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If you have sold or transferred all your shares in Sinotrans Shipping Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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**中外運航運有限公司
SINOTRANS SHIPPING LTD.**

(Incorporated in Hong Kong with limited liability)
(Stock Code: 368)

**PROPOSALS FOR GENERAL MANDATES TO BUY BACK
SHARES AND TO ISSUE SHARES,
CHANGE OF AUDITOR AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the annual general meeting of Sinotrans Shipping Limited to be held at Regal Ballroom, Basement 1, Regal Hong Kong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Thursday, 14 June 2018 at 2:00 p.m. is set out on pages 15 to 19 of this circular. A proxy form for use at the annual general meeting is enclosed with this circular. Shareholders are advised to read the notice and to complete and return the accompanying proxy form for use at the annual general meeting in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the meeting or any adjournment thereof should you so wish.

30 April 2018

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held on Thursday, 14 June 2018 at 2:00 p.m., the notice of which is set out on pages 15 to 19 of this circular
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Board”	the board of the Directors of the Company
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Sinotrans Shipping Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	24 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shares”	Share(s) of the Company with no par value
“Shareholder(s)”	holder(s) of Shares
“Sinotrans & CSC Group Company”	中國外運長航集團有限公司 (SINOTRANS & CSC Holdings Co., Ltd.)* (formerly known as 中國對外貿易運輸(集團)總公司 (China National Foreign Trade Transportation (Group) Corporation or sometimes known as China National Foreign Trade Transportation Group)*, the controlling Shareholder interested in approximately 68.25% of the total issued Shares

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent

* *For identification purpose only.*

LETTER FROM THE BOARD



中外運航運有限公司
SINOTRANS SHIPPING LTD.

(Incorporated in Hong Kong with limited liability)
(Stock Code: 368)

Executive Director:

Mr. Li Hua (*Chief Executive*)

Non-executive Directors:

Mr. Su Xingang (*Chairman*)

Mr. Liu Weiwu

Mr. Li Zhen

Registered Office:

21st Floor,
Great Eagle Centre,
23 Harbour Road,
Wanchai,
Hong Kong

Independent Non-Executive Directors:

Mr. Lee Yip Wah, Peter

Mr. Zhou Qifang

Mr. Xu Zhengjun

Mr. Wu Tak Lung

30 April 2018

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES TO BUY BACK
SHARES AND TO ISSUE SHARES,
CHANGE OF AUDITOR AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding (1) the proposed general mandates to buy back Shares and to issue Shares; (2) change of auditor; (3) re-election of retiring Directors; and (4) the notice of the Annual General Meeting.

LETTER FROM THE BOARD

2. GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 25 May 2017, a general mandate was given to the Directors to buy back Shares. Such general mandate will lapse at the conclusion of the Annual General Meeting.

Therefore, an ordinary resolution will be proposed at the Annual General Meeting to give a general and unconditional mandate to the Directors to exercise the powers of the Company to buy back during the Relevant Period (as defined in ordinary resolution no.5(1) set out in the notice of Annual General Meeting) Shares up to a maximum of 10% of the issued Shares as at the date of passing of ordinary resolution no.5(1).

An explanatory statement, as required under the Listing Rules to provide the requisite information regarding the buy-back mandate is set out in Appendix I hereto.

3. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 25 May 2017, a general mandate was given to the Directors to issue Shares. Such general mandate will lapse at the conclusion of the Annual General Meeting.

Therefore, an ordinary resolution will also be proposed at the Annual General Meeting that the Directors be given a general and unconditional mandate to issue during the Relevant Period (as defined in ordinary resolution no.5(2) set out in the notice of Annual General Meeting) Shares representing up to 20 per cent. of the issued Shares as at the date of the passing of ordinary resolution. Based on 3,992,100,000 Shares that the Company has in issue as at the Latest Practicable Date and assuming no further Shares will be issued or bought back prior to the date of the Annual General Meeting, the Directors will be authorized to issue 798,420,000 Shares pursuant to the new general mandate. In addition, subject to the passing of the aforesaid resolutions to buy back Shares and issue Shares, an ordinary resolution (ordinary resolution no.5(3) set out in the notice of Annual General Meeting) will be proposed to extend the issue mandate which would increase the limit of the issue mandate by adding to it the number of Shares bought back under the buy-back mandate.

4. CHANGE OF AUDITOR

It will be proposed at the Annual General Meeting an ordinary resolution approving the appointment of SHINEWING (HK) CPA LIMITED as the new auditor of the Company.

According to the relevant regulations issued by the governing authority of the People's Republic of China, there are restrictions in respect of the number of years of audit services that an accounting firm can continuously provide to a state-owned enterprise and its subsidiaries. The Company is a subsidiary of a state-owned enterprise and the number of years that the Company has continuously engaged its existing auditor, PricewaterhouseCoopers, has exceeded the prescribed time limit. Therefore, PricewaterhouseCoopers will retire as the auditor of the Company with effect from the conclusion of the Annual General Meeting and will not offer themselves for re-appointment.

LETTER FROM THE BOARD

Sinotrans Shipping (Holdings) Limited, a controlling shareholder of the Company, has given a special notice, pursuant to sections 400(1)(a) and 578 of the Companies Ordinance, of its intention to propose the following resolution as an ordinary resolution at the Annual General Meeting:-

“**THAT SHINEWING (HK) CPA LIMITED** be and is hereby appointed auditor of the Company in place of the retiring auditor, PricewaterhouseCoopers, to hold office until the conclusion of the next annual general meeting at a remuneration to be fixed by the board of directors.”

The Board has resolved, with the recommendation of the Audit Committee of the Company, to propose at the Annual General Meeting a resolution for the appointment of SHINEWING (HK) CPA LIMITED as the auditor of the Company for the year ending 31 December 2018 in place of the retiring auditor, PricewaterhouseCoopers.

The Company has received a confirmation letter from PricewaterhouseCoopers confirming that there are no matters connected with its retirement that should be brought to the attention of the Shareholders. The Board has confirmed that there are no matters in respect of the proposed change of auditor that need to be brought to the attention of the Shareholders.

5. RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the executive Director was Mr. Li Hua; the non-executive Directors were Mr. Su Xingang, Mr. Liu Weiwu and Mr. Li Zhen; and the independent non-executive Directors were Mr. Lee Yip Wah, Peter, Mr. Zhou Qifang, Mr. Xu Zhengjun and Mr. Wu Tak Lung.

According to Article 95 of the Articles of Association, any Director appointed by the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election. Accordingly, Mr. Su Xingang, Mr. Liu Weiwu and Mr. Wu Tak Lung shall hold office until the Annual General Meeting and shall be eligible for re-election. According to Article 104(A) of the Articles of Association, every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. Accordingly, Mr. Li Hua shall retire from office by rotation at the Annual General Meeting and shall be eligible for re-election. Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II hereto.

6. ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting is set out on pages 15 to 19 of this circular. A proxy form for use at the Annual General Meeting is enclosed with this circular and such proxy form is also published on the designated website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.sinotranship.com). Shareholders are advised to read the notice and to complete and return the accompanying proxy form for use at the Annual General Meeting in accordance with the instructions printed thereon and deposited at the registered office of the Company at 21st Floor, Great Eagle Centre, 23

LETTER FROM THE BOARD

Harbour Road, Wanchai, Hong Kong not less than 48 hours before the Annual General Meeting. Completion and return of the proxy form will not preclude any Shareholder from attending and voting at the Annual General Meeting if so wished.

7. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the Annual General Meeting will be taken by poll except where the chairman, 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. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

8. RECOMMENDATION

The Directors believe that the buy-back mandate, the issue mandate, the extension of the issue mandate, change of auditor and re-election of retiring Directors are in the best interest of the Company and its Shareholders as a whole and accordingly the Directors recommend Shareholders to vote in favour of such resolutions to be proposed at the Annual General Meeting.

By Order of the Board
Sinotrans Shipping Limited
Li Hua
Executive Director

This Appendix serves as an explanatory statement, as required by Rule 10.06(b) of the Listing Rules, to provide requisite information to Shareholders for their consideration of the proposal to permit the buy-back of Shares up to a maximum of 10% of the issued Shares as at the date of the passing of ordinary resolution no.5(1).

This appendix also constitutes a memorandum as required under Section 239(2) of the Companies Ordinance.

1. Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to buy back their fully-paid shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Source of funds

Buy-backs must be made out of funds which are legally available for such purpose in accordance with the company's constitutional documents and the laws of the jurisdiction in which the company is incorporated or otherwise established.

(b) Maximum number of shares to be bought back

The shares proposed to be bought back by a company must be fully paid up. A maximum of 10% of the issued shares of a company as at the date of the passing of the relevant resolution approving the buy-back mandate may be bought back on the Stock Exchange.

(c) Shareholders' approval

The Listing Rules provide that all proposed on-market buy-backs of shares by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a specific approval in relation to specific transactions or by a general mandate to the directors of the company to make such buy-backs.

2. Issued Shares

As at the Latest Practicable Date, the number of issued Shares comprised 3,992,100,000 Shares.

Subject to the passing of ordinary resolution no.5(1) set out in the notice of Annual General Meeting and on the basis that no further Shares are issued or bought back prior to the Annual General Meeting, the Company would be allowed under the buy-back mandate to buy back Shares up to the limit of 399,210,000 Shares representing 10% of the issued Shares as at the Latest Practicable Date which are fully paid-up.

3. Reasons for Buy-Back

The Directors believe that the buy-back mandate affords the Company the flexibility and ability in pursuing the best interests for the Company and its Shareholders. Such buy-backs may, depending on market conditions and funding arrangements at the time, be beneficial to the Shareholders by enhancing the net asset and/or earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and its Shareholders.

4. Funding of Buy-Back

In buy-back of Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association and the laws of Hong Kong (including the Companies Ordinance and the Listing Rules). The Companies Ordinance provides that payment in respect of a Share buy-back may be made out of the Company's distributable profits and/or out of the proceeds of a fresh issue of Shares made for the purpose of the buy-back. The Directors propose that such buy-backs of Shares would be appropriately financed by the Company's internal resources and/or available banking facilities.

5. Impact of Buy-Back

There might be material adverse impact on the working capital or gearing levels of the Company (as compared with the position disclosed in the audited accounts contained in the 2017 annual report) in the event that the buy-back mandate was to be exercised in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the buy-back mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

6. Share Prices

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:-

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April 2017	1.90	1.66
May 2017	1.78	1.57
June 2017	1.99	1.65
July 2017	2.15	1.84
August 2017	2.52	1.92
September 2017	2.73	2.12
October 2017	2.45	2.20
November 2017	2.28	1.81
December 2017	2.09	1.85
January 2018	2.63	1.96
February 2018	2.50	1.78
March 2018	2.49	1.86
April 2018 (up to the Latest Practicable Date)	2.13	1.94

7. Undertakings and Directors' Dealings and Core Connected Persons

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make buy-backs pursuant to ordinary resolution no.5(1) set out in the notice of Annual General Meeting and in accordance with the Listing Rules, the laws of Hong Kong and the regulations set out in the Articles of Association.

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company under the buy-back mandate if the same is approved by the Shareholders.

No core connected persons have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the buy-back mandate is approved by the Shareholders.

8. Takeovers Code

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers to buy back Shares pursuant to the buy-back mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Sinotrans & CSC Group Company, the holding company of the Company, was interested in 2,724,742,500 Shares (representing approximately 68.25% of the total issued Shares as at the Latest Practicable Date). In the event that the Directors exercise in full the power to buy back Shares under the buy-back mandate, then (if the present shareholdings remains the same) the attributable interests of Sinotrans & CSC Group Company would be increased to approximately 75.84% of the issued Shares and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors have no present intention to exercise the power to buy back Shares pursuant to the buy-back mandate to such an extent as to result in the number of Shares held by the public being reduced to less than 25%.

9. Share Buy-Backs made by the Company

The Company has not bought back any Shares (whether on the Stock Exchange or otherwise) in the 6 months preceding the date of this circular.

Mr. Li Hua

Mr. Li Hua (李樺), born in April 1966, was appointed as the general manager of the Company in July 2013. Mr. Li is responsible for the overall strategic planning and daily operation management of our Company. Mr. Li joined SINOTRANS Group after he graduated from the University of International Business and Economics in 1989. He received a master degree at Murdoch University in Australia in January 2002. Mr. Li has over 28 years' experience in the shipping industry. Mr. Li joined China Business Marine Co., Ltd. in July 1989. Mr. Li served as the assistant to the general manager and deputy general manager for Worlder Shipping Limited, and the director and deputy general manager of the Company since February 2003.

Save as disclosed above, Mr. Li did not hold any position with the Company or other members of the Group and he is and was not connected with any Directors, senior management or substantial or controlling Shareholders of the Company. Apart from the Company, he did not hold any directorship in other listed public companies in the last three years.

Mr. Li had entered into a service contract as executive director with the Company for a term of three years commencing from 23 November 2016. However, he is subject to retirement and re-election at the annual general meetings in accordance with the Articles of Association. The emolument payable to Mr. Li as an executive Director will be determined by the Remuneration Committee under the authority to be granted by the Shareholders at general meetings. The total amount of emolument (including salaries, allowances, benefits-in-kind and contributions to pension plans) that Mr. Li has received for the year ended 31 December 2017 was US\$239,000, which was determined with reference to his previous performance, the Company's requirement and the external benchmarks. As at the Latest Practicable Date, he did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclose above, Mr. Li has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Listing Rules.

Mr. Su Xingang

Mr. Su Xingang (蘇新剛), born in October 1958, was appointed as a non-executive Director, the chairman of the Company and the chairman of Nomination Committee on 29 March 2018. He graduated from Ship Navigation and Harbour Superintendency Administration Specialty of Navigation Department of Dalian Maritime University in 1982 (formerly Dalian Marine College), and is a senior engineer with over 30 years of experience in shipping industry. Mr. Su served as the Deputy Division Chief of Department of Transportation Administration, Assistant Director General of Department of Water Transportation of Ministry of Communications, Vice President of China Changjiang National Shipping (Group) Corp., Deputy Director General, Director General of Department of Water Transportation of Ministry of Communications. Mr. Su joined China Merchants Group in September 2005, in which he successively held the positions of chief economist, General Counsel, Vice President and Deputy General Manager of China Merchants Group Limited. Mr. Su was an Executive Director of China Merchants Holdings (International) Company Limited (now known as China Merchants Port Holdings Company Limited, the shares of which are listed on the Hong Kong Stock Exchange) from May 2007 to February 2016; a director and vice Chairman of Shanghai International Port (Group) Co., Ltd. (the shares of which are listed on the Shanghai Stock Exchange) from September 2009 to January 2016. Mr. Su is currently a Director of China Merchants Group Limited, the Chairman of China Merchants Energy Shipping Co., Ltd. (the shares of which are listed on the Shanghai Stock Exchange). He is also the Chairman of China VLCC Company Limited and the Chairman of China LNG Shipping (Holdings) Limited, etc. He is the 13th CPPCC Standing Committee of Shanghai, the Chairman of Hong Kong Shipping Circles Association, the Vice Chairman of the Hong Kong Shipowners Association, the Vice President of China Shipowners' Association, the Vice President of China Shipowners Mutual Assurance Association, the Vice President of China Institute of Navigation, a Director of Association of Economy and Trade Across Taiwan Straits and a Director of Council of China Classification Society, etc.

Save as disclosed above, Mr. Su does not hold any position with the Company or other members of our group and he is and was not connected with any directors, senior management or substantial or controlling shareholders of the Company. Mr. Su did not hold any directorship in other listed public companies in the last three years.

Mr. Su has entered into a service contract with the Company for a term of three years commencing from 29 March 2018. However, he is subject to retirement and re-election at the general meeting in accordance with the Articles of Association. Mr. Su will not receive any remuneration from the Company. As at the Latest Practicable Date, Mr. Su did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Su has confirmed that there is neither any other matter relating to his re-election that need to be brought to the attention of the Shareholders, nor any other information which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Liu Weiwu

Mr. Liu Weiwu (劉威武), born in November 1964, was appointed as a non-executive director of the Company and member of the Remuneration Committee on 29 March 2018. He graduated from Xi'an Highway Scientific Academy in July 1988. He holds professional qualification of accountant and has over 30 years of experience in shipping industry. Mr. Liu was the Chief Funding Manager of the Financial department of Guangzhou Ocean Shipping Company. In 1997, he joined the China Merchants Group, in which he successively served as the Manager of Finance and Accounting Department of Hong Kong Ming Wah Shipping Co., Ltd. and the Deputy General Manager of the Finance Department of China Merchants Group Limited. Since February 2009, he has been the Financial Controller of China Merchants Energy Shipping Co., Ltd. (the shares of which are listed on the Shanghai Stock Exchange) and a Director of China VLCC Company Limited. He has been a Director of China Merchants Energy Shipping Co., Ltd. since May 2012, and its Vice President since February 2016.

Save as disclosed above, Mr. Liu does not hold any position with the Company or other members of our group and he is and was not connected with any directors, senior management or substantial or controlling shareholders of the Company. Mr. Liu did not hold any directorship in other listed public companies in the last three years.

Mr. Liu has entered into a service contract with the Company for a term of three years commencing from 29 March 2018. However, he is subject to retirement and re-election at the general meeting in accordance with the Articles of Association. Mr. Liu will not receive any remuneration from the Company. As at the Latest Practicable Date, Mr. Liu did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Liu has confirmed that there is neither any other matter relating to his re-election that need to be brought to the attention of the Shareholders, nor any other information which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Wu Tak Lung

Mr. Wu Tak Lung (吳德龍), born in May 1965, was appointed as an independent non-executive director of the Company in July 2017 and is the chairman of Audit Committee of the Company. Mr. Wu was awarded the bachelor's degree of Accounting by the Hong Kong Baptist University in 1993 and the master's degree of business administration (MBA) jointly by the University of Manchester and the University of Wales in 2001 majoring in finance. He is an associate member of Hong Kong Institute of Certified Public Accountants, a fellow member of Hong Kong Securities and Investment Institute, the Association of Chartered Certified Accountants, the Taxation Institute of Hong Kong and the Hong Kong Institute of Chartered Secretaries. Mr. Wu had worked in an international accounting firm, Deloitte Touche Tohmatsu, for five years, and was then employed by several listed and private companies in Hong Kong as head of corporate finance and executive director, with over 20 years of experience in accounting, finance, auditing, taxation, corporate finance and asset management. Mr. Wu currently served as an independent non-executive director of Kam Hing International Holdings Limited, Beijing Media Corporation Limited, Sinomax Group Limited, Henan Jinma Energy Company Limited and China Machinery Engineering Corporation, which are companies listed on the Hong Kong Stock Exchange, Olympic Circuit Technology Co., Ltd, a company listed on the Shanghai Stock Exchange, and First Tractor Company Limited, a company listed on both the Hong Kong Stock Exchange and the Shanghai Stock Exchange. Moreover, he was an independent non-executive director of Aupu Group Holding Company and Huarong Investment Stock Corporation Limited in the last three year. Mr. Wu is currently a member of Jiangsu Province Chinese People's Political Consultative Committee, member of the Court of Hong Kong Baptist University, an adjunct professor of the School of Business of Hong Kong Baptist University, the Honorary Chairman of the North Kwai Chung Scout and the Vice President of Hongkong-Guangdong Youth Exchange Promotion Association.

Save as disclosed above, Mr. Wu did not hold any position with the Company or other members of the Group and he is and was not connected with any Director, senior management or substantial or controlling Shareholder of the Company. Save as disclosed above, Mr. Wu did not hold any directorship in other listed public companies in the last three years.

Mr. Wu has entered into a service contract with the Company for a term of one year commencing from 23 November 2017. However, he is subject to retirement and re-election at the Annual General Meeting in accordance with the Articles of Association. Mr. Wu received a Director's fee of HK\$90,000 for serving the independent non-executive director from 4 July 2017 until 22 November 2017, which was determined by reference to the remuneration of other independent non-executive directors of the Company. As at the Latest Practicable Date, Mr. Wu did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclose above, Mr. Wu has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



中外運航運有限公司 SINOTRANS SHIPPING LTD.

(Incorporated in Hong Kong with limited liability)

(Stock Code: 368)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Sinotrans Shipping Limited (the “Company”) will be held at Regal Ballroom, Basement 1, Regal Hong Kong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Thursday, 14 June 2018 at 2:00 p.m. for the following purposes:

1. To receive and consider the audited financial statements, the report of the Directors and the independent auditor’s report for the year ended 31 December 2017.
2. To declare a final dividend.
3. (a) Each as a separate resolution, to re-elect the following retiring Directors:
 - (1) To re-elect Mr. Li Hua as executive Director;
 - (2) To re-elect Mr. Su Xingang as non-executive Director;
 - (3) To re-elect Mr. Liu Weiwu as non-executive Director; and
 - (4) To re-elect Mr. Wu Tak Lung as independent non-executive Director;(b) To authorise the Board to fix the Directors’ remuneration.
4. To appoint auditor and authorise the Directors to fix the remuneration of the auditor and in this connection, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

NOTICE OF ANNUAL GENERAL MEETING

ORDINARY RESOLUTION

“**THAT** SHINEWING (HK) CPA LIMITED be and is hereby appointed auditor of the Company in place of the retiring auditor, PricewaterhouseCoopers, to hold office until the conclusion of the next annual general meeting at a remuneration to be fixed by the board of directors.”

5. To consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions of the Company:–

ORDINARY RESOLUTIONS

(1) “**THAT:**

- (a) a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to buy back shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time provided however that the total number of the shares to be bought back pursuant to this resolution shall not exceed 10% of the total number of the shares of the Company in issue as at the date of the passing of this resolution (such total number to be subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this resolution); and

- (b) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

(2) **“THAT:**

- (a) subject to paragraph (c) of this resolution and pursuant to Sections 140 and 141 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares of the Company and to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible or exchangeable into shares of the Company) which would or might require shares to be allotted be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the directors of the Company during the Relevant Period to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares to be allotted after the end of the Relevant Period;
- (c) the total number of the shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities issued by the Company which carry rights to subscribe for or are convertible or exchangeable into shares of the Company or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, shall not exceed 20% of the total number of the shares of the Company in issue at the date of the passing of this resolution (such total number to be subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this resolution) and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution; and

“Rights Issue” means an offer of shares or issue of options, warrants or other securities giving the right to subscribe for shares of the Company open for a period fixed by the directors of the Company to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate such other securities) (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

- (3) “**THAT** subject to the passing of resolution Nos. 5(1) and 5(2) set out in the notice convening this meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with additional shares in the Company pursuant to resolution No. 5(2) set out in the notice convening this meeting be and is hereby extended by the addition thereto of the total number of the shares of the Company bought back by the Company under the authority granted pursuant to the resolution No. 5(1) set out in the notice convening this meeting, provided that such extended number of shares shall not exceed 10% of the total number of the shares of the Company in issue at the date of the passing of this resolution (such total number to be subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this resolution).”

By Order of the Board
Sinotrans Shipping Limited
KOO Ching Fan
Company Secretary

Hong Kong, 30 April 2018

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a proxy form and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of such power or authority must be deposited at the registered office of the Company at 21st Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting.
3. To ascertain shareholders' eligibility to attend and vote at the meeting, the register of members of the Company will be closed from Monday, 11 June 2018 to Thursday, 14 June 2018, both dates inclusive, during which period no share transfers will be effected. In order to qualify to attend and vote at the meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 8 June 2018 for registration.

The Board has proposed a final dividend for the year ended 31 December 2017 of HK3 cents (equivalent to US0.38 cents) per share and, if such dividend is approved by the shareholders at the meeting, it is expected to be paid on 29 June 2018 to those shareholders whose names appear on the Company's register of members after the close of business at 4:30 p.m. on Wednesday, 20 June 2018.

In order to qualify for the proposed final dividend, all share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 20 June 2018 for registration.

4. As at the date of this notice, the executive Director is Mr. Li Hua; the non-executive Directors are Mr. Su Xingang (Chairman), Mr. Liu Weiwu and Mr. Li Zhen; and the independent non-executive Directors are Mr. Lee Peter Yip Wah, Mr. Zhou Qifang, Mr. Xu Zhengjun and Mr. Wu Tak Lung.