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CSSC (Hong Kong) Shipping Company Limited

中國船舶(香港)航運租賃有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 3877)

DISCLOSEABLE TRANSACTIONS PROVISION OF GUARANTEES

PROVISION OF GUARANTEES

On 23 November 2022 (after trading hours), the Company (as guarantor) entered into the Charter Guarantees in favor of the Owners, pursuant to which, the Company has irrevocably and unconditionally agreed to provide guarantees up to US\$94,800,000 for the punctual performance of the Charterers in respect of their respective obligations, duties and liabilities under or in connection with the Charters.

THE LISTING RULES IMPLICATIONS

According to Rule 14.22 of the Listing Rules, the Stock Exchange will aggregate a series of transactions and treat them as if they were one transaction if they are all completed within a 12-month period or are otherwise related. The Charter Guarantees were guarantees provided by the Company in favour of the Owners, all being subsidiaries of 光大金融租賃股份有限公司 (Everbright Financial Leasing Co., Ltd.*) and therefore constituted a series of related transactions which required to be aggregated pursuant to Rule 14.22 of the Listing Rules. The highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the guarantee amount of the Charter Guarantees is more than 5% but less than 25%. Therefore, the provision of guarantees under the Charter Guarantees constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

1. INTRODUCTION

On 23 November 2022 (after trading hours), the Company (as guarantor) entered into the Charter Guarantees in favor of the Owners, pursuant to which, the Company has irrevocably and unconditionally agreed to provide guarantees up to a maximum amount of US\$94,800,000 for the punctual performance of the Charterers in respect of their respective obligations, duties and liabilities under or in connection with the Charters.

2. DETAILS OF THE CHARTER GUARANTEES

The salient terms of the Charter Guarantees are summarized below:

Date:	23 November 2022
Parties:	the Company as the guarantor; and the Owners, namely CEBFL No. 18, CEBFL No. 19 and CEBFL No. 21
Guarantee:	the Company has irrevocably and unconditionally agreed to provide guarantees up to a maximum amount of US\$94,800,000 for the punctual performance of the Charterers in respect of their respective obligations, duties and liabilities under or in connection with the Charters
Guarantee Period:	The respective Charter Guarantees shall take effect upon execution and remain in force as a continuing security up to the last day of the charter period under the respective Charters

In the event that the Company becomes liable to pay to the Owners under the Charter Guarantees, the Company intends to fund such payment through the internal resources of the Group.

3. INFORMATION OF THE PARTIES

Information of the Company

The Company is a shipyard-affiliated leasing company and is principally engaged in the provision of leasing services.

Ocean Classic Limited is a joint venture company incorporated in the British Virgin Islands with limited liability. As at the date of this announcement, it is owned as to 50% by the Group through its wholly-owned subsidiary, Fortune Ceres Holding Company Limited and as to 50% by Sunrise Marine Limited, an Independent Third Party. Ocean Classic Limited is principally engaged in the provision of leasing services and is the holding company of each of the Charterers, namely, Gas Aquarius, Gas Gemini and Gas Scorpio.

To the best of the Directors' knowledge, information and belief and having made reasonable enquiry, as at the date of this announcement, Sunrise Marine Limited is principally engaged in shipping business and is ultimately and beneficially wholly owned by 劉季春 (Mr. Liu Jichun*).

Information of Owners

Each of CEBFL No. 18, CEBFL No. 19 and CEBFL No. 21 is a company incorporated under the laws of the PRC, and is directly and wholly owned by 光大金融租賃股份有限公司 (Everbright Financial Leasing Co., Ltd.*). Each of CEBFL No. 18, CEBFL No. 19 and CEBFL No. 21 is principally engaged in shipping business.

To the best of the Directors' knowledge, information and belief and having made reasonable enquiry, as at the date of this announcement, 光大金融租賃股份有限公司 (Everbright Financial Leasing Co., Ltd.*) is owned as to 90% by 中國光大銀行股份有限公司 (China Everbright Bank Company Limited Co., Ltd.*), 5% by 武漢市軌道交通建設有限公司 (Wuhan Rail Transit Construction Co., Ltd.*) and 5% by 湖北港口集團有限公司 (Hubei Port Group Co., Ltd.*), respectively.

Based on the public information currently available to the Company, as at the date of this announcement, (a) 中國光大銀行股份有限公司 (China Everbright Bank Company Limited Co., Ltd.*) is a joint stock company established in the PRC with limited liability, the shares of which are listed on the Main Board of the Stock Exchange and the Shanghai Stock Exchange and is mainly engaged in commercial banking operations, including retail banking, corporate banking and treasury operations; (b) 武漢市軌道交通建設有限公司 (Wuhan Rail Transit Construction Co., Ltd.*) is ultimately owned as to approximately 88.06% by the State-owned Assets Supervision and Administration Commission of Wuhan Municipal Government (the “**Wuhan SASAC**”) and as to 11.94% by the State Council of the PRC, respectively; and (c) 湖北港口集團有限公司 (Hubei Port Group Co., Ltd.*) is ultimately owned as to approximately 82.86% by the Wuhan SASAC, and as to 4.285% by each of (i) State-owned Assets Supervision and Administration Commission of Xianning Municipal Government, (ii) State-owned Assets Supervision and Administration Commission of Ezhou Municipal Government, (iii) State-owned Assets Supervision and Administration Commission of Huanggang Municipal Government and (iv) State-owned Assets Supervision and Administration Commission of Huangshi Municipal Government, respectively.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, each of the Owners and their ultimate beneficial owner(s) are Independent Third Parties.

4. REASONS FOR AND BENEFITS OF ENTERING INTO THE CHARTER GUARANTEES

The Company is a shipyard-affiliated leasing company and is principally engaged in the provision of leasing services. The Charter Guarantees is provided as a security to enable the Charterers to obtain funds from the Owners for the purpose of sale and leaseback of the Charters.

The Directors are of the view that the provision of guarantees under the Charter Guarantees will facilitate the Charterers to meet its funding requirement for sale and leaseback of the Charters and to maintain their day-to-day operations. In addition, as the Company is only providing the Charter Guarantees in proportion to its shareholding in the Charterers through Ocean Classic Limited, the Directors are of the view that the Charter Guarantees enables the Group to derive commercial benefits from ensuring the continuous and steady growth of the Charterers, and ultimately contribute to the Group's revenue in the future. For the abovesaid, the Directors consider that the terms of the Charter Guarantees are on normal commercial terms, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

5. LISTING RULES IMPLICATIONS

According to Rule 14.22 of the Listing Rules, the Stock Exchange will aggregate a series of transactions and treat them as if they were one transaction if they are all completed within a 12-month period or are otherwise related. The Charter Guarantees were guarantees provided by the Company in favour of the Owners, all being subsidiaries of 光大金融租賃股份有限公司 (Everbright Financial Leasing Co., Ltd.*) and therefore constituted a series of related transactions which required to be aggregated pursuant to Rule 14.22 of the Listing Rules. The highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the guarantee amount of the Charter Guarantees is more than 5% but less than 25%. Therefore, the provision of guarantees under the Charter Guarantees constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

6. DEFINITIONS

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

“Board”	the board of directors of the Company
“CEBFL No. 18”	光金租十八號(天津)船舶租賃有限公司 (CEBFL No. 18 (Tianjin) Ship Leasing Co., Ltd*), a company incorporated under the laws of the PRC

“CEBFL No. 19”	光金租十九號(天津)船舶租賃有限公司 (CEBFL No. 19 (Tianjin) Ship Leasing Co., Ltd.*), a company incorporated under the laws of the PRC
“CEBFL No. 21”	光金租二十一號(天津)船舶租賃有限公司 (CEBFL No. 21 (Tianjin) Ship Leasing Co., Ltd.*), a company incorporated under the laws of the PRC
“Charter Guarantees”	collectively referred to (i) the deed of charter guarantee entered into between the Company and CEBFL No. 18 on 23 November 2022; (ii) the deed of charter guarantee entered into between the Company and CEBFL No. 19 on 23 November 2022; and (iii) the deed of charter guarantee entered into between the Company and CEBFL No. 21 on 23 November 2022, pursuant to which the Company agreed to provide guarantees in favour of the Owners of up to a maximum amount of US\$94,800,000 for the punctual performance of the Charterers in respect of their respective obligations, duties and liabilities under or in connection with the Charters
“Charters”	collectively referred to the underlying bareboat charter parties dated on or around the date of the Charter Guarantees between the respective Charterers and the Owners
“Charterers”	collectively referred to Gas Aquarius, Gas Gemini and Gas Scorpio
“Company”	CSSC (Hong Kong) Shipping Company Limited (中國船舶(香港)航運租賃有限公司), a company incorporated under the laws of Hong Kong with limited liability on 25 June 2012, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3877)

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Gas Aquarius”	Gas Aquarius Limited, a company incorporated under the laws of Hong Kong, a joint venture of the Company
“Gas Gemini”	Gas Gemini Limited, a company incorporated under the laws of Hong Kong, a joint venture of the Company
“Gas Scorpio”	Gas Scorpio Limited, a company incorporated under the laws of Hong Kong, a joint venture of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Ocean Classic Limited”	Ocean Classic Limited, a company incorporated under the laws of the British Virgin Islands, a joint venture of the Company
“Owners”	collectively referred to CEBFL No. 18, CEBFL No. 19 and CEBFL No. 21
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) in the share capital of the Company

“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

In this announcement, for the purpose of illustration only, amounts quoted in US\$ have been converted into HK\$ at the rate of US\$1.00 to HK\$7.80. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

* *For identification purposes only. The English names are only translations of the official Chinese names. In case of inconsistency, the Chinese names prevail.*

By order of the Board
CSSC (Hong Kong) Shipping Company Limited
Zhong Jian
Chairman

Hong Kong, 25 November 2022

As at the date of this announcement, the Board comprises Mr. Zhong Jian as executive Director, Ms. Zhang Yi, Mr. Zou Yuanjing and Mr. Zhang Qipeng as non-executive Directors, and Mdm. Shing Mo Han Yvonne, Mr. Li Hongji and Mr. Wang Dennis as independent non-executive Directors.