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 your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **CSSC (Hong Kong) Shipping Company Limited**, you should at once hand this circular, together with the Proxy Form, to the purchaser(s) or the transferee(s) or to the bank manager, licensed securities dealer or other registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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CSSC (Hong Kong) Shipping Company Limited
中國船舶集團(香港)航運租賃有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 3877)

DISCLOSEABLE AND CONNECTED TRANSACTIONS IN RELATION TO THE CONSTRUCTION OF VESSELS

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

SOMERLEY CAPITAL LIMITED

Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as defined in the "Definitions" section of this circular.

A letter from the Board is set out on pages 5 to 12 of this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages 13 to 14 of this circular. A letter from the Independent Financial Adviser containing its recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 15 to 25 of this circular.

The EGM will be held at the conference room of the Company at 1801, 18/F, World-wide House, 19 Des Voeux Road Central, Hong Kong at 3:30 p.m. on Thursday, 25 September 2025. The notice of the EGM is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is enclosed in this circular. Whether or not you are able to attend such meeting, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar in Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

28 August 2025

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

"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Beihai Shipbuilding"	CSSC Qingdao Beihai Shipbuilding Company Limited*(中國船舶集團青島北海造船有限公司), a company established under the laws of the PRC and indirectly controlled by China Shipbuilding Group
"Board"	the board of directors of the Company
"Builders"	Beihai Shipbuilding and China Shipbuilding Trading
"Buyers"	Fortune Propulsion and Fortune Prosperity
"China Shipbuilding Group"	China State Shipbuilding Corporation Limited*(中國船舶集團有限公司), a wholly state-owned limited liability company established under the laws of the PRC, being the sole shareholder of CSSC Group and one of the controlling shareholders of the Company
"China Shipbuilding Trading"	China Shipbuilding Trading Company Limited*(中國船舶工業貿易有限公司), a company established under the laws of the PRC and a wholly owned subsidiary of China Shipbuilding Group
"Company"	CSSC (Hong Kong) Shipping Company Limited(中國船舶集團(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 same meaning ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the same meaning ascribed to it under the Listing Rules
"CSSC Finance"	CSSC Finance Company Limited(中船財務有限責任公司), a non-wholly owned subsidiary of the CSSC Group

"CSSC Group"	China State Shipbuilding Corporation*(中國船舶工業集團有限公司), a wholly state-owned limited liability company established under the laws of the PRC and one of the controlling shareholders of the Company
"Director(s)"	directors of the Company
"EGM"	an extraordinary general meeting to be held by the Company for the Independent Shareholders to consider and approve, if thought fit, among other things, the Shipbuilding Agreements and the transactions contemplated thereunder
"Fortune Propulsion"	Fortune Propulsion Shipping Limited, a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly owned SPV of the Company
"Fortune Prosperity"	Fortune Prosperity Shipping Limited, a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly owned SPV of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent committee of the Board comprising all the independent non-executive Directors, established for the purpose of advising the Independent Shareholders in connection with the Shipbuilding Agreements and the transactions contemplated thereunder
"Independent Financial Adviser" or "Somerley"	Somerley 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, and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in connection with, among other things, the Shipbuilding Agreements and the transactions contemplated thereunder

"Independent Shareholders"	Shareholders who do not have a material interest in the Shipbuilding Agreements and the transactions contemplated thereunder
"Latest Practicable Date"	22 August 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"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
"PRC"	the People's Republic of China, which for the purpose of this circular shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the share capital of the Company
"Shareholder(s)"	holder(s) of share(s) of the Company holder(s) of share(s) of the Company
"Shipbuilding Agreements"	agreements entered into between the Buyers and the Builders on 16 July 2025 in respect of the construction of the Vessels
"SPV"	special purpose vehicle
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US$"	United States Dollars, the lawful currency of the United States
"Vessels"	two 210,400 deadweight bulk carriers to be acquired by the Group pursuant to the Shipbuilding Agreements, and unless otherwise stated, a "Vessel" means any of them
"%"	per cent.

In this circular, for the purpose of illustration only, amounts quoted in RMB have been converted into HK$ at the rate of RMB1 to HK$1.09 and amounts quoted in US$ have been converted into RMB at the rate of US$1 to RMB7.18. Such exchange rates have been used, where applicable, for the purpose of illustration only and do not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

Certain figures set out in this circular have been subject to rounding adjustments. Accordingly, figures shown as the currency conversion or percentage equivalents may not be an arithmetic sum of such figures. Any discrepancy in any table between totals and sums of amounts listed in this circular is due to rounding.

* *The English transliteration of the Chinese name(s) in this circular, where indicated, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*

CSSC (Hong Kong) Shipping Company Limited
中國船舶集團(香港)航運租賃有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 3877)

Executive Director:
Mr. Li Hongtao

Non-Executive Directors:
Mr. Zhang Qipeng
Mr. Chi Benbin

Independent Non-Executive Directors:
Mr. Wang Dennis
Mdm. Shing Mo Han Yvonne, *BBS, JP*
Mr. Li Hongji

Registered Office:
1801, 18/F, World-wide House
19 Des Voeux Road Central
Hong Kong

28 August 2025

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTIONS IN RELATION TO THE CONSTRUCTION OF VESSELS

I. INTRODUCTION

Reference is made to the announcements of the Company dated 16 July 2025 in relation to, among others, the entering into of the Shipbuilding Agreements and the transactions contemplated thereunder.

Somerley has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of and the transactions contemplated under the Shipbuilding Agreements, and whether such transactions and the terms of and the entering into of the Shipbuilding Agreements are in the interests of the Company and its Shareholders as a whole. The letter from the Independent Board Committee to the Independent Shareholders is also included in this circular.

The purpose of this circular is to provide you with, among others, further details of: (i) the transactions contemplated under the Shipbuilding Agreements; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders regarding the terms of and the entering of the Shipbuilding Agreements, and the transactions contemplated under the Shipbuilding Agreements; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the terms of the Shipbuilding Agreements; and (iv) a notice of the EGM.

II. BACKGROUND

On 16 July 2025 (after trading hours), Fortune Propulsion and Fortune Prosperity (both being indirect wholly owned SPVs of the Company) as Buyers and Beihai Shipbuilding and China Shipbuilding Trading as Builders entered into two Shipbuilding Agreements on substantially the same terms for the construction of two Vessels at a consideration of RMB528,000,000 (equivalent to approximately HK$575,520,000) for each Vessel and for an aggregate consideration of RMB1,056,000,000 (equivalent to approximately HK$1,151,040,000). The Shipbuilding Agreements will be effective subject to, among others, the approval of the Independent Shareholders at the EGM.

III. CONTRACT TERMS

The consideration of each Vessel was determined by the Buyers and the Builders after arm's length negotiations taking into account: (i) the market price of comparable type of vessels in other shipbuilding transactions and the construction price of the same type of vessels offered by the Builders to other independent third parties recently by reference to the publicly available industry reports (the "**Report**") published by independent industry consultant. Based on the Report, the consideration amount of each Vessel under the Shipbuilding Agreements is the same as the construction price of same type of vessel offered by the Builders to other independent third parties in other transactions and lower than that of the market price of comparable type of vessels in other shipbuilding transactions; and (ii) payment terms and delivery dates of the Vessels and was agreed between a willing buyer and a willing seller. The terms of the Shipbuilding Agreements (including the consideration for each of the Vessel) were determined on an arm's length basis and on normal commercial terms. The Buyers shall pay the transaction consideration of RMB528,000,000 for each Vessel in five instalments based on progress intervals on the construction of each Vessel with smaller proportion of the consideration amount payable in the first four installments and the majority of the payment payable in the fifth installment upon delivery of the Vessels.

The Vessels are expected to be delivered on or before 31 December 2027 and 31 March 2028 respectively, subject to the arrangements of delay in delivery as agreed in the Shipbuilding Agreements in case of delay in delivery, the Builders shall deduct the liquidated damages from the fifth installment of the consideration of the Shipbuilding Agreements (the exact amount of which shall be assessed based on the extent of delay from the original delivery date pursuant to the Shipbuilding Agreements and the maximum amount shall be RMB19,980,000 for each Vessel) and, accordingly, the fifth installment shall be paid on a net basis (i.e. after deducting the aforementioned liquidated damages payable by the Builders).

If under extreme circumstances where the Builders fail to conform to the technical specifications (such as deviation of the speed, fuel consumption or the deadweight tonnage of the relevant Vessel from the agreed permissible range), the Builders shall deduct the liquidated damages from the fifth installment of the consideration of the Shipbuilding Agreements (the exact amount of which shall be assessed based on the extent of deviation from the relevant technical specifications as prescribed under the Shipbuilding Agreements and the aggregate maximum amount of which shall be RMB17,582,000 for each of the Vessel) and accordingly, the fifth installment shall be paid on a net basis (i.e. after deducting the aforementioned liquidated damages payable by the Builders):

Save as disclosed above, the consideration for each Vessel is not subject to other deduction mechanism pursuant to the terms of the Shipbuilding Agreements.

The Buyers may elect to revoke or terminate the Shipbuilding Agreements in the event of delayed delivery of the Vessels by the Builders or failure of the Builders to conform to the aforementioned technical specifications in the construction of the Vessels to the extent as prescribed under the Shipbuilding Agreements. In the event that any of the Shipbuilding Agreements is revoked or terminated by the Buyers in accordance with the specific terms thereof, the Builders shall refund to the Buyers in RMB the full amount already paid by the Buyers to the Builders, together with interests incurred thereof (the exact amount of which shall be determined based on the agreed interest rate on the amount required to be refunded as computed from the date when such sum is received by the Builders in accordance with the terms under the Shipbuilding Agreements).

IV. SOURCE OF FUNDS

The consideration amount is expected to be funded by internal resources of the Group.

V. INFORMATION ABOUT THE PARTIES TO THE SHIPBUILDING AGREEMENTS

The Buyers

Fortune Propulsion and Fortune Prosperity are companies incorporated under the laws of Hong Kong with limited liability. The Buyers are both indirect wholly owned SPVs of the Company and are principally engaged in the provision of leasing services.

The Builders

Each of Beihai Shipbuilding and China Shipbuilding Trading is a company established under the laws of the PRC and is principally engaged in the shipbuilding business. As at the Latest Practicable Date, (i) Beihai Shipbuilding is owned as to 97.59% by China Shipbuilding Industry Company Limited (中國船舶重工股份有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 601989) and is indirectly controlled by China Shipbuilding Group; and (ii) China Shipbuilding Trading is wholly owned by China Shipbuilding Group.

VI. REASONS FOR AND BENEFITS OF THE TRANSACTION UNDER THE SHIPBUILDING AGREEMENTS

The Company is a shipyard-affiliated leasing company and is principally engaged in the provision of leasing services. It is the Group's strategy to continue investing in new vessels so as to replenish its fleet portfolio for replacement of the older vessels which are sold by the Group. Therefore, the Board is continuously seeking to optimise the quality of the fleets of the Group and adjust the Group's fleet profile as appropriate. The Board believes that the Shipbuilding Agreements and the transactions contemplated thereunder will enable the Group to optimise the fleet profile through ongoing asset portfolio management, which is in line with the Group's business development strategy. Furthermore, China Shipbuilding Group is a leading state-owned shipbuilding conglomerate in the PRC and has solid experience and substantial expertise in shipbuilding and is equipped with capabilities in constructing a wide range of vessels. During the ordinary and usual course of business of the Group, the Group has been purchasing vessels from China Shipbuilding Group and/or its associates since its establishment in 2012. The vessels purchased from China Shipbuilding Group and/or its associates have been used for the Group's operating lease business and for direct finance lease transactions (both being the Group's principal businesses). When the Vessels are delivered from the Builders, the Group would be able to generate leasing income by leasing the vessels to customer(s).

Beihai Shipbuilding, being a subsidiary of the China Shipbuilding Group, has been well-recognised for its manufacturing process and quality control, which is crucial to the performance of the Vessels. The Group has previously engaged Beihai Shipbuilding as shipbuilder for other shipbuilding transactions and hence collaboration with the same shipbuilder is expected to provide synergy in vessel construction. Furthermore, China Shipbuilding Trading has extensive experience in coordinating the shipbuilders and the buyers as well as monitoring the shipbuilding progress. Therefore, engaging China Shipbuilding Trading as a trader under the Shipbuilding Agreement not only is in line with the common practice in the market, but also allows the Group to obtain professional advices from China Shipbuilding Trading and further enhance the construction and delivery process of the Vessels. It is also noted that Beihai Shipbuilding had entered into letters of intent with other independent third party buyers for the construction of the same type of vessel ordered by the Group. Hence, it is believed that Beihai Shipbuilding is well-recognised by the market for the construction of such vessel. In addition, the Vessels delivery schedule offered by the Builders also fit with the strategic plan of the Group, and the consideration offered by the Builders is comparable to those offered by other shipbuilders (including independent third-party shipbuilders) as obtained by the Group through market researches.

Considering the above, the Board (including the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee in this circular after taking into account the advice from the Independent Financial Adviser) is of the view that the terms under the Shipbuilding Agreements were arrived at after arm's length negotiations between the parties thereto and were on normal commercial terms and in the ordinary and usual course of business of the Group, and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

VII. IMPLICATIONS UNDER THE LISTING RULES

As at the Latest Practicable Date, China Shipbuilding Group (through CSSC Group) is interested in 4,602,046,234 Shares, accounting for approximately 74.24% of the issued share capital of the Company. As China Shipbuilding Group, the sole shareholder of CSSC Group which indirectly controls Beihai Shipbuilding and wholly owns China Shipbuilding Trading, Beihai Shipbuilding and China Shipbuilding Trading (being the Builders) are connected persons of the Company. Therefore, the transactions contemplated under the Shipbuilding Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios in respect of the transactions contemplated under the Shipbuilding Agreements exceed 5% but are less than 25%, these transactions constitute discloseable transactions of the Company which are subject to notification and announcement requirements under Chapter 14 of the Listing Rules. Further, these transactions also constitute connected transactions of the Company and are therefore subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

VIII. WAIVER IN RESPECT OF DOCUMENTS ON DISPLAY

In respect of the Shipbuilding Agreements, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 14A.70(13) and paragraph 43(2)(c) of Appendix D1B to the Listing Rules (the "**Waiver**"), so that certain sensitive information may be redacted from the Shipbuilding Agreements to be published on the websites of the Stock Exchange and the Company. The Stock Exchange has granted the Waiver to the Company, which allows the Company to redact the sensitive information therein including : (i) the technical details of the Vessels; (ii) details of the terms of payment, refund guarantees and liquidated damages; (iii) operational provisions relating to extension of time for delivery of the Vessels and period of guarantee of material and workmanship by the Builders; (iv) rate of interests of refund and operational details relating to the cancellation, rejection, rescission and default by the Buyers; (collectively, the "**Sensitive Commercial Information**"); and (v) certain sensitive contact and personal information of the Buyer and the Builders (the "**Sensitive Personal Information**").

The Sensitive Commercial Information is highly and commercially sensitive and confidential to the parties to the Shipbuilding Agreements which, if disclosed, will (i) significantly prejudice the Group's operation and commercial interests; (ii) adversely affect the Group's commercial negotiation position, future collaboration with the Builders as well as the Group's ability to source quality container vessels in the future; (iii) gravely undermine the competitiveness of the respective parties; and (iv) undermine the interests of the Company and the Shareholders and/or the Independent Shareholders (as the case may be) as a whole. Moreover, the Sensitive Commercial Information is either operational in nature or highly technical and therefore has no material influence on the Independent Shareholders' assessment of the assets and liabilities, financial position, profits and losses and prospects of the Company and, where relevant, the impact of the transactions contemplated under the Shipbuilding Agreements as a whole. Furthermore, according to the Shipbuilding Agreements, the Buyers are contractually obliged to preserve the confidentiality of the terms thereof in particular by not disclosing such terms to any third party without the express prior approval of the Builders, failing which the Group may also be exposed to potential claims. The material terms of the Shipbuilding Agreements have been summarised and disclosed in this circular, from which the Independent Shareholders will be able to have sufficient information to assess and make an informed voting decision on the transactions contemplated under the Shipbuilding Agreements.

The Sensitive Personal Information concerns confidential personal details which constitute "personal data" as defined under the Personal Data (Privacy) Ordinance (Chapter 486 of Hong Kong Laws), and is immaterial and not necessary to the decision of the Independent Shareholders in respect of the transactions contemplated under the Shipbuilding Agreements.

Accordingly, only the redacted versions of each of the Shipbuilding Agreements will be published on the websites of the Stock Exchange and the Company, as documents on display, for a period of 14 days from the date of this circular.

IX. DIRECTORS' INTEREST IN THE ABOVE TRANSACTIONS

Save for Mr. Li Hongtao (a director of CSSC International Holding Company Limited ("**CSSC International**"), a controlling shareholder of the Company and a subsidiary of China Shipbuilding Group) as the executive Director and Mr. Zhang Qipeng (the deputy general manager, general legal counsel and head of legal department of Shanghai Waigaoqiao Shipbuilding Co., Ltd.*(上海外高橋造船有限公司), an indirect subsidiary of China Shipbuilding Group) and Mr. Chi Benbin (the deputy general manager of Hudong Zhonghua Shipbuilding (Group) Co., Ltd.*(滬東中華造船(集團)有限公司), a subsidiary of China Shipbuilding Group) as the non-executive Directors who are considered to be interested in the Shipbuilding Agreements, none of the Directors has abstained from voting at the Board meeting to approve the Shipbuilding Agreements and the transactions contemplated thereunder.

X. THE EGM

The EGM will be held at the conference room of the Company at 1801, 18/F, World-wide House, 19 Des Voeux Road Central, Hong Kong at 3:30 p.m. on Thursday, 25 September 2025. The notice convening the EGM is set out on pages EGM-1 to EGM-2 of this circular.

Since China Shipbuilding Group, the sole shareholder of CSSC Group, indirectly controls Beihai Shipbuilding and wholly owns China Shipbuilding Trading as at the Latest Practicable Date, China Shipbuilding Group and its associates (which held 4,602,046,234 shares of the Company and accounting for approximately 74.24% of the issued share capital of the Company as at the Latest Practicable Date) will be required to abstain from voting in relation to the relevant resolutions in relation to the Shipbuilding Agreements and the transactions contemplated thereunder to be proposed at the forthcoming EGM. The Company confirms that China Shipbuilding Group and its associates control the voting rights in respect of their shares of the Company.

Save for the above, to the best of the Director's knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders has a material interest in the resolutions to be proposed at the EGM and will abstain from voting at the EGM.

A form of proxy for use at the EGM is enclosed in this circular. Whether or not you are able to attend such meeting, please complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's share registrar in Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

All resolutions to be proposed at the EGM will be voted on by way of poll in accordance with the Listing Rules.

XI. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will close from Monday, 22 September 2025 to Thursday, 25 September 2025 (both days inclusive), during which period no transfer of Shares will be registered.

XII. RECOMMENDATIONS

Taking into account of the further details of the Shipbuilding Agreements, the Board (including the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee in this circular after taking into account the advice from the Independent Financial Adviser) is of the view that the transaction contemplated under the Shipbuilding Agreements and the terms of and the transactions contemplated under the Shipbuilding Agreements are, in the ordinary course of business of the Group, on normal commercial terms and are fair and reasonable, and are in the interest of the Company and its Shareholders as a whole. Accordingly, the Board recommends all Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Shipbuilding Agreements and the transactions contemplated thereunder.

XIII. FURTHER INFORMATION

Your attention is also drawn to the information set out in the appendices to this circular.

Yours faithfully,
By order of the Board
CSSC (Hong Kong) Shipping Company Limited
中國船舶集團(香港)航運租賃有限公司
Mr. Li Hongtao
Chairman

CSSC (Hong Kong) Shipping Company Limited
中國船舶集團(香港)航運租賃有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 3877)

28 August 2025

To the Independent Shareholders

Dear Sir or Madam

DISCLOSEABLE AND CONNECTED TRANSACTIONS IN RELATION TO THE CONSTRUCTION OF VESSELS

We refer to the circular dated 28 August 2025 (the "**Circular**") issued by the Company of which this letter forms part. Unless the context otherwise requires, terms and expressions defined in the Circular have the same meanings herein.

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders as to whether the terms of the Shipbuilding Agreements and the transactions contemplated under the Shipbuilding Agreements, as set out in the Circular, are fair and reasonable and to recommend whether or not the Independent Shareholders should approve the terms of and the entering into of the Shipbuilding Agreements. Somerley 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, as set out on pages 5 to 12 of this Circular and the text of a letter from the Independent Financial Adviser, as set out on pages 15 to 25 of this Circular, both of which provide details of the transaction for the transactions contemplated under the Shipbuilding Agreements. Your attention is also drawn to the additional information set out in the Appendix to the Circular.

Having considered the terms of the Shipbuilding Agreements, the advice of the Independent Financial Adviser and the relevant information contained in the letter from the Board, we are of the opinion that the terms of and the entering into of the Shipbuilding Agreements, and the transactions contemplated under the Shipbuilding Agreements, are entered into in the ordinary and usual course of business of the Group, and are on normal commercial terms, and are fair and reasonable, and are in the interests of the Company and its Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant resolutions for approving the terms of and the transactions contemplated under the Shipbuilding Agreements to be proposed at the EGM.

Yours faithfully,
the Independent Board Committee

Mr. Wang Dennis	**Mdm. Shing Mo Han Yvonne, *BBS, JP***	**Mr. Li Hongji**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*

The following is the letter of advice from Somerley Capital Limited to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.

SOMERLEY CAPITAL LIMITED

SOMERLEY CAPITAL LIMITED
20th Floor
China Building
29 Queen's Road Central
Hong Kong

28 August 2025

To: the independent board committee and the independent shareholders

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTIONS IN RELATION TO THE CONSTRUCTION OF VESSELS

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the independent board committee and the independent shareholders of CSSC (Hong Kong) Shipping Company Limited (the "**Company**") in relation to the proposed construction of two vessels (the "**Transactions**"). Details of the Transactions are set out in the "Letter from the Board" (the "**Board Letter**") contained in the circular of the Company dated 28 August 2025 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless otherwise defined herein.

On 16 July 2025 (after trading hours), Fortune Propulsion and Fortune Prosperity (both being wholly owned SPVs of the Company) as buyers and Beihai Shipbuilding and China Shipbuilding Trading as builders entered into two Shipbuilding Agreements on substantially the same terms for the construction of two Vessels for a consideration of RMB528,000,000 (equivalent to approximately HK$575,520,000) for each Vessel and for an aggregate consideration of RMB1,056,000,000 (equivalent to approximately HK$1,151,040,000) (i.e. the Transactions).

According to the Board Letter, as at the Latest Practicable Date, China Shipbuilding Group (through CSSC Group) is interested in 4,602,046,234 Shares, accounting for approximately 74.24% of the issued share capital of the Company. As China Shipbuilding Group, the sole shareholder of CSSC Group, indirectly controls Beihai Shipbuilding and wholly owns China Shipbuilding Trading, Beihai Shipbuilding and China Shipbuilding Trading are connected persons of the Company. Therefore, the Transactions constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratios in respect of the transactions contemplated under the Shipbuilding Agreements exceed 5% but are less than 25%, the Transactions also constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Wang Dennis, Mdm. Shing Mo Han Yvonne and Mr. Li Hongji, has been established to advise the Independent Shareholders in relation to the Transactions. We, Somerley Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard (the "**Engagement**").

During the past two years, Somerley Capital Limited has acted as the independent financial adviser to the independent board committee and independent shareholders of the Company in relation to continuing connected transactions and discloseable transaction in relation to the deposit services under the 2025 financial services framework agreement (details of which are set out in the Company's circular dated 30 May 2025). The past engagement was limited to providing independent advisory services to the independent board committee and independent shareholders of the Company pursuant to the Listing Rules. Under the past engagement, Somerley Capital Limited received normal professional fees from the Company. As at the Latest Practicable Date, there were no relationships or interests between (a) Somerley Capital Limited and (b) the Group, Beihai Shipbuilding and China Shipbuilding Trading that could reasonably be regarded as a hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the independent financial adviser to the Independent Board Committee and the Independent Shareholders for the Engagement.

In formulating our opinion, we have relied on the information as contained in the Circular and the information and facts supplied, and the opinions expressed, by the Directors and management of the Company (the "**Management**"). We have assumed that the information and facts provided and opinions expressed to us are true, accurate and complete in all material aspects. We have also sought and received confirmation from the Directors that all material relevant information has been supplied to us and that no material facts have been omitted from the information supplied and opinions expressed to us. We have no reason to doubt the truth or accuracy of the information provided to us, or to believe that any material information has been omitted or withheld. We have relied on such information and consider that the information we have received is sufficient for us to reach our advice and recommendation as set out in this letter. However, we have not conducted any independent investigation into the business and affairs of the Group, Beihai Shipbuilding or China Shipbuilding Trading, nor have we carried out any independent verification of the information supplied.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion with respect to the Transactions, we have taken into account the principal factors and reasons set out below.

1. Information on the parties to the Transactions

Fortune Propulsion and Fortune Prosperity (the buyers)

Each of Fortune Propulsion and Fortune Prosperity is a company incorporated under the laws of Hong Kong, an indirect wholly owned SPV of the Company, and is principally engaged in the provision of leasing services.

Beihai Shipbuilding and China Shipbuilding Trading (the builders)

Each of Beihai Shipbuilding and China Shipbuilding Trading is a company incorporated under the laws of the PRC and is principally engaged in the shipbuilding business. As at the Latest Practicable Date, (i) Beihai Shipbuilding is owned as to 97.59% by China Shipbuilding Industry Company Limited(中國船舶重工股份有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 601989) and is indirectly controlled by China Shipbuilding Group, and (ii) China Shipbuilding Trading is wholly owned by China Shipbuilding Group.

2. Reasons for and benefits of the Transactions

As advised by the Management, China Shipbuilding Group is a leading state-owned shipbuilding conglomerate in the PRC. China Shipbuilding Group has solid experience and substantial expertise in shipbuilding and is equipped with capabilities in constructing a wide range of vessels. The Group is principally engaged in the provision of operating lease and financial lease. During the ordinary and usual course of business of the Group, the Group has been purchasing vessels from China Shipbuilding Group and/or its associates since its establishment in 2012. The vessels purchased from China Shipbuilding Group and/or its associates have been used for the Group's operating lease business and for direct finance lease transactions (both being the Group's principal businesses). When the vessels to be constructed under the Transactions are delivered from the shipbuilders, the Group would be able to generate leasing income by leasing the vessels to customer(s).

As advised by the Management, it is the Group's strategy to continue investing in new vessels so as to replenish its fleet portfolio for replacement of the older vessels which are sold by the Group. During each of the last three years ended 31 December 2022, 2023 and 2024, the Group had 20, 18 and 15 new vessels respectively. As at 31 December 2024, the Group' fleet size amounted to 138 vessels (122 of which were in operation and 16 of which were under construction). According to the Company's 2023 annual report and 2024 annual report, the Group recorded year-one-year increase in revenue of approximately 13.0% and 11.3% respective during the year ended 31 December 2023 and 2024. We understand from the Management that such increase in revenue was mainly attributable to (i) the increase in finance lease income and interest income from loan borrowings during the year ended 31 December 2023 and (ii) the increase in the income generated from operating lease services during the year ended 31 December 2024. In light of the above, we consider that the Transactions are in line with the Group's development strategy to continue investing in new vessels. We are also of the view that the Group's strategy to continue investing in new vessels is in the interests of the Company and the Shareholders as a whole having considered (i) that the Group conducts operating and finance lease of vessels as its principal business, the acquisition/construction of vessels is prerequisite to the Group's ordinary business operation; and (ii) that the Group's principal business of operating and finance lease of vessels had contributed to the positive performance of the Group as illustrated above.

Taking into account that (i) the Transactions are in line with the Group's principal business (as the Group purchases vessels for its operating lease business and/or for direct finance lease transactions); (ii) when the vessels to be constructed under the Transactions are delivered from the shipbuilder, the Group would be able to generate leasing income by leasing the vessels to customer(s); (iii) the Group has been purchasing vessels from China Shipbuilding Group and/or its associates over the past years; and (iv) the Transactions are in line with the Group's development strategy to continue investing in new vessels so as to replenish its fleet portfolio with new vessels, we concur with the Management's view that the Transactions are in the interests of the Company and the Shareholders as a whole and is in the ordinary and usual course of business of the Group.

3. Principal terms of the Transactions

On 16 July 2025 (after trading hours), Fortune Propulsion and Fortune Prosperity (both being wholly owned SPVs of the Company) as buyers and Beihai Shipbuilding and China Shipbuilding Trading as builders entered into two Shipbuilding Agreements on substantially the same terms for the construction of two Vessels for a consideration of RMB528,000,000 (equivalent to approximately HK$575,520,000) for each Vessel and for an aggregate consideration of RMB1,056,000,000 (equivalent to approximately HK$1,151,040,000). The Shipbuilding Agreements will be effective subject to the approval of the Independent Shareholders at the EGM.

Vessels to be constructed:

Two 210,000 deadweight bulk carriers

Consideration:

Pursuant to the Shipbuilding Agreements, the consideration for each Vessel is RMB528,000,000 (equivalent to approximately HK$575,520,000) and shall be settled in in five instalments based on progress intervals on the construction of each Vessel (with smaller proportion of the consideration amount payable in the first four instalments and the majority of the payment payable in the fifth instalment upon delivery of the Vessels).

Delivery date:

Pursuant to the Shipbuilding Agreements, the Vessels shall be delivered on or before 31 December 2027 and 31 March 2028 respectively, subject to the arrangements of delay in delivery as agreed in the Shipbuilding Agreements.

In case of delay in delivery, the Builders shall deduct the liquidated damages from the fifth instalment of the consideration of the Shipbuilding Agreements (the exact amount of which shall be assessed based on the extent of delay from the original delivery date pursuant to the Shipbuilding Agreements and the maximum amount shall be RMB19,980,000 for each Vessel) and, accordingly, the fifth instalment shall be paid on a net basis (i.e. after deducting the aforementioned liquidated damages payable by the Builders). If under extreme circumstances where the Builders fail to conform to the technical specifications (such as deviation of the speed, fuel consumption or the deadweight tonnage of the relevant Vessel from the agreed permissible range), the Builders shall deduct the liquidated damages from the fifth instalment of the consideration of the Shipbuilding Agreements (the exact amount of which shall be assessed based on the extent of deviation from the relevant technical specifications as prescribed under the Shipbuilding Agreements and the aggregate maximum amount of which shall be RMB17,582,000 for each of the Vessel) and accordingly, the fifth instalment shall be paid on a net basis (i.e. after deducting the aforementioned liquidated damages payable by the Builders). Save as disclosed above, the consideration for each Vessel is not subject to other deduction mechanism pursuant to the terms of the Shipbuilding Agreements.

The Buyers may elect to revoke or terminate the Shipbuilding Agreements in the event of delayed delivery of the Vessels by the Builders or failure of the Builders to conform to the aforementioned technical specifications in the construction of the Vessels to the extent as prescribed under the Shipbuilding Agreements. In the event that any of the Shipbuilding Agreements is revoked or terminated by the Buyers in accordance with the specific terms thereof, the Builders shall refund to the Buyers in RMB the full amount already paid by the Buyers to the Builders, together with interests incurred thereof (the exact amount of which shall be determined based on the agreed interest rate on the amount required to be refunded as computed from the date when such sum is received by the Builders in accordance with the terms under the Shipbuilding Agreements).

Analysis on the consideration

Under the Transactions, the consideration (subject to adjustment in the event of delay and failure of the Builders to conform specific technical specifications, in accordance with the terms of the Shipbuilding Agreements (the "**Adjustment Terms**")) shall be paid by the buyers to the shipbuilders in instalments according to the shipbuilding progress of Vessels, with majority of the consideration payable on the delivery of Vessels. As advised by the Management, such payment schedule (i.e., payment in instalments according to the shipbuilding progress with majority of the consideration payable on the delivery of vessels) and Adjustment Terms were determined based on arm's length negotiation with the shipbuilders; and was in line with market practice. For our due diligence purpose, we have identified transactions in relation to the acquisition of vessels from shipbuilders announced by other companies listed on the Stock Exchange (the "**Market Transactions**") during six months prior to the date of the Shipbuilding Agreements (the "**Review Period**"). To the best of our knowledge and as far as we are aware of, we found 8 transactions which met the aforesaid criteria.

Buyer	Shipbuilder/Seller	Date of announcement	Payment Terms	Adjustment Terms
A wholly-owned subsidiary of SITC International Holdings Company Limited (1308)	Huanghai Shipbuilding Co., Ltd.	24 January 2025	The consideration of each vessel will be settled in five instalments according to the progress of the construction of the respective vessel, representing 10%, 10%, 10%, 10% and 60% of the consideration. The majority of the consideration is payable upon the delivery of the respective vessel.	Not specified
Two wholly-owned subsidiaries of China Development Bank Financial Leasing Co., Ltd. (1606)	Nantong Rainbow Offshore & Engineering Equipment Co., Ltd.*	27 January 2025	The consideration will be paid in accordance with the agreed milestones in the building progress under the shipbuilding contract.	Not specified
Two wholly-owned subsidiaries of China Development Bank Financial Leasing Co., Ltd. (1606)	Nantong CIMC SinoPacific Offshore & Engineering Co., Ltd.*	27 January 2025	The consideration will be paid in accordance with the agreed milestones in the building progress under the shipbuilding contract.	Not specified

Buyer	Shipbuilder/Seller	Date of announcement	Payment Terms	Adjustment Terms
An indirect wholly-owned subsidiary of Seacon Shipping Group Holdings Limited (2409)	TSUNEISHI GROUP (ZHOUSHAN) SHIPBUILDING INC.	18 April 2025	The consideration will be paid in five instalments in accordance with the vessel's construction progress, representing approximately 20%, 10%, 10% m 10% and 50% of the consideration. The majority of the consideration is payable upon the delivery of the vessel.	Not specified
Fourteen indirect non-wholly owned subsidiaries of Orient Overseas (International) Limited (316) and COSCO SHIPPING Holdings Co., Ltd. (1919)	Nantong COSCO KHI Ship Engineering Co., Ltd.* and Dalian COSCO KHI Ship Engineering Co., Ltd.*	29 April 2025	The consideration will be payable in five instalments based on progress intervals on the construction of each vessel, with smaller proportion of contract price payable in the first four instalments and the majority of the payment payable in the fifth instalment upon delivery of the vessel.	In the event of delay in delivery, the relevant builder shall deduct the liquidated damages from the fifth instalment of the contract price based on the extent of delay from the original delivery date)
A wholly-owned subsidiary of SITC International Holdings Company Limited (1308)	Huanghai Shipbuilding Co., Ltd.	29 April 2025	The consideration of each vessel will be paid in five instalments according to the progress of the construction of the respective vessel, representing 10%, 10%, 10%, 10% and 60% of the consideration. The majority of the consideration is payable upon the delivery of the respective vessel.	Not specified
An indirect wholly-owned subsidiary of Seacon Shipping Group Holdings Limited (2409)	GIANT LINE INC., S.A. and NIHON SHIPYARD CO., LTD.,	26 May 2025	The consideration will be paid in four instalments, representing approximately 9.4%, 13.5%, 9.4% and 67.6% of the consideration. The majority of the consideration is payable upon the delivery of the vessel	Not specified
A subsidiary of Honghua Group Limited (196)	Not specified	3 June 2025	Not specified	Not specified

Source: the Stock Exchange's website

We noted from the Market Transactions that for all of the Market Transactions (except for the transaction conducted by the subsidiary of Honghua Group Limited (196) with no relevant information specified in the transaction announcement), (i) the considerations of vessels are paid according to the agreed milestones of the shipbuilding progress; and (ii) majority of the consideration is payable on the delivery of vessels. Accordingly, we are of the view that the payment terms of the Transactions are fair and reasonable.

We noted that only one of the Market Transactions had disclosure on the terms of adjustment in the relevant announcements. For our due diligence purpose, we have inquired with the Management regarding the basis of the Adjustment Terms. As advised by the Management, the Adjustment Terms serve as a protection to the Buyers, enabling the final instalment of consideration to be adjusted to the extent of delay and Builders' failure to conform specific technical specifications as stipulated under the relevant shipbuilding agreements; and in addition, the Adjustment Terms are in line with comparable transaction for the same type of Vessels entered into between the Builders and other buyers. We have also obtained a recent shipbuilding agreement for the same type of Vessel entered into between the Builders and another independent third party buyer in July 2025. We noted that the adjustment terms as contained in such shipbuilding agreement are the same as the Adjustment Terms under the Transactions. In light of the above, we are of the view that the Adjustment Terms of the Transactions are fair and reasonable.

For our due diligence purpose, we enquired with the Management the internal procedures of the Group in relation to the construction of vessels for leasing purpose. As advised by the Management, for the Group's leasing projects, the business department shall prepare the relevant project reports and/or other supporting documents for the assessment of the risk management department; and the projects shall be reviewed and approved by the Board/general manager's committee (which is a committee comprising the Company's managers and chaired by the Company's general manager). The project reports and/or the relevant supporting documents include relevant assessment of the leasing project, such as analyses of the vessel construction prices. When preparing the project reports and the relevant supporting documents, the business department would refer to, among other things, prevailing market values for the construction of similar vessels, as ascertained from industry reports prepared by research companies and/or recent comparable transactions in the industry announced by Clarkson Research Services Limited ("**Clarkson**"), the research arm of Clarkson Plc (https://www.clarksons.com/), an international provider of integrated shipping services (the "**Internal Procedures**").

The Management confirmed that the Company followed the Internal Procedures when entering into the Transactions. For our due diligence purpose, we obtained from the Company an internal document in relation to the assessment of the subject shipbuilding project. We noted from such assessment document that the Company considered shipbuilding prices of similar vessels in the market as noticed by the Company. In particular, according to such assessment document, (i) on 6 June 2025, Beihai Shipbuilding had entered into letters of intent with two independent third party buyers for the construction of the same type of vessel at the same consideration of RMB528 million per vessel; and (ii) in May 2025, the Company had noticed a shipbuilding transaction between an independent third party buyer and an independent third party shipbuilder for the construction of three comparable vessels at a consideration of US$75 (equivalent to approximately RMB538.50 million) to US$76 million (equivalent to approximately RMB545.68 million) per vessel. The consideration of RMB528 million per Vessel was not higher than the aforesaid comparable market transactions identified by the Company. For our due diligence purpose, we have also obtained data as extracted from Clarkson regarding newbuilding price in the market. According to Clarkson's data, the market newbuilding price for comparable bulk carriers (i) ranged from US$77 million (equivalent to approximately RMB552.86 million) to US$79 million (equivalent to approximately RMB567.22 million) during the period from January to May 2025; and (ii) was US$79 million (equivalent to approximately RMB567.22 million) in May 2025. The consideration of RMB528 million per Vessel was lower than the aforesaid recent newbuilding prices in the market. Having considered (i) the aforesaid background of Clarkson; and (ii) that the aforesaid data from Clarkson represents the market shipbuilding prices, we consider it fair and reasonable to make reference to the Clarkson's data.

Taking into account that (i) based on the internal document in relation to the assessment of the shipbuilding project, the consideration of RMB528 million per Vessel was not higher than the aforesaid comparable market transactions identified by the Company; and (ii) the consideration of RMB528 million per Vessel was lower than the recent newbuilding prices in the market as extracted from Clarkson, we consider that the consideration of the Transactions are fair and reasonable.

Having considered the above, we are of the view that the terms of the Transactions are fair and reasonable.

4. Possible financial effects of the Transactions

According to the Board Letter, the consideration of the Transactions is expected to be funded by internal resources of the Group.

As advised by the Management, upon completion of the Transactions and delivery of the Vessels, the Group's fixed assets shall increase by the amount of the consideration, while the Group's current assets shall decrease by the amount of the consideration which would be funded by internal resources.

OPINION AND RECOMMENDATION

Having taken into account the above principal factors, we consider that (i) the terms of the Transactions are on normal commercial terms and are fair and reasonable; and (ii) the Transactions are 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. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the relevant ordinary resolution(s) to be proposed at the EGM to approve the Transactions.

Yours faithfully,
for and on behalf of
SOMERLEY CAPITAL LIMITED
Clifford Cheng
Director

Mr. Clifford Cheng is a licensed person registered with the Securities and Futures Commission and a responsible officer of Somerley Capital Limited, which is licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. He has fifteen years of experience in the corporate finance industry.

Unless the context otherwise requires, conversion of RMB into HK$ is based on the exchange rate of 1:1.09 and conversion of US$ into RMB is based on the exchange rate of 1:7.18. Such exchange rates are for the purpose of illustration only and do not constitute representation that any amounts in RMB or HK$ or US$ have been, could have been or may be converted at such or any other rates or at all.

I. 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 in this circular misleading.

II. STATEMENT OF INDEBTEDNESS AND CONTINGENT LIABILITIES

As at the close of business on 30 June 2025, being the latest practicable date for the purpose of this indebtedness statement, the Group had outstanding borrowing and indebtedness of approximately HK$25,871 million, comprising secured and guaranteed bank loans of approximately HK$6,350 million, secured and unguaranteed bank loans of approximately HK$37 million, unsecured and guaranteed bank loans of approximately HK$7,502 million, guaranteed bonds of approximately HK$10,370 million, secured other borrowings of approximately HK$1,289 million and lease liabilities of approximately HK$323 million. As at the close of business on 30 June 2025, the Group had contingent liability in respect of guarantees provided for bank loans and other borrowings of joint ventures of approximately HK$2,701 million.

Save as aforesaid or disclosed herein, and apart from intra-group liabilities, as at the close of business on 30 June 2025, the Group did not have any other outstanding mortgages, charges, debentures, loan capital, bank loans or overdrafts, debt securities or other similar indebtedness, finance leases or other material contingent liabilities.

III. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, so far as was known to the Directors, the following persons had or were deemed or taken to have an interest or short position in the shares and underlying shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were, directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at a general meeting of any member of the Group and were recorded in the register to be kept under section 336 of the SFO:

Name of shareholder	**Capacity/ Nature of interests**	**Number of Shares**	**Long/Short position**	**Approximate percentage of shareholding in the Company** *(%)*
State-owned Assets Supervision and Administration Commission	Interest in controlled corporation[(1)]	4,602,046,234	Long position	74.24
China Shipbuilding Group	Interest in controlled corporation[(1)]	4,602,046,234	Long position	74.24
CSSC Group	Interest in controlled corporation[(1)]	4,602,046,234	Long position	74.24
CSSC International Holding Company Limited ("**CSSC International**")	Beneficial owner[(1)]	4,602,046,234	Long position	74.24
Central Huijin Investment Ltd.	Interest in controlled corporation[(2)]	522,490,000	Long position	8.43
China Re Asset Management (Hong Kong) Company Limited	Investment manager[(2)]	522,490,000	Long position	8.43
China Reinsurance (Group) Corporation ("**China Reinsurance**")	Beneficial owner[(2)]	522,490,000	Long position	8.43

Notes:

(1) CSSC International is a wholly-owned subsidiary of CSSC Group, and CSSC Group is wholly owned by China Shipbuilding Group, which is wholly owned by the SASAC. As such, by virtue of the SFO, CSSC Group, China Shipbuilding Group and the SASAC are deemed to be interested in the 4,602,046,234 Shares held by CSSC International.

(2) Central Huijin Investment Ltd. holds 71.56% of the equity interest in China Reinsurance. As such, by virtue of the SFO, Central Huijin Investment Ltd. is deemed to be interested in the 522,490,000 Shares held by China Reinsurance. The Shares held by China Re Asset Management (Hong Kong) Company Limited are the same batch as those held by China Reinsurance.

Save as disclosed above, so far as was known to the Directors, as at the Latest Practicable Date, no other person had, or was deemed or taken to have, an interest or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or held any option in respect of such capital.

IV. DIRECTORS' INTERESTS

As at the Latest Practicable Date, none of the Directors and chief executives of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which had otherwise been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

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

As at the Latest Practicable Date,

- none of the Directors had entered into any existing or proposed service contract with any member of the Group, excluding those contracts expiring or determinable by the Group within one year without payment of compensation, other than statutory compensation; and

- none of the Directors or their associates had any direct or indirect interest in any assets which had been, since 31 December 2024 (the date to which the latest published audited financial statements of the Group were made up), acquired, or disposed of by, or leased to any member of the Group, or proposed to be acquired, or disposed of by, or leased to any member of the Group.

V. COMPETING INTERESTS AND OTHER INTERESTS

So far as the Directors were aware, none of the Directors or their respective associates had any interests which competed or was likely to compete, either directly or indirectly with the business of the Group.

None of the Directors or their associates were materially interested in any contract or arrangement subsisting at the Latest Practicable Date which was significant in relation to the business of the Group.

VI. EXPERT

The following is the qualification of the professional adviser who has given opinion or advice which is contained in this circular:

Name	Qualification
Somerley Capital Limited	a corporation licensed to carry on type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Somerley:

- did not have any direct or indirect shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and

- did not have any direct or indirect interest in any assets which had been, since 31 December 2024 (the date to which the latest published audited financial statements of the Group were made up), acquired, or disposed of by, or leased to any member of the Group, or proposed to be acquired, or disposed of by, or leased to any member of the Group.

Somerley has given and has not withdrawn its written consent to the issue of this circular with its letter of advice and the references to its name and logo in the form and context in which it is included. The letter of advice from Somerley is given as of the date of this circular for incorporation herein.

VII. LITIGATION

At the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration proceedings of material importance and there was no litigation or claim of material importance known to the Directors to be pending or threatened by or against any member of the Group.

VIII. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, the date to which the latest published audited financial statements of the Company were made up.

IX. MATERIAL CONTRACT

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within the two years immediately preceding the date of this circular and are, or may be, material:

– the framework financial services framework agreement entered into between the Company and CSSC Finance dated 26 March 2025 in relation to the financial services to be provided by CSSC Finance to the Company from 27 June 2025 (being the date of approval of the agreement by the Independent Shareholders at the extraordinary general meeting of the Company) to 31 December 2027 (both days inclusive).

X. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the website of HKEXnews at (www.hkexnews.hk) and the website of the Company (http://www.csscshipping.com) for 14 days from the date of this circular:

- the Shipbuilding Agreements[1];
- the written consent of Somerley; and
- the letter of advice dated 28 August 2025 from Somerley to the Independent Board Committee and the Independent Shareholders.

Note:

1. The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 14A.70(13) and paragraph 43(2)(c) of Appendix D1B to the Listing Rules, so that only the redacted versions of each of the Shipbuilding Agreements will be available for inspection on the websites of the Stock Exchange and the Company. For further details, please refer to the paragraph headed "VIII. WAIVER IN RESPECT OF DOCUMENTS ON DISPLAY" in the Letter from the Board in this circular.

CSSC (Hong Kong) Shipping Company Limited
中國船舶集團(香港)航運租賃有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 3877)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of CSSC (Hong Kong) Shipping Company Limited (the "**Company**") will be held at 1801, 18/F, World-wide House, 19 Des Voeux Road Central, Hong Kong on Thursday, 25 September 2025 at 3:30 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions below as ordinary resolutions. Unless otherwise defined herein, the terms herein shall have the same meanings as defined in the circular to the shareholders of the Company dated 28 August 2025 (the "**Circular**").

ORDINARY RESOLUTIONS

"**THAT**,

1. the Shipbuilding Agreements (as defined in the Circular, copies of which have been produced to the EGM marked "A" and initialed by the chairman of the EGM for identification purposes) and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified; and

2. any one director of the Company (the "**Director**") be and is/are hereby authorised to do all such acts and things and sign and execute all such documents and to take such steps as he/she may consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the terms of the Shipbuilding Agreements and the transactions contemplated thereunder or in connection therewith and to agree to and make such variation, amendments or waiver of matters relating thereto or in connection therewith."

By order of the Board
CSSC (Hong Kong) Shipping Company Limited
Li Hongtao
Chairman

Hong Kong, 28 August 2025

As at the date of this notice, the Board comprises Mr. Li Hongtao as executive director, Mr. Zhang Qipeng and Mr. Chi Benbin as non-executive directors, and Mr. Wang Dennis, Mdm. Shing Mo Han Yvonne, BBS, JP and Mr. Li Hongji as independent non-executive directors.

Notes:

1. The register of members of the Company will be closed from Monday, 22 September 2025 to Thursday, 25 September 2025, both dates inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the EGM, all transfers of shares accompanied by the relevant share certificates and properly completed and signed transfer forms must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Friday, 19 September 2025.

2. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number of shares in respect of which each such proxy is appointed.

3. Form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 48 hours before the time appointed for holding of the EGM (i.e. before 3:30 p.m. on Tuesday, 23 September 2025) or any adjourned meeting.

4. The ordinary resolutions set out above will be determined by way of poll.

5. Personal Information Collection Statement: Your supply of your and your proxy's Personal Data to the Company and/or the Company's share registrar in the form of proxy is on a voluntary basis. If you fail to provide sufficient information, we may not be able to process your appointment of proxy and instructions. "Personal Data" in this statement has the meaning defined under the Personal Data (Privacy) Ordinance, Chapter 486 of the Laws of Hong Kong, which may include but is not limited to your and your proxy's name and address that you supplied to us in the form of proxy. Your and your proxy's Personal Data is collected for the purposes of processing and administration by the Company of proxies appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof). The Personal Data may be retained for such period as may be necessary for our verification and record purposes. If you have provided Personal Data of individuals other than yourself in the form of proxy, you confirm that you have informed and sought the requisite consent from those individuals to the collection, use and disclosure of their Personal Data for the stated purposes. Your and your proxy's Personal Data will be disclosed or transferred to other companies or bodies for the stated purposes, or when it is required to do so by law, for example, in response to a court order or a law enforcement agency's request. You and your proxy have the right to request for access to and/or correction of the relevant personal data and any such request should be made in writing by mail to the relevant share registrar's address as appearing in Note 7 of the form of proxy.

6. If Typhoon Signal No.8 or above is expected to be hoisted or a Black Rainstorm Warning Signal is expected to be in force any time after 8:00 a.m. on the date of the meeting, then the meeting will be postponed. The Company will post an announcement on the website of the Company at (http://www.csscshipping.com) and the website of the Stock Exchange (www.hkexnews.hk) to notify shareholders of the date, time and place of the rescheduled meeting. The meeting will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations.