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**中國外運股份有限公司**  
**SINOTRANS LIMITED**

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

**(Stock Code: 00598)**

## **ADJUSTMENT TO THE EXERCISE PRICE OF THE SHARE OPTION SCHEME**

References are made to the circular of Sinotrans Limited (the “**Company**”) dated 30 December 2021 (the “**Circular**”) and the announcements of the Company dated 29 November 2021, 24 January 2022, 25 January 2022, 2 March 2022, 25 August 2022 and 27 March 2023 (the “**Announcements**”) in relation to, among others, the Share Option Scheme. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meaning as those defined in the Circular and the Announcements.

The board of directors (the “**Board**”) of the Company announces that, according to the relevant terms of the Share Option Scheme, the Company adjusted the Exercise Price of the Share Options, and the adjusted Exercise Price was RMB3.765 per share (the “**Exercise Price Adjustment**”) as the Company has completed the distribution of 2022 final dividend and 2023 interim dividend on 28 June 2023 and 19 October 2023, respectively.

### **I. THE EXERCISE PRICE ADJUSTMENT**

The proposed distribution of 2022 final dividend has been considered and approved by the 2022 annual general meeting of the Company on 12 May 2023, which agreed that the Company could distribute a cash dividend of RMB0.10 per share (tax included) based on the total share capital on the record date for the dividend distribution (deducting the Shares repurchased by the Company in its special accounts). If there is any change in the total share capital from the date of disclosure of the profit distribution plan to the record date of the dividend distribution, the distribution amount per share is proposed to remain unchanged and the total distribution will be adjusted accordingly. The Company has completed the distribution of 2022 final dividend on 28 June 2023.

According to the authorization of the 2022 annual general meeting of the Company, the 26th meeting of the third session of the Board reviewed and approved the Proposal on the Profit Distribution Plan for the Half Year of 2023, which agreed that the Company would distribute a cash dividend of RMB0.145 per share (tax included) based on the total share capital on the record date for the dividend distribution (deducting the Shares repurchased by the Company in its special accounts). If there is any change in the total share capital from the date of disclosure of the profit distribution plan to the record date of the dividend distribution, the distribution amount per share is proposed to remain unchanged and the total

distribution will be adjusted accordingly. The Company has completed the distribution of 2023 interim dividend on 19 October 2023.

According to relevant terms of the Share Option Scheme, in the event of cash dividend distribution of the Company prior to any Exercise of Options from the Grant Date of the Share Options, the Exercise Price shall be adjusted accordingly, and the adjustment method is as follows:

$$P=P_0-V=4.01-0.10-0.145=3.765 \text{ (RMB per share)}$$

Where:  $P_0$  represents the Exercise Price before adjustment;  $V$  represents the dividend per share;  $P$  represents the Exercise Price after the adjustment.

## **II. IMPACT OF THE EXERCISE PRICE ADJUSTMENT ON THE COMPANY**

The Exercise Price Adjustment will not have any material impact on the Company's financial position and operating results.

## **III. INDEPENDENT OPINION OF THE INDEPENDENT DIRECTORS OF THE COMPANY ON THE EXERCISE PRICE ADJUSTMENT**

The independent directors of the Company believe that the Exercise Price Adjustment made by the Company complies with the provisions of relevant laws, regulations and normative documents such as the Measures for the Administration of Equity Incentive Plans of Listed Companies (《上市公司股權激勵管理辦法》) and relevant terms of the Share Option Scheme, and the decision-making procedures are legitimate and effective without any material impact on the Company's financial position and operating results or any prejudice to the interests of the Company and its shareholders, especially the interests of small and medium shareholders. Therefore, the independent directors of the Company agreed to adjust the Exercise Price of Share Options.

## **IV. EXAMINATION OPINION OF THE SUPERVISORY COMMITTEE ON THE EXERCISE PRICE ADJUSTMENT**

The Supervisory Committee of the Company believes that the Exercise Price Adjustment made by the Company complies with the relevant provisions of the Measures for the Administration of Equity Incentive Plans of Listed Companies and the Share Option Scheme, the calculation method and determination process of Exercise Price Adjustment are legitimate and effective without any prejudice to the interests of the Company and its shareholders. Therefore, the Supervisory Committee of the Company agreed to adjust the Exercise Price of Share Options.

## **V. CONCLUSIVE VIEW OF THE LEGAL OPINION**

Jia Yuan Law Offices, the legal adviser of the Company, believes that the Company has obtained necessary approval and authorization for the Exercise Price Adjustment, which complies with the relevant provisions of the Measures for the Administration of Equity Incentive Plans of Listed Companies and the Share Option Scheme.

By Order of the Board  
**Sinotrans Limited**  
**Li Shichu**  
Company Secretary

Beijing, 26 October 2023

*As at the date of this announcement, the board of directors of the Company comprises Wang Xiufeng (Chairman), Song Rong (executive director), Deng Weidong (non-executive director), Luo Li (non-executive director), Yu Zhiliang (non-executive director), Tao Wu (non-executive director), Jerry Hsu (non-executive director), and four independent non-executive directors, namely Wang Taiwen, Meng Yan, Song Haiqing and Li Qian.*