report II has completed the filing and approval procedures with COSCO SHIPPING.
- Source of funds:** The consideration payable by Oriental Fleet SHIPPING 12 Limited under the Memorandum of Agreement II will be funded by the internal resources and external financing of the Group.
- Payment:** The consideration payable by Oriental Fleet SHIPPING 12 Limited under the Memorandum of Agreement II shall be paid and remitted to the bank account designated by Marienvoy Shipping Limited within seven business days after Oriental Fleet SHIPPING 12 Limited receives the mid-year adjustment for the 2026 investment plan at the parent company level and a written payment notice from Marienvoy Shipping Limited. For the avoidance of doubt, the mid-year adjustment to the 2026 investment plan at the parent company level is only a payment milestone under the payment arrangement, and does not and will not affect the amount or basis of determination of the consideration payable.
- Supervision and inspection:** Oriental Fleet SHIPPING 12 Limited shall maintain at the shipyard of Heavy Industry (Zhoushan), at its own cost and expense, one or more representatives to supervise and survey the construction of the Target Vessels II.
- Effectiveness:** Unless otherwise agreed in writing between the parties, the Memorandum of Agreement II shall come into effect provided that all the conditions below are satisfied:
- (1) the authorized representative of Marienvoy Shipping Limited having signed the Memorandum of Agreement II;
 - (2) the authorized representative of Oriental Fleet SHIPPING 12 Limited having signed the Memorandum of Agreement II;

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (3) the approval of the Memorandum of Agreement II and the transactions thereunder by the board of directors of COSCO SHIPPING Bulk, the parent company of Marienvoy Shipping Limited, having been obtained; and
- (4) the approval of the Memorandum of Agreement II and the transactions contemplated thereunder from the Independent Shareholders at a general meeting of the Company having been obtained.

As at the Latest Practicable Date, the conditions set out in sub-paragraphs (1) to (3) above have been satisfied.

(c) *Deeds of Novation I*

Date: 21 May 2026

Parties:

- (1) Wai Fung Shipping Limited, as original buyer;
- (2) Oriental Fleet SHIPPING 11 Limited, as new buyer; and
- (3) Heavy Industry (Yangzhou), as seller.

Subject matter: Pursuant to the Deeds of Novation I, with effect from the effective date of the relevant Deed of Novation I, Oriental Fleet SHIPPING 11 Limited shall replace Wai Fung Shipping Limited as the buyer under the relevant Existing Shipbuilding Contract I in respect of the relevant Target Vessel I. The relevant Existing Shipbuilding Contract I shall thereafter be construed and treated in all respects as if Oriental Fleet SHIPPING 11 Limited had been named therein as the buyer instead of Wai Fung Shipping Limited; and Oriental Fleet SHIPPING 11 Limited shall assume and enjoy all rights, benefits, title, obligations and liabilities of Wai Fung Shipping Limited under the relevant Existing Shipbuilding Contract I.

Contract price and payment: The aggregate contract price of the Target Vessels I under the Existing Shipbuilding Contracts I is US\$606.4 million, exclusive of tax.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The contract price of the Target Vessels I shall be payable in five instalments based on progress intervals on the construction of each vessel. The first instalment, representing 30% of the contract price, i.e. approximately US\$181.89 million, has been paid by Wai Fung Shipping Limited. Following completion of the novation, the remaining four instalments, which represent 70% of the contract price and are relatively evenly spread across the remaining payment milestones, will be payable by Oriental Fleet SHIPPING 11 Limited based on the payment schedule. The remaining instalments are expected to be settled in RMB based on the applicable exchange rate agreed with Heavy Industry (Yangzhou).

The book value of the Target Vessels I was RMB1,355.2899 million as at 31 December 2025. The difference between such book value and the first instalment paid by Wai Fung Shipping Limited was primarily attributable to the capitalised interest recognised during the period from the payment date of the first instalment to the valuation benchmark date of Valuation Report I.

The aggregate cost (the “**Aggregate Cost I**”) to be borne by Oriental Fleet SHIPPING 11 Limited in respect of the Target Vessels I under the Memorandum of Agreement I and the Deeds of Novation I is expected to comprise (i) approximately RMB1,387.3113 million payable to Wai Fung Shipping Limited under the Memorandum of Agreement I; and (ii) approximately US\$424.48 million payable to Heavy Industry (Yangzhou) under the Existing Shipbuilding Contracts I, representing the remaining shipbuilding instalments following the novation.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Target Vessels I are methanol- and ammonia-ready Newcastlemax bulk cargo vessels. The contract price of the Target Vessels I was determined after arm's length negotiations between the relevant parties with reference to among other things, (i) the specifications and technical features of the Target Vessels I, (ii) the expected delivery schedule, (iii) third-party vessel market data obtained from a renowned international maritime market database, including newbuilding price data, recent comparable newbuilding orders and newbuilding price indices, based on which the Directors considered that the Aggregate Cost I per vessel fell within the range of reported order prices of comparable vessels ordered earlier this year, (iv) the market quotations obtained by COSCO SHIPPING Bulk Group in respect of comparable vessels at the relevant time. Therefore, the Directors considers that contract price herein is on normal commercial terms, fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

Any price adjustment of the contract price under the Existing Shipbuilding Contracts I following novation shall be settled between Oriental Fleet SHIPPING 11 Limited and Heavy Industry (Yangzhou) only.

Source of funds:

The Aggregate Cost I is expected to be funded by the internal resources of the Group as to 25% and external financing of the Group as to 75%.

Effectiveness:

The Deeds of Novation I shall become effective when the following conditions have been duly fulfilled:

- (1) the due signing of the relevant Deed of Novation I by the authorized representatives of the parties hereto;
- (2) Heavy Industry (Yangzhou) receives a written notice from Wai Fung Shipping Limited, confirming that the Board of Directors of COSCO SHIPPING Bulk has approved the transaction completed, with a copy to Oriental Fleet SHIPPING 11 Limited; and
- (3) Heavy Industry (Yangzhou) receives a written notice from Oriental Fleet SHIPPING 11 Limited confirming that the Independent Shareholders at a general meeting of the Company have approved this Deed and the transaction contemplated hereunder, with a copy to Wai Fung Shipping Limited.

As at the Latest Practicable Date, the conditions set out in sub-paragraphs (1) and (2) above have been satisfied.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(d) *Deeds of Novation II*

Date: 21 May 2026

Parties:

- (1) Marienvoy Shipping Limited, as original buyer;
- (2) Oriental Fleet SHIPPING 12 Limited, as new buyer; and
- (3) Heavy Industry (Zhoushan), as seller.

Subject matter: Pursuant to the Deeds of Novation II, with effect from the effective date of the relevant Deed of Novation II, Oriental Fleet SHIPPING 12 Limited shall replace Marienvoy Shipping Limited as the buyer under the relevant Existing Shipbuilding Contract II in respect of the relevant Target Vessel II. The relevant Existing Shipbuilding Contract II shall thereafter be construed and treated in all respects as if Oriental Fleet SHIPPING 12 Limited had been named therein as the buyer instead of Marienvoy Shipping Limited; and Oriental Fleet SHIPPING 12 Limited shall assume and enjoy all rights, benefits, title, obligations and liabilities of Marienvoy Shipping Limited under the relevant Existing Shipbuilding Contract II.

Contract price and payment: The aggregate contract price of the Target Vessels II under the Existing Shipbuilding Contracts II is US\$71.0 million, exclusive of tax.

Marienvoy Shipping Limited had paid an aggregate amount of US\$24.85 million under the Existing Shipbuilding Contracts II. Following completion of the novation, the remaining contract price and any agreed compensation for deferred payment will be payable by Oriental Fleet SHIPPING 12 Limited in a lump sum.

The aggregate cost (the “**Aggregate Cost II**”) to be borne by Oriental Fleet SHIPPING 12 Limited in respect of the Target Vessels II under the Memorandum of Agreement II and the Deeds of Novation II is expected to be US\$71.1397 million, comprising (i) the consideration of approximately US\$24.9897 million payable to Marienvoy Shipping Limited under the Memorandum of Agreement II; and (ii) the remaining shipbuilding instalments and any agreed compensation for deferred payment payable to Heavy Industry (Zhoushan) under the Existing Shipbuilding Contracts II, which are estimated to be approximately US\$46.15 million.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Target Vessels II are 64,000 DWT bulk carriers. The contract price of the Target Vessels II was determined after arm's length negotiations between the relevant parties with reference to, among other things, (i) the specifications and technical features of the Target Vessels II, (ii) the expected delivery schedule, (iii) third-party vessel market data obtained from a renowned international maritime market database, including newbuilding price data, recent comparable newbuilding orders and newbuilding price indices, based on which the Directors considered that the Aggregate Cost II per vessel fell within the range of reported order prices of comparable vessels ordered earlier this year, (iv) the market quotations obtained by COSCO SHIPPING Bulk Group in respect of comparable vessels at the relevant time. Therefore, the Directors consider that contract price herein is on normal commercial terms, fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

Any price adjustment of the contract price under the Existing Shipbuilding Contracts II following novation shall be settled between Oriental Fleet SHIPPING 12 Limited and Heavy Industry (Zhoushan) only.

Source of funds: The Aggregate Cost II is expected to be funded by the internal resources of the Group as to 25% and external financing of the Group as to 75%.

Effectiveness: The Deeds of Novation II shall become effective when the following conditions have been duly fulfilled:

- (1) the due signing of the relevant Deed of Novation II by the authorized representatives of the parties hereto;
- (2) Heavy Industry (Zhoushan) receives a written notice from Marienvoy Shipping Limited, confirming that the Board of Directors of COSCO SHIPPING Bulk has approved the transaction completed, with a copy to Oriental Fleet SHIPPING 12 Limited; and
- (3) Heavy Industry (Zhoushan) receives a written notice from Oriental Fleet SHIPPING 12 Limited confirming that the Independent Shareholders at a general meeting of the Company have approved this Deed and the transaction contemplated hereunder, with a copy to Marienvoy Shipping Limited.

As at the Latest Practicable Date, the conditions set out in sub-paragraphs (1) and (2) above have been satisfied.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In assessing the principal terms of the Assignment and Novation Agreements, we have reviewed, among other things, the basis of the consideration, intention of the transaction and payment terms. We noted that the consideration payable under the Memoranda of Agreement was determined after arm's length negotiations between the parties with reference to the appraised value of the Target Vessels, and our independent work done in respect of the Valuation Report I and Valuation Report II (collectively the "**Valuation Reports**") are further discussed in the section headed "4. Basis of consideration under the Assignment and Novation Agreements" below. We are also given to understand that the Directors have assessed the shipbuilding contract prices of the Target Vessels under the Existing Shipbuilding Contracts by making reference to third-party vessel market data extracted from the database of Clarksons, a research arm of Clarkson PLC which focuses primarily on the collection, validation, analysis and management of data in regards to the merchant shipping and offshore markets, with its reports widely cited in the shipping industry.

In assessing the contract price of Target Vessel I which are 211,000 DWT bulk carriers and classified as Capesize carriers, we have obtained from management the price list of 10 comparable vessels which are Capesize carriers order placed with ship builders worldwide as extracted from Clarksons during the recent period from January 2026 to April 2026 and noted that the order prices of each comparable vessel were reportedly in the range of US\$74.3 million to US\$77.9 million. With reference to the Aggregate Cost I of US\$621.88 million which represents sum of consideration payable amounting to RMB1,387.3 million (equivalent to US\$197.4 million based on the USD/RMB exchange rate of 7.0288 on the valuation benchmark date) and the remaining shipbuilding instalments following the novation of Existing Shipbuilding Contracts I amounting to US\$424.48 million, the expected average final price of a 211,000 DWT bulk carriers (i.e. the Target Vessel I consist of a total of 8 Capesize carriers) is approximately US\$77.7 million which is in line with the aforementioned price range of the comparable vessels. Having considered that (i) order prices of the comparable vessels could vary depending on the use of different ship builders, difference in specifications and major equipment installed in the vessel; and (ii) the deadweight tonnage of Target Vessel I of 211,000 DWT is slightly larger than a standard Capesize carrier of about 180,000 DWT, we are of the view that the expected average final price of Target Vessel I which is close to the upper end of price range of the comparable vessels is fair and reasonable.

In assessing the contract price of Target Vessel II which are 64,000 DWT bulk carriers and classified as Supramax bulk carriers, we have obtained from management the price list of 6 comparable vessels which are Supramax bulk carriers order placed with ship builders worldwide as extracted from Clarksons during the recent period from January 2026 to April 2026 and noted that the order prices of each comparable vessel were reportedly in the range of US\$34.0 million to US\$39.2 million. With reference to the Aggregate Cost II of US\$71.1 million which represents sum of consideration payable amounting to US\$24.9897 million and the remaining shipbuilding instalments following the novation of Existing Shipbuilding Contracts II amounting to US\$46.15 million, the expected average final price of a 64,000 DWT bulk carriers (i.e. the Target Vessel II consist of a total of 2 Supramax bulk carriers) is approximately US\$35.55 million which is in line with the aforementioned price range of the comparable vessels.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Having considered (i) the consideration payable was determined after arm's length negotiations between the parties with reference to the appraised value of the Target Vessels which is considered fair and reasonable as elaborated further in the section headed "4. Basis of consideration under the Assignment and Novation Agreements" below; (ii) the order prices of comparable Capesize carriers and Supramax bulk carriers recently quoted on the database of Clarksons being in line with the expected average final prices of Target Vessel I and Target Vessel II respectively which further substantiate the fairness and reasonableness of the terms of the Assignment and Novation Agreements, we are of the view that the principal terms of the Assignment and Novation Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

4. Basis of consideration under the Assignment and Novation Agreements

With reference to the Letter from the Board, the consideration payable under the Memoranda of Agreement was determined after arm's length negotiations between the parties with reference to the appraised value of the Target Vessels as at the respective valuation benchmark dates as appraised by the Valuer. The appraised value of Target Vessel I as at 31 December 2025 was approximately RMB1,387.3 million and the appraised value of Target Vessel II as at 31 March 2026 was approximately US\$24.9 million. According to the Valuation Reports, the appraised value in respect of Target Vessel I and Target Vessel II respectively were determined based on cost approach in accordance with the PRC laws and regulations. We have reviewed Valuation Reports prepared by the Valuer and have discussed with the Valuer regarding the valuation of the Target Vessels with details set out below. We have reviewed the basis and assumptions adopted by the Valuer, and the reasons for the differences between the book values and appraised values of the Target Vessels.

(a) Scope of work and qualifications of the Valuer

As discussed with the Valuer, we are given to understand that the Valuation Reports have been prepared in compliance with the relevant professional standards issued by China Appraisal Society. We understand that the Valuer is certified with the relevant PRC qualifications required to perform this valuation exercise and has 18 years' industry experience in conducting valuation exercises. We have interviewed the Valuer and obtained information on the Valuer's track records on other valuation projects and enquired on the Valuer's current and prior relationship with the Group and other parties to the Assignment and Novation Agreements and confirmed that the Valuer is independent. We have also reviewed the terms of the Valuer's engagement letter and noted that there is no limitation on the scope of work which might adversely impact on the degree of assurance in Valuation Report I and Valuation Report II.

Based on the above, we are of the view that the scope of work of the Valuer is appropriate and the Valuer is qualified and competent to perform the valuation of the Target Vessels.

(b) Valuation methodology

We have reviewed the Valuation Reports issued by the Valuer and discussed the assumptions and methodology adopted for the valuation. We are given to understand that the Valuer considered three common valuation approaches, namely market approach, income approach and cost approach in assessing the valuation of the Target Vessels. As advised by the Valuer, (i) the market approach is not appropriate for the valuation of the Target Vessels under construction given that market comparables could not accurately account for price impact arising from the use of different ship builders, difference in specifications and major equipment installed in the vessel; and (ii) income approach is not appropriate given that volatility in shipping market is significantly affected by changes in the international political and economic environment, as thus, future market freight rates could not be reliably estimated. Accordingly, cost approach is adopted for the valuation of Target Vessels because the vessels are at the stage of preparation and construction as at the respective valuation benchmark dates and it would be more reasonable to come up with the appraised value on the Target Vessels based on the respective existing shipbuilding contracts and market price index analysis issued by Clarksons Research, a globally trusted and authoritative information provider on all aspects of shipping.

Having considered that (i) the Valuation Reports were prepared by the Valuer in accordance with professional standards issued by China Appraisal Society; (ii) the Valuer had also considered market approach and income approach during the course of the valuation before concluding the valuation with the cost approach; and (iii) the aforesaid reasons for not adopting the market approach and income approach, we concur with the Valuer on the adoption of cost approach in arriving the valuation.

(c) Valuation assumption

We noted that the Valuer has made the following assumptions for the valuation, including:

- (1) Transaction assumption. The transaction assumption is that all assets to be appraised are in the process of transaction, and the appraisers will make estimation in a simulated market according to the transaction conditions (among others) of assets to be appraised.
- (2) Open market assumption. The open market assumption is a hypothesis regarding the market conditions the assets are intended to enter and the influence they will receive under such market conditions. An open market refers to a fully developed and perfect market condition, which is a competitive market with various voluntary buyers and sellers. In this market, both the buyers and sellers of a transaction are equal, and given the opportunity and time to acquire sufficient market information. The transactions between the buyers and sellers are conducted under voluntary, rational, non-compulsory, or unrestricted conditions.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (3) Going concern assumption. The going concern assumption of an enterprise refers to the assumption that, under the existing asset and resource conditions, the production and business operations of the appraised entity can legally continue on a going concern basis in its current state within the foreseeable future operating period, and its operating status will not undergo material adverse changes.
- (4) In-use and continue-to-use assumption. The assumption of in-situ use refers to the assumption that the assets will continue to be used in accordance with their current purposes. It is first assumed that the assets within the scope of appraisal are in use, and secondly, it is assumed that they will continue to be used according to their current purposes and manners of use, without considering the conversion of asset purposes or the optimal utilization conditions.
- (5) It is assumed that there will be no unforeseeable material adverse changes in the external economic environment, such as the country's current relevant laws, macro-economy, finance, and industrial policies, nor will there be any material impact caused by other force majeure or unforeseeable factors.

We have reviewed the Valuation Reports and discussed with the Valuer in respect of the key assumptions adopted for performing the valuation. We understand from the Valuer that the assumptions are commonly adopted in other valuations of similar assets and there is no unusual assumption which has been adopted during the valuation. We also consider the assumptions adopted in the Valuation Reports are general in nature and are not aware of any material facts which lead us to doubt the assumptions adopted by the Valuer.

(d) The appraised value under cost approach

We have reviewed the Valuation Reports and noted that the appraised value of Target Vessel I as at 31 December 2025 was approximately RMB1,387.3 million and the appraised value of Target Vessel II as at 31 March 2026 was approximately US\$24.9 million which were determined based on book value of the Target Vessels under construction as at the respective valuation benchmark dates and adjusted for (i) the market price index issued by Clarksons Research; and (ii) the costs of capital with reference to the 3-month Hong Kong Interbank Offered Rates (HIBOR). We have discussed with the Valuer and understand that the Valuer has reviewed the existing shipbuilding contracts to ascertain the contract price, verified the book value of the Target Vessels and made reference to price list and other market information obtained from database of Clarksons Research. Based on the above, we consider that the adoption of cost approach and hence the bases and assumptions adopted in arriving the valuation are fair and reasonable.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is a summary of the difference between book value and appraised value of the Target Vessels:

Items	Book value	Appraised value	Difference
	RMB'0,000	RMB'0,000	RMB'0,000/(%)
1. Target Vessel I (eight 211,000 DWT bulk carriers)	135,529.0	138,731.1	3,202.1 (2.4%)
2. Target Vessel II (two 64,000 DWT bulk carriers)	2,485.0	2,499.0	14.0 (0.6%)

We have discussed with the Independent Valuer and are given to understand that the difference between book value and appraised value of Target Vessel I is mainly attributable to the appreciation of market contract price of similar class of vessels while the difference between book value and appraised value of Target Vessel II is insignificant which is attributable to the cost of capital. We have, on best effort basis, conducted research on public domain and noted from an article published on 1 June 2026 on *eworldship.com* (國際船舶網) that the shipbuilding contract price of Capesize carriers is on an upward trend and increased by approximately 3.0% so far in year 2026 as compared with that in year 2025. Accordingly, we are of the view that the appraised value of Target Vessel I and Target Vessel II conform with our understanding obtained from research results. Having discussed with the Independent Valuer and reviewed with them the reasons for adopting the various valuation methodologies, the bases and assumptions used for the valuation and the valuation result, we are of the view that the chosen valuation methodologies, bases and assumptions in establishing the appraised value of Target Vessels as at the respective valuation benchmark dates are in line with the industry practice and we have not identified any major factors which caused us to doubt the fairness and reasonableness of the principal bases and assumptions adopted for the cost approach valuation. Accordingly, we considered it appropriate to refer to the independent valuation conducted by the Valuer in respect of the appraised value of Target Vessels. In light of the above, we are of the view that the consideration payable under the Memoranda of Agreement which is determined with reference to the appraised value of the Target Vessels as appraised by the Valuer is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

OPINION AND RECOMMENDATION

Having taken into account the above-mentioned principal factors and reasons, we are of the opinion that the Assignment and Novation Agreements and the transactions contemplated thereunder were entered into in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole, and the terms of the Assignment and Novation are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to recommend the Independent Shareholders, to vote in favour of the resolutions to be proposed at the AGM to approve the Assignment and Novation Agreements and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
Messis Capital Limited
Thomas Lai
Chief Executive Officer

Mr. Thomas Lai is a licensed person registered with the Securities and Futures Commission and regarded as a responsible officer of Mesis Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 30 years of experience in corporate finance industry.

The following is an explanatory statement required by Rule 10.06(1)(b) of the Hong Kong Listing Rules to provide the Shareholders with information reasonably necessary for them to make an informed decision on whether to vote for or against the special resolution to approve the grant the A Share Repurchase Mandate and the grant of the H Share Repurchase Mandate.

1. NUMBER OF SHARES PROPOSED TO BE REPURCHASED

As at the Latest Practicable Date, the total number of issued Shares was 13,197,655,820, comprising 9,751,983,820 A Shares and 3,445,672,000 H Shares.

Subject to the passing of the special resolutions in respect of the grant of the A Share Repurchase Mandate and the grant of the H Share Repurchase Mandate, and assuming that the total number of issued A Shares (excluding any treasury Shares and A Shares that have been repurchased but not yet cancelled, being 41,556,100 A Shares) and the total number of issued H Shares (excluding any treasury Shares and H Shares that have been repurchased but not yet cancelled, being 24,043,000 H Shares) as at the Latest Practicable Date will remain unchanged as at the date of the AGM and the Class Meetings, the Directors will be authorised to repurchase up to 971,042,772 A Shares pursuant to the A Share Repurchase Mandate and repurchase up to 342,162,900 H Shares pursuant to the H Share Repurchase Mandate during the period when the A Share Repurchase Mandate and the H Share Repurchase Mandate remain in force, representing 10% of the total number of issued A Shares (excluding any treasury shares and A Shares that have been repurchased but not yet cancelled) and 10% of the total number of issued H Shares (excluding any treasury shares and H Shares that have been repurchased but not yet cancelled), respectively.

2. REASONS FOR SHARE REPURCHASE

In order to maintain the value of the Company and the interests of the Shareholders, and give the Company the flexibility to repurchase Shares if and when appropriate, it is proposed that the A Share Repurchase Mandate and H Share Repurchase Mandate be granted to the Board.

Repurchase of A Shares and/or H Shares will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole. If the Company exercises the power to repurchase A Shares and/or H Shares pursuant to A Share Repurchase Mandate and/or the H Share Repurchase Mandate, it may cancel or transfer (if involved) such repurchased Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchase, in accordance with the Articles of Association, the listing rules of the place where the Shares are listed, and the applicable laws and regulations of the PRC.

3. SOURCE OF FUNDS

In repurchasing A Shares and/or H Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the listing rules of the place where the Shares are listed, and the applicable laws and regulations of the PRC, as the case may be.

The Directors propose that repurchase of A Shares and/or H Shares will be financed by the Company's own funds or self-raised funds as and when appropriate.

4. IMPACT ON WORKING CAPITAL

As compared with the financial position of the Company as at 31 December 2025 (being the date to which the latest audited accounts of the Company have been made up), the Directors consider that there would not be any material adverse impact on the working capital and on the gearing position of the Company in the event that the A Share Repurchase Mandate and/or H Share Repurchase Mandate would be exercised in full at any time during the proposed repurchase period.

5. MARKET PRICES OF SHARES

The highest and lowest prices at which the A Shares and the H Shares were traded on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, respectively, during each of the twelve months before the Latest Practicable Date (up to the Latest Practicable Date) were as follows:

	A Shares		H Shares	
	Lowest <i>RMB</i>	Highest <i>RMB</i>	Lowest <i>HK\$</i>	Highest <i>HK\$</i>
2025				
June	2.43	2.59	0.94	1.10
July	2.46	2.68	1.06	1.30
August	2.45	2.59	1.11	1.24
September	2.46	2.72	1.12	1.22
October	2.53	2.69	1.07	1.19
November	2.50	2.81	1.09	1.25
December	2.42	2.59	1.04	1.18
2026				
January	2.49	2.71	1.04	1.15
February	2.54	3.00	1.07	1.25
March	2.56	3.25	1.11	1.71
April	2.62	3.15	1.10	1.25
May	2.50	2.76	0.97	1.15
June (up to the Latest Practicable Date)	2.51	2.60	0.98	1.01

6. GENERAL

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their respective close associates (as defined in the Hong Kong Listing Rules) has any present intention, in the event that the proposed grant of the A Share Repurchase Mandate and/or proposed grant of the H Share Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

The Company has not been notified by any core connected persons (as defined in the Hong Kong Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the proposed grant of the A Share Repurchase Mandate and/or the proposed grant of the H Share Repurchase Mandate are approved by the Shareholders.

The Directors will exercise the power of the Company to repurchase A Shares and/or H Shares pursuant to the A Share Repurchase Mandate and/or H Share Repurchase Mandate and in accordance with the Hong Kong Listing Rules and the applicable laws and regulations of the PRC.

Neither the explanatory statement nor the A Share Repurchase Mandate/H Share Repurchase Mandate has any unusual features.

7. TAKEOVERS CODE

If on the exercise of the power to repurchase H Shares pursuant to the H Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control on the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, COSCO SHIPPING and parties acting in concert with it (the "**COSCO SHIPPING Concert Group**") controlled or were entitled to exercise control over the voting rights in respect of 6,152,228,290 A Shares and 100,944,000 H Shares, representing approximately 47.38% of the total issued share capital of the Company and approximately 47.62% of the total voting rights of the A Share and H Share capital of the Company (excluding the 41,556,100 A Shares and 24,043,000 H Shares which have been repurchased but not yet cancelled as of the Latest Practicable Date). COSCO SHIPPING is the indirect controlling shareholder of the Company.

In the event that the Directors will exercise the A Share Repurchase Mandate and H Share Repurchase Mandate in full, the proportionate interest of the COSCO SHIPPING Concert Group in the voting rights of the Company would increase to approximately 52.91% of the total voting rights of the A Share and H Share capital of the Company (excluding the 41,556,100 A Shares and 24,043,000 H Shares which have been repurchased but not yet cancelled as of the Latest Practicable Date) if they do not participate in such repurchase. Pursuant to the Takeovers Code, if the control or entitlement to control on the voting rights of the Company's Shares, including both A Shares and H Shares, by the COSCO SHIPPING Concert Group increases by 2 percentage points or more within a 12-month-period because of, among other things, their increase in holding in the Company's Shares and/or the implementation of the above-mentioned general mandate which causes changes in total share capital of the Company, it will trigger the obligation of the COSCO SHIPPING Concert Group to make a mandatory offer under the Takeovers Code.

The Directors have no present intention to exercise the A Share Repurchase Mandate and/or H Share Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a takeover or to such an extent as would, in the case of any applicable law, have a similar effect. In addition, the Directors will not make such repurchase on the Hong Kong Stock Exchange if such repurchase would result in a breach of Rule 8.08 of the Hong Kong Listing Rules.

8. SHARE REPURCHASE MADE BY THE COMPANY

The Company had repurchased a total of 41,556,100 A Shares on the Shanghai Stock Exchange and 24,043,000 H Shares on the Hong Kong Stock Exchange in the six months immediately preceding the Latest Practicable Date:

Repurchase of A Shares

Date of repurchase	Number of shares repurchased	Purchase price per share	
		Highest (RMB/share)	Lowest (RMB/share)
18 November 2025	3,000,000	2.71	2.67
19 November 2025	500,000	2.64	2.64
20 November 2025	500,000	2.61	2.61
21 November 2025	1,500,000	2.59	2.53
27 November 2025	500,000	2.53	2.53
3 December 2025	500,000	2.55	2.55
4 December 2025	500,000	2.54	2.54
9 December 2025	500,000	2.54	2.53
10 December 2025	500,000	2.52	2.52
11 December 2025	800,000	2.51	2.49
12 December 2025	500,000	2.48	2.47
15 December 2025	67,400	2.46	2.46
16 December 2025	500,000	2.46	2.44
17 December 2025	134,100	2.43	2.43
23 December 2025	500,000	2.52	2.52
24 December 2025	500,000	2.52	2.52
26 December 2025	500,000	2.52	2.52
29 December 2025	1,000,000	2.52	2.52
30 December 2025	3,000,000	2.51	2.50
31 December 2025	1,014,800	2.50	2.50
31 March 2026	1,500,000	2.75	2.70
1 April 2026	1,373,200	2.74	2.72
2 April 2026	1,500,000	2.78	2.74
8 April 2026	1,500,000	3.01	2.96
9 April 2026	1,500,000	3.04	2.98
10 April 2026	1,500,000	2.94	2.89
13 April 2026	2,000,000	2.82	2.79
14 April 2026	1,500,000	2.79	2.76
15 April 2026	1,500,000	2.80	2.78
16 April 2026	994,100	2.77	2.75
30 April 2026	1,500,000	2.67	2.66
6 May 2026	1,500,000	2.69	2.67
7 May 2026	1,500,000	2.72	2.71
8 May 2026	1,500,000	2.73	2.71
11 May 2026	1,500,000	2.71	2.69
12 May 2026	1,116,400	2.70	2.67
13 May 2026	1,056,100	2.70	2.68
27 May 2026	500,000	2.52	2.52
Total	41,556,100	–	–

Repurchase of H Shares

Date of repurchase	Number of shares repurchased	Purchase price per share	
		Highest <i>(HK\$/share)</i>	Lowest <i>(HK\$/share)</i>
18 November 2025	3,000,000	1.20	1.20
20 November 2025	500,000	1.16	1.15
21 November 2025	1,500,000	1.40	1.10
27 November 2025	221,000	1.14	1.14
2 December 2025	284,000	1.15	1.15
3 December 2025	500,000	1.16	1.16
4 December 2025	500,000	1.16	1.16
9 December 2025	1,000,000	1.15	1.13
10 December 2025	500,000	1.11	1.11
11 December 2025	500,000	1.10	1.10
15 December 2025	500,000	1.11	1.11
16 December 2025	500,000	1.09	1.08
18 December 2025	1,500,000	1.07	1.06
19 December 2025	1,000,000	1.06	1.06
22 December 2025	1,000,000	1.06	1.05
29 December 2025	1,137,000	1.07	1.06
30 December 2025	3,000,000	1.07	1.06
31 December 2025	1,500,000	1.05	1.05
26 May 2026	947,000	1.02	1.01
27 May 2026	1,000,000	1.00	0.99
28 May 2026	1,750,000	0.99	0.98
29 May 2026	1,000,000	1.00	0.98
1 June 2026	704,000	1.01	1.00
Total	<u>24,043,000</u>	–	–

Save as set forth above, the Company had not purchased any Shares (whether on the Hong Kong Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

APPENDIX II BIOGRAPHICAL DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Biographical details of the candidates proposed for re-election or election as Directors as required under Rule 13.51(2) of the Listing Rules are as follows:

EXECUTIVE DIRECTORS

Mr. Zhang Mingwen

Mr. Zhang Mingwen, aged 47, is currently the chairman of the Board and the secretary of the Party Committee of the Company, and a non-executive director of China Merchants Securities Co., Ltd. (a company listed on the Shanghai Stock Exchange (stock code: 600999); and the Hong Kong Stock Exchange (stock code: 06099)), and a non-executive director of China Everbright Bank Company Limited (a company listed on the Shanghai Stock Exchange (stock code: 601818); and the Hong Kong Stock Exchange (stock code: 06818)). He has more than 20 years of experience in shipping industry and extensive experience in areas including finance and capital management, shipping finance and capital operation. Mr. Zhang successively served as the assistant to the general manager of the planning and finance department, and the assistant to the general manager of the financial capital department of China Shipping (Group) Company, the deputy chief accountant (副總會計師) and the chief accountant (總會計師) of China Shipping Container Lines Co., Ltd., the chief accountant (總會計師) of the Company, the chief accountant (總會計師) of COSCO SHIPPING Holdings Co., Ltd., the chief financial officer of Orient Overseas (International) Limited, a director, the chief financial officer and a member of the executive committee of Orient Overseas Container Line Ltd., and a director and the general manager of the Company. Mr. Zhang graduated from the Faculty of Finance of Shanghai University of Finance and Economics majoring in investment economics and from the Antai College of Economics & Management of Shanghai Jiao Tong University majoring in business administration, and obtained a bachelor's degree in economics and a master's degree in business administration. Mr. Zhang is a Chartered Financial Analyst (CFA) and a professorate senior accountant.

Subject to approval of the Shareholders for the proposed re-election of Mr. Zhang Mingwen at the AGM, Mr. Zhang Mingwen will enter into a service contract with the Company for a service term commencing from 1 July 2026 upon conclusion of the AGM until the expiry of the term of the eighth session of the Board. The remuneration of Mr. Zhang Mingwen will be fixed by the Board pursuant to the authorisation to be granted by the Shareholders by reference to his duties, responsibilities and performance, the results of the Group and the overall market situation.

Save as disclosed above, as at the Latest Practicable Date, Mr. Zhang Mingwen (i) did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; (ii) did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO; (iii) did not hold any other directorship in public companies the securities of which are listed on any securities markets in Hong Kong or overseas in the last three years; and (iv) did not hold any other positions with other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, there is no other information relating to Mr. Zhang Mingwen that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any other matters in relation to his proposed appointment that need to be brought to the attention of the Shareholders.

Mr. Wang Kunhui

Mr. Wang Kunhui, aged 50, is currently an executive Director, the general manager and the deputy secretary of the Party Committee of the Company. Mr. Wang joined the workforce in July 1998 and has over 20 years of experience in global container shipping operations and overseas management. Mr. Wang has served as Deputy General Manager of the Asia-Pacific Trade Division of COSCO Container Lines Co., Ltd., Deputy General Manager and General Manager of the Latin America/Africa Trade Division of COSCO SHIPPING Lines Co., Ltd., Deputy General Manager and Party Committee Member of COSCO SHIPPING (South America) Co., Ltd., Acting Deputy General Manager and Party Committee Member (in charge of daily operations) of COSCO SHIPPING (South America) Co., Ltd., and Chairman and Party Secretary of COSCO SHIPPING (South America) Co., Ltd. Mr. Wang graduated from Shanghai Maritime College (now known as Shanghai Maritime University) with a bachelor's degree in engineering in transportation management engineering.

Subject to approval of the Shareholders for the proposed re-election of Mr. Wang Kunhui at the AGM, Mr. Wang Kunhui will enter into a service contract with the Company for a service term commencing from 1 July 2026 upon conclusion of the AGM until the expiry of the term of the eighth session of the Board. The remuneration of Mr. Wang Kunhui will be fixed by the Board pursuant to the authorisation to be granted by the Shareholders by reference to his duties, responsibilities and performance, the results of the Group and the overall market situation.

Save as disclosed above, as at the Latest Practicable Date, Mr. Wang Kunhui (i) did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; (ii) did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO; (iii) did not hold any other directorship in public companies the securities of which are listed on any securities markets in Hong Kong or overseas in the last three years; and (iv) did not hold any other positions with other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, there is no other information relating to Mr. Wang Kunhui that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any other matters in relation to his proposed appointment that need to be brought to the attention of the Shareholders.

NON-EXECUTIVE DIRECTORS**Mr. Ip Sing Chi**

Mr. Ip Sing Chi, aged 72, is currently a non-executive Director of the Company, the group managing director of Hutchison Port Holdings Limited and the chairman of Yantian International Container Terminals Limited. Mr. Ip Sing Chi is also an executive director of Hutchison Port Holdings Management Pte. Limited (a company listed in Singapore (stock code: NS8U)); a non-executive director of Orient Overseas (International) Limited (a company listed on the Hong Kong Stock Exchange (stock code: 00316)); and a non-executive director of Westports Holdings Berhad (a company listed in Malaysia (stock code: 5246)). He was the founding chairman (2000-2001) of the Hong Kong Container Terminal Operators Association Limited, and served as a non-executive director of Tradelink Electronic Commerce Limited (a company listed on the Hong Kong Stock Exchange (stock code: 00536)); an external director of HMM Company Limited (formerly known as Hyundai Merchant Marine Co., Ltd.) (a company listed in Korea (stock code: 011200)); an independent non-executive director of Piraeus Port Authority S.A. (a company listed in Greece (stock code: PPA)); an independent non-executive director of COSCO SHIPPING Ports Limited (a company listed on the Hong Kong Stock Exchange (stock code: 01199)) from November 2012 to October 2016; and an independent non-executive director of COSCO SHIPPING

APPENDIX II BIOGRAPHICAL DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Energy Transportation Co., Ltd. (a company listed on the Hong Kong Stock Exchange (stock code: 01138)) from June 2014 to June 2020. Besides, Mr. Ip was a member of the Hong Kong Port Development Council from 2009 to the end of December 2014, with over 45 years of experience in the shipping industry. Mr. Ip holds a bachelor of arts degree.

Subject to approval of the Shareholders for the proposed re-election of Mr. Ip Sing Chi at the AGM, Mr. Ip Sing Chi will enter into a service contract with the Company for a service term commencing from 1 July 2026 upon conclusion of the AGM until the expiry of the term of the eighth session of the Board. Mr. Ip Sing Chi will be entitled to the remuneration of RMB300,000 per annum (before tax), being the remuneration standard for serving as a non-executive Director, which is determined with reference to the relevant position and duties as well as the prevailing market rate and shall be subject to approval of the Shareholders at the AGM.

Save as disclosed above, as at the Latest Practicable Date, Mr. Ip Sing Chi (i) did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; (ii) did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO; (iii) did not hold any other directorship in public companies the securities of which are listed on any securities markets in Hong Kong or overseas in the last three years; and (iv) did not hold any other positions with other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, there is no other information relating to Mr. Ip Sing Chi that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any other matters in relation to his proposed appointment that need to be brought to the attention of the Shareholders.

Ms. Zhang Xueyan

Ms. Zhang Xueyan, aged 52, is currently a non-executive Director of the Company. Ms. Zhang has served in roles including a deputy general manager of Capital Management & Operation Division of China COSCO SHIPPING Corporation Limited since December 2017 and has extensive experience in capital operation. She has served as a non-executive director of Shanghai Rural Commercial Bank Co., Ltd. (a company listed on the Shanghai Stock Exchange (stock code: 601825)) since June 2023; a non-executive director of COSCO SHIPPING International (Hong Kong) Co., Ltd. (a company listed on the Hong Kong Stock Exchange (stock code: 00517)) since January 2025; a non-executive director of Piraeus Port Authority S.A. (a company listed in Greece (stock code: PPA)) since July 2025, and a non-executive director of COSCO SHIPPING Investment Holdings Co., Limited since September 2025. Ms. Zhang started her career in 1999 and since 2013, she has successively served as a deputy manager of the capital operation office of the Strategic Development Division of China Ocean Shipping Co., Ltd. and COSCO SHIPPING Holdings Co., Ltd., a manager of capital operation office of the Capital Management & Operation Division and a deputy general manager of the Capital Management & Operation Division of China COSCO SHIPPING Corporation Limited. Ms. Zhang graduated from Beijing Normal University with a master's degree in economics, majoring in international investment and international trade. She holds a professional title of senior economist and is a certified public accountant (CPA).

Subject to approval of the Shareholders for the proposed re-election of Ms. Zhang Xueyan at the AGM, Ms. Zhang Xueyan will enter into a service contract with the Company for a service term commencing from 1 July 2026 upon conclusion of the AGM until the expiry of the term of the eighth session of the Board. Ms. Zhang Xueyan will not receive any remuneration from the Company as a non-executive Director.

APPENDIX II BIOGRAPHICAL DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Save as disclosed above, as at the Latest Practicable Date, Ms. Zhang Xueyan (i) did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; (ii) did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO; (iii) did not hold any other directorship in public companies the securities of which are listed on any securities markets in Hong Kong or overseas in the last three years; and (iv) did not hold any other positions with other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, there is no other information relating to Ms. Zhang Xueyan that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any other matters in relation to her proposed appointment that need to be brought to the attention of the Shareholders.

Mr. Zheng Xiaozhe

Mr. Zheng Xiaozhe, aged 54, is currently a non-executive Director of the Company. Mr. Zheng joined the workforce in July 1995 and has served as Deputy Director (in charge) of the Supervision Division of the Insurance Funds Utilization Supervision Department of the China Insurance Regulatory Commission, Director of the Insurance Protection Fund Division of the Finance and Accounting Department of the China Insurance Regulatory Commission, Party Committee Member, Assistant General Manager and Board Secretary of China United Insurance Holdings Co., Ltd., Party Committee Member, Board Secretary and Deputy General Manager of China United Property Insurance Co., Ltd. (during which he concurrently served as Party Secretary and General Manager of the Beijing Branch of China United Property Insurance Co., Ltd.), and General Manager, Chairman, and Party Secretary of COSCO SHIPPING Captive Insurance Co., Ltd. Mr. Zheng graduated from Renmin University of China with a major in economic law and holds a master of laws degree.

Subject to approval of the Shareholders for the proposed re-election of Mr. Zheng Xiaozhe at the AGM, Mr. Zheng Xiaozhe will enter into a service contract with the Company for a service term commencing from 1 July 2026 upon conclusion of the AGM until the expiry of the term of the eighth session of the Board. The remuneration of Mr. Zheng Xiaozhe will be fixed by the Board pursuant to the authorisation to be granted by the Shareholders by reference to his duties, responsibilities and performance, the results of the Group and the overall market situation.

Save as disclosed above, as at the Latest Practicable Date, Mr. Zheng Xiaozhe (i) did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; (ii) did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO; (iii) did not hold any other directorship in public companies the securities of which are listed on any securities markets in Hong Kong or overseas in the last three years; and (iv) did not hold any other positions with other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, there is no other information relating to Mr. Zheng Xiaozhe that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any other matters in relation to his proposed appointment that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTORS**Mr. Shao Ruiqing**

Mr. Shao Ruiqing, aged 68, is currently an independent non-executive Director of the Company. Mr. Shao currently serves as an accounting professor (level-2 professor) in Shanghai Lixin University of Accounting and Finance, and a doctoral tutor in Shanghai Maritime University, and an independent director of Shanghai Shyndec Pharmaceutical Co., Ltd. and Shanghai ChipON Microelectronics Technology Co., Ltd. He served as an independent director of Shanghai International Port (Group) Co., Ltd. (a company listed on the Shanghai Stock Exchange (stock code: 600018)) from May 2019 to December 2025, and an independent non-executive director of China Everbright Bank Company Limited (a company listed on the Hong Kong Stock Exchange (stock code: 06818) and the Shanghai Stock Exchange (stock code: 601818)) from August 2019 to March 2026. He has been a professor in Shanghai Lixin University of Accounting and Finance since June 2016. He served as a professor in Shanghai Lixin University of Accounting from February 2015 to May 2016, a vice president and professor of Shanghai Lixin University of Accounting from February 2004 to January 2015, the dean, a professor and doctoral tutor of School of Economics and Management of Shanghai Maritime University from January 2002 to January 2014, the vice dean and a professor of School of Management of Shanghai Maritime University from October 1999 to December 2001, the head, an assistant professor and a professor of the Finance and Accounting Department of Shanghai Maritime University from May 1994 to September 1999, and a teaching assistant, a lecturer and an assistant professor of the Management Department and the Economics Department of Shanghai Maritime University from August 1982 to April 1994. Mr. Shao Ruiqing has been engaged in professional teaching and scientific research on accounting since 1982. He graduated from the Accounting Department of Shanghai Maritime University as an undergraduate (with a bachelor's degree in economics), the Accounting Department of Shanghai University of Finance and Economics as a master (with a master's degree in management) and the Technological Economics and Management Department of Tongji University as a doctor (with a doctoral degree in management). Mr. Shao has been appointed as a member of the Accounting & Finance Expert Advisory Committee by the Ministry of Transport, and concurrently serves as the vice president of the China Communications Accounting Society and an executive director of the Auditing Society of Shanghai. Mr. Shao serves as a deputy to the 13th Shanghai Municipal People's Congress, and is entitled to a special government allowance provided by the State Council.

Subject to approval of the Shareholders for the proposed re-election of Mr. Shao Ruiqing at the AGM, Mr. Shao Ruiqing will enter into a service contract with the Company for a service term commencing from 1 July 2026 upon conclusion of the AGM until 28 June 2027. Mr. Shao Ruiqing will be entitled to the remuneration of RMB150,000 per annum (before tax), being the remuneration standard for the domestic independent non-executive Directors, which is determined with reference to the relevant position and duties as well as the prevailing market rate and shall be subject to approval of the Shareholders at the AGM.

Save as disclosed above, as at the Latest Practicable Date, Mr. Shao Ruiqing (i) did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; (ii) did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO; (iii) did not hold any other directorship in public companies the securities of which are listed on any securities markets in Hong Kong or overseas in the last three years; and (iv) did not hold any other positions with other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, there is no other information relating to Mr. Shao Ruiqing that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any other matters in relation to his proposed appointment that need to be brought to the attention of the Shareholders.

Mr. Chan Kwok Leung

Mr. Chan Kwok Leung, aged 68, is currently an independent non-executive Director of the Company. Mr. Chan was appointed as the chief operating officer and an executive director of Singamas Container Holdings Limited (a company listed on the Hong Kong Stock Exchange (stock code: 00716)) and a director of various subsidiaries of this company. Mr. Chan previously served as the chief technical officer of XTRA Corporation, Genstar Container Corporation and Unicon International Ltd. Mr. Chan Kwok Leung has over 40 years of experience in factory management, marketing, container leasing, container depot management and container quality management. Mr. Chan studied in Hong Kong Baptist University with a major in production management and received professional training in container inspection from the Institute of International Container Lessors.

Subject to approval of the Shareholders for the proposed re-election of Mr. Chan Kwok Leung at the AGM, Mr. Chan Kwok Leung will enter into a service contract with the Company for a service term commencing from 1 July 2026 upon conclusion of the AGM until 26 February 2029. Mr. Chan Kwok Leung will be entitled to the remuneration of RMB300,000 per annum (before tax), being the remuneration standard for the international independent non-executive Directors, which is determined with reference to the relevant position and duties as well as the prevailing market rate and shall be subject to approval of the Shareholders at the AGM.

As at the Latest Practicable Date, Mr. Chan Kwok Leung and his spouse held 295,000 H Shares of the Company, of which 235,000 H Shares were held by Mr. Chan Kwok Leung and 60,000 H Shares were held by his spouse.

Save as disclosed above, as at the Latest Practicable Date, Mr. Chan Kwok Leung (i) did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; (ii) did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO; (iii) did not hold any other directorship in public companies the securities of which are listed on any securities markets in Hong Kong or overseas in the last three years; and (iv) did not hold any other positions with other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, there is no other information relating to Mr. Chan Kwok Leung that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any other matters in relation to his proposed appointment that need to be brought to the attention of the Shareholders.

Mr. Wu Daqi

Mr. Wu Daqi, aged 71, is currently an independent non-executive Director of the Company. Mr. Wu is a national second-level professor and a non-practicing certified public accountant. He was graduated from Shanghai University of Finance and Economics, majoring in accounting. From 2004 to 2014, he served as associate dean and a professor of Shanghai Institute of Finance. He served as deputy director (unattending) of the People's Congress of Pudong District, Shanghai from 2007 to 2017. He served as a counselor of the Shanghai Municipal People's Government from 2014 to 2022, providing decision-making consultation and retired in June 2022. From 2003, he had successively served as an independent director and chairman of the audit committee of listed companies including Shanshan (a company listed on the Shanghai Stock Exchange (stock code: 600884)), Shanghai Industrial Development (a company listed on the Shanghai Stock Exchange (stock code: 600748)), Oriental Enterprise (a company listed on the Shanghai Stock Exchange (stock code: 600278)), Lianhe Chemical Technology (a company listed on the Shanghai Stock Exchange (stock code: 002250)), Shanghai Electric Power (a company listed on the Shanghai Stock Exchange (stock code: 600021)) and SHRCB (a company

APPENDIX II BIOGRAPHICAL DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

listed on the Shanghai Stock Exchange (stock code: 601825)), and concurrently served as an external supervisor of Xishang Bank. After his retirement in 2022, Mr. Wu has been an independent director of the listed company J-Yuan Trust (formerly known as Anxin Trust, a company listed on the Shanghai Stock Exchange (stock code: 600816)). He has served in academic roles including a member of the Financial Expert Committee of Accounting Society of China, vice president of the Finance Law Committee under the Shanghai Law Society, and honorary president of the Accounting Institute of Pudong New Area, Shanghai. His accounting and financial books include “Accounting Theory and Practice (《會計理論與實務》)”, “Accounting Law and Auditing Law (《會計法與審計法》)”, “Theory and Practice of Financial Accounting (《金融會計的理論與實務》)” and “Exploration and Practice on the Construction of Shanghai International Financial Centre (2020–2024) (《上海國際金融中心建設探索與實踐 (2020-2024)》)”. He was the editor-in-chief of the “Blue Book on the Construction of Shanghai International Financial Centre (《上海國際金融中心建設藍皮書》)” from 2009 to 2020. Mr. Wu was also a deputy to the Shanghai Municipal People’s Congress and a member of the Shanghai Municipal Committee of the Chinese People’s Political Consultative Conference. In 1995, he was awarded a special allowance by the State Council, and the title of National Prominent Teacher. He was awarded the title of Shanghai Outstanding Professional and Technical Talent in 2004.

Subject to approval of the Shareholders for the proposed re-election of Mr. Wu Daqi at the AGM, Mr. Wu Daqi will enter into a service contract with the Company for a service term commencing from 1 July 2026 upon the conclusion of the AGM, until the expiry of the term of the eighth session of the Board. Mr. Wu Daqi will be entitled to the remuneration of RMB150,000 per annum (before tax), being the remuneration standard for the domestic independent non-executive Directors, which is determined with reference to the relevant position and duties as well as the prevailing market rate and shall be subject to approval of the Shareholders at the AGM.

Save as disclosed above, as at the Latest Practicable Date, Mr. Wu Daqi (i) did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; (ii) did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO; (iii) did not hold any other directorship in public companies the securities of which are listed on any securities markets in Hong Kong or overseas in the last three years; and (iv) did not hold any other positions with other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, there is no other information relating to Mr. Wu Daqi that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any other matters in relation to his proposed appointment that need to be brought to the attention of the Shareholders.

APPENDIX III MEASURES FOR THE REMUNERATION MANAGEMENT OF DIRECTORS AND SENIOR MANAGEMENT

Measures for the Remuneration Management of Directors and Senior Management of COSCO SHIPPING Development Co., Ltd.

Chapter I General Provisions

Article 1 To further improve the remuneration management system for directors and senior management of COSCO SHIPPING Development Co., Ltd. (hereinafter referred to as the “Company”), and in accordance with the Company Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, and other laws, regulations, and normative documents, as well as the Articles of Association of COSCO SHIPPING Development Co., Ltd. (hereinafter referred to as the “Articles of Association”), these Measures are hereby formulated in light of the actual conditions of the Company.

Article 2 These Measures shall apply to all directors and senior management of the Company. Herein, senior management refers to the general manager, deputy general managers, chief accountant, secretary of the Board appointed by the Board, as well as other senior management personnel stipulated in the Articles of Association.

Article 3 The remuneration of directors and senior management of the Company shall follow the principles below:

- (1) Strict standardization and management: Standardize the order of corporate income distribution, and accelerate the establishment and improvement of an income distribution mechanism that combines incentives with constraints, and places equal emphasis on efficiency and fairness.
- (2) Serving the strategy orientation: Focus on enhancing core functions and improving core competitiveness, center on main responsibilities and core businesses, and provide strong support for the realization of the Company’s strategic goals.
- (3) Value creation orientation: Establish a remuneration distribution mechanism that is compatible with corporate functions, fits the characteristics of the positions, linked to performance appraisal, and closely connected to value contribution.
- (4) Coordination of market benchmarking and corporate reality: Based on the attributes and characteristics of the enterprise, benchmark against leading enterprises and those in specific sectors, and conduct scientific remuneration market benchmarking.

Chapter II Management Institutions

Article 4 The general meeting of the Company is responsible for deliberating remuneration matters concerning directors, and the Board of the Company is responsible for deliberating remuneration matters concerning senior management.

Article 5 The Board of the Company shall establish a remuneration committee, which is responsible for making recommendations to the Board on the remuneration plans for directors and senior management, supervising the implementation of remuneration policies, and exercising other powers related to the remuneration of directors and senior management as stipulated in relevant regulations.

Article 6 The human resources department and the securities and public relations department of the Company shall cooperate with the remuneration committee of the Board in carrying out the specific implementation of remuneration management for directors and senior management.

APPENDIX III MEASURES FOR THE REMUNERATION MANAGEMENT OF DIRECTORS AND SENIOR MANAGEMENT

Chapter III Remuneration of Directors

Article 7 Independent non-executive directors shall be subject to a fixed allowance system, which is paid on a monthly basis.

Article 8 Non-executive directors (excluding independent non-executive directors): Full-time external directors recommended by shareholders shall receive a basic salary and performance-based remuneration subject to assessment; Non-executive directors recommended by shareholders who hold concurrent positions at the shareholders' side shall not receive director's remuneration from the Company; Other non-executive directors shall receive fixed allowances by reference to those of independent non-executive directors.

Article 9 Executive directors shall receive corresponding remuneration based on the positions they hold in the Company. The remuneration consists of basic salary, performance-based annual salary, tenure incentives, medium-to-long-term incentives, and other compliant rewards, which shall be implemented with reference to Article 10.

Chapter IV Remuneration of Senior Management

Article 10 Composition of Remuneration

The remuneration of senior management of the Company consists of base salary, performance-based annual salary, tenure-based incentive, medium and long-term incentive, and other compliant rewards.

(1) Base Salary

Base salary is the fixed component of annual wage-based remuneration, which is determined with reference to market remuneration levels, industry positioning, and the actual conditions of the Company.

(2) Performance-Based Annual Salary

Performance-based annual salary is the variable component of annual wage-based remuneration, and its proportion in the sum of base salary and performance-based annual salary shall generally not be less than 50 percent. The performance-based annual salary is linked to the Company's assessment results and individual assessment results, with such assessments conducted based on audited financial data and other indicators.

(3) Tenure-Based Incentive

Tenure-based incentive is the remuneration linked to the results of tenure performance assessments.

(4) Medium and Long-Term Incentive

In accordance with the laws, regulations and relevant policies of the state and the listing place, the Company may formulate medium and long-term incentive plans in the form of equity, profit sharing or others. The determination and payment of medium and long-term incentive shall be based primarily on performance appraisal results.

APPENDIX III MEASURES FOR THE REMUNERATION MANAGEMENT OF DIRECTORS AND SENIOR MANAGEMENT

(5) Other Compliant Rewards

Other rewards that comply with relevant provisions on remuneration management.

Article 11 Payment of Remuneration

- (1) Base Salary: Paid monthly in accordance with prescribed standards.
- (2) Performance-Based Annual Salary: Subject to strict rigid constraints, reinforcing the linkage with performance outcomes, and paid upon completion of the performance appraisal.

A deferred payment mechanism for the performance-based annual salary shall be established. After the performance-based annual salary is determined, 90% thereof shall be paid in the same year, and the remaining 10% shall be paid on a deferred basis, with such deferred portion linked to risk prevention and control, duty performance, and other factors.

- (3) Tenure-Based Incentive and Other Compliant Rewards: Paid upon the end of the tenure or upon completion of the annual performance appraisal.
- (4) Medium and Long-Term Incentive: Strictly implemented in accordance with the relevant incentive plans, and included in the total remuneration scale for management in accordance with the requirements of regulatory authorities.
- (5) In the event of a change in position during the year, the Company shall calculate remuneration by segments based on positions held and actual tenure duration.

Chapter V Suspension of Payment and Recovery of Remuneration

Article 12 Where directors and senior management fall under any of the following circumstances, the Company may deduct, suspend payment of or recover retrospectively their performance-based annual salary, tenure-based incentive, medium and long-term incentive (if any) as appropriate:

1. Where the Company restates its financial statements due to financial fraud or other misstatements, and excess remuneration is confirmed upon reassessment.
2. Where they breach their obligations and cause losses to the Company, or are at fault for illegal and non-compliant acts including financial fraud, fund occupation and illegal guarantee provision.
3. Other circumstances where remuneration shall be deducted or recovered retrospectively as stipulated by applicable laws and regulations or confirmed by the Company.

Chapter VI Supplementary Provisions

Article 13 All remuneration payable to the Company's directors and senior management is stated on a pre-tax basis, and the Company shall withhold and remit individual income in accordance with relevant national provisions.

**APPENDIX III MEASURES FOR THE REMUNERATION MANAGEMENT OF
DIRECTORS AND SENIOR MANAGEMENT**

Article 14 Matters not covered herein or inconsistent with laws and regulations of the state and the listing place and the Articles of Association shall be governed by the aforesaid laws and regulations of the state and the listing place and the Articles of Association.

Article 15 These Measures shall be interpreted and revised by the Board of the Company.

Article 16 These Measures shall take effect from the year 2026 after being considered and approved at the general meeting of the Company.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 circular 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 document misleading.

2. DISCLOSURE OF INTERESTS

Interests and short positions of Directors and chief executives

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or chief executive(s) of the Company had any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Directors or chief executive(s) is taken or deemed to have under such provisions of the SFO) or which was required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or which was otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers adopted by the Company.

Name	Position	Class of Shares	Capacity	Number of Shares interested (Note 1)	Approximate percentage of the total number of the relevant class of Shares of the Company (%)	Approximate percentage of the issued share capital of the Company (%)
Chan Kwok Leung	Director	H Shares	Beneficial owner	235,000 (L)	0.01	0.00
		H Shares	Interest of spouse	60,000 (L) (Notes 2)	0.00	0.00

Notes:

- “L” means long position in the shares.
- The spouse of Mr. Chan Kwok Leung is the beneficial owner of 60,000 H Shares. Mr. Chan Kwok Leung is deemed to be interested in the 60,000 H Shares within the meaning of Part XV of the SFO.

Positions held by Directors in substantial Shareholder(s)

As at the Latest Practicable Date, Ms. Zhang Xueyan, a non-executive Director, was also a deputy general manager of the capital management & operation division of COSCO SHIPPING and a non-executive Director of COSCO SHIPPING Investment Holdings Co., Limited.

Save as disclosed above, none of the Directors was, as at the Latest Practicable Date, a director or employee of a company which had an interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Interests of substantial Shareholders

As at the Latest Practicable Date, so far as was known to the Directors or chief executive(s) of the Company, the interests or short positions of the Shareholders who are entitled to exercise or control 5% or more of the voting power at any general meeting or other persons (other than a Director, or chief executive(s) of the Company) in the Shares or underlying shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register kept by the Company pursuant to Section 336 of the SFO or which have been notified to the Company and the Hong Kong Stock Exchange were as follows:

Name of Shareholder	Class of Shares	Capacity	Number of Shares interested (Note 1)	Approximate percentage of the total number of the relevant class of Shares of the Company (%)	Approximate percentage of the issued share capital of the Company (%)
China Shipping	A Shares	Beneficial owner	4,628,015,690 (L)	47.46	35.07
	A Shares	Interest of controlled corporation	1,447,917,519 (L) (Note 2)	14.85	10.97
	H Shares	Interest of controlled corporation	100,944,000 (L) (Note 3)	2.93	0.76
COSCO SHIPPING	A Shares	Interest of controlled corporation	6,075,933,209 (L)	62.30	46.04
	A Shares	Beneficial owner	47,570,789 (L)	0.49	0.36
	H Shares	Interest of controlled corporation	100,944,000 (L) (Note 3)	2.93	0.76
COSCO SHIPPING Investment Holdings Co., Limited	A Shares	Beneficial owner	1,447,917,519 (L) (Note 2)	14.85	10.97
	H Shares	Interest of controlled corporation	100,944,000 (L) (Note 3)	2.93	0.76

Notes:

1. "L" means long position in the Shares.
2. Such 1,447,917,519 A Shares represent the same block of Shares.
3. Such 100,944,000 H Shares represent the same block of Shares and is held by Ocean Fortune Investment Limited, an indirectly wholly-owned subsidiary of China Shipping.

Save as disclosed above, as at the Latest Practicable Date, no other person (other than Directors or chief executive(s) of the Company) had any interests or short positions in any Shares or underlying shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or any interests or short positions recorded in the register kept by the Company pursuant to Section 336 of the SFO or any interests or short positions which have been notified to the Company and the Hong Kong Stock Exchange.

3. NO MATERIAL ADVERSE CHANGE

The Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with any member of the Group which does not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

5. LITIGATION

As at the Latest Practicable Date, no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

6. MATERIAL INTERESTS

As at the Latest Practicable Date:

- (a) none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2025 (being the date to which the latest published audited accounts of the Company were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) none of the Directors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.

7. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors, nor any of their respective close associates had any interest in other business which competes or may compete, either directly or indirectly, with the business of the Group as if each of them was treated as a controlling shareholder under Rule 8.10 of the Hong Kong Listing Rules.

8. EXPERTS' QUALIFICATIONS AND CONSENT

The following are the qualifications of the experts who have given their opinions or advice which are contained in this circular:

Name	Qualification
Messis Capital Limited	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Zhong Tong Cheng Assets Appraisal Co., Ltd.	Independent valuer

As at the Latest Practicable Date, each of the abovementioned experts had given and had not withdrawn its written consent to the issue of this circular with the inclusion of its letter or opinion and/or the reference to its name and opinions in the form and context in which they respectively appear.

As at the Latest Practicable Date, each of the abovementioned experts did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, each of the abovementioned experts did not have any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group, or was proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025 (being the date to which the latest published audited statements of the Group were made up).

As at the Latest Practicable Date, the abovementioned experts had given and had not withdrawn its written consent to the issue of this circular, with the inclusion herein of its letter of advice dated 8 June 2026 in connection with their advice to the Independent Board Committee and the Independent Shareholders, and references to its name and/or its advice in the form and context in which they appeared.

9. DOCUMENTS ON DISPLAY

Copies of the following documents are on display and are published on the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://development.coscoshipping.com>) for a period of 14 days from the date of this circular:

- (a) the Assignment and Novation Agreements;
- (b) the letter from the Board, the text of which is set out in the section headed “Letter from the Board” in this circular;
- (c) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, the text of which is set out in the section headed “Letter from the Independent Financial Adviser” in this circular; and
- (d) the written consent referred to in the paragraph headed “Expert’s Qualifications and Consent” in this appendix.

This report is prepared in accordance with the Standards for Asset Appraisal of PRC

Asset Valuation Report

**on the Market Value of Eight Vessels under Construction
involved in the Assets Proposed to be Transferred by
WAI FUNG SHIPPING LIMITED**

Zhong Tong Ping Bao Zi [2026] No. 11057

Vol. 1 of 1

Disclaimer, Summary, Text and Annexes

China Tong Cheng Assets Appraisal Co., Ltd.

13 May 2026

CONTENTS**Volume 1 (Disclaimer, Summary, Text and Annexes)****Disclaimer****Summary****Text**

- I. Overview of the Principal, the Appraised Entity and Other Users of the Asset Valuation Report as Agreed in the Asset Valuation Engagement Contract
- II. Purpose of Valuation
- III. Valuation Object and Valuation Scope
- IV. Type of Value
- V. Valuation Benchmark Date
- VI. Basis of Valuation
- VII. Valuation Method
- VIII. Process and Implementation of Valuation Procedures
- IX. Valuation Assumptions
- X. Valuation Conclusion
- XI. Explanations to Special Matters
- XII. Limitations on Use of the Asset Valuation Report
- XIII. Date of the Asset Valuation Report

Annexes

Disclaimer

- I. This asset valuation report is prepared in accordance with the Basic Standards for Asset Valuation issued by the Ministry of Finance and the Asset Valuation Practicing Standards and Professional Ethics Standards issued by the China Appraisal Society.
- II. The principals or other users of the asset valuation report shall use the asset valuation report in accordance with the provisions of laws, administrative regulations and the scope of use specified herein; if the principals or other users of the asset valuation report fail to use the asset valuation report in accordance with the aforesaid requirements, the asset valuation institution and the asset appraisers shall not be liable.

This asset valuation report shall only be used by the principals, other users of the asset valuation report as agreed in the asset valuation engagement contract and users of the asset valuation report as stipulated by laws and administrative regulations. Except for the above, no other institution or individual shall be a user of the asset valuation report.

The asset valuation institution and the asset appraisers advise that users of the asset valuation report should correctly understand and apply the valuation conclusion, which is not equivalent to the realizable price of the valuation object, and the valuation conclusion should not be regarded as a guarantee for the realizable price of the valuation object.

- III. The asset valuation institution and the asset appraisers adhere to the principles of independence, objectivity and impartiality, comply with laws, administrative regulations and asset valuation standards, and assume responsibility for the asset valuation report issued in accordance with the law.
- IV. The assets and other relevant information of the valuation object shall be reported by the principals and the appraised entity and confirmed by signing, sealing or other means permitted by law; the principals and other relevant parties shall be responsible for the authenticity, completeness and legality of the information provided by them in accordance with the law.
- V. The asset valuation institution and the asset appraisers have no existing or expected interests in the valuation object of the asset valuation report. There is no existing or expected interest in the relevant parties, and therefore there is no prejudice against the relevant parties.
- VI. The vessels subject to appraisal were to be constructed by COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD. As of the date of this report, the first installment of the construction funds has been paid, and construction has not yet commenced, therefore the asset appraisers have not conducted an on-site investigation of the vessels subject to appraisal. Accordingly, we performed alternative procedures and obtained relevant documents including the shipbuilding contracts and payment vouchers. Necessary attention has been paid to the legal ownership of the valuation object and the assets involved, and the legal ownership information of the valuation object and the assets involved has been verified. The issues identified have been truthfully disclosed, and the principals and other relevant parties have been requested to improve their title to meet the requirements for issuing the asset valuation report.
- VII. The analyses, judgments and conclusions in the asset valuation report issued by the asset valuation institution are subject to the assumptions and limitations contained therein. Users of the asset valuation report shall fully consider the assumptions, limitations and explanations on specific matters set out in the asset valuation report and their impact on the valuation conclusion.

Summary

I. ECONOMIC ACTIVITY CORRESPONDING TO THIS VALUATION

WAI FUNG SHIPPING LIMITED intends to transfer eight vessels under construction. The economic activity has obtained approval by the Resolution of the 17th Meeting of the 3rd Session of the Board of Directors of COSCO SHIPPING Bulk.

II. PURPOSE OF VALUATION

The purpose of this valuation is to provide a valuation reference for the proposed transfer of eight vessels under construction by WAI FUNG SHIPPING LIMITED.

III. VALUATION OBJECT AND VALUATION SCOPE

The appraised valuation object and scope are consistent with the valuation object and scope involved in the economic activity.

The valuation object under the asset valuation is the market value of the eight vessels under construction proposed to be transferred by WAI FUNG SHIPPING LIMITED on the valuation benchmark date.

The scope of valuation is eight vessels under construction proposed to be transferred by WAI FUNG SHIPPING LIMITED on the valuation benchmark date. The book value of the eight vessels under construction is RMB1,355,289,900.

IV. TYPE OF VALUE

Market Value

V. VALUATION BENCHMARK DATE

31 December 2025

VI. VALUATION METHOD

The cost approach was adopted in this valuation.

VII. VALUATION CONCLUSION AND ITS VALIDITY PERIOD

On the valuation benchmark date, being 31 December 2025, the book value of eight vessels under construction proposed to be transferred by WAI FUNG SHIPPING LIMITED was RMB1,355,289,900 before valuation. After valuation, the appraised value was RMB1,387,311,300 (RENMINBI ONE BILLION THREE HUNDRED EIGHTY-SEVEN MILLION THREE HUNDRED ELEVEN THOUSAND THREE HUNDRED ONLY, rounding to the nearest hundred).

The valuation conclusion disclosed in this valuation report is valid for one year from the valuation benchmark date of 31 December 2025 to 30 December 2026.

VIII. SPECIAL MATTERS AFFECTING THE VALUATION CONCLUSION

(I) Significant use of expert work

Nil.

(II) Incomplete or defective ownership information

Nil.

(III) Restrictions on valuation procedures

Nil.

(IV) Incomplete valuation materials

Nil.

(V) Pending legal and economic matters as at the valuation benchmark date

Nil.

(VI) The nature and amount of guarantees, leases and its contingent liabilities (contingent assets) and the relationship with the valuation object

Based on the shipbuilding contracts on the eight vessels under construction, namely “N1328”, “N1329”, “N1330”, “N1331”, “N1332”, “N1333”, “N1334” and “N1335”, the construction of the appraised vessels under construction has not been completed as at the valuation benchmark date.

Name of vessel	Manufacturer	Contractual price <i>(US\$0'000)</i>	Amount paid <i>(US\$0'000)</i>	Amount paid <i>(US\$0'000)</i>
N1328	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1329	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306

Name of vessel	Manufacturer	Contractual price <i>(US\$0'000)</i>	Amount paid <i>(US\$0'000)</i>	Amount paid <i>(US\$0'000)</i>
N1330	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1331	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1332	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1333	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1334	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1335	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306

Note: The above contractual price is tax-exclusive.

(VII) Significant subsequent matters

Nil.

(VIII) Deficiencies in the economic activity corresponding to the asset valuation that may have a material effect on the valuation conclusion

Nil.

(IX) Other special matters on the valuation conclusion

1. The valuation amounts stated here are exclusive of tax.
2. This valuation does not take into account the impact of relevant taxes and fees associated with the property transactions on the valuation results.
3. The exchange rate of USD against RMB on the valuation benchmark date adopted in this valuation was 7.0288, while the exchange rate of USD against RMB declined to 6.8593 as of the issue date of this report. Users of the report are reminded to pay attention to the exchange rate fluctuations subsequent to the valuation benchmark date.
4. In the asset valuation report, where any tables or textual expressions present monetary figures in ten thousand yuan, any minor discrepancies between the total amount and the sum of individual item amounts shall be attributable to rounding differences.
5. Vessels are specialized assets and have higher requirements on safety. According to relevant national regulations, regular or irregular inspections are required to be conducted by specific inspection departments. Due to the restrictions on the inspection means, inspection fees and the capability of appraisers, we did not conduct specific technical inspections on vessels within the scope of valuation. The appraisal agency therefore does not assume responsibility for issuing opinions on all possible technical and safety issues of the appraised vessels arising after the valuation benchmark date.
6. The valuation conclusion represents the price standard as at the valuation benchmark date, and does not take into account any impact on the valuation conclusion arising from changes in market prices subsequent to the valuation benchmark date. Should market prices change significantly after the valuation benchmark date, a revaluation shall be required.

The above content is extracted from the text of the valuation report. To understand the details of this valuation and correctly understand the valuation conclusion, please read the text of the valuation report.

**Asset Valuation Report on
the Market Value of Eight Vessels under Construction
involved in the Assets Proposed to be Transferred by
WAI FUNG SHIPPING LIMITED**

Zhong Tong Ping Bao Zi [2026] No. 11057

WAI FUNG SHIPPING LIMITED,

Upon your engagement, we, China Tong Cheng Assets Appraisal Co., Ltd., have conducted a valuation on the market value of the eight vessels under construction proposed to be transferred by WAI FUNG SHIPPING LIMITED as at 31 December 2025, by way of adopting the cost approach and carrying out necessary valuation procedures in accordance with laws, administrative regulations and asset valuation standards, and adhering to the principles of independence, objectivity and impartiality. We hereby report the details of the asset valuation as follows.

I. OVERVIEW OF THE PRINCIPAL, THE APPRAISED ENTITY AND OTHER USERS OF THE ASSET VALUATION REPORT AS AGREED IN THE ASSET VALUATION ENGAGEMENT CONTRACT

(I) Overview of the Principal and the Appraised Entity

Name: WAI FUNG SHIPPING LIMITED

Business registration number: 63926514

Domicile: 33/F, Kowloon Commerce Centre Tower 2, 51 Kwai Cheong Road, Kwai Chung, Hong Kong

Company type: Limited liability company

Date of establishment: 13 October 2014

(II) Relationship between the Principal and the Appraised Entity

The principal and the appraised entity are both WAI FUNG SHIPPING LIMITED.

(III) Overview of Other Users of the Valuation Report

Except for the principal, the appraised entity and users of the valuation report as provided by national laws and regulations, no other users of the valuation report were provided in the asset valuation engagement contract.

II. PURPOSE OF VALUATION

As WAI FUNG SHIPPING LIMITED intends to transfer eight vessels under construction, it is necessary to appraise the assets involved in this economic activity to ascertain the value of the aforesaid assets and provide value reference. The economic activity has obtained approval, with the supporting economic activity document being the Resolution of the 17th Meeting of the 3rd Session of the Board of Directors of COSCO SHIPPING Bulk.

III. VALUATION OBJECT AND VALUATION SCOPE

The appraised valuation object and scope are consistent with the valuation object and scope involved in the economic activity.

The valuation object under the asset valuation is the market value of the eight vessels under construction proposed to be transferred by WAI FUNG SHIPPING LIMITED on the valuation benchmark date.

The scope of valuation is eight vessels under construction proposed to be transferred by WAI FUNG SHIPPING LIMITED on the valuation benchmark date. The book value of the eight vessels under construction is RMB1,355,289,900.

The eight vessels under construction, namely “N1328”, “N1329”, “N1330”, “N1331”, “N1332”, “N1333”, “N1334” and “N1335”, are constructed by COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD., each with a vessel deadweight tonnage of approximately 211,000 tonnes, a total length of 299.99 meters, a breadth of 50 meters and a depth of 25.2 meters. The type of the main engine of the vessels is WINGD 6X72-B-DBT-HPSCR and the contractual price is US\$75,800,000. The contractual price, payment and scheduled delivery time of the appraised vessels under construction are agreed as follows:

Name of vessel	Manufacturer	Contractual price (US\$0'000)	Amount paid (US\$0'000)	Commencement date of construction	Delivery time
N1328	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	1 August 2026	31 August 2027
N1329	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	17 August 2026	31 October 2027
N1330	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	19 October 2026	31 December 2027
N1331	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	15 December 2026	29 February 2028

Name of vessel	Manufacturer	Contractual price (US\$0'000)	Amount paid (US\$0'000)	Commencement date of construction	Delivery time
N1332	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	24 March 2027	31 May 2028
N1333	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	24 May 2027	31 July 2028
N1334	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	23 July 2027	30 September 2028
N1335	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	8 October 2027	30 November 2028

Note: The above contractual price is tax-exclusive.

IV. TYPE OF VALUE

The types of the valuation value include the market value and other types of value except for the market value. Other types of value except for the market value generally include (but are not limited to) the investment value, the value in use, the liquidation value and the residual value. The purpose of the valuation is to provide value reference for a normal transaction, without special restrictions or requirements on market conditions and the use of the valuation object. Therefore, the market value is adopted as the type of value in the valuation in accordance with industry practices.

Market value refers to the estimated value of the valuation target in an arm's length transaction made in the ordinary course of business on the valuation benchmark date between a willing buyer and a willing seller who has each acted rationally and without compulsion.

V. VALUATION BENCHMARK DATE

The valuation benchmark date is 31 December 2025.

Major factors considered by the principal in determining the valuation benchmark date include the time requirement on the implementation of the economic activity. It adopted the end of the accounting period to facilitate the defining of the scope of valuation and the accurate and efficient stocktaking of assets.

VI. BASIS OF VALUATION**(I) Basis of Economic Activity**

1. Resolution of the 17th Meeting of the 3rd Session of the Board of Directors of COSCO SHIPPING Bulk.

(II) Legal Basis Provided by Laws and Regulations

1. Asset Appraisal Law of the People's Republic of China;
2. Law of the People's Republic of China on the State-owned Assets in Enterprises;
3. Civil Code of the People's Republic of China;
4. Measures for the Administration of State-owned Assets Appraisal (Order No. 91 of the State Council, latest amended by Order No. 732 of the State Council);
5. Detailed Rules for the Implementation of the Administrative Measures of State-owned Assets Assessment (Guo Zi Ban Fa [1992] No. 36);
6. Provisional Regulations on the Supervision and Administration of State-owned Assets of Enterprises (Order No. 378 of the State Council, latest amended by Order No. 709 of the State Council);
7. Opinions on Reforming the Administration of State-owned Assets Appraisal and Strengthening Supervision and Administration of Assets Appraisal (Guo Ban Fa [2001] No. 102);
8. Interim Measures for the Administration of Assessment of State-owned Assets of Enterprises (Order No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council);
9. Regulations on Certain Issues Concerning State-owned Assets Appraisal (Order No. 14 of the Ministry of Finance);
10. Measures for the Supervision and Administration of the Trading of State-owned Assets of Enterprises (Order No. 32 of the State-owned Assets Supervision and Administration Commission and the Ministry of Finance of the State Council);
11. Notice on the Guidelines on the Publication and Distribution of the Filing of State-owned Assets Appraisal Projects for Enterprises (Guo Zi Fa Chan Quan [2013] No. 64);
12. Financial Supervision and Administration Measures on the Assets Evaluation Industry (Order No. 86 of the Ministry of Finance);
13. Notice on Strengthening the Administration of State-owned Assets Appraisal of Enterprises (Guo Zi Wei Chan Quan [2006] No. 274);

14. Notice on Relevant Matters Concerning the Examination of Appraisal Reports on State-owned Assets of Enterprises (Guo Zi Chan Quan [2009] No. 941);
15. Notice on Matters Concerning the Optimization of Asset Appraisal Management of Central Enterprises (Guo Zi Fa Chan Quan Gui [2024] No. 8);
16. Regulation on the Implementation of the Value-Added Tax Law of the People's Republic of China (Order No. 826 of the State Council of the People's Republic of China);
17. Value-added Tax Law of the People's Republic of China (passed at the 13th session of the 14th Standing Committee of the National People's Congress on 25 December 2024);
18. Notice on Comprehensively Implementing the Pilot Program of Replacing Business Tax with Value-Added Tax (Cai Shui [2016] No. 36);
19. Announcement on Policies Concerning Deepening the Reform of Value-Added Tax (Announcement of the Ministry of Finance, State Taxation Administration and General Administration of Customs [2019] No. 39).

(III) Basis of Valuation Standards

1. Basic Asset Valuation Standards (Cai Zi [2017] No. 43);
2. Professional Code of Ethics for Asset Valuation (Zhong Ping Xie [2017] No. 30);
3. Practice Guidelines for Asset Valuation – Asset Valuation Procedures (Zhong Ping Xie [2018] No. 36);
4. Practice Guidelines for Asset Valuation – Asset Valuation Report (Zhong Ping Xie [2018] No. 35);
5. Practice Guidelines for Asset Valuation – Asset Valuation Methodology (Zhong Ping Xie [2019] No. 35);
6. Practice Guidelines for Asset Valuation – Asset Valuation Engagement Contract (Zhong Ping Xie [2017] No. 33);
7. Practice Guidelines for Asset Valuation – Asset Valuation Files (Zhong Ping Xie [2018] No. 37);
8. Guiding Opinions on Types of Value under Asset Valuation (Zhong Ping Xie [2017] No. 47);
9. Guiding Opinions on Legal Ownership of the Asset Valuation Target (Zhong Ping Xie [2017] No. 48);
10. Practice Guidelines for Asset Valuation – Machinery and Equipment (Zhong Ping Xie [2017] No. 39);

11. Guidance on Valuation Report of State-owned Assets of Enterprises (Zhong Ping Xie [2017] No. 42);
12. Quality Control Guidance on the Business of Asset Valuation Agency (Zhong Ping Xie [2017] No. 46).

(IV) Ownership Basis

The shipbuilding contracts.

(V) Pricing Basis

1. Valuation declaration forms, shipbuilding contracts and the records of inquiry, inspection and verification;
2. Vessel price information of Clarksons and other information on the shipping market.

(VI) Other Reference Basis

1. Other valuation-related information obtained through consultation with the principal.

VII. VALUATION METHOD

(I) Selection of Valuation Method and the Reasons

In accordance with the requirements of the Basic Standards for Asset Valuation, the applicability of the three basic methods, namely the income approach, market approach, and cost approach, should be analyzed based on the valuation purpose, valuation object, type of value, collection of materials and relevant conditions, and the valuation method should be selected in accordance with laws.

Based on the purpose of valuation and the characteristics of the assets entrusted for valuation, the valuation is based on the assumption of the continuous use of the assets. In respect of the market approach, due to the differences in shipbuilders and major equipment selected by them, the transaction cases in the market cannot accurately consider the impacts of the above factors on the price and hence the market approach is not adopted. In respect of the income approach, the freight rate in the shipping market fluctuates significantly due to domestic and international economic conditions, and the future market price of vessels cannot be reliably predicted. Therefore, the income approach is not appropriate for this valuation. In respect of the cost approach, the construction cost of vessels as at the valuation benchmark date can be accurately and reasonably calculated based on shipbuilding contracts and market price analysis reports. Accordingly, the cost approach is applicable to this valuation.

(II) Cost Approach

Based on the purpose of valuation, the valuation object is the market value of the eight vessels under construction, namely “N1328”, “N1329”, “N1330”, “N1331”, “N1332”, “N1333”, “N1334” and “N1335”. The calculation formula is as follows:

Market value of the vessels under construction = Book value in US dollars of the appraised vessels under construction as at the valuation benchmark date × Exchange rate × Price index + Capital cost

1. Price index

The shipbuilding contract price as of the valuation benchmark date is determined by inquiry. The price index is derived by comparing the prices at the contract signing date and at the valuation benchmark date.

Price index = Price at the valuation benchmark date ÷ Price at the contract signing date

2. Determination of capital cost

Considerations are made in accordance with the reasonable shipbuilding period of the appraised vessels under construction, by reference to the 3-month Hong Kong Interbank Offered Rate (HIBOR) of 1.8152%, and on the basis of even capital injection.

Capital cost = (Book value in US dollars of the appraised vessels under construction as at the valuation benchmark date × Exchange rate × Price index) × Reasonable shipbuilding period × Corresponding bank loan rate for the same period / 2

VIII. PROCESS AND IMPLEMENTATION OF VALUATION PROCEDURES

(I) Acceptance of Engagement

Understand the general conditions of the assets entrusted for valuation and specify the valuation purpose, valuation object and valuation scope, valuation benchmark date and other basic matters in valuation after the discussions and communications with the principal, accept the engagement after the comprehensive analysis on the professional capability and independence and assessment of business risks and enter into the assets valuation engagement contract. Determine the type of the appraised value, formulate the valuation plan and establish the working group on valuation based on specific conditions.

(II) Collection of Materials

Guide the appraised entity to conduct asset stocktaking and prepare valuation materials, collect required information for assets valuation business, understand relevant factors affecting the asset value and pay attention to the legal ownership of the valuation object. Verify and validate the materials used in assets valuation in accordance with laws.

(III) Assessment and Estimation

Analyze, summarize and sort the materials on valuation based on the specific conditions of the asset valuation business and form the basis for the assessment and estimation and the preparation of the valuation report. Select the valuation method based on the valuation purpose, valuation object, type of value, collection of materials and other relevant conditions as well as the Practice Guidelines for Asset Valuation. Select the corresponding formula and parameters in analysis, calculation and judgment based on the valuation method adopted and analyze and judge valuation assumptions and restrictions which may affect the valuation business and the valuation conclusion. Comprehensively analyze the estimation results and form the valuation conclusion.

(IV) Issuance of Report

The responsible persons of the project prepare the preliminary asset valuation report based on the valuation conclusion after assessment and estimation. The firm carries out internal review on the preliminary asset valuation report in accordance with laws, administrative regulations, the standards for asset appraisal and the internal quality control system and issues the formal asset valuation report after conducting necessary communications on relevant contents of the valuation report with the principal and other relevant parties.

IX. VALUATION ASSUMPTIONS

The following are the valuation assumptions on which the establishment of the valuation report and conclusions is premised:

1. Transaction assumption. The transaction assumption is that all assets to be appraised are in the process of transaction, and the appraisers will make estimation in a simulated market according to the transaction conditions (among others) of assets to be appraised.
2. Open market assumption. The open market assumption is that the assets to be appraised are traded in an open market to realize their market value. The market value of the assets is subject to the market mechanism and determined by the market conditions instead of individual transactions. An open market is a fully developed and comprehensive market condition, a competitive market with willing buyers and sellers, where buyers and sellers are on equal footing and have opportunity and time to access adequate market information, and where transactions between buyers and sellers are conducted under voluntary, rational, non-binding or unrestricted conditions.
3. In-use and continue-to-use assumption. The in-use and continue-to-use assumption refers to the assumption that the assets to be appraised in use would continue to be used in accordance with its current purposes and manner after the change in property rights or the occurrence of asset business.
4. It is assumed that the vessels under construction will be executed in accordance with the shipbuilding contract schedule in the future.
5. It is assumed that the appraised entity will not be subject to any other force majeure events or unforeseen factors that will have a material adverse impact on the vessel construction in the future.

X. VALUATION CONCLUSION

On the valuation benchmark date, being 31 December 2025, the book value of eight vessels under construction proposed to be transferred by WAI FUNG SHIPPING LIMITED was RMB1,355,289,900. After valuation, the appraised value was RMB1,387,311,300 (RENMINBI ONE BILLION THREE HUNDRED EIGHTY-SEVEN MILLION THREE HUNDRED ELEVEN THOUSAND THREE HUNDRED ONLY, rounding to the nearest hundred), representing an increase of RMB32,021,300 over the book value, with an appreciation rate of 2.36%.

Summary Table of Asset Valuation Results

Valuation benchmark date: 31 December 2025

Appraised entity: WAI FUNG SHIPPING LIMITED

Unit: RMB0'000

Item	Book value A	Appraised value B	Appreciation/ depreciation C=B-A	Appreciation rate D=C/A×100%
Non-current assets	135,528.99	138,731.13	3,202.13	2.36%
Wherein: Vessel under construction N1328	16,930.29	17,341.39	411.10	2.43%
Vessel under construction N1329	16,930.29	17,341.39	411.10	2.43%
Vessel under construction N1330	16,930.29	17,341.39	411.10	2.43%
Vessel under construction N1331	16,947.63	17,341.39	393.76	2.32%
Vessel under construction N1332	16,947.63	17,341.39	393.76	2.32%
Vessel under construction N1333	16,947.63	17,341.39	393.76	2.32%
Vessel under construction N1334	16,947.63	17,341.39	393.76	2.32%
Vessel under construction N1335	16,947.63	17,341.39	393.76	2.32%
Total assets	135,528.99	138,731.13	3,202.13	2.36%

The validity period of this valuation conclusion is one year, commencing from the valuation benchmark date, being 31 December 2025 and expiring on 30 December 2026.

The valuation conclusion is based on the aforesaid valuation assumptions.

XI. EXPLANATIONS TO SPECIAL MATTERS

(I) Significant use of expert work

Nil.

(II) Incomplete or defective ownership information

Nil.

(III) Restrictions on valuation procedures

Nil.

(IV) Incomplete valuation materials

Nil.

(V) Pending legal and economic matters as at the valuation benchmark date

Nil.

(VI) The nature and amount of guarantees, leases and its contingent liabilities (contingent assets) and the relationship with the valuation object

Based on the shipbuilding contracts on the eight vessels under construction, namely “N1328”, “N1329”, “N1330”, “N1331”, “N1332”, “N1333”, “N1334” and “N1335”, the construction of the appraised vessels under construction has not been completed as at the valuation benchmark date.

Name of vessel	Manufacturer	Contractual price (US\$0'000)	Amount paid (US\$0'000)	Amount paid (US\$0'000)
N1328	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1329	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1330	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306

Name of vessel	Manufacturer	Contractual price (US\$0'000)	Amount paid (US\$0'000)	Amount paid (US\$0'000)
N1331	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1332	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1333	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1334	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306
N1335	COSCO SHIPPING HEAVY INDUSTRY (YANGZHOU) CO., LTD.	7,580	2,274	5,306

Note: The above contractual price is tax-exclusive.

(VII) Significant subsequent matters

Nil.

(VIII) Deficiencies in the economic activity corresponding to the asset valuation that may have a material effect on the valuation conclusion

Nil.

(IX) Other special matters on the valuation conclusion

1. The valuation amounts stated here are exclusive of tax.
2. This valuation does not take into account the impact of relevant taxes and fees associated with the property transactions on the valuation results.
3. The exchange rate of USD against RMB on the valuation benchmark date adopted in this valuation was 7.0288, while the exchange rate of USD against RMB declined to 6.8593 as of the issue date of this report. Users of the report are reminded to pay attention to the exchange rate fluctuations subsequent to the valuation benchmark date.

4. In the asset valuation report, where any tables or textual expressions present monetary figures in ten thousand yuan, any minor discrepancies between the total amount and the sum of individual item amounts shall be attributable to rounding differences.
5. Vessels are specialized assets and have higher requirements on safety. According to relevant national regulations, regular or irregular inspections are required to be conducted by specific inspection departments. Due to the restrictions on the inspection means, inspection fees and the capability of appraisers, we did not conduct specific technical inspections on vessels within the scope of valuation. The appraisal agency therefore does not assume responsibility for issuing opinions on all possible technical and safety issues of the appraised vessels arising after the valuation benchmark date.
6. The valuation conclusion represents the price standard as at the valuation benchmark date, and does not take into account any impact on the valuation conclusion arising from changes in market prices subsequent to the valuation benchmark date. Should market prices change significantly after the valuation benchmark date, a revaluation shall be required.

XII. LIMITATIONS ON USE OF THE ASSET VALUATION REPORT

- (I) The valuation report shall be used for the valuation purpose and use set out in the valuation report. For the excerpt, reference and disclosure of all or part of the contents of the valuation report, relevant contents shall be reviewed by the appraisal agency unless it is otherwise provided by laws and regulations and agreed by relevant parties;
- (II) The appraisal agency and its asset appraisers take no responsibility if the principal or other users of the asset valuation report fail to use this asset valuation report in accordance with the provisions of laws and administrative regulations and the scope of use set out in the asset valuation report;
- (III) Except for the principal, the other users of the asset valuation report as agreed in the asset valuation engagement contract and the users of the asset valuation report as stipulated in the laws and administrative regulations, no other institution or individual shall be the user of the asset valuation report;
- (IV) Users of the asset valuation report should correctly interpret and use the valuation conclusion, which is not equivalent to the realizable value of the valuation object and should not be considered as a guarantee for the realizable value of the valuation object.

XIII. DATE OF THE ASSET VALUATION REPORT

The date of the asset valuation report is 13 May 2026.

Asset appraisers:

Asset appraisers:

13 May 2026

Annexes

- I. The Corresponding Economic Activity Document on the Valuation Purpose
- II. Business Licenses of the Principal and the Appraised Entity
- III. Major Ownership Proof Materials of the Valuation Object Involved
- IV. Letters of Undertaking of the Principal and Other Relevant Parties
- V. Letters of Undertaking of the Signatory Asset Appraisers
- VI. The Announcement on the Filing of the Appraisal Agency
- VII. Photocopy of the Business License of the Appraisal Agency
- XIII. Qualification Certificates of the Asset Appraisers Responsible for this Valuation Engagement
- IX. The Asset Valuation Engagement Contract
- X. The Breakdown of Asset Valuation

Letters of Undertaking of the Asset Appraisers

WAI FUNG SHIPPING LIMITED,

Entrusted by the Company, we have assessed the market value of eight vessels under construction proposed to be transferred by your Company, with 31 December 2025 as the valuation benchmark date, and compiled the asset valuation report. Subject to the assumptions disclosed in this report being valid, we undertake the following:

- I. We hold the relevant professional practicing qualifications;
- II. The valuation object and valuation scope are consistent with the terms set out in the asset valuation engagement contract;
- III. We have conducted necessary verification of the valuation object and the relevant assets involved;
- IV. Valuation methods have been adopted in compliance with the standards for asset valuation;
- V. All factors affecting the valuation amount have been fully considered;
- VI. The valuation conclusion is reasonable;
- VII. The valuation work has been conducted independently without any unlawful interference.

Asset appraisers' signature:

13 May 2026

This report is prepared in accordance with the Standards for Asset Appraisal of PRC

Asset Valuation Report

**on the Market Value of Two Vessels under Construction
involved in the Assets Proposed to be Transferred by
MARIENVOY SHIPPING LIMITED**

Zhong Tong Ping Bao Zi [2026] No. 11056

Vol. 1 of 1

Disclaimer, Summary, Text and Annexes

China Tong Cheng Assets Appraisal Co., Ltd.

13 May 2026

CONTENTS**Volume 1 (Disclaimer, Summary, Text and Annexes)****Disclaimer****Summary****Text**

- I. Overview of the Principal, the Appraised Entity and Other Users of the Asset Valuation Report as Agreed in the Asset Valuation Engagement Contract
- II. Purpose of Valuation
- III. Valuation Object and Valuation Scope
- IV. Type of Value
- V. Valuation Benchmark Date
- VI. Basis of Valuation
- VII. Valuation Method
- VIII. Process and Implementation of Valuation Procedures
- IX. Valuation Assumptions
- X. Valuation Conclusion
- XI. Explanations to Special Matters
- XII. Limitations on Use of the Asset Valuation Report
- XIII. Date of the Asset Valuation Report

Annexes

Disclaimer

- I. This asset valuation report is prepared in accordance with the Basic Standards for Asset Valuation issued by the Ministry of Finance and the Asset Valuation Practicing Standards and Professional Ethics Standards issued by the China Appraisal Society.
- II. The principals or other users of the asset valuation report shall use the asset valuation report in accordance with the provisions of laws, administrative regulations and the scope of use specified herein; if the principals or other users of the asset valuation report fail to use the asset valuation report in accordance with the aforesaid requirements, the asset valuation institution and the asset appraisers shall not be liable.

This asset valuation report shall only be used by the principals, other users of the asset valuation report as agreed in the asset valuation engagement contract and users of the asset valuation report as stipulated by laws and administrative regulations. Except for the above, no other institution or individual shall be a user of the asset valuation report.

The asset valuation institution and the asset appraisers advise that users of the asset valuation report should correctly understand and apply the valuation conclusion, which is not equivalent to the realizable price of the valuation object, and the valuation conclusion should not be regarded as a guarantee for the realizable price of the valuation object.

- III. The asset valuation institution and the asset appraisers adhere to the principles of independence, objectivity and impartiality, comply with laws, administrative regulations and asset valuation standards, and assume responsibility for the asset valuation report issued in accordance with the law.
- IV. The assets and other relevant information of the valuation object shall be reported by the principals and the appraised entity and confirmed by signing, sealing or other means permitted by law; the principals and other relevant parties shall be responsible for the authenticity, completeness and legality of the information provided by them in accordance with the law.
- V. The asset valuation institution and the asset appraisers have no existing or expected interests in the valuation object of the asset valuation report. There is no existing or expected interest in the relevant parties, and therefore there is no prejudice against the relevant parties.
- VI. The asset appraisers have conducted an on-site investigation of the vessels subject to appraisal. Necessary attention has been paid to the legal ownership of the valuation object and the assets involved, and the legal ownership information of the valuation object and the assets involved has been verified. The issues identified have been truthfully disclosed, and the principals and other relevant parties have been requested to improve their title to meet the requirements for issuing the asset valuation report.
- VII. The analyses, judgments and conclusions in the asset valuation report issued by the asset valuation institution are subject to the assumptions and limitations contained therein. Users of the asset valuation report shall fully consider the assumptions, limitations and explanations on specific matters set out in the asset valuation report and their impact on the valuation conclusion.

Summary

I. ECONOMIC ACTIVITY CORRESPONDING TO THIS VALUATION

MARIENVOY SHIPPING LIMITED intends to transfer two vessels under construction. The economic activity has obtained approval by the Resolution of the 17th Meeting of the 3rd Session of the Board of Directors of COSCO SHIPPING Bulk.

II. PURPOSE OF VALUATION

The purpose of this valuation is to provide a valuation reference for the proposed transfer of two vessels under construction by MARIENVOY SHIPPING LIMITED.

III. VALUATION OBJECT AND VALUATION SCOPE

The appraised valuation object and scope are consistent with the valuation object and scope involved in the economic activity.

The valuation object under the asset valuation is the market value of the two vessels under construction proposed to be transferred by MARIENVOY SHIPPING LIMITED on the valuation benchmark date.

The scope of valuation is two vessels under construction proposed to be transferred by MARIENVOY SHIPPING LIMITED. The book value of the two vessels under construction is US\$24,850,000.00.

IV. TYPE OF VALUE

Market Value

V. VALUATION BENCHMARK DATE

31 March 2026

VI. VALUATION METHOD

The cost approach was adopted in this valuation.

VII. VALUATION CONCLUSION AND ITS VALIDITY PERIOD

On the valuation benchmark date, being 31 March 2026, the book value of two vessels under construction proposed to be transferred by MARIENVOY SHIPPING LIMITED was US\$24,850,000. After valuation, the appraised value was US\$24,989,700 (US DOLLARS TWENTY-FOUR MILLION NINE HUNDRED EIGHTY-NINE THOUSAND SEVEN HUNDRED ONLY, rounding to the nearest hundred).

The valuation conclusion disclosed in this valuation report is valid for one year from the valuation benchmark date of 31 March 2026 to 30 March 2027.

VIII. SPECIAL MATTERS AFFECTING THE VALUATION CONCLUSION

- (I) Significant use of expert work

Nil.

- (II) Incomplete or defective ownership information

Nil.

- (III) Restrictions on valuation procedures

Nil.

- (IV) Incomplete valuation materials

Nil.

- (V) Pending legal and economic matters as at the valuation benchmark date

Nil.

- (VI) The nature and amount of guarantees, leases and its contingent liabilities (contingent assets) and the relationship with the valuation object

Based on the shipbuilding contracts on the two vessels under construction, namely “N1236” and “N1237”, the subsequent construction fees from the valuation benchmark date to the completion of the construction of the vessels were approximately US\$21,300,000 and US\$24,850,000, respectively. The construction of the appraised vessels under construction has not been completed as at the valuation benchmark date.

- (VII) Significant subsequent matters

Nil.

- (VIII) Deficiencies in the economic activity corresponding to the asset valuation that may have a material effect on the valuation conclusion

Nil.

- (IX) Other special matters on the valuation conclusion

1. The valuation amounts stated here are exclusive of tax.
2. This valuation does not take into account the impact of relevant taxes and fees associated with the property transactions on the valuation results.
3. The exchange rate of USD against RMB on the valuation benchmark date was 6.9194.

4. In the asset valuation report, where any tables or textual expressions present monetary figures in ten thousand yuan, any minor discrepancies between the total amount and the sum of individual item amounts shall be attributable to rounding differences.
5. Vessels are specialized assets and have higher requirements on safety. According to relevant national regulations, regular or irregular inspections are required to be conducted by specific inspection departments. Due to the restrictions on the inspection means, inspection fees and the capability of appraisers, we did not conduct specific technical inspections on vessels within the scope of valuation. The appraisal agency therefore does not assume responsibility for issuing opinions on all possible technical and safety issues of the appraised vessels arising after the valuation benchmark date.
6. The valuation conclusion represents the price standard as at the valuation benchmark date, and does not take into account any impact on the valuation conclusion arising from changes in market prices subsequent to the valuation benchmark date. Should market prices change significantly after the valuation benchmark date, a revaluation shall be required.

The above content is extracted from the text of the valuation report. To understand the details of this valuation and correctly understand the valuation conclusion, please read the text of the valuation report.

**Asset Valuation Report on
the Market Value of Two Vessels under Construction
involved in the Assets Proposed to be Transferred by
MARIENVOY SHIPPING LIMITED**

Zhong Tong Ping Bao Zi [2026] No. 11056

COSCO (H.K.) SHIPPING CO., LIMITED,

Upon your engagement, we, China Tong Cheng Assets Appraisal Co., Ltd., have conducted a valuation on the market value of the two vessels under construction proposed to be transferred by MARIENVOY SHIPPING LIMITED as at 31 March 2026, by way of adopting the cost approach and carrying out necessary valuation procedures in accordance with laws, administrative regulations and asset valuation standards, and adhering to the principles of independence, objectivity and impartiality. We hereby report the details of the asset valuation as follows.

I. OVERVIEW OF THE PRINCIPAL, THE APPRAISED ENTITY AND OTHER USERS OF THE ASSET VALUATION REPORT AS AGREED IN THE ASSET VALUATION ENGAGEMENT CONTRACT

(I) Overview of the Principal

Name: COSCO (H.K.) SHIPPING CO., LIMITED (HK SHIPPING)

Business registration number: 483651

Domicile: 33/F, Kowloon Commerce Centre Tower 2, 51 Kwai Cheong Road, Kwai Chung, Hong Kong

Company type: Limited liability company

Date of establishment: 28 June 1994

(II) Overview of the Appraised Entity

Name: MARIENVOY SHIPPING LIMITED

Business registration number: 30157011

Domicile: 33/F, Kowloon Commerce Centre Tower 2, 51 Kwai Cheong Road, Kwai Chung, Hong Kong

Company type: Limited liability company

Date of establishment: 9 June 1999

(III) Relationship between the Principal and the Appraised Entity

The principal is the controlling shareholder of the appraised entity.

(IV) Overview of Other Users of the Valuation Report

Except for the principal, the appraised entity and users of the valuation report as provided by national laws and regulations, no other users of the valuation report were provided in the asset valuation engagement contract.

II. PURPOSE OF VALUATION

As MARIENVOY SHIPPING LIMITED intends to transfer two vessels under construction, it is necessary to appraise the assets involved in this economic activity to ascertain the value of the aforesaid assets and provide value reference. The economic activity has obtained approval, with the supporting economic activity document being the Resolution of the 17th Meeting of the 3rd Session of the Board of Directors of COSCO SHIPPING Bulk.

III. VALUATION OBJECT AND VALUATION SCOPE

The appraised valuation object and scope are consistent with the valuation object and scope involved in the economic activity.

The valuation object under the asset valuation is the market value of the two vessels under construction proposed to be transferred by MARIENVOY SHIPPING LIMITED on the valuation benchmark date.

The scope of valuation is two vessels under construction proposed to be transferred by MARIENVOY SHIPPING LIMITED on the valuation benchmark date. The book value of the two vessels under construction is US\$24,850,000.00.

The two vessels under construction, namely “N1236” and “N1237”, are constructed by COSCO SHIPPING HEAVY INDUSTRY (ZHOUSHAN) CO., LTD., each with a vessel deadweight tonnage of approximately 64,000 tonnes, a total length of 199.90 meters, a breadth of 32.26 meters and a depth of 18.85 meters. The type of the main engine of the vessels is B&W 6S50ME-C9.7-HPSCR and the contractual price is US\$35,500,000. The contractual price, payment and scheduled delivery time of the appraised vessels under construction are agreed as follows:

Name of vessel	Manufacturer	Contractual price (US\$0'000)	Amount paid (US\$0'000)	Commencement date of construction	Delivery time
N1236	COSCO SHIPPING HEAVY INDUSTRY (ZHOUSHAN) CO., LTD.	3,550	1,420	25 September 2025	31 October 2026
N1237	COSCO SHIPPING HEAVY INDUSTRY (ZHOUSHAN) CO., LTD.	3,550	1,065	27 October 2025	30 November 2026

Note: The above contractual price is tax-exclusive.

IV. TYPE OF VALUE

The types of the valuation value include the market value and other types of value except for the market value. Other types of value except for the market value generally include (but are not limited to) the investment value, the value in use, the liquidation value and the residual value. The purpose of the valuation is to provide value reference for a normal transaction, without special restrictions or requirements on market conditions and the use of the valuation object. Therefore, the market value is adopted as the type of value in the valuation in accordance with industry practices.

Market value refers to the estimated value of the valuation target in an arm's length transaction made in the ordinary course of business on the valuation benchmark date between a willing buyer and a willing seller who has each acted rationally and without compulsion.

V. VALUATION BENCHMARK DATE

The valuation benchmark date is 31 March 2026.

Major factors considered by the principal in determining the valuation benchmark date include the time requirement on the implementation of the economic activity. It adopted the end of the accounting period to facilitate the defining of the scope of valuation and the accurate and efficient stocktaking of assets.

VI. BASIS OF VALUATION

(I) Basis of Economic Activity

1. Resolution of the 17th Meeting of the 3rd Session of the Board of Directors of COSCO SHIPPING Bulk.

(II) Legal Basis Provided by Laws and Regulations

1. Asset Appraisal Law of the People's Republic of China;
2. Law of the People's Republic of China on the State-owned Assets in Enterprises;
3. Civil Code of the People's Republic of China;
4. Measures for the Administration of State-owned Assets Appraisal (Order No. 91 of the State Council, latest amended by Order No. 732 of the State Council);
5. Detailed Rules for the Implementation of the Administrative Measures of State-owned Assets Assessment (Guo Zi Ban Fa [1992] No. 36);
6. Provisional Regulations on the Supervision and Administration of State-owned Assets of Enterprises (Order No. 378 of the State Council, latest amended by Order No. 709 of the State Council);
7. Opinions on Reforming the Administration of State-owned Assets Appraisal and Strengthening Supervision and Administration of Assets Appraisal (Guo Ban Fa [2001] No. 102);

8. Interim Measures for the Administration of Assessment of State-owned Assets of Enterprises (Order No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council);
9. Regulations on Certain Issues Concerning State-owned Assets Appraisal (Order No. 14 of the Ministry of Finance);
10. Measures for the Supervision and Administration of the Trading of State-owned Assets of Enterprises (Order No. 32 of the State-owned Assets Supervision and Administration Commission and the Ministry of Finance of the State Council);
11. Notice on the Guidelines on the Publication and Distribution of the Filing of State-owned Assets Appraisal Projects for Enterprises (Guo Zi Fa Chan Quan [2013] No. 64);
12. Financial Supervision and Administration Measures on the Assets Evaluation Industry (Order No. 86 of the Ministry of Finance);
13. Notice on Strengthening the Administration of State-owned Assets Appraisal of Enterprises (Guo Zi Wei Chan Quan [2006] No. 274);
14. Notice on Relevant Matters Concerning the Examination of Appraisal Reports on State-owned Assets of Enterprises (Guo Zi Chan Quan [2009] No. 941);
15. Regulation on the Implementation of the Value-Added Tax Law of the People's Republic of China (Order No. 826 of the State Council of the People's Republic of China);
16. Value-added Tax Law of the People's Republic of China (passed at the 13th session of the 14th Standing Committee of the National People's Congress on 25 December 2024);
17. Notice on Comprehensively Implementing the Pilot Program of Replacing Business Tax with Value-Added Tax (Cai Shui [2016] No. 36);
18. Announcement on Policies Concerning Deepening the Reform of Value-Added Tax (Announcement of the Ministry of Finance, State Taxation Administration and General Administration of Customs [2019] No. 39).

(III) Basis of Valuation Standards

1. Basic Asset Valuation Standards (Cai Zi [2017] No. 43);
2. Professional Code of Ethics for Asset Valuation (Zhong Ping Xie [2017] No. 30);
3. Practice Guidelines for Asset Valuation – Asset Valuation Procedures (Zhong Ping Xie [2018] No. 36);
4. Practice Guidelines for Asset Valuation – Asset Valuation Report (Zhong Ping Xie [2018] No. 35);

5. Practice Guidelines for Asset Valuation – Asset Valuation Methodology (Zhong Ping Xie [2019] No. 35);
6. Practice Guidelines for Asset Valuation – Asset Valuation Engagement Contract (Zhong Ping Xie [2017] No. 33);
7. Practice Guidelines for Asset Valuation – Asset Valuation Files (Zhong Ping Xie [2018] No. 37);
8. Guiding Opinions on Types of Value under Asset Valuation (Zhong Ping Xie [2017] No. 47);
9. Guiding Opinions on Legal Ownership of the Asset Valuation Target (Zhong Ping Xie [2017] No. 48);
10. Practice Guidelines for Asset Valuation – Machinery and Equipment (Zhong Ping Xie [2017] No. 39);
11. Guidance on Valuation Report of State-owned Assets of Enterprises (Zhong Ping Xie [2017] No. 42);
12. Quality Control Guidance on the Business of Asset Valuation Agency (Zhong Ping Xie [2017] No. 46).

(IV) Ownership Basis

The shipbuilding contracts.

(V) Pricing Basis

1. Valuation declaration forms, shipbuilding contracts and the records of inquiry, inspection and verification;
2. Vessel price information of Clarksons and other information on the shipping market.

(VI) Other Reference Basis

1. Other valuation-related information obtained through consultation with the principal.

VII. VALUATION METHOD

(I) Selection of Valuation Method and the Reasons

In accordance with the requirements of the Basic Standards for Asset Valuation, the applicability of the three basic methods, namely the income approach, market approach, and cost approach, should be analyzed based on the valuation purpose, valuation object, type of value, collection of materials and relevant conditions, and the valuation method should be selected in accordance with laws.

Based on the purpose of valuation and the characteristics of the assets entrusted for valuation, the valuation is based on the assumption of the continuous use of the assets. In respect of the market approach, due to the differences in shipbuilders and major equipment selected by them, the transaction cases in the market cannot accurately consider the impacts of the above factors on the price and hence the market approach is not adopted. In respect of the income approach, the freight rate in the shipping market fluctuates significantly due to domestic and international economic conditions, and the future market price of vessels cannot be reliably predicted. Therefore, the income approach is not appropriate for this valuation. In respect of the cost approach, the construction cost of vessels as at the valuation benchmark date can be accurately and reasonably calculated based on shipbuilding contracts and market price analysis reports. Accordingly, the cost approach is applicable to this valuation.

(II) Cost Approach

Based on the purpose of valuation, the valuation object is the market value of the two vessels under construction, namely “N1236” and “N1237”. The calculation formula is as follows:

Market value of the vessels under construction = Book value of the appraised vessels under construction as at the valuation benchmark date × Price index + Capital cost

1. Price index

The shipbuilding contract price as of the valuation benchmark date is determined by inquiry. The price index is derived by comparing the prices at the contract signing date and at the valuation benchmark date.

Price index = Price at the valuation benchmark date ÷ Price at the contract signing date

2. Determination of capital cost

Considerations are made in accordance with the reasonable shipbuilding period of the appraised vessels under construction, by reference to the 3-month Hong Kong Interbank Offered Rate (HIBOR) of 1.6861%, and on the basis of even capital injection.

Capital cost = (Book value of the appraised vessels under construction as at the valuation benchmark date × Price index) × Reasonable shipbuilding period × Corresponding bank loan rate for the same period / 2

VIII. PROCESS AND IMPLEMENTATION OF VALUATION PROCEDURES

(I) Acceptance of Engagement

Understand the general conditions of the assets entrusted for valuation and specify the valuation purpose, valuation object and valuation scope, valuation benchmark date and other basic matters in valuation after the discussions and communications with the principal, accept the engagement after the comprehensive analysis on the professional capability and independence and assessment of business risks and enter into the assets valuation engagement contract. Determine the type of the appraised value, formulate the valuation plan and establish the working group on valuation based on specific conditions.

(II) Collection of Materials

Guide the appraised entity to conduct asset stocktaking and prepare valuation materials, collect required information for assets valuation business, understand relevant factors affecting the asset value and pay attention to the legal ownership of the valuation object. Verify and validate the materials used in assets valuation in accordance with laws.

(III) Assessment and Estimation

Analyze, summarize and sort the materials on valuation based on the specific conditions of the asset valuation business and form the basis for the assessment and estimation and the preparation of the valuation report. Select the valuation method based on the valuation purpose, valuation object, type of value, collection of materials and other relevant conditions as well as the Practice Guidelines for Asset Valuation. Select the corresponding formula and parameters in analysis, calculation and judgment based on the valuation method adopted and analyze and judge valuation assumptions and restrictions which may affect the valuation business and the valuation conclusion. Comprehensively analyze the estimation results and form the valuation conclusion.

(IV) Issuance of Report

The responsible persons of the project prepare the preliminary asset valuation report based on the valuation conclusion after assessment and estimation. The firm carries out internal review on the preliminary asset valuation report in accordance with laws, administrative regulations, the standards for asset appraisal and the internal quality control system and issues the formal asset valuation report after conducting necessary communications on relevant contents of the valuation report with the principal and other relevant parties.

IX. VALUATION ASSUMPTIONS

The following are the valuation assumptions on which the establishment of the valuation report and conclusions is premised:

1. Transaction assumption. The transaction assumption is that all assets to be appraised are in the process of transaction, and the appraisers will make estimation in a simulated market according to the transaction conditions (among others) of assets to be appraised.
2. Open market assumption. The open market assumption is that the assets to be appraised are traded in an open market to realize their market value. The market value of the assets is subject to the market mechanism and determined by the market conditions instead of individual transactions. An open market is a fully developed and comprehensive market condition, a competitive market with willing buyers and sellers, where buyers and sellers are on equal footing and have opportunity and time to access adequate market information, and where transactions between buyers and sellers are conducted under voluntary, rational, non-binding or unrestricted conditions.
3. In-use and continue-to-use assumption. The in-use and continue-to-use assumption refers to the assumption that the assets to be appraised in use would continue to be used in accordance with its current purposes and manner after the change in property rights or the occurrence of asset business.

4. It is assumed that the vessels under construction will be executed in accordance with the shipbuilding contract schedule in the future.
5. It is assumed that the appraised entity will not be subject to any other force majeure events or unforeseen factors that will have a material adverse impact on the vessel construction in the future.

X. VALUATION CONCLUSION

On the valuation benchmark date, being 31 March 2026, the book value of two vessels under construction proposed to be transferred by MARIENVOY SHIPPING LIMITED was US\$24,850,000. After valuation, the appraised value was US\$24,989,700 (US DOLLARS TWENTY-FOUR MILLION NINE HUNDRED EIGHTY-NINE THOUSAND SEVEN HUNDRED ONLY, rounding to the nearest hundred), representing an increase of US\$139,700 over the book value, with an appreciation rate of 0.56%.

Summary Table of Asset Valuation Results

Valuation benchmark date: 31 March 2026

Appraised entity: MARIENVOY SHIPPING LIMITED

Unit: US\$0'000

Item	Book value	Appraised value	Appreciation/ depreciation	Appreciation rate
	A	B	C=B-A	D=C/A×100%
Non-current assets	2,485.00	2,498.97	13.97	0.56%
Wherein: Vessel under construction N1236	1,420.00	1,427.98	7.98	0.56%
Vessel under construction N1237	1,065.00	1,070.99	5.99	0.56%
Total assets	2,485.00	2,498.97	13.97	0.56%

The validity period of this valuation conclusion is one year, commencing from the valuation benchmark date, being 31 March 2026 and expiring on 30 March 2027.

The valuation conclusion is based on the aforesaid valuation assumptions.

XI. EXPLANATIONS TO SPECIAL MATTERS

- (I) Significant use of expert work

Nil.

- (II) Incomplete or defective ownership information

Nil.

- (III) Restrictions on valuation procedures

Nil.

(IV) Incomplete valuation materials

Nil.

(V) Pending legal and economic matters as at the valuation benchmark date

Nil.

(VI) The nature and amount of guarantees, leases and its contingent liabilities (contingent assets) and the relationship with the valuation object

Based on the shipbuilding contracts on the two vessels under construction, namely “N1236” and “N1237”, the subsequent construction fees from the valuation benchmark date to the completion of the construction of the vessels were US\$21,300,000 and US\$24,850,000, respectively. The construction of the appraised vessels under construction has not been completed as at the valuation benchmark date.

(VII) Significant subsequent matters

Nil.

(VIII) Deficiencies in the economic activity corresponding to the asset valuation that may have a material effect on the valuation conclusion

Nil.

(IX) Other special matters on the valuation conclusion

1. The valuation amounts stated here are exclusive of tax.
2. This valuation does not take into account the impact of relevant taxes and fees associated with the property transactions on the valuation results.
3. The exchange rate of USD against RMB on the valuation benchmark date was 6.9194.
4. In the asset valuation report, where any tables or textual expressions present monetary figures in ten thousand yuan, any minor discrepancies between the total amount and the sum of individual item amounts shall be attributable to rounding differences.
5. Vessels are specialized assets and have higher requirements on safety. According to relevant national regulations, regular or irregular inspections are required to be conducted by specific inspection departments. Due to the restrictions on the inspection means, inspection fees and the capability of appraisers, we did not conduct specific technical inspections on vessels within the scope of valuation. The appraisal agency therefore does not assume responsibility for issuing opinions on all possible technical and safety issues of the appraised vessels arising after the valuation benchmark date.

6. The valuation conclusion represents the price standard as at the valuation benchmark date, and does not take into account any impact on the valuation conclusion arising from changes in market prices subsequent to the valuation benchmark date. Should market prices change significantly after the valuation benchmark date, a revaluation shall be required.

XII. LIMITATIONS ON USE OF THE ASSET VALUATION REPORT

- (I) The valuation report shall be used for the valuation purpose and use set out in the valuation report. For the excerpt, reference and disclosure of all or part of the contents of the valuation report, relevant contents shall be reviewed by the appraisal agency unless it is otherwise provided by laws and regulations and agreed by relevant parties;
- (II) The appraisal agency and its asset appraisers take no responsibility if the principal or other users of the asset valuation report fail to use this asset valuation report in accordance with the provisions of laws and administrative regulations and the scope of use set out in the asset valuation report;
- (III) Except for the principal, the other users of the asset valuation report as agreed in the asset valuation engagement contract and the users of the asset valuation report as stipulated in the laws and administrative regulations, no other institution or individual shall be the user of the asset valuation report;
- (IV) Users of the asset valuation report should correctly interpret and use the valuation conclusion, which is not equivalent to the realizable value of the valuation object and should not be considered as a guarantee for the realizable value of the valuation object.

XIII. DATE OF THE ASSET VALUATION REPORT

The date of the asset valuation report is 13 May 2026.

Asset appraisers:

Asset appraisers:

13 May 2026

Annexes

- I. The State-owned Property Right Registration Certificate
- II. The Corresponding Economic Activity Document on the Valuation Purpose
- III. Business Licenses of the Principal and the Appraised Entity
- IV. Major Ownership Proof Materials of the Valuation Object Involved
- V. Letters of Undertaking of the Principal and Other Relevant Parties
- VI. Letters of Undertaking of the Signatory Asset Appraisers
- VII. The Announcement on the Filing of the Appraisal Agency
- VIII. Photocopy of the Business License of the Appraisal Agency
- IX. Qualification Certificates of the Asset Appraisers Responsible for this Valuation Engagement
- X. The Asset Valuation Engagement Contract
- XI. The Breakdown of Asset Valuation

Letters of Undertaking of the Asset Appraisers

COSCO (H.K.) SHIPPING CO., LIMITED,

Entrusted by the Company, we have assessed the market value of two vessels under construction proposed to be transferred by your Company, with 31 March 2026 as the valuation benchmark date, and compiled the asset valuation report. Subject to the assumptions disclosed in this report being valid, we undertake the following:

- I. We hold the relevant professional practicing qualifications;
- II. The valuation object and valuation scope are consistent with the terms set out in the asset valuation engagement contract;
- III. We have conducted necessary verification of the valuation object and the relevant assets involved;
- IV. Valuation methods have been adopted in compliance with the standards for asset valuation;
- V. All factors affecting the valuation amount have been fully considered;
- VI. The valuation conclusion is reasonable;
- VII. The valuation work has been conducted independently without any unlawful interference.

Asset appraisers' signature:

13 May 2026

NOTICE OF ANNUAL GENERAL MEETING

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.



中遠海運發展股份有限公司 COSCO SHIPPING Development Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02866)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting for the year of 2025 (the “AGM”) of COSCO SHIPPING Development Co., Ltd. (the “Company”) will be held at 1:30 p.m. on Tuesday, 30 June 2026 (or at any adjournment thereof) at 3rd Floor, Ocean Hotel, No. 1171 Dong Da Ming Road, Hongkou District, Shanghai, the People's Republic of China to consider and, if thought fit, pass the following resolutions. Unless otherwise defined, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated Monday, 8 June 2026 (the “Circular”).

ORDINARY RESOLUTIONS

1. To consider and approve the report of the Board for the year ended 31 December 2025.
2. To consider and approve the audited financial statements and the auditors' report of the Group for the year ended 31 December 2025.
3. To consider and approve the proposed 2025 final profit distribution plan of the Company and the proposal of grant of authorization to the Board to determine details of the 2026 interim profit distribution plan:
 - 3.1 To consider and approve the proposed profit distribution plan of the Company and the proposed payment of a final dividend of RMB0.015 per share of the Company (inclusive of applicable tax) for the year ended 31 December 2025.
 - 3.2 To consider and approve the proposed grant of authorization to the Board to determine details of the 2026 interim profit distribution plan of the Company.
4. To consider and determine the remuneration of the Directors for the year 2026.
- 5.1 To appoint BDO China as the 2026 Domestic Auditor, with remuneration of RMB4.88 million (inclusive of applicable tax).

NOTICE OF ANNUAL GENERAL MEETING

- 5.2 To appoint BDO China as the 2026 Internal Control Auditor, with remuneration of RMB0.80 million (inclusive of applicable tax).
- 5.3 To appoint BDO (HK) as the 2026 International Auditor, with remuneration of RMB4.70 million (inclusive of applicable tax).
6. To consider and approve the formulation of Measures for the Remuneration Management of Directors and Senior Management.
- 7.1 To consider and approve the resolution in relation to the Memorandum of Agreement I and the Deeds of Novation I, further details of which are set out in the Circular:

“THAT:

- (i) the Memorandum of Agreement I and the Deeds of Novation I and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (ii) any one Director be and is hereby authorized to do all such acts and things and execute and deliver all such documents, deeds or instruments (including affixing the common seal of the Company thereon) and take all such steps as the Director in his or her sole opinion and absolute discretion may consider necessary, appropriate or desirable to implement or give effect to the Memorandum of Agreement I and the Deeds of Novation I and the transactions contemplated thereunder.”
- 7.2 To consider and approve the resolution in relation to the Memorandum of Agreement II and the Deeds of Novation II, further details of which are set out in the Circular:

“THAT:

- (i) the Memorandum of Agreement II and the Deeds of Novation II and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (ii) any one Director be and is hereby authorized to do all such acts and things and execute and deliver all such documents, deeds or instruments (including affixing the common seal of the Company thereon) and take all such steps as the Director in his or her sole opinion and absolute discretion may consider necessary, appropriate or desirable to implement or give effect to the Memorandum of Agreement II and the Deeds of Novation II and the transactions contemplated thereunder.”

SPECIAL RESOLUTIONS

8. To consider and approve the Provision of Guarantees, details of which are set out in the Circular.
9. To consider and approve the grant of the A Share Repurchase Mandate:

“THAT:

The Board is authorised to repurchase A Shares with the Company’s own funds or self-raised funds during the Relevant Period with an aggregate number of A Shares not exceeding 10% of the aggregate number of A Shares in issue (excluding any treasury shares

NOTICE OF ANNUAL GENERAL MEETING

and A Shares that have been repurchased but not yet cancelled) as at the date of consideration and approval of the resolution in relation to the grant of the A Share Repurchase Mandate at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting.

The Board is authorized to handle relevant matters in relation to the repurchase of A Shares, including but not limited to:

- (i) to formulate and implement specific repurchase plans in accordance with the Company Law and other laws and regulations, the listing rules of the place where the Shares are listed and the Articles of Association, including but not limited to determining the timing of repurchase, repurchase period, repurchase price, repurchase quantity, and purpose of repurchase etc.;
- (ii) to notify creditors and make announcements and deal with matters related to the exercise of rights by creditors (if applicable);
- (iii) to open stock account(s) and capital account(s) (if applicable);
- (iv) to handle the matters of transfer or cancellation of the repurchased Shares and reduce the registered capital (if applicable) according to the actual repurchase of A Shares;
- (v) to amend to the Articles of Association, including the contents in relation to the total share capital and share capital structure, and to complete the relevant registration and filing procedures (if applicable); and
- (vi) to adjust the repurchase plan and continue to handle matters in relation to the repurchase of A Shares in accordance with the relevant PRC regulations, requirements of government departments and securities regulatory authorities, market conditions and the actual operation of the Company in the event that there are new requirements of laws and regulations and securities regulatory authorities on repurchase policies, as well as changes in market conditions, except for matters that are subject to re-voting at the general meeting as required by the relevant laws and regulations and the Articles of Association.

The Board may delegate such authority to any one of the Directors.

For the purpose of the A Share Repurchase Mandate, "Relevant Period" means the period from the date of passing of the special resolution(s) in respect of the grant of the A Share Repurchase Mandate at the AGM, the A Share Class Meeting and the H Share Class Meeting until whichever is the earliest of:

- (i) the conclusion of the 2026 annual general meeting of the Company; or
- (ii) the date on which the A Share Repurchase Mandate is revoked or varied by a special resolution at any general meeting, A Shareholders' class meeting and H Shareholders' class meeting of the Company.

If, during the Relevant Period, the Board or the authorised person of the Board has signed the necessary documents and handled the necessary procedures, and such documents and procedures may need to be performed, carried out or continued after the end of the Relevant Period, the Relevant Period will be extended accordingly."

NOTICE OF ANNUAL GENERAL MEETING

10. To consider and approve the grant of the H Share Repurchase Mandate:

“THAT:

The Board is authorised to repurchase H Shares with the Company’s own funds or self-raised funds during the Relevant Period with an aggregate number of H Shares not exceeding 10% of the aggregate number of H Shares in issue (excluding any treasury shares and H Shares that have been repurchased but not yet cancelled) as at the date of consideration and approval of the resolution in relation to the grant of the H Share Repurchase Mandate at the AGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting.

The Board is authorised to deal with relevant matters relating to the repurchase of H Shares, including but not limited to:

- (i) to formulate and implement specific repurchase plans in accordance with the Company Law and other laws and regulations, the listing rules of the place where the Shares are listed and the Articles of Association, including but not limited to determining the timing of repurchase, repurchase period, repurchase price, repurchase quantity, and repurchase purpose etc.;
- (ii) to notify creditors and make announcements and handle matters related to the exercise of creditors’ rights (if applicable);
- (iii) to open stock accounts and capital accounts and handle the corresponding foreign exchange change registration procedures (if applicable);
- (iv) upon completion of the H Share repurchase, to cancel the repurchased H Shares and to reduce the Company’s registered capital accordingly;
- (v) to amend to the Articles of Association, including the contents in relation to the total share capital and share capital structure, and to complete the relevant registration and filing procedures (if applicable); and
- (vi) to adjust the repurchase plan and continue to handle matters in relation to the repurchase of H Shares in accordance with the relevant PRC regulations, requirements of government departments and securities regulatory authorities, market conditions and the actual operation of the Company in the event that there are new requirements of laws and regulations and securities regulatory authorities on repurchase policies, as well as changes in market conditions, except for matters that are subject to re-voting at the general meeting as required by the relevant laws and regulations and the Articles of Association.

NOTICE OF ANNUAL GENERAL MEETING

The Board may delegate such authority to any one of the Directors.

For the purpose of the H Share Repurchase Mandate, the “Relevant Period” means the period from the date of passing of the special resolution in relation to the grant of the H Share Repurchase Mandate at the AGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting until whichever is the earliest of:

- (i) the conclusion of the 2026 annual general meeting of the Company; or
- (ii) the date on which the H Share Repurchase Mandate is revoked or varied by a special resolution at any general meeting, A Shareholders’ class meeting and H Shareholders’ class meeting of the Company.

If, during the Relevant Period, the Board or the authorised person of the Board has signed the necessary documents and handled the necessary procedures, and such documents and procedures may need to be performed, carried out or continued after the end of the Relevant Period, the Relevant Period will be extended accordingly.”

ORDINARY RESOLUTIONS VOTED BY CUMULATIVE VOTING SYSTEM

- 11. To consider and approve the resolutions in relation to the re-election of the following persons as executive Directors and non-executive Directors of the eighth session of the Board:
 - 11.1 Mr. Zhang Mingwen as an executive Director of the eighth session of the Board;
 - 11.2 Mr. Wang Kunhui as an executive Director of the eighth session of the Board;
 - 11.3 Mr. Ip Sing Chi as a non-executive Director of the eighth session of the Board;
 - 11.4 Ms. Zhang Xueyan as a non-executive Director of the eighth session of the Board; and
 - 11.5 Mr. Zheng Xiaozhe as a non-executive Director of the eighth session of the Board.
- 12. To consider and approve the resolutions in relation to the re-election of the following persons as independent non-executive Directors of the eighth session of the Board:
 - 12.1 Mr. Shao Ruiqing as an independent non-executive Director of the eighth session of the Board;
 - 12.2 Mr. Chan Kwok Leung as an independent non-executive Director of the eighth session of the Board; and
 - 12.3 Mr. Wu Daqi as an independent non-executive Director of the eighth session of the Board.

NOTICE OF ANNUAL GENERAL MEETING

REVIEW OF REPORT

1. To review the work report of the independent non-executive Directors for the year ended 31 December 2025.

By order of the Board
COSCO SHIPPING Development Co., Ltd.
Cai Lei
Company Secretary

Shanghai, the People's Republic of China
8 June 2026

Notes:

1. The Register of Members will be closed during the following periods and during these periods, no transfer of H Shares will be registered.

- (a) To attend and vote at the AGM

For the purpose of holding the AGM, the Register of Members will be closed from Wednesday, 24 June 2026 to Tuesday, 30 June 2026 (both days inclusive), during which period no transfer of H Shares will be registered. The H Shareholders whose names appear on the Register of Members on Tuesday, 30 June 2026 are entitled to attend and vote at the AGM.

In order to attend and vote at the AGM, the H Shareholders shall lodge all transfer documents together with the relevant share certificates to Computershare, the H Share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 23 June 2026.

- (b) To qualify for the proposed final dividend for the year ended 31 December 2025

For the purpose of determining the H Shareholders' entitlement to the proposed final dividend for the year ended 31 December 2025, the Register of Members will be closed from Tuesday, 14 July 2026 to Friday, 17 July 2026 (both days inclusive), during which period no transfer of H Shares will be registered. The H Shareholders whose names appear on the Register of Members on Friday, 17 July 2026 are entitled to receive the proposed final dividend.

In order to qualify for the proposed final dividend, the H Shareholders shall lodge all transfer documents together with the relevant share certificates to Computershare, the H Share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 13 July 2026.

2. Each H Shareholder who has the right to attend and vote at the AGM is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his/her behalf at the AGM.

NOTICE OF ANNUAL GENERAL MEETING

3. The form of proxy must be signed by the Shareholder or his/her attorney duly authorised in writing or, in the case of a legal person, must either be executed under its common seal or under the hand of a legal representative or other attorney duly authorised to sign the same. If the form of proxy is signed by an attorney of the appointer, the power of attorney authorising that attorney to sign, or other document of authorisation, must be notarially certified.
4. To be valid, for H Shareholders, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or other authority, must be delivered to Computershare at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the AGM or any adjournment thereof in order for such documents to be valid.
5. If a proxy attends the AGM on behalf of a Shareholder, he/she should produce his/her identity card and the form of proxy signed by the Shareholder or his/her legal representative or his/her duly authorised attorney, and specify the date of its issuance. If a legal person Shareholder appoints its corporate representative to attend the AGM, such representative should produce his/her identity card and the notarised copy of the resolution passed by the board of directors or other authorities, or other notarised copy of the licence issued by such legal person Shareholder. The form of proxy duly signed and submitted by HKSCC Nominees Limited are deemed to be valid, and it is not necessary for the proxy(ies) appointed by HKSCC Nominees Limited to produce the signed form of proxy when the proxy(ies) attend(s) the AGM. Completion and return of the form of proxy will not preclude a Shareholder from attending in person and voting at the AGM or any adjournment thereof should he/she so wish.
6. Pursuant to the Hong Kong Listing Rules, any vote of Shareholders at a general meeting must be taken by way of poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, the resolutions set out in the notice of the AGM will be voted on by poll. Results of the poll voting will be published on the website of the Hong Kong Stock Exchange at www.hkexnews.hk after the AGM.
7. Where there are joint registered holders of any share of the Company, only the person whose name stands first on the Register of Members in respect of such share may vote at the AGM, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto.
8. The AGM is estimated to last for half a day. Shareholders who attend the AGM in person or by proxy shall bear their own transportation and accommodation expenses.

The Board as at the date of this notice comprises Mr. Zhang Mingwen (Chairman) and Mr. Wang Kunhui, being executive directors, Mr. Ip Sing Chi, Ms. Zhang Xueyan and Mr. Zheng Xiaozhe, being non-executive directors, and Mr. Shao Ruiqing, Mr. Chan Kwok Leung and Mr. Wu Daqi, being independent non-executive directors.

- * *The Company is a registered non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name "COSCO SHIPPING Development Co., Ltd."*

NOTICE OF H SHAREHOLDERS' CLASS MEETING

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.



中遠海運發展股份有限公司 COSCO SHIPPING Development Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02866)

NOTICE OF H SHAREHOLDERS' CLASS MEETING

NOTICE IS HEREBY GIVEN that the class meeting for holders of H shares (the “**H Shareholders’ Class Meeting**”) of COSCO SHIPPING Development Co., Ltd. (the “**Company**”) will be held on Tuesday, 30 June 2026 immediately after the class meeting for holders of A shares of the Company to be convened and held on the same day and at the same place, which will be held immediately after the AGM of the Company to be convened at 1:30 p.m. at 3rd Floor, Ocean Hotel, No. 1171 Dong Da Ming Road, Hongkou District, Shanghai, the PRC on the same day and at the same place for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions of the Company.

Unless otherwise defined, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 8 June 2026 (the “**Circular**”).

SPECIAL RESOLUTIONS

1. To consider and approve the grant of the A Share Repurchase Mandate:

“**THAT:**

The Board is authorised to repurchase A Shares with the Company’s own funds or self-raised funds during the Relevant Period with an aggregate number of A Shares not exceeding 10% of the aggregate number of A Shares in issue (excluding any treasury shares and A Shares that have been repurchased but not yet cancelled) as at the date of consideration and approval of the resolution in relation to the grant of the A Share Repurchase Mandate at the AGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting.

NOTICE OF H SHAREHOLDERS' CLASS MEETING

The Board is authorized to handle relevant matters in relation to the repurchase of A Shares, including but not limited to:

- (i) to formulate and implement specific repurchase plans in accordance with the Company Law and other laws and regulations, the listing rules of the place where the Shares are listed and the Articles of Association, including but not limited to determining the timing of repurchase, repurchase period, repurchase price, repurchase quantity, and purpose of repurchase etc.;
- (ii) to notify creditors and make announcements and deal with matters related to the exercise of rights by creditors (if applicable);
- (iii) to open stock account(s) and capital account(s) (if applicable);
- (iv) to handle the matters of transfer or cancellation of the repurchased Shares and reduce the registered capital (if applicable) according to the actual repurchase of A Shares;
- (v) to amend to the Articles of Association, including the contents in relation to the total share capital and share capital structure, and to complete the relevant registration and filing procedures (if applicable); and
- (vi) to adjust the repurchase plan and continue to handle matters in relation to the repurchase of A Shares in accordance with the relevant PRC regulations, requirements of government departments and securities regulatory authorities, market conditions and the actual operation of the Company in the event that there are new requirements of laws and regulations and securities regulatory authorities on repurchase policies, as well as changes in market conditions, except for matters that are subject to re-voting at the general meeting as required by the relevant laws and regulations and the Articles of Association.

The Board may delegate such authority to any one of the Directors.

For the purpose of the A Share Repurchase Mandate, "Relevant Period" means the period from the date of passing of the special resolution(s) in respect of the grant of the A Share Repurchase Mandate at the AGM, the A Share Class Meeting and the H Share Class Meeting until whichever is the earliest of:

- (i) the conclusion of the 2026 annual general meeting of the Company; or
- (ii) the date on which the A Share Repurchase Mandate is revoked or varied by a special resolution at any general meeting, A Shareholders' class meeting and H Shareholders' class meeting of the Company.

If, during the Relevant Period, the Board or the authorised person of the Board has signed the necessary documents and handled the necessary procedures, and such documents and procedures may need to be performed, carried out or continued after the end of the Relevant Period, the Relevant Period will be extended accordingly."

NOTICE OF H SHAREHOLDERS' CLASS MEETING

2. To consider and approve the grant of the H Share Repurchase Mandate:

“THAT:

The Board is authorised to repurchase H Shares with the Company’s own funds or self-raised funds during the Relevant Period with an aggregate number of H Shares not exceeding 10% of the aggregate number of H Shares in issue (excluding any treasury shares and H Shares that have been repurchased but not yet cancelled) as at the date of consideration and approval of the resolution in relation to the grant of the H Share Repurchase Mandate at the AGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting.

The Board is authorised to deal with relevant matters relating to the repurchase of H Shares, including but not limited to:

- (i) to formulate and implement specific repurchase plans in accordance with the Company Law and other laws and regulations, the listing rules of the place where the Shares are listed and the Articles of Association, including but not limited to determining the timing of repurchase, repurchase period, repurchase price, repurchase quantity, and repurchase purpose etc.;
- (ii) to notify creditors and make announcements and handle matters related to the exercise of creditors’ rights (if applicable);
- (iii) to open stock accounts and capital accounts and handle the corresponding foreign exchange change registration procedures (if applicable);
- (iv) upon completion of the H Share repurchase, to cancel the repurchased H Shares and to reduce the Company’s registered capital accordingly;
- (v) to amend to the Articles of Association, including the contents in relation to the total share capital and share capital structure, and to complete the relevant registration and filing procedures (if applicable); and
- (vi) to adjust the repurchase plan and continue to handle matters in relation to the repurchase of H Shares in accordance with the relevant PRC regulations, requirements of government departments and securities regulatory authorities, market conditions and the actual operation of the Company in the event that there are new requirements of laws and regulations and securities regulatory authorities on repurchase policies, as well as changes in market conditions, except for matters that are subject to re-voting at the general meeting as required by the relevant laws and regulations and the Articles of Association.

The Board may delegate such authority to any one of the Directors.

For the purpose of the H Share Repurchase Mandate, the “Relevant Period” means the period from the date of passing of the special resolution in relation to the grant of the H Share Repurchase Mandate at the AGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting until whichever is the earliest of:

- (i) the conclusion of the 2026 annual general meeting of the Company; or

NOTICE OF H SHAREHOLDERS' CLASS MEETING

- (ii) the date on which the H Share Repurchase Mandate is revoked or varied by a special resolution at any general meeting, A Shareholders' class meeting and H Shareholders' class meeting of the Company.

If, during the Relevant Period, the Board or the authorised person of the Board has signed the necessary documents and handled the necessary procedures, and such documents and procedures may need to be performed, carried out or continued after the end of the Relevant Period, the Relevant Period will be extended accordingly.”

By order of the Board
COSCO SHIPPING Development Co., Ltd.
Cai Lei
Company Secretary

Shanghai, the People's Republic of China
8 June 2026

Notes:

1. The Register of Members will be closed during the following periods and during these periods, no transfer of H Shares will be registered.

- (a) To attend and vote at the H Shareholders' Class Meeting.

For the purpose of holding the H Shareholders' Class Meeting, the Register of Members will be closed from Wednesday, 24 June 2026 to Tuesday, 30 June 2026 (both days inclusive), during which period no transfer of H Shares will be registered. The H Shareholders whose names appear on the Register of Members on Tuesday, 30 June 2026 are entitled to attend and vote at the H Shareholders' Class Meeting.

In order to attend and vote at the H Shareholders' Class Meeting, the H Shareholders shall lodge all transfer documents together with the relevant share certificates to Computershare, the H Share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 23 June 2026.

- (b) To qualify for the proposed final dividend for the year ended 31 December 2025.

For the purpose of determining the H Shareholders' entitlement to the proposed final dividend for the year ended 31 December 2025, the Register of Members will be closed from Tuesday, 14 July 2026 to Friday, 17 July 2026 (both days inclusive), during which period no transfer of H Shares will be registered. The H Shareholders whose names appear on the Register of Members on Friday, 17 July 2026 are entitled to receive the proposed final dividend.

In order to qualify for the proposed final dividend, the H Shareholders shall lodge all transfer documents together with the relevant share certificates to Computershare, the H Share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 13 July 2026.

2. Each H Shareholder who has the right to attend and vote at the H Shareholders' Class Meeting is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his/her behalf at the H Shareholders' Class Meeting.
3. The form of proxy must be signed by the Shareholder or his/her attorney duly authorised in writing or, in the case of a legal person, must either be executed under its common seal or under the hand of a legal representative or other attorney duly authorised to sign the same. If the form of proxy is signed by an attorney of the appointer, the power of attorney authorising that attorney to sign, or other document of authorisation, must be notarially certified.

NOTICE OF H SHAREHOLDERS' CLASS MEETING

4. To be valid, for H Shareholders, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or other authority, must be delivered to Computershare at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the H Shareholders' Class Meeting or any adjournment thereof in order for such documents to be valid.
5. If a proxy attends the H Shareholders' Class Meeting on behalf of a Shareholder, he/she should produce his/her identity card and the form of proxy signed by the Shareholder or his/her legal representative or his/her duly authorised attorney, and specify the date of its issuance. If a legal person Shareholder appoints its corporate representative to attend the H Shareholders' Class Meeting, such representative should produce his/her identity card and the notarised copy of the resolution passed by the board of directors or other authorities, or other notarised copy of the licence issued by such legal person Shareholder. The form of proxy duly signed and submitted by HKSCC Nominees Limited are deemed to be valid, and it is not necessary for the proxy(ies) appointed by HKSCC Nominees Limited to produce the signed form of proxy when the proxy(ies) attend(s) the H Shareholders' Class Meeting. Completion and return of the form of proxy will not preclude a Shareholder from attending in person and voting at the H Shareholders' Class Meeting or any adjournment thereof should he/she so wish.
6. Pursuant to the Hong Kong Listing Rules, any vote of Shareholders at a general meeting must be taken by way of poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, the resolutions set out in the notice of the H Shareholders' Class Meeting will be voted on by poll. Results of the poll voting will be published on the website of the Hong Kong Stock Exchange at www.hkexnews.hk after the H Shareholders' Class Meeting.
7. Where there are joint registered holders of any share of the Company, only the person whose name stands first on the Register of Members in respect of such share may vote at the H Shareholders' Class Meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto.
8. The H Shareholders' Class Meeting is estimated to last for half a day. Shareholders who attend the H Shareholders' Class Meeting in person or by proxy shall bear their own transportation and accommodation expenses.

The Board as at the date of this notice comprises Mr. Zhang Mingwen (Chairman) and Mr. Wang Kunhui, being executive directors, Mr. Ip Sing Chi, Ms. Zhang Xueyan and Mr. Zheng Xiaozhe, being non-executive directors, and Mr. Shao Ruiqing, Mr. Chan Kwok Leung and Mr. Wu Daqi, being independent non-executive directors.

- * *The Company is a registered non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name "COSCO SHIPPING Development Co., Ltd."*