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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or otherwise transferred all your shares in **COSCO SHIPPING Holdings Co., Ltd.**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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中遠海運控股股份有限公司

COSCO SHIPPING Holdings Co., Ltd.*

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

(Stock Code: 1919)

(1) MAJOR TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS AND (2) NOTICE OF EGM

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

Gram Capital Limited
嘉林資本有限公司

Capitalized terms used in this cover page have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 7 to 50 of this circular. A letter from the Independent Board Committee to the Independent Shareholders is set out on page 51 of this circular. A letter from Gram Capital containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 52 to 75 of this circular.

A notice convening the EGM on Friday, 31 October 2025 at 2:30 p.m. at Conference Room, 47th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong and Ocean Hall, 5th Floor, Shanghai Ocean Hotel, No. 1171, Dong Da Ming Road, Shanghai, the PRC, together with the form of proxy, were despatched to the Shareholders on 13 October 2025.

Whether or not you intend to attend the EGM, you are requested to complete and return the enclosed forms of proxy in accordance with the instructions printed thereon. The forms of proxy should be returned to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the EGM or any adjournment thereof. Completion and return of the forms of proxy will not preclude you from attending and voting in person at the EGM or at any adjournment thereof should you so wish.

* *For identification purpose only*

13 October 2025

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

"Articles of Association"	the articles of association of the Company as amended, revised or supplemented from time to time
"associate(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"Board"	the board of Directors
"Company"	COSCO SHIPPING Holdings Co., Ltd.* (中遠海運控股股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1919) and the A shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601919)
"COSCO"	China Ocean Shipping Co., Ltd. (中國遠洋運輸有限公司), a PRC State-owned enterprise, the controlling Shareholder, and a wholly-owned subsidiary of COSCO SHIPPING
"COSCO SHIPPING"	China COSCO Shipping Corporation Limited* (中國遠洋海運集團有限公司), a PRC state-owned enterprise and the indirect controlling shareholder of the Company
"COSCO SHIPPING Finance"	COSCO SHIPPING Finance Company Limited* (中遠海運集團財務有限責任公司), a company established under the laws of the PRC with limited liability
"COSCO SHIPPING Group"	COSCO SHIPPING and its subsidiaries and associates
"COSCO SHIPPING Master Agreements"	collectively, the Master Shipping Services Agreement, the Master Vessel and Container Asset Services Agreement, the Master Port Services Agreement, the Master General Services Agreement, and the Trademark Licence Agreement
"Director(s)"	director(s) of the Company

"EGM"	the extraordinary general meeting of the Company to be held to, amongst other things, consider and if thought fit, approve the Non-Exempt Continuing Connected Transactions
"Existing Agreements"	collectively, the Existing COSCO SHIPPING Master Agreements, the Existing Financial Services Agreement and the Existing SIPG Shipping and Terminal Services Agreement
"Existing COSCO SHIPPING Master Agreements"	collectively, the Existing Master General Services Agreement, the Existing Master Shipping Services Agreement, the Existing Master Port Services Agreement, the Existing Master Vessel and Container Asset Services Agreement, and the Existing Trademark License Agreement
"Existing Financial Services Agreement"	the financial services agreement dated 30 August 2022 entered into between COSCO SHIPPING Finance and the Company in relation to the provision of certain financial services by COSCO SHIPPING Finance to the Company and its subsidiaries and associates
"Existing Master General Services Agreement"	the master general services agreement dated 30 August 2022 entered into between the Company and COSCO SHIPPING in relation to the mutual provision of general services between the Group and the COSCO SHIPPING Group
"Existing Master Port Services Agreement"	the master port services agreement dated 30 August 2022 entered into between the Company and COSCO SHIPPING in relation to the mutual provision of port services between the Group and the COSCO SHIPPING Group
"Existing Master Shipping Services Agreement"	the master shipping services agreement dated 30 August 2022 entered into between the Company and COSCO SHIPPING in relation to the mutual provision of shipping services between the Group and the COSCO SHIPPING Group

"Existing Master Vessel and Container Asset Services Agreement"	the master vessel and container asset services agreement dated 30 August 2022 entered into between the Company and COSCO SHIPPING in relation to the leasing of vessels and containers and the services of purchase and manufacture of containers to be provided by the COSCO SHIPPING Group to the Group
"Existing SIPG Shipping and Terminal Services Agreement"	the shipping and terminal services framework agreement dated 30 August 2022 entered into between the Company and SIPG in relation to the provision of shipping services by the Group to the SIPG Group and provision of terminal services by the SIPG Group to the Group
"Existing Trademark Licence Agreement"	the trademark licence agreement dated 30 August 2022 entered into between the Company and COSCO SHIPPING in relation to the grant of the non-exclusive right to the Company and its subsidiaries to use certain trademarks of COSCO SHIPPING
"Group"	the Company and its subsidiaries and associates
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Independent Board Committee"	the independent board committee of the Board consisting of all the independent non-executive Directors
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a licensed corporation to carry out Type 6 regulated activity under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the terms of the Non-exempt Continuing Connected Transactions and their respective proposed annual caps for each of the three years ending 31 December 2028
"Independent Shareholders"	the Shareholders other than the COSCO SHIPPING Group and its associates

"Latest Practicable Date"	10 October 2025, being the latest practicable date for ascertaining certain information in this circular before its publication
"Master Agreements"	collectively, the COSCO SHIPPING Master Agreements, the Master Financial Services Agreement and the SIPG Shipping and Terminal Services Agreement
"Master Financial Services Agreement"	the master financial services agreement dated 28 August 2025 entered into between COSCO SHIPPING Finance and the Company in relation to the provision of certain financial services by COSCO SHIPPING Finance to the Company, its subsidiaries and associates
"Master General Services Agreement"	the master general services agreement dated 28 August 2025 entered into between the Company and COSCO SHIPPING in relation to the mutual provision of general services between the Group and the COSCO SHIPPING Group
"Master Port Services Agreement"	the master port services agreement dated 28 August 2025 entered into between the Company and COSCO SHIPPING in relation to the mutual provision of port services between the Group and the COSCO SHIPPING Group
"Master Shipping Services Agreement"	the master shipping services agreement dated 28 August 2025 entered into between the Company and COSCO SHIPPING in relation to the mutual provision of shipping services between the Group and the COSCO SHIPPING Group
"Master Vessel and Container Asset Services Agreement"	the master vessel and container asset services agreement dated 28 August 2025 entered into between the Company and COSCO SHIPPING in relation to the leasing of vessels, cabins and containers and the services of purchase and manufacture of containers to be provided by the COSCO SHIPPING Group to the Group
"National Financial Regulatory Administration"	National Financial Regulatory Administration (國家金融監督管理總局)

"Non-exempt Continuing Connected Transactions"	collectively, (i) the purchase of shipping services from the COSCO SHIPPING Group contemplated under the Master Shipping Services Agreement, (ii) the transactions contemplated under Master Vessel and Container Asset Services Agreement, and (iii) the deposit services contemplated under the Master Financial Services Agreement
"Non-exempt Master Agreements"	collectively, (i) the Master Shipping Services Agreement, (ii) the Master Vessel and Container Asset Services Agreement, and (iii) the Master Financial Services Agreement
"OOIL"	Orient Overseas (International) Limited, a company incorporated in Bermuda with limited liability and listed on the Main Board of the Stock Exchange (Stock Code: 316) and a non-wholly owned subsidiary of the Company
"PANASIA Shipping"	Shanghai PANASIA Shipping Co., Ltd. (上海泛亞航運有限公司), a company established under the laws of the PRC with limited liability and a non-wholly owned subsidiary of the Company
"PBOC"	the People's Bank of China, the central bank of the PRC
"PRC"	the People's Republic of China which, for the purpose of this circular and for geographical reference only, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi yuan, the lawful currency of the PRC
"SASAC"	State-owned Assets Supervision and Administration Commission of the State Council of the PRC (國務院國有資產監督管理委員會)
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shanghai Listing Rules"	the Rules Governing the Listing of Stocks on Shanghai Stock Exchange
"Shareholder(s)"	holder(s) of the share(s) of the Company

"SIPG"	Shanghai International Port (Group) Co., Ltd.* (上海國際港務(集團)股份有限公司), a company established in the PRC with limited liability and the shares of which are listed on the Shanghai Stock Exchange (Stock Code: 600018)
"SIPG Group"	SIPG and its subsidiaries or associates
"SIPG Shipping and Terminal Services Agreement"	the shipping and terminal services framework agreement dated 28 August 2025 entered into between the Company and SIPG in relation to the provision of shipping services by the Group to the SIPG Group and provision of terminal services by the SIPG Group to the Group
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Trademark Licence Agreement"	the trademark licence agreement dated 28 August 2025 entered into between the Company and COSCO SHIPPING in relation to the grant of the non-exclusive right to the Company and its subsidiaries to use certain trademarks of COSCO SHIPPING
"US Dollar"	United States dollars, the lawful currency of the United States of America
"%"	per cent

中遠海運控股股份有限公司
COSCO SHIPPING Holdings Co., Ltd.*

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

(Stock Code: 1919)

Directors:
Mr. WAN Min[1] *(Chairman)*
Mr. ZHANG Feng[1] *(Vice Chairman)*
Mr. TAO Weidong[1]
Mr. ZHU Tao[1]
Mr. XU Feipan[1]
Mr. YU De[2]
Prof. MA Si-hang Frederick[3]
Mr. SHEN Dou[3]
Ms. HAI Chi-yuet[3]

Registered Office:
2nd Floor, 12 Yuanhang Business Centre
Central Boulevard and East Seven Road Junction
Tianjin Pilot Free Trade Zone
(Airport Economic Area)
Tianjin, the PRC

Principal Place of Business:
48/F, COSCO Tower
183 Queen's Road Central
Hong Kong

[1] *Executive Director*

[2] *Non-executive Director*

[3] *Independent Non-executive Director*

13 October 2025

To the Shareholders

Dear Sir or Madam,

(1) MAJOR TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS AND (2) NOTICE OF EGM

A. INTRODUCTION

References are made to the announcement of the Company dated 28 August 2025 in relation to the major transaction and continuing connected transactions.

The purpose of this circular is to provide you with, among other things, (i) further details of the Non-exempt Continuing Connected Transactions and their respective proposed annual caps for each of the three years ending 31 December 2028; (ii) a letter from the Independent Board Committee with its recommendation to the Independent Shareholders on the Non-exempt Continuing Connected Transactions; (iii) a letter from Gram Capital containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions; and (iv) other information as required under the Hong Kong Listing Rules.

MAJOR TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Entering into the COSCO SHIPPING Master Agreements, the Master Financial Services Agreement, and the SIPG Shipping and Terminal Services Agreement

References are made to the announcement of the Company dated 30 August 2022, and the circular of the Company dated 21 October 2022, in relation to, among other things, (i) the continuing connected transactions amongst the Company, COSCO SHIPPING and COSCO SHIPPING Finance under the Existing COSCO SHIPPING Master Agreements and the Existing Financial Services Agreement, respectively; and (ii) the continuing connected transactions between the Company and SIPG under the Existing SIPG Shipping and Terminal Services Agreement, for the three years ending 31 December 2025.

Each of the Existing Agreements will expire on 31 December 2025. In light of the Company's intention to continue entering into transactions of a similar nature from time to time after such expiry date, on 28 August 2025:

(1) the Company and COSCO SHIPPING entered into the COSCO SHIPPING Master Agreements in respect of certain transactions, the nature of which is similar to the transactions under the Existing COSCO SHIPPING Master Agreements, for a term of three years from 1 January 2026 to 31 December 2028, which can be extended for further three years as agreed in writing by the parties upon the expiration of the term on the basis that the relevant requirements of the applicable listing rules are satisfied;

(2) the Company and COSCO SHIPPING Finance entered into the Master Financial Services Agreement in relation to the provision of certain financial services by COSCO SHIPPING Finance to the Company and its subsidiaries and associates, for a term of three years from 1 January 2026 to 31 December 2028, which can be extended for further three years as agreed in writing by the parties upon the expiration of the term on the basis that the relevant requirements of the applicable listing rules are satisfied; and

(3) the Company and SIPG entered into the SIPG Shipping and Terminal Services Agreement in relation to the mutual provision of shipping services and terminal services between the Group and the SIPG Group for a term of three years from 1 January 2026 to 31 December 2028, which can be extended for further three years as mutually agreed by the parties upon the expiration of the term on the basis that the relevant requirements of the applicable listing rules are satisfied.

Each of the Master Agreements shall take effect subject to the approval of such agreements and the proposed annual caps thereunder from relevant authoritative bodies (including at the meetings of the Board and the Shareholders' meetings, if required) in accordance with the articles of association of the relevant contracting parties, applicable laws, regulations and securities exchange rules.

During the term of each of the Master Agreements, relevant members of the Group may enter into definitive agreements with relevant members of the COSCO SHIPPING Group or the SIPG Group from time to time in respect of the provision and receipt of the relevant goods and services to and/or from the Group, subject to the terms and conditions in compliance with the relevant Master Agreements.

Particulars of the Master Agreements are set forth below:

1. COSCO SHIPPING Master Agreements

(1) Master Shipping Services Agreement

On 28 August 2025, the Company and COSCO SHIPPING entered into the Master Shipping Services Agreement in relation to the mutual provision of shipping services between the Group and the COSCO SHIPPING Group.

Parties:

(i) the Company; and

(ii) COSCO SHIPPING

Nature of transaction: Mutual provision of the following shipping services between the Group and the COSCO SHIPPING Group:

(i) vessel fuel;

(ii) vessel materials and related repairing services;

(iii) vessel safety management, technical consultancy services for vessel and shipbuilding supervision technology services;

(iv) vessel lubricants, paint for vessel and warehouse maintenance paint, sea chart and vessel parts;

(v) vessel repairing, conversion and shipbuilding supervision services;

(vi) radio communication equipment reservation, repairing and installation;

(vii) provision and repairing of vessel equipment services;

(viii) brokerage services in respect of vessel trade and vessel insurance and brokerage services;

(ix) container loading and unloading, depot, towage, storage, tallying, repairing, sealing and disposal services;

(x) leasing of chassis vehicles and electricity generators;

(xi) seamen leasing, management, training and related services;

(xii) freight, slot booking, logistics, custom clearance, vessel agency, cargo canvassing, documentation, collections and payments of shipping freights and other related services;

(xiii) handling of shipping-related disputes and cases; and

(xiv) other vessels, containers and shipping-related services.

Pricing policies: The services fees charged under the Master Shipping Services Agreement will be determined with reference to the prevailing market price, being the price charged by independent third parties providing similar types of services in their ordinary course of business in the same or nearby area based on normal commercial terms, and in accordance with the principle of fairness and reasonableness. Such prevailing market price is usually based on historical prices quoted by independent third parties in recent three years or the public price rates published by governments or third-party trading platforms (if applicable), the Company will also obtain such prevailing market price through quotation or competitive negotiation to be provided or participated by at least three independent third-party suppliers, or bidding procedure for certain projects prior to their commencement pursuant to relevant internal rules and management measures of the Company. The specific pricing method for the relevant services to be procured shall be determined in accordance with the Measures on Procurement and Supplier Management of the Group as set forth in the sub-section headed "Pricing Method Determination" under "Internal Control Procedures" in this Letter from the Board. In respect of the provision of services by the Group to COSCO SHIPPING, the Group will regularly examine the pricing charged by the Group to other independent third party customers, so as to ensure the services fee to be charged by the Group to COSCO SHIPPING would be no less favourable than that charged by the Group to independent customers.

In the event that the type or amount of services to be procured meets the bidding standards specified in the Tendering and Procurement Rules (《招標採購工作細則》) of the Group, the Company and/or the relevant member of the Group will conduct a qualification review of potential suppliers for procurement services proposed for public bidding in accordance with the Regulations for the Implementation of the National Tendering and Bidding Law (《國家招標投標法實施條例》). Suppliers that pass the qualification review will directly obtain supplier status for the Group. For further details regarding the bidding process, please refer to the sub-section headed "*Bidding Procedures*" under "*Internal Control Procedures*" in this Letter from the Board.

Historical Transaction Amounts

The table below sets forth the historical transaction amounts of the transactions under the Existing Master Shipping Services Agreement for (i) the two years ended 31 December 2024, (ii) the six months ended 30 June 2025, and (iii) the annual cap for the year ending 31 December 2025:

	For the year ended 31 December 2023 *(RMB'000)* *(Audited)*	**For the year ended 31 December 2024** *(RMB'000)* *(Audited)*	**For the six months ended 30 June 2025** *(RMB'000)* *(Unaudited)*	**Annual cap for the year ending 31 December 2025** *(RMB'000)*
Purchase of shipping services from the COSCO SHIPPING Group	26,650,535	28,058,386	12,963,887	53,000,000
Provision of shipping services to the COSCO SHIPPING Group	2,362,399	6,714,389	2,169,081	12,000,000

As far as the Directors are aware, the respective annual caps for the year ending 31 December 2025 under the Existing Master Shipping Services Agreement had not been exceeded as at the Latest Practicable Date.

Proposed Annual Caps and Basis of Determination for Annual Caps

The proposed annual caps for the transactions contemplated under the Master Shipping Services Agreement for the three years ending 31 December 2028 and the basis of determination for such annual caps are set out as follows:

	For the year ending 31 December 2026 *(RMB'000)*	**For the year ending 31 December 2027** *(RMB'000)*	**For the year ending 31 December 2028** *(RMB'000)*
Purchase of shipping services from the COSCO SHIPPING Group	48,000,000	50,000,000	53,000,000
Provision of shipping services to the COSCO SHIPPING Group	11,000,000	11,000,000	11,000,000

The above proposed annual caps in relation to the purchase of shipping services from the COSCO SHIPPING Group were determined with reference to the following:

(i) The historic transaction amounts incurred under the Existing Master Shipping Services Agreement in the last two financial years ended 31 December 2024 and the six months ended 30 June 2025, which had not fully utilized the previous annual caps due to actual fuel market prices and fuel consumption of the Group's operating vessels being lower than originally estimated.

(ii) As of 30 June 2025, the Group had new shipbuilding orders totaling 51 vessels with a total transportation capacity exceeding 910,000 TEUs. With the new vessels coming into service, it is expected that the Group's transportation capacity will increase. Based on the current newbuilding vessel delivery plan, during the period from 2026 to 2028, the Group expects to deliver 36 vessels, representing 656,000 TEUs and approximately 19.18% of the existing capacity of the Group. As the capacity of vessels increases, the demand for shipping services provided by COSCO SHIPPING Group will also increase simultaneously.

Specifically:

(1) The forecasted amounts payable for the purchase of vessel-related services during 2026 to 2028 are projected based on the increased consumption of the Group as a result of the increase in transportation capacity of the Group on a year-on-year basis, with fuel unit prices and other rates are expected to show an upward trend.

(2) The forecasted amounts payable for the leasing of sea crew during 2026 to 2028 are projected based on the total current number of vessels of the Group and the annual crew leasing cost per vessel, factoring in the number of new vessel deliveries, general increase in personnel costs and other ancillary costs.

(3) The amounts payable for other expenses, including vessel materials and docking repairs, technical modifications, container storage & maintenance, vessel insurance, and other ongoing shipping support services are forecasted based on the increased demand for such services by the Group as a result of the increased transportation capacity of the Group.

(iii) A reasonable buffer to cater for (1) the expected fuel prices and volatility; (2) the anticipated exchange rate fluctuations has been included to allow operational flexibility of the Group from time to time.

The above proposed annual caps in relation to the provision of shipping services to the COSCO SHIPPING Group were determined with reference to the following:

(i) The historic transaction amounts incurred under the Existing Master General Services Agreement in the last two financial years ended 31 December 2024 and the six months ended 30 June 2025, which had not fully utilized the previous annual caps due to lower-than-estimated actual demands for such services.

(ii) In light of the steadily growing shipping market, the expected continued growth in the businesses of the Group along with the expected increase in service charges.

(iii) A reasonable buffer to cater for (i) the expected volatility in exchange rates and (ii) freight rate volatility, and supply chain uncertainties has been included to allow operational flexibility of the Group from time to time.

Accordingly, despite the low utilization rate of the original annual caps set for the Existing Master Shipping Services Agreement, the proposed annual caps under the Master Shipping Services Agreement for the three years ending 31 December 2028 has remained at a similar level as that for the year ending 31 December 2025 under the Existing Master Shipping Services Agreement.

Reasons for Entering into the Master Shipping Services Agreement

The COSCO SHIPPING Group and the Group have been providing the necessary supporting shipping services to each other since the establishment of the Group. The shipping services, including, among others, vessel fuel, vessel materials and related repairing services, vessel safety management and technical consultancy services for vessels, are essential to the businesses and operations of each other. The vessel services such as vessel repair and provision of vessel lubricants and vessel fuel do not form a main part of the business of the Group. The Directors are of the view that the COSCO SHIPPING Group owns professional companies which provide vessel repairing services and supply vessel lubricants and vessel fuel, therefore securing the shipping services from the COSCO SHIPPING Group, who is an experienced service provider in the shipping industry, and enhancing the competitiveness of the Group.

Certain members of the Group also provide shipping services to the self-operated vessels of the COSCO SHIPPING Group in certain domestic and overseas regions. Provision of shipping services to the COSCO SHIPPING Group in such areas will enhance the business scope and reduce the operation costs of the Group, and improve the operational efficiency. On the other hand, purchase of shipping services from the COSCO SHIPPING Group will not only improve the Group's operational efficiency in such areas, but also enhance the business scope and reduce the operation costs of the Group. The Directors are of the view that through the Master Shipping Services Agreement, the Group could leverage on the expertise and scale of the shipping services and would be able to negotiate more favorable terms compared with that of other independent service providers.

In light of the above, and also considering that (i) the provision and receipt of port and other related services under the Master Shipping Services Agreement are in the ordinary course of business of the Company, (ii) the terms of the Master Shipping Services Agreement are determined after arm's length negotiations between the Company and COSCO SHIPPING, and (iii) the service fees under the Master Shipping Services Agreement are determined with reference to the prevailing market price in respect of similar type of services, the Directors believe that the terms of the transactions and the proposed annual caps contemplated under the Master Shipping Services Agreement are fair and reasonable, on normal commercial terms or better and in the interests of the Shareholders as a whole.

(2) Master Vessel and Container Asset Services Agreement

On 28 August 2025, the Company and COSCO SHIPPING entered into the Master Vessel and Container Asset Services Agreement in relation to, among other things, the leasing of vessels, cabins and containers and the services of purchase and manufacture of containers provided by the COSCO SHIPPING Group to the Group.

Parties:	(i) the Company; and (ii) COSCO SHIPPING
Nature of transaction:	The COSCO SHIPPING Group shall provide the leasing of vessels, cabins and containers and the services of purchase and manufacture of containers to the Group.
Pricing policy:	The fees payable by the Group under the Master Vessel and Container Asset Services Agreement shall be determined with reference to the prevailing market price, being the price charged by independent third parties providing similar types of products and/or services in their ordinary course of business in the same or nearby area based on normal commercial terms, and in accordance with the principle of fairness and reasonableness. Such prevailing market price is usually based on historical prices quoted by independent third parties in recent three years or the public price rates published by third-party trading platforms (if applicable), the Company will also obtain such prevailing market price through quotation or competitive negotiation to be provided or participated by at least three independent third-party suppliers. The specific pricing method for the relevant services shall be determined in accordance with the Measures on Procurement and Supplier Management of the Group as set forth in the sub-section headed "*Pricing Method Determination*" under "*Internal Control Procedures*" in this Letter from the Board.

Historical Transaction Amounts

The table below sets forth the historical transaction amounts of the leasing of vessels and containers and the services of purchase and manufacture of containers payable by the Group to the COSCO SHIPPING Group under the Existing Master Vessel and Container Asset Services Agreement for (i) the two years ended 31 December 2024, and (ii) the six months ended 30 June 2025, and (iii) the annual cap for the year ending 31 December 2025:

	For the year ended 31 December 2023 *(RMB'000)* *(Audited)*	**For the year ended 31 December 2024** *(RMB'000)* *(Audited)*	**For the six months ended 30 June 2025** *(RMB'000)* *(Unaudited)*	**Annual cap for the year ending 31 December 2025** *(RMB'000)*
Aggregate amount payable by the Group to the COSCO SHIPPING Group in respect of leasing of vessels and containers and the services of purchase and manufacture of containers	2,140,019	4,135,566	3,055,019	22,000,000

As far as the Directors are aware, the annual cap for the year ending 31 December 2025 under the Existing Master Vessel and Container Asset Services Agreement had not been exceeded as at the Latest Practicable Date.

Proposed Annual Caps and Basis of Determination for Annual Caps

The proposed annual caps for the transactions contemplated under the Master Vessel and Container Asset Services Agreement for the three years ending 31 December 2028 and the basis of determination for such annual caps are set out as follows:

	For the year ending 31 December 2026 *(RMB'000)*	**For the year ending 31 December 2027** *(RMB'000)*	**For the year ending 31 December 2028** *(RMB'000)*
Aggregate amount payable by the Group to the COSCO SHIPPING Group in respect of leasing of vessels, cabins and containers and the services of purchase and manufacture of containers	20,000,000	22,000,000	24,000,000

The above proposed annual caps in respect of leasing of vessels, cabins and containers and the services of purchase and manufacture of containers were determined with reference to:

(i) The historic transaction amounts incurred under the Existing Master Vessel and Container Asset Services Agreement in the last two financial years ended 31 December 2024 and the six months ended 30 June 2025, which had not fully utilized the previous annual caps due to the lower-than-estimated demand for containers as a result of fluctuations in the shipping market, and the lower-than-expected market price of new containers.

(ii) As noted from the annual report of the Company for the financial year ended 31 December 2024 (the "**FY2024 Annual Report**") and the interim report for the six months ended 30 June 2025, (i) the Group's shipping volume increased by approximately 10.12% from approximately 23.6 million TEUs for 2023 to approximately 25.9 million TEUs for 2024; and (ii) the Group's shipping volume increased by approximately 6.59% from approximately 12.5 million TEUs for the six months ended 30 June 2024 to approximately 13.3 million TEUs for the six months ended 30 June 2025. Furthermore, the Group's self-operating fleets increased from 502 vessels with total shipping capacity of approximately 3.04 million TEUs as at 31 December 2023 to 538 vessels with total shipping capacity of approximately 3.32 million TEUs as at 31 December 2024, and further increased to 557 vessels with a total shipping capacity of approximately 3.40 million TEUs as at 30 June 2025. Accordingly, the aggregate amount payable by the Group under the specific lease agreements during the term of the Master Vessel and Container Asset Services Agreement has been estimated after taking into account the expansion of the business scale of the Group and the expected demand based on the Group's business plan for 2026 to 2028:

(1) *Vessel and cabin leasing*: Taking into account the existing leases of vessels and cabins of the Group and the forecasted lease amounts payable under the current arrangements.

(2) *Container leasing and manufacturing*: As disclosed in the FY2024 Annual Report, the Group had recorded (i) additions to containers of approximately RMB2.5 billion for 2024; and (ii) vessel costs relating to short-term lease and lease with low value assets (consisted of leasing of containers and vessels) of approximately RMB8.0 billion for 2024. Furthermore, the Group expects that 36 vessels, representing 656,000 TEUs, shall be delivered during the period from 2026 to 2028, indicating the Group's additional demand for leasing of vessels, cabins and containers and the services of

purchase and manufacture of containers (which mainly consist of the leasing and purchasing of containers) when such vessels come into service. As the operating fleet of the Group expands with the container demand expected to increase in the future as aforesaid, the Group anticipates to meet future container demand through a combination of new construction and leasing.

(3) In addition, as a result of the tense container market, the Company has maintained a relatively positive forecast for its future container leasing and manufacturing.

Therefore, as mentioned in this section, the transportation capacity of the Group is expected to increase on a year-on-year basis, along with the expected demand for the leasing of vessels, cabins and containers and the services of purchase and manufacture of containers.

(iii) A reasonable buffer to cater for (1) the anticipated fluctuations in the exchange rate of RMB against the US dollar and (2) the expected fluctuations in the market rents of vessel and container has been included to allow operational flexibility of the Group from time to time.

Accordingly, despite the low utilization rate of the original annual caps set for the Existing Master Vessel and Container Asset Services Agreement, there is an increase in proposed annual caps under Master Vessel and Container Asset Services Agreement for the three years ending 31 December 2028 as compared with the annual caps for the three years ending 31 December 2025 under the Existing Master Vessel and Container Asset Services Agreement.

The rentals in relation to leasing of containers are usually monthly paid and the rentals in relation to leasing of vessels are usually monthly or semi-monthly paid under the Master Vessel and Container Asset Services Agreement.

The Company will from time to time take appropriate measures to ensure the compliance with the Hong Kong Listing Rules and other applicable laws in relation to the Master Vessel and Container Asset Services Agreement and the transactions contemplated thereunder.

Reasons for Entering into the Master Vessel and Container Asset Services Agreement

The Directors believe that the Master Vessel and Container Asset Services Agreement is in line with the business and commercial objectives of the Company. In view of the rapid expansion and development of both international and domestic container transportation market, improving shipping route network layout as well as good corporate brand and creditworthiness of the COSCO SHIPPING Group, the Directors believe that the continuing long-term collaboration in respect of the vessel

and container asset leasing and container manufacturing services between the Group and the COSCO SHIPPING Group would decrease operating costs and achieve advantages complementation, as well as achieve synergy in the domestic and international shipping market. The Directors believe that the entering into the Master Vessel and Container Asset Services Agreement can provide flexibility to the Company's business operations as it enables the Company to react timely to demand for container shipping by being able to lease additional vessels, cabins and containers from the COSCO SHIPPING Group. In light of the above, and also considering that (i) the receipt of services under the Master Vessel and Container Asset Services Agreement are in the ordinary course of business of the Company, (ii) the terms of the Master Vessel and Container Asset Services Agreement are determined after arm's length negotiations between the Company and COSCO SHIPPING, and (iii) the service fees under the Master Vessel and Container Asset Services Agreement are determined with reference to the prevailing market price in respect of similar type of services, the Directors believe that the terms of the transactions and the proposed annual caps contemplated under the Master Vessel and Container Asset Services Agreement are fair and reasonable, on normal commercial terms or better and in the interests of the Shareholders as a whole.

(3) Master Port Services Agreement

On 28 August 2025, the Company and COSCO SHIPPING entered into the Master Port Services Agreement in relation to the mutual provision of port services between the COSCO SHIPPING Group and the Group.

Parties:

(i) the Company; and

(ii) COSCO SHIPPING

Nature of transaction: The mutual provision of the following port and other related services between the COSCO SHIPPING Group and the Group:

(i) containers and goods loading and unloading at port;

(ii) container port and shipping services;

(iii) port concession arrangements;

(iv) leasing and electricity supply in relation to port terminal, coastline and port land; and

(v) other port-related and ancillary services, including but not limited to handling, storage, stevedoring, transshipment, maintenance of cargoes and provision of container storage space and terminal facilities.

Pricing policy: The services fees charged under the Master Port Services Agreement will be determined with reference to the prevailing market price, being the price charged by independent third parties providing similar types of services in their ordinary course of business in the same or nearby area based on normal commercial terms, and in accordance with the principle of fairness and reasonableness. Such prevailing market price is usually based on historical prices quoted by independent third parties in recent three years or the public price rates published by governments or third-party trading platforms (if applicable), and to the extent possible, the Company will also obtain such prevailing market price through quotation to be provided by independent third party supplier(s).

Due to the unique geographical locations, specific route arrangements and customer preferences, there are limited available suppliers that can be sourced for pricing comparison in respect of related services at certain ports of the Group. In such circumstances, the Group will examine on a yearly basis the pricing of other independent third party suppliers obtained through auditors' sampling results along with the pricing charged by the Group to other independent third party customers, so as to ensure that (i) the services fee to be charged by COSCO SHIPPING to the Group would be no less favourable than that offered by COSCO SHIPPING to independent customers and (ii) the services fee to be charged by the Group to COSCO SHIPPING would be no less favourable than that charged by the Group to independent customers.

Historical Amounts

The table below sets forth the historical transaction amounts of the transactions under the Existing Master Port Services Agreement for (i) the two years ended 31 December 2024, (ii) the six months ended 30 June 2025, and (iii) the annual cap for the year ending 31 December 2025:

	For the year ended 31 December 2023 *(RMB'000)* *(Audited)*	**For the year ended 31 December 2024** *(RMB'000)* *(Audited)*	**For the six months ended 30 June 2025** *(RMB'000)* *(Unaudited)*	**Annual cap for the year ending 31 December 2025** *(RMB'000)*
Purchase of services from the COSCO SHIPPING Group	2,128,656	2,968,215	1,566,611	8,000,000
Provision of services to the COSCO SHIPPING Group	160,035	146,658	79,714	800,000

As far as the Directors are aware, the annual caps for the year ending 31 December 2025 under the Existing Master Port Services Agreement had not been exceeded as at the Latest Practicable Date.

Proposed Annual Caps and Basis of Determination for Annual Caps

The proposed annual caps for the transactions contemplated under the Master Port Services Agreement for the three years ending 31 December 2028 and the basis of determination for such annual cap amounts are set out as follows:

	For the year ending 31 December 2026 *(RMB'000)*	**For the year ending 31 December 2027** *(RMB'000)*	**For the year ending 31 December 2028** *(RMB'000)*
Purchase of services from the COSCO SHIPPING Group	7,000,000	7,000,000	7,000,000
Provision of services to the COSCO SHIPPING Group	800,000	800,000	800,000

The above proposed annual caps in relation to the purchase of services from the COSCO SHIPPING Group were determined by reference to the following:

(i) The historic transaction amounts incurred under the Existing Master Port Services Agreement in the last two financial years ended 31 December 2024 and the six months ended 30 June 2025, which had not fully utilized the previous annual caps due to lower-than-estimated actual demand for such services. Accordingly, the Company has maintained the same annual cap across the three years ending 31 December 2028.

(ii) Due to the aforementioned increase in operating capacity, the scale of the Company's container shipping business is expected to increase, and the projected service demands required for existing ports of the Group, including terminals both domestic and overseas, plus concession fees related to the Piraeus Port Authority in Greece, being a port that is controlled by the Group, as well as service demands from other ongoing supply chain projects are expected to increase correspondingly. At the same time, due to factors such as global inflation, port and terminal loading and unloading rates, fuel unit prices, and other rates are expected to increase.

(iii) A reasonable buffer to cater for (i) the expected volatility in exchange rates and (ii) general inflation and increase in costs has been included to allow operational flexibility of the Group from time to time.

The above proposed annual caps in relation to the provision of services to the COSCO SHIPPING Group were determined by reference to the following:

(i) The historic transaction amounts incurred under the Existing Master Shipping Services Agreement in the last two financial years ended 31 December 2024 and the six months ended 30 June 2025, which had not fully utilized the previous annual caps due to lower-than-estimated actual demand for such services.

(ii) Due to the aforementioned increase in operating capacity, the scale of the Company's container shipping business is expected to increase, and the demand for the provision of services to the COSCO SHIPPING Group under the Master Port Services Agreement will also increase. At the same time, due to factors such as global inflation, port and terminal loading and unloading rates, fuel unit prices, and other rates are expected to increase. The expanded scale and operations of the Group's ports, including COSCO SHIPPING Ports Limited based on current and projected handling volumes of operational terminals, the expected increase in service demand from subsidiaries of the COSCO SHIPPING Group, as well as the overall plan of the Group to continue to identify quality terminal assets with potential globally.

(iii) A reasonable buffer to cater for (i) the expected volatility in exchange rates and (ii) general inflation has been included to allow operational flexibility of the Group from time to time.

Accordingly, despite the low utilization rate of the original annual caps set for the Existing Master Port Services Agreement, the proposed annual caps under Master Port Services Agreement for the three years ending 31 December 2028 has remained the same as the original annual cap for the three years ending 31 December 2025 under the Existing Master Port Services Agreement.

Reasons for Entering into the Master Port Services Agreement

The purchase of services from the COSCO SHIPPING Group under the Master Port Services Agreement is consistent with the business and commercial objectives of the Group. In light of the good relationship between COSCO SHIPPING and the Group, the Group had negotiated more favorable terms with COSCO SHIPPING compared with other suppliers historically. Leveraging the long-term cooperation between the Group and the COSCO SHIPPING Group, the Group has well established a trustworthy and efficient cooperative relationship with the COSCO SHIPPING Group, whereby the Group may lower the transaction and communication costs and meanwhile enhance the quality of services under the Master Port Services Agreement, therefore it is expected that the Group is able to continue to negotiate more favorable terms with COSCO SHIPPING compared with other suppliers. The provision of services to the COSCO SHIPPING Group under

the Master Port Services Agreement are part of, or related to, the principal business activities of the Group and are expected to provide the Group with overall business and operational convenience and synergy. The Directors believe that the terms of the transactions and the proposed annual caps contemplated under the Master Port Services Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

(4) Master General Services Agreement

On 28 August 2025, the Company and COSCO SHIPPING entered into the Master General Services Agreement in relation to the mutual provision of general services between the Group and the COSCO SHIPPING Group.

Parties:

(i) the Company; and

(ii) COSCO SHIPPING

Nature of transaction: Mutual provision of the following general services between the Group and the COSCO SHIPPING Group:

(i) network services, maintenance services of computer systems and related softwares systems;

(ii) hotel, air tickets, rest and recuperation, conference, and marketing services;

(iii) business meals and staff lunch;

(iv) labor products, labor protection products, office supplies, e-commerce products, duty-free products and customized products;

(v) car leasing, repairing and maintenance services;

(vi) repairing services of office equipment, property maintenance, back office, administration and other services;

(vii) property lease and leased properties related management services;

(viii) printing services, printer repairing and maintenance, paper supply and file management services;

(ix) staff secondment services and shared personnel;

(x) provision of daily insurance;

(xi) medical services;

(xii) training services;

(xiii) express mail and greenery services; and

(xiv) other related and ancillary services.

Pricing policies: The services fees charged under the Master General Services Agreement will be determined with reference to the prevailing market price, being the price charged by independent third parties providing similar types of services in their ordinary course of business in the same or nearby area based on normal commercial terms, and in accordance with the principle of fairness and reasonableness. Such prevailing market price is usually based on historical prices quoted by independent third parties in recent three years or the public price rates published by governments, third party trading platforms or trading agents (if applicable), the Company will also obtain such prevailing market price through quotation or competitive negotiation to be provided or participated by at least three independent third-party suppliers, or bidding procedure for certain projects prior to their commencement in the event that the type or amount of services to be procured meets the bidding standards specified in the Tendering and Procurement Rules (《招標採購工作細則》) of the Group. During such bidding process for procurement, the Company and/or the relevant member of the Group will conduct a qualification review of potential suppliers for procurement services proposed for public bidding in accordance with the Regulations for the Implementation of the National Tendering and Bidding Law (《國家招標投標法實施條例》). Suppliers that pass the qualification review will directly obtain supplier status for the Group. For further details regarding the bidding process, please refer to the sub-section headed "*Bidding Procedures*" in this Letter from the Board. In respect of the provision of services by the Group to COSCO SHIPPING, the Group will regularly examine the pricing charged by the Group to other independent third party customers, so as to ensure the services fee to be charged by the Group to COSCO SHIPPING would be no less favourable than that charged by the Group to independent customers.

Historical Transaction Amounts

The table below sets forth the historical transaction amounts of the transactions under the Existing Master General Services Agreement for (i) the two years ended 31 December 2024, (ii) the six months ended 30 June 2025 and (iii) the annual cap for the year ending 31 December 2025:

	For the year ended 31 December 2023 *(RMB'000)* *(Audited)*	**For the year ended 31 December 2024** *(RMB'000)* *(Audited)*	**For the six months ended 30 June 2025** *(RMB'000)* *(Unaudited)*	**Annual cap for the year ending 31 December 2025** *(RMB'000)*
Purchase of services from the COSCO SHIPPING Group	228,532	187,247	123,105	600,000
Provision of services to the COSCO SHIPPING Group	13,189	29,783	19,745	150,000

As far as the Directors are aware, the respective annual caps for the year ending 31 December 2025 under the Existing Master General Services Agreement had not been exceeded as at the Latest Practicable Date.

Proposed Annual Caps and Basis of Determination for Annual Caps

The proposed annual caps for the transactions contemplated under the Master General Services Agreement for the three years ending 31 December 2028 and the basis of determination for such annual caps are set out as follows:

	For the year ending 31 December 2026 *(RMB'000)*	**For the year ending 31 December 2027** *(RMB'000)*	**For the year ending 31 December 2028** *(RMB'000)*
Purchase of services from the COSCO SHIPPING Group	600,000	600,000	600,000
Provision of services to the COSCO SHIPPING Group	150,000	150,000	150,000

The above proposed annual caps in relation to the purchase of services from the COSCO SHIPPING Group and the provision of services to the COSCO SHIPPING Group were determined with reference to the following factors:

(i) The historic transaction amounts incurred under the Existing Master General Services Agreement in the last two financial years ended 31 December 2024 and the six months ended 30 June 2025, which had not fully utilized the previous annual caps due to lower-than-estimated actual demand for such services.

(ii) As mentioned in the section headed "*(2) Master Vessel and Container Asset Services Agreement – Proposed Annual Caps and Basis of Determination of Annual Caps*" in this circular, the transportation capacity of the Group is expected to increase on a year-on-year basis. Therefore, the relevant subsidiaries of the Group have forecasted a corresponding increase in the expected demand for the IT services in response to the expansion of the Group's business scale and its future transportation capacity planning.

(iii) A reasonable buffer to cater for (1) the anticipated fluctuations in the exchange rate of RMB against the US dollar, (2) the expected fluctuations in the market rents, and (3) the expected general inflation and increase in personnel costs expected for the next three years has been included to allow operational flexibility of the Group from time to time.

Accordingly, despite the low utilization rate of the original annual caps set for the Existing Master General Services Agreement, the proposed annual caps under Master General Services Agreement for the three years ending 31 December 2028 has remained the same as the original annual caps for the three years ending 31 December 2025 under the Existing Master General Services Agreement.

Reasons for Entering into the Master General Services Agreement

The Directors consider the Master General Services Agreement to be consistent with the business and commercial objectives of the Company. The Group requires general services to support its operations. The services covered by the Master General Services Agreement are in great variety. In order to focus on its principal businesses, the Group relies on external service providers for such general services. COSCO SHIPPING owns professional companies which are able to provide the above supporting services to the Group. In light of the good cooperation relationship between COSCO SHIPPING and the Group, the Group had negotiated more favorable terms with COSCO SHIPPING compared with other suppliers historically. Leveraging the long-term cooperation between the Group and the COSCO SHIPPING Group, the Group has well established a trustworthy and efficient cooperative relationship with the COSCO SHIPPING Group, whereby the Group may lower the transaction and communication costs and meanwhile enhance the quality of services under the Master General Services Agreement, therefore it is expected that the Group is able to continue to negotiate more favorable terms with COSCO SHIPPING compared with other suppliers.

Certain subsidiaries of the Company also provide general services, including, among others, provision of office supplies, training services, business meals and staff lunch, express mail services, car leasing, premise leasing, property leasing and management services, computer maintenance, insurance for senior management, hotel, conference and air ticket booking services and other general services to the COSCO SHIPPING Group in certain domestic and overseas areas. Provision of such services to the COSCO SHIPPING Group will enhance the business scope and operational efficiency and reduce the operation costs of the Group. The Directors believe that the terms of the transactions and the proposed annual caps contemplated under the Master General Services Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

(5) Trademark Licence Agreement

The Existing Trademark Licence Agreement will expire on 31 December 2025 and COSCO SHIPPING has agreed to renew the non-exclusive licence granted to the Company and its subsidiaries by COSCO SHIPPING for using certain trademarks owned by COSCO SHIPPING upon terms and conditions as similar to those set out in the Existing Trademark Licence Agreement. Therefore, on 28 August 2025, the Company (for itself and on behalf of its subsidiaries) and COSCO SHIPPING (for itself and on behalf of its subsidiaries (excluding the Company and its subsidiaries and other subsidiaries of COSCO SHIPPING which are listed on a stock exchange)) entered into the Trademark Licence Agreement, pursuant to which COSCO SHIPPING has granted a non-exclusive licence to the Company and its subsidiaries with the right to use certain trademarks at the rate of RMB1.00 per annum for a term from 1 January 2026 to 31 December 2028.

2. Master Financial Services Agreement

On 28 August 2025, the Company and COSCO SHIPPING Finance entered into the Master Financial Services Agreement in relation to the provision of certain financial services by COSCO SHIPPING Finance to the Company and its subsidiaries and associates.

Parties: (i) the Company; and

(ii) COSCO SHIPPING Finance

Nature of transaction: Pursuant to the Master Financial Services Agreement, COSCO SHIPPING Finance will provide the Company, its subsidiaries and associates with certain financial services, including the following:

(i) deposit services;

(ii) credit services (including loans, acceptance and discounting, guarantee letters, and other services);

(iii) clearing services;

(iv) foreign exchange trading services; and

(v) other businesses that COSCO SHIPPING Finance can engage in as permitted by the NFRA or its local offices.

The transaction terms of the services to be provided under the Master Financial Services Agreement shall be normal commercial terms and fair and reasonable, and shall not be less favourable to the Company and its subsidiaries than those offered by COSCO SHIPPING Finance to other members of the COSCO SHIPPING Group for the same type of services and shall not be less favourable than the terms offered by other financial institutions to the Company and its subsidiaries and associates for the same type of services.

Pricing policies: The interest rates for deposits shall be determined as not lower than the prevailing interest rate in the market for the same type of deposit during the same period as determined by independent third party commercial banks providing same type of deposit services in their ordinary course of business in the same or nearby service area based on normal commercial terms, and in accordance with the principle of fairness and reasonableness, provided that such interest rates so determined shall, at all times, be strictly in compliance with the interest rate policy requirements of the PBOC.

The interest rates for loans shall be determined as not higher than the prevailing loan prime rate in the market for the same type of loans during the same period as determined by independent third party commercial banks providing the same type of loan services in their ordinary course of business in the same or nearby service area based on ordinary commercial terms, and in accordance with the principle of fairness and reasonableness, provided that such interest rates so determined shall, at all times, be strictly in compliance with the interest rate policy requirements of the PBOC.

COSCO SHIPPING Finance does not charge any fees to the Company and its subsidiaries and associates on the clearing services for the time being.

The pricing policies for other services, including but not limited to foreign exchange and clearing services, shall be determined with reference to (i) with reference to the standard charges for the same type of financial services stipulated by the PBOC or the National Financial Regulatory Administration (if applicable); (ii) the handling fees charged by independent third party commercial banks to the Company and its subsidiaries and associates for the same type of services; and (iii) the handling fees charged by COSCO SHIPPING Finance to other third party entities with the same credit rating for the same type of services.

The Company will also obtain prevailing interest rates and/or standard charges and handling fees in the market through quotation to be provided by at least three independent third party commercial banks.

There is no provision in the Master Financial Services Agreement which entitles COSCO SHIPPING Finance to impose any form of penalty on the Group for withdrawing or uplifting deposits.

Historical Transaction Amounts

The table below sets forth the historical transaction amounts of the financial services provided by COSCO SHIPPING Finance to the Company and its subsidiaries under the Existing Financial Services Agreement for (i) the two years ended 31 December 2024, (ii) the six months ended 30 June 2025, and (iii) the annual cap for the year ending 31 December 2025 under the Existing Financial Services Agreement:

	For the year ended 31 December 2023 *(RMB'000)* *(Audited)*	**For the year ended 31 December 2024** *(RMB'000)* *(Audited)*	**For the six months ended 30 June 2025** *(RMB'000)* *(Unaudited)*	**Annual cap for the year ending 31 December 2025** *(RMB'000)*
Deposit Services				
Maximum daily outstanding balance of deposits (including accrued interest and handling fee) placed by the Company and its subsidiaries with COSCO SHIPPING Finance	115,353,672	101,746,237	96,888,449	150,000,000
Loan Services				
Maximum daily outstanding balance of loans (including accrued interest and handling fee) granted by COSCO SHIPPING Finance and its subsidiaries	2,872,767	1,965,816	1,595,816	26,000,000

	For the year ended 31 December 2023 *(RMB'000)* *(Audited)*	For the year ended 31 December 2024 *(RMB'000)* *(Audited)*	For the six months ended 30 June 2025 *(RMB'000)* *(Unaudited)*	Annual cap for the year ending 31 December 2025 *(RMB'000)*
Other Financial Services				
Other financial services (including clearing services, foreign exchange services and any other services that COSCO SHIPPING Finance can engage in as permitted by the National Financial Regulatory Administration) provided by COSCO SHIPPING Finance to the Company and its subsidiaries	2,500	1,538	365	80,000

As far as the Directors are aware, the annual caps for the year ending 31 December 2025 had not been exceeded as at the Latest Practicable Date.

Proposed Annual Caps and Basis of Determination for Annual Caps

The proposed annual caps for the transactions contemplated under the Master Financial Services Agreement for the three years ending 31 December 2028 and the basis of determination for such annual caps are set out as follows:

(a) Deposit Services

	For the year ending 31 December 2026 *(RMB'000)*	For the year ending 31 December 2027 *(RMB'000)*	For the year ending 31 December 2028 *(RMB'000)*
Maximum daily outstanding balance of deposits (including accrued interest and handling fee) to be placed by the Company and its subsidiaries with COSCO SHIPPING Finance	150,000,000	150,000,000	150,000,000

The above proposed annual caps were determined with reference to:

(i) The historic transaction amounts incurred in the last two financial years ended 31 December 2024 and the six months ended 30 June 2025. As the utilization of the previous annual caps is based on the actual funding needs of the Group in accordance with its funding plans and project progress from time to time, the previous annual caps had not been fully utilized.

(ii) The Group's operating performance in recent years, with improvement in operating net cash flow, and the expected corresponding increase in sustained demand for deposit services from COSCO SHIPPING Finance.

(iii) The fact that a portion of the Group's revenue is denominated in US dollars, coupled with anticipated fluctuations in the RMB exchange rate of RMB against the US dollar.

(iv) As mentioned in the section headed "*(2) Master Vessel and Container Asset Services Agreement – Proposed Annual Caps and Basis of Determination of Annual Caps*" in this Letter from the Board, as of 30 June 2025, the Group had new shipbuilding orders totaling 51 vessels with a total transportation capacity exceeding 910,000 TEUs. With the new vessels coming into service, it is expected that the Group's transportation capacity will increase. Based on the current newbuilding vessel delivery plan, during the period from 2026 to 2028, the Group expects to deliver 36 vessels, representing 656,000 TEUs and approximately 19.18% of the existing capacity of the Group. As the Group's businesses continues to grow, the level of its cash and cash equivalents would continue to increase and so would its overall deposits needs.

(v) A reasonable buffer to cater for the anticipated exchange rate fluctuations has been included to allow operational flexibility of the Group from time to time.

The deposits of the Group placed with COSCO SHIPPING Finance was approximately RMB76.66 billion as at 30 June 2025, which represented approximately 45% of the total cash and cash equivalent balance of the Group of approximately RMB169.14 billion as at 30 June 2025.

(b) Loan Services

	For the year ending 31 December 2026 *(RMB'000)*	For the year ending 31 December 2027 *(RMB'000)*	For the year ending 31 December 2028 *(RMB'000)*
Maximum daily outstanding balance of loans (including accrued interest and handling fee) to be granted by COSCO SHIPPING Finance to the Company and its subsidiaries	26,000,000	26,000,000	26,000,000

The above proposed annual caps were determined with reference to the following:

(i) The historic transaction amounts incurred in the last two financial years ended 31 December 2024 and the six months ended 30 June 2025. As the utilization of the previous annual caps is based on the actual funding needs of the Group in accordance with its funding plans and project progress from time to time, the previous annual caps had not been fully utilized.

(ii) The capital management strategies of the Company and to allow flexibility for new loans.

(iii) The anticipated increase in demand of the Group for loan services as a result of the Group's expected increase of vessel capacity during 2026 to 2028.

(iv) A reasonable buffer to cater for the anticipated exchange rate fluctuations has been included to allow operational flexibility of the Group from time to time.

(c) Other Financial Services

	For the year ending 31 December 2026 *(RMB'000)*	For the year ending 31 December 2027 *(RMB'000)*	For the year ending 31 December 2028 *(RMB'000)*
Other financial services (including clearing services, foreign exchange services and any other services that COSCO SHIPPING Finance can engage in as permitted by the National Financial Regulatory Administration) to be provided by COSCO SHIPPING Finance to the Company and its subsidiaries	80,000	80,000	80,000

The above proposed annual caps were determined with reference to the following:

(i) The historic transaction amounts incurred in the last two financial years ended 31 December 2024 and the six months ended 30 June 2025. As the utilization of the previous annual caps is based on the actual funding needs of the Group in accordance with its funding plans and project progress from time to time, the previous annual caps had not been fully utilized.

(ii) The capital management strategies of the Company.

(iii) The anticipated increase in demand of the Group for other financial services (including the increase in expected demands for foreign exchange and settlement transactions) due to its aforesaid business growth and the expected positive development in the shipping market.

(iv) A reasonable buffer to cater for the anticipated exchange rate fluctuations has been included to allow operational flexibility of the Group from time to time.

Accordingly, despite the low utilization rate of the original annual caps set for the Existing Financial Services Agreement, the proposed annual caps under the Master Financial Services Agreement for the three years ending 31 December 2028 has remained the same as the original annual caps for the three years ending 31 December 2025 under the Existing Financial Services Agreement.

Reasons for Entering into the Master Financial Services Agreement

Facing rising uncertainties in the global macro environment, sufficient cash reserves will help the Group to enhance its ability to resist risks and stabilize cyclical fluctuations, and seize potential industrial opportunities to achieve high quality and sustainable development. The services under the Master Financial Services Agreement, such as the deposits and credit services, will serve the strategic development goals of the Company, and enable the Company to manage and control the capital and to leverage the capital value.

As at the Latest Practicable Date, the Group held 22.9688% of the equity interests in COSCO SHIPPING Finance (of which, 15.1258% was held by the Company and 7.8430% was held by COSCO SHIPPING Lines Co., Ltd., a wholly-owned subsidiary of the Company) and was the second largest shareholder of COSCO SHIPPING Finance. Therefore, while reaping the economic benefits brought by the service improvement of COSCO SHIPPING Finance, the Group can participate in the decision-making process of COSCO SHIPPING Finance, to exert certain level of influence on its operation and gain more effective support for building capacity of shipping supply chain based on globalization and digitalization of the Group.

To the best knowledge and belief of the Directors, COSCO SHIPPING Finance operates strictly in accordance with the guidelines on risk monitoring indicators promulgated by the National Financial Regulatory Administration, with sound capital risk assessment and control measures and effective internal control procedures, which is conducive to the strengthening of capital supervision and prevention of capital risks of the Company. As the intra-group financial services provider, COSCO SHIPPING Finance generally has better and more efficient communication with the Company and its subsidiaries compared with independent banks and financial institutions. The Company and its subsidiaries may negotiate more favourable terms with COSCO SHIPPING Finance compared with other commercial banks. Meanwhile, the Group has adopted more stringent capital risk assessment and control measures for deposits under the Master Financial Services Agreement. For further details, please refer to the section headed "Capital Risk Assessment and Control Measures" below.

The terms of the Master Financial Services Agreement have been arrived at after arm's length negotiations between the parties. The Directors (excluding all the independent non-executive Directors whose opinion was made based on the recommendations from Gram Capital pursuant to the Hong Kong Listing Rules and as further stated in the Letter from the Independent Board Committee) have confirmed that the terms of the Master Financial Services Agreement, and the proposed annual caps and the continuing connected transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Company, and are in the interests of the Company and the Shareholders as a whole.

Having considered, *inter alia*, the terms of the Master Financial Services Agreement, the independent non-executive Directors are of the opinion that (i) the transactions and the proposed annual caps contemplated under the Master Financial Services Agreement are entered into in the ordinary and usual course of business of the Company on normal commercial terms; (ii) its terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (iii) the proposed annual caps for such transactions for each of the three years ending 31 December 2028 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Guarantee Letter from COSCO SHIPPING

In respect of the Master Financial Services Agreement, on 28 August 2025, COSCO SHIPPING issued a guarantee letter to the Company pursuant to which COSCO SHIPPING unconditionally and irrevocably guarantees that, during the term of the Master Financial Services Agreement:

(i) maintain its effective control of COSCO SHIPPING Finance and guarantee the proper and orderly operation of COSCO SHIPPING Finance;

(ii) use its best endeavors and take all reasonable steps to guarantee that COSCO SHIPPING Finance will perform its obligations in respect of the deposit services contemplated under the Master Financial Services Agreement;

(iii) in respect of the deposits placed by the Company, its subsidiaries (having the meaning ascribed to it under the Hong Kong Listing Rules and the meaning ascribed to "controlled subsidiaries" under the Shanghai Listing Rules) and associates (having the same meaning ascribed to it under the Hong Kong Listing Rules) through the deposit services under the Master Financial Services Agreement, use its best endeavors and take all reasonable steps to guarantee that COSCO SHIPPING Finance will use such deposits primarily for the purpose of facilitating the fund transfer services and entrustment loan services for and among the Company, its subsidiaries and associates; and

(iv) bear all the losses incurred by the Company, its subsidiaries and associates due to the failure of performing the obligations under the Master Financial Services Agreement by COSCO SHIPPING Finance, including but not limited to, the deposit amount, interest and the relevant expenses incurred, within ten business days after such failure occurs.

COSCO SHIPPING confirms that it has obtained all approvals and authorizations for execution the abovementioned guarantee letter and such execution does not violate any PRC laws, regulations or any agreement to which COSCO SHIPPING is a party.

In addition, pursuant to the Master Financial Services Agreement, the Group is entitled to, at its absolute discretion and taking into account its demand, decide to withdraw and make use of the full deposits without any penalty under the Master Financial Services Agreement.

Capital Risk Assessment, Credit Risk Assessment, and Control Measures

Under the Master Financial Services Agreement:

(i) the Company has the right to understand the operational and financial status of COSCO SHIPPING Finance, assess its business qualifications, operations, and risks, so as to promptly control and address potential capital risks that may arise within COSCO SHIPPING Finance;

(ii) COSCO SHIPPING Finance shall notify the Company in writing within two business days upon the occurrence of any of the following matters, and take measures to prevent or mitigate losses, as well as assist the Company in fulfilling its information disclosure obligations: (a) failure to comply with the regulatory indicator requirements stipulated in the Measures for the Administration of Finance Companies of Enterprise Groups, or violation of the provisions of the Measures for the Administration of Finance Companies of Enterprise Groups; (b) bank runs, failure to pay debts when due, large customer loan default, or guarantee advance payment, severe computer system failures, robberies or fraud, serious disciplinary violations or criminal cases involving directors or senior management; (c) major organizational changes, equity transactions, or operational risks that may affect the normal business of COSCO SHIPPING Finance; (d) shareholders of COSCO SHIPPING Finance failing to repay overdue liabilities for more than six months; (e) severe payment crisis; (f) annual losses of COSCO SHIPPING Finance exceeding 30% of the registered capital or consecutive three-year losses exceeding 10% of the registered capital; (g) major administrative penalties, rectification orders, imposed by the National Financial Regulatory Administration or its local offices and other regulatory authorities due to violations of laws or regulations of COSCO SHIPPING Finance; or (h) other matters concerning COSCO SHIPPING Finance that may adversely affect or create any material concerns for the deposits of the Company.

In addition, COSCO SHIPPING Finance have made relevant confirmations:

(i) COSCO SHIPPING Finance operates in compliance with laws and regulations, and conscientiously implements relevant national financial laws, regulations, guidelines and policies, as well as the Measures for the Administration of Finance Companies of Enterprise Groups formulated by the National Financial Regulatory Administration;

(ii) COSCO SHIPPING Finance has made statutory deposit reserves in accordance with the regulations of the PBOC, and has made timely and full provisions for asset impairment and written off non-performing assets in accordance with relevant regulations;

(iii) The deposit and loan interest rates of COSCO SHIPPING Finance, as well as the commission rates for various intermediary businesses, are implemented in accordance with the regulations of the PBOC and the National Financial Regulatory Administration. In terms of foreign exchange business, COSCO SHIPPING Finance has complied with the relevant provisions of the national foreign exchange administration; and

(iv) COSCO SHIPPING, as the parent company of COSCO SHIPPING Finance, promises that in the event of an emergency situation in which COSCO SHIPPING Finance encounters payment difficulties, it will increase the corresponding capital in accordance with the actual needs of resolving the payment difficulties.

The Board is of the view that the above capital risk assessment and control measures will allow the management of the Group to be informed and notified of any material risks which may harm the recoverability of the deposits placed by the Group with COSCO SHIPPING Finance.

In addition, the Company has been advised that the operations of COSCO SHIPPING Finance are approved by the National Financial Regulatory Administration. To the best of the Directors' knowledge and belief having made all reasonable enquiries, COSCO SHIPPING Finance has been in compliance with all the major financial services rules and regulations and have sound internal control systems. COSCO SHIPPING Finance can provide financial services, including deposit services, based on the approval issued by the National Financial Regulatory Administration.

In considering the financial ability of COSCO SHIPPING Finance, and having reviewed the financial information of COSCO SHIPPING Finance for the year ended 31 December 2024, as well as the annual risk management assessment report for the six months ended 30 June 2025 prepared by COSCO SHIPPING Finance summarising the current financial positions of COSCO SHIPPING Finance, the Company has noted that various financial ratios of COSCO SHIPPING Finance were in compliance with the regulations as set out in the "Finance Company Management Measures for Group Enterprise"* (《企業集團財務公司管理辦法》) issued by the National Financial Regulatory Administration. Accordingly, on the basis that COSCO SHIPPING Finance (i) is under the supervision of the National Financial Regulatory Administration and has been in compliance with all the major financial services rules and regulation, (ii) has been maintaining satisfactory profitability, operating results and financial position with sound internal control systems and well-regulated management, and (iii) has no historical defaults in the transactions with the Company in its track record, the Board is of the view that the Group would not be exposed to high credit risks for the receipt of financial services from COSCO SHIPPING Finance.

Having taking into consideration that (i) COSCO SHIPPING Finance has been providing financial services to the Group since 2018 and generally have better and more efficient communication with the Group as compared with other independent banks and

financial institutions; (ii) the Group has the flexibility and is not obliged to use COSCO SHIPPING Finance's services; (iii) COSCO SHIPPING Finance has sound financial ability, the Board takes the view that the entering into of the Master Financial Services Agreement is in the ordinary course of business of the Group and in the interests of the Company and the Shareholders as a whole.

3. SIPG Shipping and Terminal Services Agreement

On 28 August 2025, the Company and SIPG entered into the SIPG Shipping and Terminal Services Agreement in relation to the provision of shipping services by the Group to the SIPG Group and the provision of terminal services by the SIPG Group to the Group.

Parties:

(i) the Company; and

(ii) SIPG

Nature of transaction: The Group shall provide shipping services and other related services to the SIPG Group, including:

(i) cargo transportation, freight agency, cargo space rental and exchange;

(ii) logistics services, towing and depot services; and

(iii) ancillary services relating to the shipping services.

The SIPG Group shall provide terminal services and other related services to the Group, including:

(i) terminal container services, including but not limited to the handling of the berthing for the container vessels of the members of the Group and loading and unloading, depot, transshipment, transportation and information and other services;

(ii) transfer of containers for international lines, containers for domestic lines and empty containers for members of the Group;

(iii) container vessels tug operations, piloting services, cargo handling services, and transshipment by sea of containers;

(iv) shipping agency, towing, depot and other services;

(v) housing rental and parking space rental services and other services; and

(vi) other terminal-related ancillary services.

Pricing policy: The pricing for the provision of the shipping services and terminal services shall be determined with reference to the prevailing market price, being the price charged by independent third parties providing similar types of services in their ordinary course of business in the same or nearby area based on normal commercial terms, and in accordance with the principle of fairness and reasonableness. Such prevailing market price is usually based on historical prices quoted by independent third parties in recent three years or the public price rates published by governments, third-party trading platforms or trading agents (if applicable), the Company will also obtain such prevailing market price through quotation to be provided by at least three independent third party suppliers.

Historical Transaction Amounts

The table below sets forth the historical transaction amounts of transactions under the Existing SIPG Shipping and Terminal Services Agreement for (i) the two years ended 31 December 2024, (ii) six months ended 30 June 2025, and (iii) the annual cap for the year ending 31 December 2025:

	For the year ended 31 December 2023 *(RMB'000) (Audited)*	**For the year ended 31 December 2024** *(RMB'000) (Audited)*	**For the six months ended 30 June 2025** *(RMB'000) (Unaudited)*	**Annual cap for the year ending 31 December 2025** *(RMB'000)*
Aggregate amount payable by the Group to the SIPG Group for the terminal services	1,536,370	1,808,527	855,119	3,500,000
Aggregate amount payable by the SIPG Group to the Group for the shipping services	31,857	47,101	26,915	500,000

As far as the Directors are aware, the annual caps for the year ending 31 December 2025 under the Existing SIPG Shipping and Terminal Services Agreement had not been exceeded as at the Latest Practicable Date.

Proposed Annual Caps and Basis of Determination for Annual Caps:

The proposed annual caps for the transactions contemplated under the SIPG Shipping and Terminal Services Agreement for the three years ending 31 December 2028 and the basis of determination for such annual caps are set out as follows:

	For the year ending 31 December 2026 *(RMB'000)*	**For the year ending 31 December 2027** *(RMB'000)*	**For the year ending 31 December 2028** *(RMB'000)*
Aggregate amount payable by the Group to the SIPG Group for the terminal services	3,500,000	3,500,000	3,500,000
Aggregate amount payable by the SIPG Group to the Group for the shipping services	500,000	500,000	500,000

The above proposed annual caps for the transactions under the SIPG Shipping and Terminal Services Agreement were determined with reference to the following:

(i) The historic transaction amounts incurred under the Existing SIPG Shipping and Terminal Services Agreement in the last two financial years ended 31 December 2024 and the six months ended 30 June 2025, which had not fully utilized the previous annual caps due to the lower-than-estimated actual demand for such services;

(ii) As mentioned in the section headed "*(2) Master Vessel and Container Asset Services Agreement – Proposed Annual Caps and Basis of Determination of Annual Caps*" in this circular, the transportation capacity of the Group is expected to increase on a year-on-year basis. Therefore, based on the future allocation of the capacity of shipping services and anticipated growth of the relevant businesses of the Group, the Group has forecasted an increased expected demand for the terminal services and other related services under the SIPG Shipping and Terminal Services Agreement.

(iii) The current cooperation of the SIPG Group (acting as the supplier of terminal services) with COSCO SHIPPING Lines Co., Ltd. and Orient Overseas (International) Limited (both acting as the recipients of terminal services and being the subsidiaries of the Company), and the current scale, business operations, expected growth, and demand of SIPG Group.

(iv) A reasonable buffer to allow operational flexibility of the Group from time to time.

Accordingly, despite the low utilization rate of the original annual caps set for the Existing SIPG Shipping and Terminal Services Agreement, the proposed annual caps under SIPG Shipping and Terminal Services Agreement for the three years ending 31 December 2028 has remained the same as the original annual caps for the three years ending 31 December 2025 under the Existing SIPG Shipping and Terminal Services Agreement.

Reasons for Entering into the SIPG Shipping and Terminal Services Agreement

The Group has extensive experience and offers comprehensive services and a comprehensive management system in respect of shipping services, whereas the SIPG Group has extensive experience, and offers comprehensive services and a comprehensive management system in respect of terminal services. The terminal services to be provided by SIPG Group are requisite complementary services to the core businesses of the Group, and the shipping services to be provided by the Group are requisite complementary services to the core businesses of the SIPG Group. Therefore, the parties have agreed to enter into the SIPG Shipping and Terminal Services Agreement for the provision of the shipping services and terminal services, leveraging on their respective strengths in such businesses.

SIPG Group and the Group have obtained the qualifications to provide relevant services mentioned above, and are familiar with the business operations of the parties and were able to strictly perform the obligations stipulated in the related party transaction agreements in previous transactions to provide efficient services to the parties. The above transactions are conducive to safeguard the normal operation of the Group's production and operation activities, thereby facilitating the development of the Group's business. The Directors believe that the terms of the transactions and the proposed annual caps contemplated under the SIPG Shipping and Terminal Services Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

II. INFORMATION ON THE PARTIES TO THE MAJOR TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

The Company was established in the PRC on 3 March 2005. The Group provides a wide range of container shipping and terminal services covering the whole shipping value chain for both international and domestic customers.

COSCO SHIPPING is a state-owned enterprise held by The State-owned Assets Supervision and Administration Commission of the State Council as to 90%, and the National Council for Social Security Fund as to 10%. The scope of business of COSCO SHIPPING includes international shipping, ancillary business in international maritime transportation, import and export of goods and technologies, international freight agency business, leasing of self-owned vessels, sales of vessels, containers and steel, maritime engineering etc.

COSCO SHIPPING Finance is a company established in the PRC, and is a limited liability company established with the approval of the former China Banking and Insurance Regulatory Commission. It was established by way of joint capital contribution by COSCO SHIPPING and its subsidiaries as members, with COSCO SHIPPING being the de facto controller. It is principally engaged in the provision of financial services to the abovementioned members. As at the Latest Practicable Date, the Group held 22.9688% of the equity interests in COSCO SHIPPING Finance (in which, 15.1258% was held by the Company and 7.8430% was held by COSCO SHIPPING Lines Co., Ltd., a wholly-owned subsidiary of the Company) and was the second largest shareholder of COSCO SHIPPING Finance.

SIPG is a company incorporated under the laws of the PRC with limited liability and the shares of which are listed on the Shanghai Stock Exchange (Stock Code: 600018). SIPG is principally engaged in port-related businesses, including international and domestic loading and unloading (with transfer), storage, transshipment and waterway and land transport of goods (including containers); devanning or consolidating containers, cleaning, maintenance, manufacturing and leasing of containers.

III. IMPLICATIONS UNDER THE HONG KONG LISTING RULES

COSCO SHIPPING Master Agreements and the Master Financial Services Agreement

As at the Latest Practicable Date, COSCO SHIPPING is the indirect controlling Shareholder and therefore members of the COSCO SHIPPING Group (including COSCO SHIPPING Finance) are connected persons of the Company under Chapter 14A of the Hong Kong Listing Rules. Accordingly, the transactions contemplated under each of the COSCO SHIPPING Master Agreements and the Master Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

The Master Financial Services Agreement

As one or more of the applicable percentage ratios of the proposed annual caps in respect of the deposit transactions contemplated under the Master Financial Services Agreement exceed 25%, such transactions constitute continuing connected transactions and major transactions of the Company, and therefore the Master Financial Services Agreement, and the transactions and the respective proposed annual caps contemplated thereunder are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14 and Chapter 14A of the Hong Kong Listing Rules.

The Master Shipping Services Agreement, and the Master Vessel and Container Asset Services Agreement

As one or more of the applicable percentage ratios of the proposed annual caps in respect of the transactions contemplated under the Master Shipping Services Agreement, and the transactions contemplated under the Master Vessel and Container Asset Services Agreement exceed 5%, such transactions and the respective proposed annual caps for such transactions for each of the three years ending 31 December 2028 are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

The Master Port Services Agreement and the Master General Services Agreement

As one or more of the applicable percentage ratios of the proposed annual caps in respect of the transactions contemplated under each of the Master Port Services Agreement and the Master General Services Agreement exceed 0.1% but are all less than 5%, such transactions and the respective proposed annual caps for such transactions for each of the three years ending 31 December 2028 are subject to the reporting, annual review and announcement requirements but are exempt from independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

The Trademark Licence Agreement

As all of the applicable percentage ratios of the proposed annual caps in respect of the transactions contemplated under the Trademark Licence Agreement are below 0.1%, such transactions are exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules. The Trademark Licence Agreement is disclosed in this circular in light of the requirements of the Shanghai Listing Rules as set out below.

The SIPG Shipping and Terminal Services Agreement

As at the Latest Practicable Date, SIPG holds 20% of the equity interests in PANASIA Shipping, a non-wholly subsidiary of the Company. Therefore, SIPG is a substantial shareholder of PANASIA Shipping and a connected person of the Company at the subsidiary level. Accordingly, the entering into of the SIPG Shipping and Terminal Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Hong Kong Listing Rules.

The Board has approved the transactions contemplated under the SIPG Shipping and Terminal Services Agreement; and the independent non-executive Directors have confirmed that the terms of the transactions and the proposed annual caps under the SIPG Shipping and Terminal Services Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Therefore, the transactions under the SIPG Shipping and Terminal Services Agreement and the proposed annual caps for such

transactions are subject to the reporting, annual review and announcement requirements but are exempt from the circular, independent financial advice and independent shareholders' approval requirements pursuant to Rule 14A.101 of the Hong Kong Listing Rules.

Directors' Confirmation

Mr. WAN Min, Mr. ZHANG Feng, Mr. TAO Weidong, Mr. ZHU Tao and Mr. XU Feipan, who are Directors nominated by COSCO, have abstained from voting on the resolutions of the Board approving the transactions under the COSCO SHIPPING Master Agreements and the Master Financial Services Agreement pursuant to the Articles of Association. Other than the above mentioned Directors, the remaining Directors are the non-executive Director and the independent non-executive Directors.

Save as disclosed above, none of the Directors has a material interest in the transactions under the COSCO SHIPPING Master Agreements and the Master Financial Services Agreement and is required to abstain from voting on the relevant resolutions. Based on the reasons as stated above, the Directors (except for Mr. WAN Min, Mr. ZHANG Feng, Mr. TAO Weidong, Mr. ZHU Tao and Mr. XU Feipan who have abstained from voting on the relevant resolutions of the Board) are of the view that the transactions contemplated under the COSCO SHIPPING Master Agreements and the Master Financial Services Agreement have been and will be entered into in the ordinary and usual course of business of the Company and on normal commercial terms and the COSCO SHIPPING Master Agreements and the Master Financial Services Agreement and the respective proposed annual caps thereunder for each of the three years ending 31 December 2028 are fair and reasonable and in the interests of the Shareholders as a whole.

V. INTERNAL CONTROL PROCEDURES

Pricing Method Determination

In order to improve, standardize and strengthen the management of suppliers and/or vendor procurement, the Company implements the Measures on Procurement and Supplier Management (《採購及供應商管理辦法》, the "**Measures on Procurement and Supplier Management**") on the purchases of commodities, equipment, goods and/or services (collectively, the "**procurement items**") by the Group. The selection of a supplier shall be determined by open tender, or invitation to bid, if the procurement item falls within the below scope:

(a) the procurement item is subject to open or public tender as stipulated by statutory laws and/or regulations;

(b) the procurement item (as to materials, commodities and/or services) carries a budget unit price exceeding RMB2,000,000 (or its equivalent amount in foreign currency); or

(c) the procurement item (as to engineering and/or construction products) carries a project fee exceeding RMB4,000,000 (or its equivalent amount in foreign currency).

The specific procurement items that the Company may purchase through non-bidding process include, without limitation, professional services, investor relations services, strategic consulting services, printing services, and general supplies.

The prevailing market price for such other services not subject to any public tender requirements and carries a budget unit price of less than RMB300,000 is usually determined based on historical prices quoted by independent third parties in recent three years or prevailing market prices obtained through quotation or competitive negotiation to be provided or participated by at least three independent third-party suppliers. The prevailing market price for port related services and utility related services is usually determined based on the public price rates published by governments or third-party trading platforms.

Bidding Procedures

The bidding process of the Group, which typically involves the following steps, shall be implemented in strict accordance with the Measures on Procurement and Supplier Management of the Group:

1. **Bidder Selection**. After the formulation of the procurement plan based on actual business needs, the management departments of the supplier categories conduct investigations and examination on the competitive characteristics of the relevant supply market. Shortlisted suppliers are subsequently contacted and requested to complete and submit the requisite pre-qualification documentation to the Group. In addition, suppliers are encouraged to register an account under the Tender Procurement Network of the Group on a voluntary basis.

2. **Bidder Pre-qualification**. An evaluation team, comprising of the relevant personnel of the procurement management department and the management department of the supplier category, together with any relevant procurement experts, shall assess the admission and qualification of the suppliers based on aspects of business information, key performance, supply and service assurance capability, quality assurance capability, customer service initiatives and compliance performance.

3. **Bid Invitation**. A bidding project team, comprising of the business management department, procurement management department, financial management department, legal and risk management department and experts of the bidding project shall be formed, the focal point of which is to lead the implementation of the bidding process. The tenderer shall prepare the tender documents, including all material requirements and conditions such as the technical requirements of the project to be tendered, the criteria for evaluating the qualifications of the bidders, the requirements for bid quotations, the criteria and methods for bid evaluation, and the main terms of the contract to be signed.

4. **Bid Evaluation**. A bid evaluation team will be set up to carry out the bid evaluation members of the tender project team. The bid evaluation team shall, in accordance with national laws and regulations and in accordance with the criteria and methods of bid evaluation specified in the tender documents, objectively and impartially evaluate the bid so submitted.

   (a) The bid evaluation report, which shall include the following content, shall be signed by all the members of the bid evaluation team and the bid monitoring personnel, and shall state the different opinions on the bid evaluation results:

      (i) the basic information of the bidding project;

      (ii) a list of members of the bid evaluation team;

      (iii) a list of suppliers that meet the pre-qualification requirements;

      (iv) the explanation of the rejection of the bids, if any;

      (v) a list of bid evaluation criteria and methods;

      (vi) the evaluated bid price or rating comparison list, including the lowest price evaluated, the comprehensive scoring method, or other bid evaluation methods permitted by applicable laws and regulations;

      (vii) a ranking of the evaluated bidders;

      (viii) the list of recommended successful candidates; and

      (ix) any required clarification, clarification, correction of the aforesaid matters.

   (b) Upon completion of the bid evaluation, the tender project team shall submit a written bid evaluation report and the list of successful candidates to the head of the procurement management department.

In addition to the annual review by the auditors and independent non-executive Directors pursuant to the requirements of Chapter 14A of the Hong Kong Listing Rules, as part of the Group's internal controls systems to ensure that the transactions between the Group and its connected persons are conducted in accordance with the pricing policy under the Master Agreements and other terms are on normal commercial terms, fair and reasonable and beneficial to the Company and its shareholders, and comply with the applicable requirements under the listing rules, the Group will implement the following internal control arrangements:

(i) The Company will regularly examine the pricing of transactions under the Master Agreements on a yearly basis to ensure that the continuing connected transactions under the Master Agreements are conducted in accordance with the pricing terms thereof, including reviewing the transaction records of the Company for the purchase or provision of similar goods or services from or to independent third parties, as the case may be.

(ii) The Company may request for written documents to be provided by the connected persons under the Master Agreements to demonstrate that their transaction pricing complies with the pricing terms as stipulated in the Master Agreements and that the prices offered to or received from the Group are not less favorable to the Group than the prices offered to or received from other independent third parties for similar types of services or goods.

(iii) The Legal Affairs and Risk Management Department (法務及風險管理部) of the Company, being the responsible department of the Company for connected transactions, will regularly summarize the transaction amounts under the Master Agreements on a monthly basis, which enables the department to promptly monitor the actual status of continuing connected transactions and ensure that the transactions are conducted within the annual cap. Such responsible department of the Company will regularly submit work reports to the Audit Committee of the Company.

(iv) The Company has adopted a threshold reporting system to monitor that the annual cap will not be exceeded. If the Company anticipates that the connected transaction amount may reach 80% of the originally estimated amount, the department responsible for connected transactions will convene a meeting and implement proactive control measures to strictly control the amount of subsequent transactions within the annual cap. If an adjustment to the cap is necessary, the department responsible for connected transactions will report to the management and independent Directors of the Company and propose a remedial plan, and will comply with the relevant approval and/or disclosure procedures as required by the regulatory authorities in the place where the shares of the Company are listed.

(v) For transactions that constitute continuing connected transactions under the Hong Kong Listing Rules, the independent non-executive Directors and auditors of the Company shall also perform annual review in accordance with the provisions of the Hong Kong Listing Rules.

The Board is of the view that the above methods and procedures can ensure that the pricing and other contract terms for the Group's continuing connected transactions are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders and that the continuing connected transactions are conducted as agreed in the relevant Master Agreements and in compliance with Chapter 14A of the Hong Kong Listing Rules.

7. Requirements under the Shanghai Listing Rules

Pursuant to the Shanghai Listing Rules, (i) transaction amounts of all types of related party transactions entered into between the Company and the same related party within a 12-month period shall be aggregated (save for those which have complied with the relevant approval and/or disclosure procedures); (ii) transaction amounts of related party transactions with related subject under the same transaction category entered into between the Company and different related parties within a 12-month period shall be aggregated (save for those which have complied with the relevant approval and/or disclosure procedures); and (iii) if the total aggregated transaction amount is more than RMB30 million and exceeds 5% of the latest audited net asset value of the Company and its subsidiaries, such related party transactions shall be presented to a general meeting for independent shareholders' approval. As the continuing connected transactions under the COSCO SHIPPING Master Agreements and the Master Financial Services Agreement also constitute related party transactions of the Company under the Shanghai Listing Rules and were all entered into between the Company and COSCO SHIPPING or COSCO SHIPPING Finance, which is under COSCO SHIPPING's control, the proposed annual caps in respect of the continuing connected transactions under the COSCO SHIPPING Master Agreements and the Master Financial Services Agreement shall be aggregated pursuant to the requirements under the Shanghai Listing Rules. As the continuing connected transactions under the Master Shipping Services Agreement, the Master Port Services Agreement and the SIPG Shipping and Terminal Services Agreement constitute related party transactions with related subject under the same transaction category entered into between the Company and different related parties under the Shanghai Listing Rules, all the proposed annual caps in respect of the continuing connected transactions under the Master Shipping Services Agreement, the Master Port Services Agreement and the SIPG Shipping and Terminal Services Agreement shall be aggregated pursuant to the requirements under the Shanghai Listing Rules. The aggregated amount shall exceed 5% of the latest audited net asset value of the Company and its subsidiaries. Accordingly, despite that only the Non-exempt Master Agreements and the proposed annual caps thereunder are required to be approved by the Shareholders under the Hong Kong Listing Rules, ordinary resolutions will be proposed at the EGM for the Shareholders to consider and, if thought fit, approve all the continuing connected transactions under each of the COSCO SHIPPING Master Agreements, the Master Financial Services Agreement and the SIPG Shipping and Terminal Services Agreement and the proposed annual caps contemplated thereunder.

B. EGM

The EGM will be held on 31 October 2025 at 2:30 p.m. at Conference Room, 47th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong and Ocean Hall, 5th Floor, Shanghai Ocean Hotel, No. 1171, Dong Da Ming Road, Shanghai, the PRC. A notice convening the EGM, together with the form of proxy, were despatched to the Shareholders on 13 October 2025.

Whether or not you intend to attend the EGM, you are requested to complete and return the form of proxy in accordance with the instructions printed on it. The proxy form should be returned to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the EGM or any adjournment of it. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment of it should you so wish.

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of the Shareholders to be taken at the EGM shall be taken by poll. An announcement of the poll results will be made by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Hong Kong Listing Rules.

COSCO SHIPPING and its associates, being connected persons of the Company and having a material interest in the transactions under the Master Financial Services Agreement and the COSCO SHIPPING Master Agreements, controlled or were entitled to exercise control over the voting rights in respect of 7,328,600,010 A Shares and 225,822,000 H Shares, representing approximately 45.25% of the total issued share capital of the Company as at the Latest Practicable Date. In accordance with the Hong Kong Listing Rules, they will abstain from voting at the EGM on the resolutions to approve the transactions under the Master Financial Services Agreement and the COSCO SHIPPING Master Agreements.

In addition, Mr. ZHU Tao, an executive Director, controlled or was entitled to exercise control over the voting rights in respect of 222,179 A Shares, representing approximately 0.00142% of the total issued share capital of the Company as at the Latest Practicable Date, Mr. ZHU Tao voluntarily undertakes to abstain from voting at the EGM on the resolutions to approve the transactions under the Master Financial Services Agreement and the COSCO SHIPPING Master Agreements in order to better protect the interests of the Independent Shareholders.

Save as disclosed above, to the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, none of the Shareholders has any material interest in the matters to be approved at the EGM and accordingly, none of the Shareholders is required to abstain from voting on the resolutions to be proposed at the EGM.

C. RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee set out on page 51 of this circular and the letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders set out on pages 52 to 75 of this circular in connection with the continuing connected transactions contemplated under the Non-exempt Master Agreements, their respective proposed annual caps, and the principal factors and reasons considered by Gram Capital in arriving at such advice.

The Independent Board Committee, having considered the terms of non-exempt continuing connected transactions contemplated under the Non-exempt Master Agreements, and the advice of Gram Capital, are of the opinion that: (i) the transactions contemplated under the Non-exempt Master Agreements are entered into in the ordinary and usual course of business of the Group on normal commercial terms; (ii) the terms of the Non-exempt Master Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (iii) the proposed annual caps for such transactions for each of the three years ending 31 December 2028 are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board Committee recommends the Independent Shareholders to vote in favour of all the resolutions in respect of the Non-exempt Master Agreements to be proposed at the EGM to approve the aforementioned matters.

D. CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the H Shareholders' entitlement to attend and vote at the EGM or any adjournment or postponement thereof (as the case may be), the H Share register of members of the Company will be closed from Monday, 27 October 2025 to Friday, 31 October 2025, both days inclusive, during which period no transfer of the H Shares will be effected. The H Shareholders whose names appear in the H Share register of members of the Company on Monday, 27 October 2025 are entitled to attend and vote at the EGM. In order to attend and vote at the EGM, all transfer documents accompanied by relevant share certificates must be lodged with the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712 to 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 24 October 2025.

E. ADDITIONAL INFORMATION

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

Yours faithfully,
By Order of the Board
COSCO SHIPPING Holdings Co., Ltd.*
XIAO Junguang
Company Secretary

* *For identification purpose only*

中遠海運控股股份有限公司
COSCO SHIPPING Holdings Co., Ltd.*
(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1919)

13 October 2025

To the Independent Shareholders

Dear Sir or Madam,

MAJOR TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

We refer to the circular of the Company dated 13 October 2025 (the "**Circular**") of which this letter forms part. Terms defined in the Circular shall have the same meanings in this letter unless the context otherwise requires.

We have been appointed by the Board to advise the Independent Shareholders as to whether (i) the transactions contemplated under the Non-exempt Master Agreements are entered into in the ordinary and usual course of business of the Company on normal commercial terms; (ii) the terms of the Non-exempt Master Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (iii) the proposed annual caps for such transactions for each of the three years ending 31 December 2028 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Having considered and the terms of the Non-exempt Master Agreements, and the advice of Gram Capital, we are of the opinion that (i) the transactions contemplated under the Non-exempt Master Agreements are entered into in the ordinary and usual course of business of the Company on normal commercial terms; (ii) the terms of the Non-exempt Master Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (iii) the proposed annual caps for such transactions for each of the three years ending 31 December 2028 are fair and reasonable and in the interests of the Company and the Shareholders as a whole. We therefore recommend the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM to approve the Non-exempt Master Agreements.

Yours faithfully,
For and on behalf of the Independent Board Committee

Prof. MA Si-hang Frederick **Mr. SHEN Dou** **Ms. HAI Chi-yuet**
Independent non-executive Directors

* *For identification purpose only*

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions for the purpose of inclusion in this circular.

Gram Capital Limited
嘉林資本有限公司

Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

13 October 2025

*To: The independent board committee and the independent shareholders of COSCO SHIPPING Holdings Co., Ltd.**

Dear Sir/Madam,

MAJOR AND CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions, details of which are set out in the letter from the Board (the "**Board Letter**") contained in the circular dated 13 October 2025 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 28 August 2025 (the "**Agreement Date**"):

- the Company and COSCO SHIPPING entered into the COSCO SHIPPING Master Agreements in respect of certain transactions, the nature of which is similar to the transactions under the Existing COSCO SHIPPING Master Agreements, for a term of three years from 1 January 2026 to 31 December 2028, which can be extended for further three years as agreed in writing by the parties upon the expiration of the term on the basis that the relevant requirements of the applicable listing rules are satisfied.

- the Company and COSCO SHIPPING Finance entered into the Master Financial Services Agreement in relation to, among others, the provision of deposit services by COSCO SHIPPING Finance to the Company and its subsidiaries and associates, for a term of three years from 1 January 2026 to 31 December 2028, which can be extended for further three years as agreed in writing by the parties upon the expiration of the term on the basis that the relevant requirements of the applicable listing rules are satisfied.

With reference to the Board Letter, the Non-exempt Continuing Connected Transactions are subject to the requirements of reporting, annual review, announcement and Independent Shareholders' approval under Chapter 14 and Chapter 14A of the Hong Kong Listing Rules.

The Independent Board Committee comprising Prof. MA, Si Hang Frederick, Mr. SHEN Dou and Ms. HAI Chi-yuet (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Non-exempt Continuing Connected Transactions are on normal commercial terms and are fair and reasonable; (ii) whether the Non-exempt Continuing Connected Transactions are in the interests of the Company and the Shareholders as a whole and in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the Non-exempt Continuing Connected Transactions at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, Gram Capital was engaged as independent financial adviser in respect of the discloseable and connected transactions of the Company, details of which are set out in the Company's circular dated 29 October 2024. Notwithstanding the aforesaid past engagement, as at the Latest Practicable Date, we were not aware of any relationships or interests between Gram Capital and the Company or any other parties that could be reasonably regarded as a hindrance to Gram Capital's independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Non-exempt Continuing Connected Transactions. We consider that we have taken sufficient and necessary steps (including review of the Group's financial information for the year ended 31 December 2024 and the six months ended 30 June 2025 (together with comparative figures), the Master

Shipping Services Agreement, the Master Vessel and Container Asset Services Agreement, the Master Financial Services Agreement, the past transaction documents/records in relation to the Non-exempt Continuing Connected Transactions and the Proposed Annual Caps, and discussion with the Company's management) on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Hong Kong Listing Rules.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regards 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 therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, COSCO SHIPPING, COSCO SHIPPING Finance, or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Non-exempt Continuing Connected Transactions. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Non-exempt Continuing Connected Transactions, we have taken into consideration the following principal factors and reasons:

Information on the Group

With reference to the Board Letter, the Company was established in the PRC on 3 March 2005 and the Group provides a wide range of container shipping and terminal services covering the whole shipping value chain for both international and domestic customers.

Set out below are the consolidated financial information of the Group for the two years ended 31 December 2024 and the six months ended 30 June 2025 as extracted from the Company's annual report for the year ended 31 December 2024 ("**2024 Annual Report**") and the Company's interim report for the six months ended 30 June 2025 ("**2025 Interim Report**"):

	For the six months ended 30 June 2025 ("1H2025")	**For the six months ended 30 June 2024 ("1H2024")**	**Change from 1H2024 to 1H2025**	**For the year ended 31 December 2024 ("FY2024")**	**For the year ended 31 December 2023 ("FY2023")**	**Change from FY2023 to FY2024**
	RMB'000 (unaudited)	*RMB'000 (unaudited)*	*%*	*RMB'000 (audited)*	*RMB'000 (audited)*	*%*
Revenues	109,099,344	101,224,495	7.78	233,859,079	175,452,975	33.29
– Container shipping business	*104,758,968*	*97,460,096*	*7.49*	*225,890,689*	*168,044,636*	*34.42*
– Container terminal business	*4,340,376*	*3,764,399*	*15.30*	*7,968,390*	*7,408,339*	*7.56*
Gross profit	22,428,974	23,165,394	(3.18)	67,683,856	27,601,238	145.22
Profit attributable to equity holders of the Company	17,527,589	16,870,109	3.90	49,172,465	23,860,169	106.09

The Group's revenues increased from approximately RMB175.5 billion for the year ended 31 December 2023 ("**FY2023**") to approximately RMB233.9 billion for the year ended 31 December 2024 ("**FY2024**"), representing an increase of approximately 33.29%; and the Group's revenue increased from approximately RMB101.2 billion for 1H2024 to approximately RMB109.1 billion for 1H2025, representing an increase of approximately 7.78%, primarily attributable to the increase in revenue from container shipping business. The Group's revenues from container shipping business accounted for approximately 95.78%, 96.59% and 96.02% of the Group's revenues for FY2023, FY2024 and 1H2025, respectively.

As a result of the increase in the Group's revenues and gross profit for FY2024, as partially offset by decrease in other income, increase in selling, administrative and general expenses and increase in income tax expenses, the profit attributable to equity holders of the Company for FY2024 increased by approximately 106.09% as compared to that for FY2023.

Notwithstanding the increase in the Group's revenues for 1H2025, the Group's gross profit for 1H2025 slightly decreased by approximately 3.18% as compared to that for 1H2024. With reference to the 2025 Interim Report, such decrease was mainly due to increase in equipment and cargo transportation costs and vessel costs. The Group's profit for 1H2025 attributable to equity holders of the Company increased by approximately 3.90% as compared to that for 1H2024. With reference to the 2025 Interim Report, such increase was mainly attributable to the increase in other income.

As at 30 June 2025, the Group's cash and cash equivalents and net assets were approximately RMB169.1 billion and RMB282.9 billion respectively.

Information on COSCO SHIPPING

With reference to the Board Letter, COSCO SHIPPING is a state-owned enterprise wholly-owned and controlled by SASAC. The scope of business of COSCO SHIPPING includes international shipping, ancillary business in international maritime transportation, import and export of goods and technologies, international freight agency business, leasing of self-owned vessels, sales of vessels, containers and steel, maritime engineering etc. As at the Latest Practicable Date, COSCO SHIPPING and its associates controlled or were entitled to exercise control over approximately 45.25% of the total issued share capital of the Company. COSCO SHIPPING is the indirect controlling Shareholder and therefore members of the COSCO SHIPPING Group (including COSCO SHIPPING Finance) are connected persons of the Company under Chapter 14A of the Hong Kong Listing Rules.

Information on COSCO SHIPPING Finance

With reference to the Board Letter, COSCO SHIPPING Finance is a company established in the PRC, and is a limited liability company established with the approval of the former China Banking and Insurance Regulatory Commission. It was established by way of joint capital contribution by COSCO SHIPPING and its subsidiaries as members, with COSCO SHIPPING being the de facto controller. It is principally engaged in the provision of financial services to the abovementioned members. As at the Latest Practicable Date, the Company directly and indirectly held 22.9688% of the equity interests in COSCO SHIPPING Finance and was the second largest shareholder of COSCO SHIPPING Finance.

As advised by the Directors, COSCO SHIPPING Finance is required to operate in compliance with the Administrative Measures for the Finance Company of Enterprise Group* (《企業集團財務公司管理辦法》, the "**Administrative Measures**") issued by National Financial Regulatory Administration. According to the Administrative Measures, it regulates the operation of non-banking financial institutions which provide financial management services to the enterprise group members. The Administrative Measures set out certain compliance and risk control requirements in relation to the operation of group finance companies, including maintaining certain financial ratios at all time.

The table below sets out the key financial ratio requirements of the Administrative Measures and the respective financial ratios of COSCO SHIPPING Finance for FY2023 and FY2024 as provided by the Company:

Financial ratio	**Requirements**	**Financial ratios of COSCO SHIPPING Finance for FY2024**	**Financial ratios of COSCO SHIPPING Finance for FY2023**
		Lowest during the respective period	
Capital adequacy ratio	Not less than 10.5%	22.30%	24.23%
Current ratio	Not less than 25%	46.41%	56.06%
		Highest during the respective period	
Off-balance sheet liabilities to net equity	Not higher than 100%	Nil	Nil
Bills acceptance balance to inter-bank deposit balance	Not higher than 300%	1.92%	2.04%
Total investment to net capital ratio	Not higher than 70%	23.45%	23.91%
Fixed assets to net equity ratio	Not higher than 20%	0.01%	0.01%
Non-performing loan ratio	Not more than 5%	Nil	Nil

As shown in the above table, COSCO SHIPPING Finance had complied with the relevant key financial ratio requirements as set out in the Administrative Measures. Furthermore, the Directors also advised us that, (1) COSCO SHIPPING Finance and its businesses comply with applicable laws and regulations; and (2) since COSCO SHIPPING Finance's incorporation, it had not experienced any (i) bank-run; (ii) inability to settle debts that fall due; (iii) substantial amount of loan overdue; (iv) serious computer system malfunction; (v) bank heist or being defrauded; or (vi) involvement of serious disciplinary or criminal cases by senior management.

Reasons for and benefits of the Non-exempt Continuing Connected Transactions

As aforementioned, the Group's container shipping business accounted for majority of the Group's revenues. COSCO SHIPPING Group and the Group have been providing the necessary supporting shipping services to each other since the establishment of the Group. The shipping services to be provided by the COSCO SHIPPING Group under the Master Shipping Services Agreement mainly include vessel fuel, vessel materials and related repairing services, vessel safety management and technical consultancy services for vessels, which are essential to the Group's businesses and operations and are conducted in the Group's ordinary and usual course of business.

With reference to the Board Letter, in view of the rapid expansion and development of both international and domestic container transportation market, improving shipping route network layout as well as good corporate brand and creditworthiness of the COSCO SHIPPING Group, the Directors believe that the continuing long-term collaboration in respect of the vessel and container asset leasing and container manufacturing services between the Group and the COSCO SHIPPING Group would decrease operating costs and achieve advantages complementation, as well as achieve synergy in the domestic and international shipping market. The Directors believe that the entering into the Master Vessel and Container Asset Services Agreement can provide flexibility to the Company's business operations as it enables the Company to react timely to demand for container shipping by being able to lease additional vessels, cabins and containers from the COSCO SHIPPING Group.

With reference to the Board Letter, facing rising uncertainties in the global macro environment, sufficient cash reserves will help the Group to enhance its ability to resist risks and stabilize cyclical fluctuations, and seize potential industrial opportunities to achieve high quality and sustainable development. The services under the Existing Financial Services Agreement and the Master Financial Services Agreement (including the deposit services thereunder) will serve the strategic development goals of the Company, and enable the Company to manage and control the capital and to leverage the capital value.

As at the Latest Practicable Date, the Group held approximately 22.9688% of the equity interests in COSCO SHIPPING Finance and is the second largest shareholder of COSCO SHIPPING Finance. Therefore, reaping the economic benefits brought by the service improvement of COSCO SHIPPING Finance, the Group can participate in the decision-making process of COSCO SHIPPING Finance, to exert certain level of influence on its operation and gain more effective support for building capacity of shipping supply chain based on globalization and digitalization of the Group. COSCO SHIPPING Finance, being an intra-group financial services provider, generally has better and more efficient communication with the Company and its subsidiaries compared with independent banks and financial institutions. The Company and its subsidiaries may negotiate more favorable terms with COSCO SHIPPING Finance compared with other commercial banks.

As depicted from the section headed "Information on the Group" above, the Group's revenue from container shipping business for FY2024 increased by approximately 33.29% as compared to that for FY2023; and the Group's revenue from container shipping business for 1H2025 amounted to approximately RMB104.8 billion, representing an increase of approximately 7.49% as compared to that for 1H2024. We also noted from the 2024 Annual Report and the 2025 Interim Report that (i) the Group's net cash generated from operating activities increased from approximately RMB22.6 billion for FY2023 to approximately RMB69.3 billion for FY2024; and (ii) the Group recorded net cash generated from operating activities of approximately RMB25.8 billion for 1H2025, representing an increase of approximately 13.78% as compared to that for 1H2024.

Industry overview

Set out below are the volume of freight transported through maritime transportation of the PRC during the five years ended 31 December 2024 published by the National Bureau of Statistics of the PRC:

	2020	**2021**	**2022**	**2023**	**2024**
Volume of freight transported through maritime transportation of the PRC *(approximate billion tons)*	7.6	8.2	8.6	9.4	9.8
Total volume of freight transported of the PRC *(approximate billion tons)*	47.4	53.0	51.5	55.7	57.8

As shown in the table above, there was year-on-year increase in the volume of freight transported through maritime transportation of the PRC for each of the year 2021, 2022, 2023 and 2024. The volume of freight transported through maritime transportation of the PRC increased from approximately 7.6 billion tons in 2020 to approximately 9.8 billion tons in 2024, representing a compound annual growth rate of approximately 5.18%.

Set out below are the freight turnover of maritime transport (being the product of the quantity of freight (in tons) multiply by the distance of the transport (in kilometres)) of the PRC during the five years ended 31 December 2024 published by the National Bureau of Statistics of the PRC:

	2020	**2021**	**2022**	**2023**	**2024**
Freight turnover of maritime transport of the PRC *(billion ton-km)*	10,583.4	11,557.8	12,100.3	12,995.2	14,142.3

As shown in the table above, there was year-on-year increase in the freight turnover of maritime transport of the PRC during each of the year 2021, 2022, 2023 and 2024. The volume of freight turnover of maritime transport of the PRC increased from approximately 10,583.4 billion ton-km in 2020 to approximately 14,142.3 billion ton-km in 2024, representing a compound annual growth rate of approximately 7.52%.

Set out below are the average China Containerized Freight Index ("**CCFI**") during the five years ended 31 December 2024, published by the Ministry of Transport of the PRC:

	2020	**2021**	**2022**	**2023**	**2024**
Average CCFI	984.42	2,615.54	2,792.14	937.29	1,550.59

As shown in the table above, there was year-on-year increase in the average CCFI during each of the year 2021 and 2022. Although the average CCFI for the year 2023 decreased significantly as compared to that for the year 2022, the average CCFI recovered to 1,550.59 for the year 2024, representing a compound annual growth rate of approximately 12.03% as compared to that for the year 2020.

The above statistics demonstrate the growth potential of the shipping market.

Having considered the above, in particular, the Group's financial performance and the growth potential of the shipping market, we consider that the Non-exempt Continuing Connected Transactions are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole.

Principal terms of the Non-exempt Continuing Connected Transactions

(1) Provision of shipping services by the COSCO SHIPPING Group under the Master Shipping Services Agreement ("Purchase of Shipping Services")

On 28 August 2025, the Company and COSCO SHIPPING entered into the Master Shipping Services Agreement in relation to the mutual provision of shipping services between the Group and the COSCO SHIPPING Group.

Parties

(i) the Company; and

(ii) COSCO SHIPPING

Nature of transaction

The mutual provision of the following port and other related services between the Group and the COSCO SHIPPING Group:

(i) vessel fuel;

(ii) vessel materials and related repairing services;

(iii) vessel safety management, technical consultancy services for vessel and shipbuilding supervision technology services;

(iv) vessel lubricants, paint for vessel and warehouse maintenance paint, sea chart and vessel parts;

(v) vessel repairing, conversion and shipbuilding supervision services;

(vi) radio communication equipment reservation, repairing and installation;

(vii) provision and repairing of vessel equipment services;

(viii) brokerage services in respect of vessel trade and vessel insurance and brokerage services;

(ix) container loading and unloading, depot, towage, storage, tallying, repairing, sealing and disposal services;

(x) leasing of chassis vehicles and electricity generators;

(xi) seamen leasing, management, training and related services;

(xii) freight, slot booking, logistics, custom clearance, vessel agency, cargo canvassing, documentation, collections and payments of shipping freights and other related services;

(xiii) handling of shipping-related disputes and cases; and

(xiv) other vessels, containers and shipping-related services.

Pricing policies

The services fees charged under the Master Shipping Services Agreement will be determined with reference to the prevailing market price, being the price charged by independent third parties providing similar types of services in their ordinary course of business in the same or nearby area based on normal commercial terms, and in accordance with the principle of fairness and reasonableness. Such prevailing market price is usually based on historical prices quoted by independent third parties in recent three years or the public price rates published by governments or third-party trading platforms (if applicable), the Company will also obtain such prevailing market price through quotation or competitive negotiation to be provided or participated by at least three independent third-party suppliers, or bidding procedure for certain projects prior to their commencement pursuant to relevant internal rules and management measures of the Company.

In the event that the type or amount of services to be procured meets the bidding standards specified in the Tendering and Procurement Rules (《招標採購工作細則》) of the Group, the Company and/or the relevant member of the Group will conduct a qualification review of potential suppliers for procurement services proposed for public bidding in accordance with the Regulations for the Implementation of the National Tendering and Bidding Law (《國家招標投標法實施條例》). Suppliers that pass the qualification review will directly obtain supplier status for the Group.

For our due diligence purpose, the Company provided us with a summary of the Purchase of Shipping Services for FY2023 and FY2024. From the aforesaid summary, we randomly selected and the Company provided us three sets of transaction documents in respect of the Purchase of Shipping Services (being purchase of vessel fuel which the market prices could be obtained from public sources) during FY2023 and FY2024. After comparing the aforesaid transaction documents and the then prevailing market rates of vessel fuel, we noted that the fee rates charged by the COSCO SHIPPING Group to the Group were not higher than the then prevailing market rates.

With reference to the Board Letter, the Company has adopted certain internal control procedures to ensure the transactions with connected persons are conducted in accordance with the pricing policy, details of which are set out in the section headed "6. Internal Control Procedures" of the Board Letter. Having considered that (i) the Company will regularly examine the pricing of, among others, the Purchase of Shipping Services on a yearly basis to ensure that they are conducted in accordance with the pricing terms thereof; and (ii) the Company may request for written documents to be provided by COSCO SHIPPING Group to demonstrate that their transactions pricing complies with the pricing terms as stipulated in the Master Shipping Services Agreement and that the prices offered by COSCO SHIPPING Group to the Group are not less favourable to the Group than those offered to other independent third parties for similar type of services and goods, we are of the view that the internal control procedures are sufficient, and the effective implementation of which will ensure the fair pricing of the Purchase of Shipping Services.

With reference to the 2024 Annual Report, the Company's auditor was engaged to report on the continuing connected transactions (including the Purchase of Shipping Services under the Existing Master Shipping Services Agreement) for FY2024. The Company's auditor has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with Rule 14A.56 of the Hong Kong Listing Rules (the "**Auditor's Confirmation**"). The independent non-executive Directors also reviewed the continuing connected transactions (including the Purchase of Shipping Services under the Existing Master Shipping Services Agreement) for FY2024 and confirmed that these transactions have been entered into (1) in the ordinary and usual course of business of the Group; (2) on normal commercial terms or on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and (3) in accordance with the relevant agreements governing such transactions on terms that are fair and reasonable and in the interests of the Shareholders as a whole (the "**INEDs' Confirmation**").

Based on our findings on the pricing of the Purchase of Shipping Services as detailed above, the Auditor's Confirmation and the INEDs' Confirmation, we do not doubt the effectiveness of the internal control procedures for the Purchase of Shipping Services.

Proposed annual caps

Set out below are (i) the historical transaction amount in relation to the Purchase of Shipping Services for the three years ending 31 December 2025, together with the existing annual caps; and (ii) the proposed annual caps for the Purchase of Shipping Services for the three years ending 31 December 2028:

	For the year ended 31 December 2023 *RMB'000*	**For the year ended 31 December 2024** *RMB'000*	**For the year ending 31 December 2025** *RMB'000*
Historical transaction amount	26,650,535	28,058,386	12,963,887 *(Note)*
Existing annual caps	48,000,000	50,000,000	53,000,000
Utilization rate	55.52%	56.12%	24.46% *(Note)*

	For the year ending 31 December 2026 *RMB'000*	**For the year ending 31 December 2027** *RMB'000*	**For the year ending 31 December 2028** *RMB'000*
Proposed annual caps	48,000,000	50,000,000	53,000,000

Note: for the six months ended 30 June 2025.

With reference to the Board Letter, the proposed annual caps for the Purchase of Shipping Services were determined with reference to (i) the historical transaction amounts for the two years ended 31 December 2024 and the six months ended 30 June 2025; (ii) the expected increase in demand for shipping services based on the total transportation capacity of the Group's current newbuilding vessel delivery plan of 656,000 TEUs during the period from 2026 to 2028; and (iii) a reasonable buffer to cater for (1) the expected fuel prices and volatility; and (2) the anticipated exchange rate fluctuations.

According to the above table, the utilization rates of the historical annual caps were approximately 55.52% for FY2023 and 56.12% for FY2024. The Company had downward adjusted the proposed annual caps for FY2026 and FY2027 as compared to the existing annual cap for FY2025; and the proposed annual cap for FY2028 remained the same as the existing annual cap for FY2025. Despite the low utilisation of the existing annual caps , as advised by the Directors, the proposed annual caps for the three years ending 31 December 2028 represent possible growing demand for Purchase of Shipping Services in light of the Group's business growth.

Given the amounts of Purchase of Shipping Services are relating to the demand for the Group's container shipping services, we reviewed the 2024 Annual Report and the 2025 Interim Report and noted that the Group's revenue from container shipping business amounted to approximately RMB233.9 billion and RMB104.8 billion for FY2024 and 1H2025 respectively, representing an increase of approximately 33.29% and 7.49% respectively, as compared to those for the previous year/period. We also noted that the average CCFI was approximately 1,550.59 in 2024 as compared to approximately 984.42 in 2020, representing a compound annual growth rate of approximately 12.03%. The year-on-year growth rates of the proposed annual caps (i.e. approximately 4% from FY2026 to FY2027 and approximately 6% from FY2027 to FY2028) were not overestimated in this respect.

As noted from the 2024 Annual Report, the Group's cost of services related to container shipping business were approximately RMB139.6 billion for FY2023 and approximately RMB157.1 billion for FY2024, indicating the Group's possible demand for the shipping services under the Master Shipping Agreement. Furthermore, based on the Group's transportation capacity of approximately 3.3 million TEUs as at 31 December 2024 and the Group's cost of services related to container shipping business of RMB157.1 billion for FY2024, the Group's new shipbuilding orders with the total transportation capacity of 656,000 TEU to be delivered during the period from 2026 to 2028 implied substantial additional annual demands for shipping services.

In respect of the expected fuel prices and volatility, we searched on Wind Financial Terminal for the historical closing price of Brent crude oil (which vessel fuels originate from upon refinery) during the period from 1 September 2022 up to the Agreement Date, being a period of approximately three years prior to and including the Agreement Date (the "**Review Period**") as quoted on the Intercontinental Exchange. We noted that the

closing price of Brent crude oil fluctuated between the lowest of US$60.25 per barrel as recorded on 5 May 2025 and the highest of US$98.75 per barrel as recorded on 4 November 2022. The highest closing price of Brent crude oil was approximately 63.90% higher than the lowest closing price of Brent crude oil during the Review Period.

In respect of the anticipated exchange rate fluctuation, as further advised by the Directors, certain types of the transactions under the Master Shipping Services Agreement are denominated in US Dollar. We searched for the exchange rates of US Dollar to RMB during the Review Period as quoted on the website of State Administration of Foreign Exchange of the PRC. We noted that the highest exchange rate of US Dollar to RMB during the Review Period represented a premium of approximately 8.08% over the lowest exchange rate of US Dollar to RMB during the Review Period.

In light of the above, we are of the view that the proposed annual caps for the three years ending 31 December 2028 to be fair and reasonable.

Shareholders should note that as the proposed annual caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2028, and they do not represent forecasts of costs or expenses to be incurred from the Purchase of Shipping Services. Consequently, we express no opinion as to how closely the actual costs or expenses to be incurred from the Vessels and Containers Services will correspond with the proposed annual caps.

Having considered the principal terms of the Purchase of Shipping Services as set out above, we consider the terms of the Purchase of Shipping Services (including the proposed annual caps) to be fair and reasonable.

(2) Leasing of vessels and containers and services of manufacture of containers under the Master Vessel and Container Asset Services Agreement (the "Vessels and Containers Services")

On 28 August 2025, the Company and COSCO SHIPPING entered into the Master Vessel and Container Asset Services Agreement in relation to, among other things, the leasing of vessels and containers and services of manufacture of containers provided by the COSCO SHIPPING Group to the Group.

Parties

(i) the Company; and

(ii) COSCO SHIPPING

Nature of transaction

The COSCO SHIPPING Group shall provide the leasing of vessels, cabins and containers and the services of purchase and manufacture of containers to the Group.

Pricing policy

The fees payable by the Group under the Master Vessel and Container Asset Services Agreement shall be determined with reference to the prevailing market price, being the price charged by independent third parties providing similar types of products and/or services in their ordinary course of business in the same or nearby area based on normal commercial terms, and in accordance with the principle of fairness and reasonableness.

For our due diligence purpose, the Company provided us with a summary of the transactions in relation to the Vessels and Containers Services for FY2023 and FY2024. From the aforesaid summary, we randomly selected and the Company provided us three sets of transaction documents in respect of the provision of Vessels and Containers Services by the COSCO SHIPPING Group to the Group during FY2023 and FY2024, together with three sets of transaction documents between the Group and independent third parties in respect of transactions that are comparable to the Vessels and Containers Services during FY2023 and FY2024.

After comparing the aforesaid transaction documents, we noted that the service fee rates charged by the COSCO SHIPPING Group to the Group for the provision of Vessels and Containers Services were not higher than those charged by independent third parties.

With reference to the Board Letter, the Company has adopted certain internal control procedures to ensure the transactions with connected persons are conducted in accordance with the pricing policy, details of which are set out in the section headed "6. Internal Control Procedures" of the Board Letter. Having considered that (i) the Company will regularly examine the pricing of, among others, the provision of Vessels and Containers Services by the COSCO SHIPPING Group on a yearly basis to ensure that they are conducted in accordance with the pricing terms thereof; and (ii) the Company may request for written documents to be provided by COSCO SHIPPING Group to demonstrate that their transactions pricing complies with the pricing terms as stipulated in the Master Vessel and Container Asset Services Agreement and that the prices offered by COSCO SHIPPING Group to the Group are not less favourable to the Group than those offered to other independent third parties for similar type of services and goods, we are of the view that the internal control procedures are sufficient, and the effective implementation of which will ensure the fair pricing of the transactions contemplated under then Master Vessel and Container Asset Services Agreement.

With reference to the 2024 Annual Report, the Company's auditor was engaged to report on the continuing connected transactions (including the transactions under the Existing Master Vessel and Container Asset Services Agreement) for FY2024. The Company's auditor has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with Rule 14A.56 of the Hong Kong Listing Rules (i.e. the Auditor's Confirmation). The independent non-executive Directors also reviewed the continuing connected transactions (including the transactions under the Existing Master Vessel and Container Asset Services Agreement) for FY2024 and confirmed that these transactions have been entered into (1) in the ordinary and usual course of business of the Group; (2) on normal commercial terms or on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and (3) in accordance with the relevant agreements governing such transactions on terms that are fair and reasonable and in the interests of the Shareholders as a whole (i.e. the INEDs' Confirmation).

Based on our findings on the pricing of the Vessels and Containers Services as detailed above, the Auditor's Confirmation and the INEDs' Confirmation, we do not doubt the effectiveness of the internal control procedures for the pricing of the Vessels and Containers Services.

Proposed annual caps

Set out below are (i) the historical transaction amount in relation to the provision of Vessels and Containers Services by the COSCO SHIPPING Group to the Group for the three years ending 31 December 2025, together with the existing annual caps; and (ii) the proposed annual caps for the provision of Vessels and Containers Services for the three years ending 31 December 2028:

	For the year ended 31 December 2023	**For the year ended 31 December 2024**	**For the year ending 31 December 2025**
	RMB'000	*RMB'000*	*RMB'000*
Historical transaction amount	2,140,019	4,135,566	3,055,019 *(Note)*
Existing annual caps	12,000,000	16,000,000	22,000,000
Utilization rate	17.83%	25.85%	13.89% *(Note)*

	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
	RMB'000	*RMB'000*	*RMB'000*
Proposed annual caps	20,000,000	22,000,000	24,000,000

Note: for the six months ended 30 June 2025.

With reference to the Board Letter, the proposed annual caps were determined with reference to (i) the historical transaction amounts for the two years ended 31 December 2024 and the six months ended 30 June 2025; (ii) the expected demand for leasing of vessels and containers and the manufacture of containers, taking into account the expansion of the Group's business scale and the expected demand based on the Group's business plan for 2026 to 2028; and (iii) a reasonable buffer to cater for (1) the anticipated fluctuations in the exchange rate of RMB against the US Dollar; and (2) the expected fluctuations in the market rents of vessel and container.

According to the above table, the utilization rates of the historical annual caps were approximately 17.83% for FY2023 and 25.85% for FY2024. Although the utilisation rates of the historical annual caps were at relatively low levels, the proposed annual caps for the three years ending 31 December 2028 remained at similar level as that for the year ending 31 December 2025.

As advised by the Directors, the proposed annual caps for the three years ending 31 December 2028 represent the Group's possible demand for Vessels and Containers Services (mainly consist of the leasing and purchasing of containers) in light of the Group's business growth. As noted from the 2024 Annual Report and 2025 Interim Report, (i) the Group's shipping volume increased by approximately 10.12% from approximately 23.6 million TEUs for FY2023 to approximately 25.9 million TEUs for FY2024; and (ii) the Group's shipping volume increased by approximately 6.59% from approximately 12.5 million TEUs for 1H2024 to approximately 13.3 million TEUs for 1H2025. Furthermore, the Group's self-operating fleets increased from 502 vessels with total shipping capacity of approximately 3.04 million TEUs as at 31 December 2023 to 538 vessels with total shipping capacity of approximately 3.32 million TEUs as at 31 December 2024, and further increased to 557 vessels with a total shipping capacity of approximately 3.40 million TEUs as at 30 June 2025.

We understood from the Directors that the estimated transaction amounts for the leasing and manufacturing of containers were determined based on (i) the estimated number of containers to be leased by the Group from COSCO SHIPPING Group and the estimated number of containers to be manufactured by COSCO SHIPPING Group for the

Group for each of the three years ending 31 December 2028, which were determined with reference to the Group's demand for new containers and the expansion of the Group's business scale; and (ii) the estimated fee rates.

We noted from the 2024 Annual Report and the 2025 Interim Report that (i) as at 31 December 2024, the aggregate capacity of the Group's self-operated container fleet size reached 538 vessels with a capacity of approximately 3.32 million TEUs; and (ii) as at 30 June 2025, the aggregate capacity of the Group's self-operated container fleet size reached 557 vessels with a capacity of approximately 3.4 million TEUs. As noted from the 2024 Annual Report, the Group's shipping volume increased from approximately 23.6 million TEUs for FY2023 to approximately 25.9 million TEUs for FY2024, representing an increase of approximately 10.12%.

We also noted from the 2024 Annual Report that the Group had recorded (i) additions to containers of approximately RMB2.5 billion for FY2024; and (ii) vessel costs relating to short-term lease and lease with low value assets (consisted of leasing of containers and vessels) of approximately RMB8.0 billion for FY2024. Furthermore, we noted from the Board Letter that the Group expects that 36 vessels, representing 656,000 TEUs, shall be delivered during the period from 2026 to 2028, indicating the Group's additional demand for Vessels and Containers Services (which mainly consist of the leasing and purchasing of containers) when such vessels come into service.

We noted from the 2024 Annual Report that the Group and the partners of OCEAN Alliance (an alliance formed by the members of the Group (namely, COSCO SHIPPING Lines Co., Ltd. and Orient Overseas Container Line Limited) with two other container shipping service providers had agreed to extend their collaboration until 2032. In March 2024, the Ocean Alliance launched the new "DAY8" route product and a total of approximately 355 vessels with a capacity of around 4.82 million TEUs have been put into operation, providing over 480 direct port-to-port services. In January 2025, the Ocean Alliance launched the "DAY9" services products with a collaborative capacity exceeding 5 million TEUs to provide 41 East-West services and over 520 direct port-to-port services.

In light of the above, the Group expects increasing demand for containers to be leased from or manufactured by the COSCO SHIPPING Group.

In respect of the estimated fee rates, the Company expects the fee rates to grow alongside with the growth in CCFI. As detailed in the section headed "Reasons for and benefits of the Non-exempt Continuing Connected Transactions" above, the average CCFI was approximately 1,550.59 in 2024 as compared to approximately 984.42 in 2020, representing a compound annual growth rate of approximately 12.03%. The year-on-year growth rates of the proposed annual caps (i.e. 10% from FY2026 to FY2027 and approximately 9% from FY2027 to FY2028) were not overestimated in this respect.

In light of the above, we are of the view that the proposed annual caps for the three years ending 31 December 2028 to be fair and reasonable.

Shareholders should note that as the proposed annual caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2028, and they do not represent forecasts of costs or expenses to be incurred from the Vessels and Containers Services. Consequently, we express no opinion as to how closely the actual costs or expenses to be incurred from the Vessels and Containers Services will correspond with the proposed annual caps.

Having considered the principal terms of the Vessels and Containers Services as set out above, we consider the terms of the Vessels and Containers Services (including the proposed annual caps) to be fair and reasonable.

(3) Deposit Services under the Master Financial Services Agreement

On 28 August 2025, the Company and COSCO SHIPPING Finance entered into the Master Financial Services Agreement in relation to the provision of certain financial services by COSCO SHIPPING Finance to the Company and its subsidiaries and associates.

Parties

(i) the Company; and

(ii) COSCO SHIPPING Finance

Nature of transaction

COSCO SHIPPING Finance will provide the Company, its subsidiaries and associates with certain financial services, including the following:

(i) deposit services;

(ii) credit services (including loans, acceptance and discounting, guarantee letters, and other services);

(iii) clearing services;

(iv) foreign exchange trading services; and

(v) other businesses that COSCO SHIPPING Finance can engage in as permitted by the NFRA or its local offices.

Pricing policy

The interest rates for deposits shall be determined as not lower than the prevailing interest rate in the market for the same type of deposit during the same period as determined by independent third party commercial banks providing same type of deposit services in their ordinary course of business in the same or nearby service area based on normal commercial terms, and in accordance with the principle of fairness and reasonableness, provided that such interest rates so determined shall, at all times, be strictly in compliance with the interest rate policy requirements of the People's Bank of China.

To ensure that the pricing policies under the Existing Financial Services Agreement are complied with, prior to conducting transactions under the Existing Financial Services Agreement, the Company has enquired or will enquire with independent third party commercial banks and other financial institutions about the interest rates for loans and deposits and the fees for provision of similar financial services in the same or nearby area for the same type of services, to compare with the interest rates for loans and deposits and the fees for other financial services offered by COSCO SHIPPING Finance. The Group shall seek to obtain quotations from at least three independent third party commercial banks or other financial institutions through their respective website and public information in each case where practicable.

For our due diligence purpose, we obtained from the Company (i) a list of the latest prevailing interest rates offered by COSCO SHIPPING Finance to the Group for deposit with various deposit periods (i.e. demand deposit, 7 days' notice, three months, six months, one year and agreed-term) prior to the entering into of the Master Financial Services Agreement; and (ii) lists of the latest prevailing interest rates offered by three commercial banks who are independent third parties (including the Group's major bankers, the "**Independent Banks**") to the Group for deposit with various deposit periods (i.e. demand deposit, 7 days' notice, three months, six months, one year and agreed-term) prior to the entering into of the Master Financial Services Agreement. After comparing the aforesaid lists of deposit interest rates, we noted that the interest rates offered by COSCO SHIPPING Finance were higher than those offered by the Independent Banks for deposit with various periods.

For our due diligence purpose, we also obtained from the Company a list of the Group members that have placed deposit with COSCO SHIPPING Finance. We randomly selected three Group members from the list and obtained deposit records in relation to the deposits placed by them with COSCO SHIPPING Finance, together with the then prevailing interest rates for the same deposit period offered by the Independent Banks. After comparison, we noted that the interest rates offered by COSCO SHIPPING Finance for various deposit periods were higher than those offered by the Independent Banks for deposit placed within the same period.

Given that (i) the prevailing interest rates offered by COSCO SHIPPING Finance are higher than those offered by the Independent Banks; and (ii) the interest rates offered by COSCO SHIPPING Finance are higher than those offered by Independent Banks for deposit with the same deposit period placed by the Group within the same period based on our findings, we are of the view that the (i) prevailing interest rates are on normal commercial terms or better so far as the Group is concerned; and (ii) the interest rates offered by COSCO SHIPPING Finance are fair and reasonable.

With reference to the Board Letter, the Company has adopted certain internal control procedures to ensure the transactions with connected persons are conducted in accordance with the pricing policy, details of which are set out in the section headed "6. Internal Control Procedures" of the Board Letter. We are of the view that the effective implementation of the internal control procedures will ensure the fair interest rates determination for the Deposit Services.

With reference to the 2024 Annual Report, the Company's auditor was engaged to report on the continuing connected transactions (including the Deposit Services) for FY2024. The Company's auditor has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with Rule 14A.56 of the Hong Kong Listing Rules (i.e. the Auditor's Confirmation). The independent non-executive Directors also reviewed the continuing connected transactions (including the Deposit Services) for FY2024 and confirmed that these transactions have been entered into (1) in the ordinary and usual course of business of the Group; (2) on normal commercial terms or on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and (3) in accordance with the relevant agreements governing such transactions on terms that are fair and reasonable and in the interests of the Shareholders as a whole (i.e. the INEDs' Confirmation).

Based on our findings on the pricing of Deposit Services as detailed above, the Auditor's Confirmation and the INEDs' Confirmation, we do not doubt the effectiveness of the internal control procedures for determining the interest rate of the Deposit Services.

Proposed annual caps

Set out below are (i) the historical maximum daily outstanding balance of deposits (including accrued interest) placed by the Company and its subsidiaries with COSCO SHIPPING Finance for the three years ending 31 December 2025, together with the existing annual caps; and (ii) the proposed annual caps for the Deposit Services for the three years ending 31 December 2028:

	For the year ended 31 December 2023 *RMB'000*	**For the year ended 31 December 2024** *RMB'000*	**For the year ending 31 December 2025** *RMB'000*
Maximum daily outstanding balance of deposits (including accrued interest and handling fee) placed by the Company and its subsidiaries with COSCO SHIPPING Finance	115,353,672	101,746,237	96,888,449 *(Note)*
Existing annual caps	150,000,000	150,000,000	150,000,000
Utilization rate	76.90%	67.83%	64.59% *(Note)*

	For the year ending 31 December 2026 *RMB'000*	**For the year ending 31 December 2027** *RMB'000*	**For the year ending 31 December 2028** *RMB'000*
Proposed annual caps	150,000,000	150,000,000	150,000,000

Note: for the six months ended 30 June 2025.

With reference to the Board Letter, the proposed annual caps were determined with reference to (i) the historical transaction amounts; (ii) the steady improvement in operating results and the significant increase in net operating cash flow of the Group due to the continuous growth of the container shipping market in recent years, and the expected increase in the transaction amount of deposits services under the Master Financial Services Agreement; (iii) the anticipated fluctuations in the exchange rate of RMB against the US Dollar; and (iv) the expansion of the business scale of the Group.

According to the above table, the utilization rates of the existing annual caps were approximately 76.90% for FY2023 and 67.83% for FY2024. The existing annual caps have been utilised at relatively high levels.

We noted from the 2024 Annual Report that the Group's revenues were approximately RMB233.9 billion for FY2024, representing an increase of approximately RMB58.4 billion or 33.29% as compared to that for FY2023; and the Group's net cash generated from operating activities was approximately RMB69.3 billion for FY2024, representing an increase of approximately RMB46.7 billion or 206.91% as compared to that for FY2023.

We noted from the 2025 Interim Report that the Group's net cash generated from operating activities was approximately RMB25.8 billion for 1H2025, representing an increase of approximately 13.78% as compared to that for 1H2024. The Group's cash and cash equivalents were approximately RMB169.1 billion as at 30 June 2025.

Furthermore, we understood from the Directors that certain portion of the Group's deposits with COSCO SHIPPING Finance were denominated in US Dollar whereas the proposed annual caps are denominated in RMB. As such, the utilisation of the annual caps would also been affected by the fluctuations in the exchange rate of RMB against the US Dollar. We searched for the exchange rates of US Dollar to RMB during the Review Period as quoted on the website of State Administration of Foreign Exchange of the PRC and noted that the highest exchange rate of US Dollar to RMB during the Review Period represented a premium of approximately 8.08% over the lowest exchange rate of US Dollar to RMB during the Review Period.

Having considered the above, we are of the view that the proposed annual caps for the three years ending 31 December 2028 are necessary for catering the increase in the Group's net cash inflow from operating activities and cash and cash equivalents. Accordingly, we consider the proposed annual caps for the three years ending 31 December 2028 to be fair and reasonable.

Shareholders should note that as the proposed annual caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2028, and they do not represent forecasts of deposit amount under the Deposit Services. Consequently, we express no opinion as to how closely the actual deposit amount under the Deposit Services will correspond with the annual caps.

Having considered the principal terms of the Deposit Services as set out above, we consider the terms of the Deposit Services (including the proposed annual caps) to be fair and reasonable.

Hong Kong Listing Rules implications

The Directors confirmed that the Company shall comply with the requirements of Rules 14A.53 to 14A.59 of the Hong Kong Listing Rules pursuant to which (i) the Non-exempt Continuing Connected Transactions must be restricted by the respective annual caps; (ii) the terms of the Non-exempt Continuing Connected Transactions must be reviewed by the independent non-executive Directors annually; (iii) details of independent non-executive Directors' annual review on the terms of the Non-exempt Continuing Connected Transactions must be included in the Company's subsequent published annual reports.

Furthermore, it is also required by the Hong Kong Listing Rules that the auditors of the Company must provide a letter to the Board confirming, among other things, whether anything has come to their attention that causes them to believe that the Non-exempt Continuing Connected Transactions (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision or procurement of goods or services by the Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iv) have exceeded the proposed annual caps.

In the event that the transaction amounts in respect of the Purchase of Shipping Services, Provision of Shipping Services and the Vessels and Containers Services or the maximum daily balance in respect of the Deposit Services are anticipated to exceed the respective annual caps, or that there is any proposed material amendment to the terms of the Non-exempt Continuing Connected Transactions, as confirmed by the Directors, the Company shall comply with the applicable provisions of the Hong Kong Listing Rules governing continuing connected transactions.

Given the above stipulated requirements for continuing connected transactions pursuant to the Hong Kong Listing Rules, we are of the view that there are adequate measures in place to monitor the Non-exempt Continuing Connected Transactions and thus the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Non-exempt Continuing Connected Transactions (including their respective proposed annual caps) are on normal commercial terms and are fair and reasonable; and (ii) the Non-exempt Continuing Connected Transactions are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Non-exempt Continuing Connected Transactions and we recommend the Independent Shareholders to vote in favour of the resolutions in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

* *for identification purposes only*

1. CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed consolidated financial information of the Group for the six months ended 30 June 2025 (the "**2025 Interim Financial Information**") are set out from pages 41 to 75 in the 2025 interim report of the Company, which was published on 22 September 2025. The 2025 interim report of the Company is also posted on the Company's website http://hold.coscoshipping.com. Please also see below a quick link to the announcement of 2025 interim report of the Company:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0922/2025092200376.pdf

The audited consolidated financial statements of the Group for the year ended 31 December 2024 (the "**2024 Financial Statements**") are set out from pages 172 to 311 in the 2024 annual report of the Company, which was published on 25 April 2025. The 2024 annual report of the Company is also posted on the Company's website http://hold.coscoshipping.com. Please also see below a quick link to the 2024 annual report of the Company:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0425/2025042500617.pdf

The audited consolidated financial statements of the Group for the year ended 31 December 2023 (the "**2023 Financial Statements**") are set out from pages 183 to 323 in the 2023 annual report of the Company, which was published on 19 April 2024. The 2023 annual report of the Company is also posted on the Company's website http://hold.coscoshipping.com. Please also see below a quick link to the 2023 annual report of the Company:

https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0419/2024041900368.pdf

The audited consolidated financial statements of the Group for the year ended 31 December 2022 (the "**2022 Financial Statements**") are set out from pages 178 to 311 in the 2022 annual report of the Company, which was published on 25 April 2023. The 2022 annual report of the Company is also posted on the Company's website http://hold.coscoshipping.com. Please also see below a quick link to the 2022 annual report of the Company:

https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0425/2023042501995.pdf

The 2025 Interim Financial Information, the 2024 Financial Statements, the 2023 Financial Statements, and the 2022 Financial Statements (but not any other part of the annual reports and interim report of the Company in which they appear) are incorporated by reference into this circular and form part of this circular.

2. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

In the first half of 2025 ("**HY2025**"), the global container shipping market remained volatile amid multiple factors such as the tariff swings and lingering geopolitical tensions, creating a generally complex and ever-changing situation. In the face of highly uncertain external environment, the Group proactively identified and responded to changes. While driving steady enhancement in operating efficiency, it has set its sights on two new areas-digital intelligence and green and low-carbon development-and is accelerating the mutual empowerment of its core container shipping business and digital supply chain business.

In accordance with the HKFRS, during the HY2025, the container shipping business of the Group handled a container volume as per bill of lading of 13.2809 million TEUs, representing a year-on-year increase of 6.59%; the terminal business achieved a total throughput of 74.296 million TEU, representing a year-on-year increase of 6.35%. The Group generated revenue of RMB109.099 billion, representing a year-on-year increase of 7.78%; EBIT amounted to RMB25.483 billion, representing a year-on-year increase of 3.35%; net profit amounted to RMB20.196 billion, representing a year-on-year increase of 4.88%; net profit attributable to the equity holders of the Company amounted to RMB17.528 billion, representing a year-on-year increase of 3.90%. Based on the good performance achieved during the HY2025, in combination with the Company's dividend return plan for shareholders from 2025 to 2027 and the needs of future sustainable development, and in accordance with the relevant authorization of the general meeting, the Board declared an interim cash dividend of RMB0.56 (tax inclusive) per share for 2025 to all shareholders, representing approximately 50% of the net profit attributable to the equity holders of the Company. During the HY2025, the Company repurchased 102 million A shares and 237 million H shares, and all of the shares repurchased were cancelled. This initiative effectively safeguarded the Company's value and enhanced shareholders' confidence.

During the HY2025, the Group adhered to the principle of driving growth in a steady manner, actively building an integrated and intelligent supply chain system comprising "container shipping + ports + related logistics". It innovated business models through integrated global resources, and promoted efficient operation and high-quality development.

Grasping the economic and trade situation, focusing on core responsibilities and main business, and further optimizing the global route network

During the HY2025, the Group responded to new trends in globalization to accelerate the large-scale, structural optimization and modernized upgrade of its fleet. Through the successful implementation of a series of shipbuilding projects, the Group's self- operated container fleet has reached 557 vessels with a total capacity of over 3.4 million TEUs. The Group also possessed new order book with a total capacity of nearly 910,000 TEUs, maintaining its first-tier ranking in the industry in terms of fleet size.

The Group adhered to a forward-looking and systematic global mindset, meticulously assessing the international trade and economic trends, and making a strategic plan in advance, and strive to seize market opportunities. In terms of strengthening the stable operation of the OCEAN Alliance, the Group upgraded the DAY9 products by flexibly deploying its shipping capacity, optimizing the layout of main shipping routes and effectively responding to the rapid changes in market supply and demand. By restoring the shipping capacity on the Far East to Northwest Europe and Trans-Pacific services, optimizing the Atlantic services, and increasing the shipping capacity of Southeast Asia services, the Group reinforced its core market share and vigorously expanded into emerging markets, regional markets and non- China markets, thereby enabling it to better meet the global customers' needs of industrial chain and supply chain layout globally, and to ensure the security, stability and accessibility of the industrial chain and supply chain.

The Group focused on the development of key strategic hubs around the world in alignment with its strategy of integrated development of "hub + channel + network", thereby further increasing the depth and breadth of its global market. Leveraging the hub port in Chancay, the Group opened two-way direct service between Chancay and Shanghai, and has further extended its reach to other ports in China and western South America with three main services and three feeder services. In response to the establishment of Hainan Free Trade Port, the Group took advantage of Yangpu Hub Port to accelerate the routes connectivity between Southeast Asia/South Asia and Yangpu, to broaden the transportation corridor between Southeast Asia and the United States, and to upgrade bi-weekly direct service between Yangpu and Abu Dhabi as sister ports. This would not only facilitate the operational efficiency of Hainan Free Trade Port but also provide strong support for the development of Yangpu and Abu Dhabi as dual hub ports. As for the Piraeus Port, the Group actively expanded logistics infrastructure resources such as railways, warehouses and depots, continuously strengthened the brand recognition of China-Europe Land-Sea Express Line, and persistently improved the service capabilities of the network layout.

Closely following industry trends, strengthening digital intelligence capabilities, and further improving the level of full-chain services

During the HY2025, the Group adhered to the positioning as a "global digital supply chain operation and investment platform with container shipping at its core ", focused on the customer-oriented approach, accelerated the development of its comprehensive digital supply chain capabilities, and vigorously promoted the implementation of full-chain products, full-chain marketing, full-chain operational management and full-chain customer services around the world.

In the first half of the year, the Group continued to accelerate the deepening application of its supply chain systems, including Transport Management System (TMS), Warehousing Management System (WMS), and Feeder Management System (FMS). The R&D and application of AI+, such as Intelligent Freight Rate, Intelligent Slot Management, Intelligent Container Dispatching and Intelligent Trailer Quotation, gained momentum. The online "Instant Booking" and Intelligent Customer Service platforms were launched successively, further enhancing the Group's ability to create customized control tower solutions for customers, enabling real-time tracking and anomaly alerts across the entire logistics process, and delivering highly resilient global supply chain management services.

In terms of building a full-chain service system, the Group's trailer products are distributed across 56 countries (regions) worldwide, enabling global visibility, global inquiry, global purchasing, and global delivery, thereby establishing a comprehensive global sea-land inter- modal transport network. Relying on the strengths of core shipping business, the Group significantly increased the business volume of ocean shipping + trailer, ocean shipping + railway and ocean shipping + customs clearance. On this basis, the Group focused on addressing diverse needs of different customers, deeply integrating itself into industrial chains of customers to develop customized solutions. For example, it created export quick paths tailored for the customers of electric cars, lithium batteries and solar products, achieving seamless integration of the entire supply chain across road, railway and sea. The Group also launched the Yangpu DIT (Delayed in Transit) project for clients in the chemical and home appliance industries, enhancing the competitiveness of their products in the terminal market.

Strengthening coordination and collaboration, accelerating green transformation, and further promoting full-cycle decarbonization

During the HY2025, the Group proactively responded to the new trends and requirements of green and environmental protection development, and steadfastly committed to green and low-carbon development. Moreover, through technological innovation, industrial chain coordination, and digital management, the Group promoted the systematic upgrading of green fleets, green ports, and their full-cycle low-carbon management. Not only did it strived hard to meet International Maritime Organization's requirements for greenhouse gas emissions from ships, but it also actively provided "China's solutions" for the low-carbon transformation of the global shipping industry.

The Group accelerated the structural upgrade of its green fleet through a combination of new ship construction and technological upgrades. Currently, the Group has placed orders for 42 new methanol dual-fuel powered vessels with a total capacity of 780,000 TEUs, and intended to retrofit a series of existing vessels with methanol-powered systems. The first domestically built methanol dual-fuel powered container ship, the "COSCO SHIPPING Yangpu," made its maiden voyage to Yangpu Port and completed bunkering of domestically produced green methanol, indicating that the Group, in collaboration with marine fuel suppliers, ports and regulatory authorities, had established a complete supply chain for methanol fuel from production, transportation, to bunkering.

Looking ahead, the container shipping market still encounters relatively great uncertainties. The container shipping industry is undergoing an unprecedented historical evolution and transformation as various economic and trade policies trigger chain reactions, geopolitical influences continue to emerge, and technological innovation and green transformation reshape the industry's competitive landscape. Against this backdrop, the Group will stick to the positioning as a "global digital supply chain operation and investment platform with container shipping at its core", striving to continuously enhance the core competitiveness of its main business through its own development, flexibly respond to market changes, accelerate the advancement of global digital and intelligent supply chains and green and low-carbon transformation, and delicate to provide customers with better services while sustainably creating value for shareholders.

3. FINANCIAL EFFECTS

The annual caps for the deposits to be placed with COSCO SHIPPING Finance under the Master Financial Services Agreement for each of the three years ending 31 December 2028 are expected to not exceed RMB150 billion, and the Company expects that the interest income to be earned from the deposits will be affected by the level of interest rates. However, taking into account the prevailing interest rates for deposits in the PRC, the potential interest income to be earned from the deposit services for each of the four years ending 31 December 2028 is expected to represent an insignificant portion of the Group's earnings and assets. As such, the Company anticipates that such potential interest income to be earned from the deposit services under the Master Financial Services Agreement for each of the three years ending 31 December 2028 will not have any material impact on the Group's earnings, assets and liabilities.

4. INDEBTEDNESS OF THE GROUP

As at 31 August 2025, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this circular, the Group had total borrowings of approximately RMB33,564 million. Details of the total indebtedness are summarized below:

	The Group *RMB million*
Bank loans – secured	15,636
Bank loans – unsecured	15,954
Loan from COSCO SHIPPING Finance Company Limited – unsecured	1,565
Loans from non-controlling shareholders of subsidiaries – unsecured	409
Total	33,564

Apart from bank loans of RMB6,882 million which were guaranteed by COSCO SHIPPING Ports Limited, all other borrowings were unguaranteed.

Lease Liabilities

As at 31 August 2025, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this circular, the Group had total lease liabilities of approximately RMB42,771 million.

Pledge of Assets

As at the close of business on 31 August 2025, the Group pledged the following assets for obtaining financing arrangements from banks:

– first legal mortgages over certain assets of the Group with aggregate net book value of approximately RMB30,360 million.

Contingent Liabilities and Financial Guarantee

The Group was also involved in a number of claims and lawsuits, including but not limited to claims and lawsuits arising from damage to goods. As at 31 August 2025, the Group was unable to ascertain the likelihood and amounts of the above-mentioned claims. However, based on the information available to the Group, the Directors are of the opinion that the related claims amounts should not be material to the Group as a whole.

The Group provided a guarantee to an associate for its outstanding loan. As at 31 August 2025, the guarantee amount was approximately RMB403 million.

Disclaimer

Save as disclosed above and apart from intra-group liabilities and normal trade payables in the ordinary course of business of the Group, as at 31 August 2025, the Group did not have any debt securities issued and outstanding, and authorized or otherwise created but unissued, term loans, other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills), acceptance credits, hire purchase commitments, mortgages, charges or other material contingent liabilities or guarantees.

5. WORKING CAPITAL

The Directors are of the opinion that, after due and careful enquiry, taking into account the financial resources available to the Group, including internally generated funds and the available banking facilities, the Group has sufficient working capital to meet its present requirements for at least the next 12 months from the date of this circular.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regards to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

(a) As at the Latest Practicable Date, the interests of the Directors, Supervisors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or 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 maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Hong Kong Listing Rules were as follows:

(i) Long position in the shares, underlying shares and debentures of the Company

Name of Director	Capacity	Number of Shares held as at the Latest Practicable Date	Percentage of total number of the relevant class of Shares	Percentage of total number of issued Shares
Mr. ZHU Tao[1]	Beneficial owner	222,179 A Shares	0.00176%	0.00143%

Note:

1. As at the Latest Practicable Date, Mr. ZHU Tao held 222,179 A share options under the A share option incentive scheme of the Company.

(ii) Long positions in the shares, underlying shares and debentures of associated corporations of the Company

Name of associated corporation	Name of Director/ Supervisor	Capacity	Number of shares held	Percentage of total number of issued shares of the relevant class of the relevant associated corporation	Approximately percentage of total issued share capital of relevant associated corporation
COSCO SHIPPING Development Co., Ltd.	Mr. WAN Min	Beneficial owner	200,000 H shares	0.00580%	0.00152%
	Mr. ZHU Tao	Beneficial owner	65,000 H Shares	0.00189%	0.00049%
		Interest of spouse	90,000 A shares	0.00092%	0.00068%
COSCO SHIPPING Ports Limited	Mr. WAN Min	Beneficial owner	363,366 Ordinary shares	0.00938%	0.00938%
	Mr. ZHU Tao	Beneficial owner	8,000 Ordinary Shares	0.00021%	0.00021%
Hainan Strait Shipping Co., Ltd.	Mr. ZHU Tao	Beneficial owner	12,900 A shares	0.00058%	0.00058%

(b) As at the Latest Practicable Date, so far as is known to the Directors, no Director was a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of Director	Position held in COSCO SHIPPING
WAN Min	Chairman and Party Secretary
TAO Weidong	Employee representative director

(c) Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors, (i) none of the Directors, Supervisors or chief executive of the Company had any interest or short positions in any shares or underlying shares or interest in debentures of the Company or any of its associated corporations (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 or 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 were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange; and (ii) 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 fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors or their respective close associates had any interest in any business, which competes or may compete, either directly or indirectly, with the business of the Group as if each of them were treated as a controlling shareholder of the Company under Rule 8.10 of the Hong Kong Listing Rules.

4. DIRECTORS' AND SUPERVISORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors or Supervisors had any direct or indirect interest in any asset which had been, since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

5. DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS

As at the Latest Practicable Date, none of the Directors or Supervisors was materially interested in any contract or arrangement subsisting and which is significant in relation to the business of the Group.

6. DIRECTORS' AND SUPERVISORS' INTERESTS IN SERVICE CONTRACTS

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

7. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this circular and whose opinion or advice is contained in this circular:

Name	Qualification
Gram Capital	A licensed corporation to carry out Type 6 regulated activity under the SFO

As at the Latest Practicable Date, Gram Capital was not beneficially interested in the share capital of any member of the Group, and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Gram Capital did not have any direct or indirect interest in any assets which had been, since 31 December 2024 (being the date to which the latest published audited accounts of the Group were made up), acquired or disposed of by, or leased to, or were proposed to be acquired or disposed of by, or leased to, any member of the Group.

As at the Latest Practicable Date, Gram Capital had given and had not withdrawn its written consent to the issue of this circular with the inclusion of its letter dated 13 October 2025 in connection with their advice to the Independent Board Committee and the Independent Shareholders, and reference to its name and opinion in the form and context in which it appears.

8. LITIGATION

There was no litigation or claim of material importance pending or threatened against any member of the Group as at the Latest Practicable Date.

9. MATERIAL CONTRACTS

The Group has not entered into any material contract (not being contracts entered into in the ordinary course of business of the Group) within the two years immediately preceding the date of this circular.

10. MATERIAL ADVERSE CHANGE

The Directors confirm that, 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, being the date to which the latest published audited consolidated financial statements of the Company were made up.

11. MISCELLANEOUS

(a) The company secretary of the Company is Mr. XIAO Junguang.

(b) The registered office of the Company is located at 2nd Floor, 12 Yuanhang Business Centre, Central Boulevard and East Seven Road Junction, Tianjin Pilot Free Trade Zone (Airport Economic Area), Tianjin, the PRC. The head office and principal place of business of the Company in Hong Kong is located at 48/F, COSCO Tower, 183 Queen's Road Central, Hong Kong.

(c) The Hong Kong branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited located at Shops 1712 to 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(d) This circular in both English and Chinese is available in printed form and published on the respective websites of the Company at "http://hold.coscoshipping.com" and Hong Kong Exchanges and Clearing Limited at "http://www.hkexnews.hk". To the extent that there are any inconsistencies between the English version and the Chinese version of this circular, the English version shall prevail.

12. DOCUMENTS ON DISPLAY

Copies of the following documents are on display and are published on the website of the Stock Exchange at "www.hkexnews.com' and the website of the Company at "http://hold.coscoshipping.com" for a period of 14 days from the date of this circular:

(a) each of the Non-exempt Master Agreements;

(b) the letter from Gram Capital to the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions; and

(c) the written consent from Gram Capital referred to in the section headed "7. Expert and Consent" in this Appendix.

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

中遠海運控股股份有限公司

COSCO SHIPPING Holdings Co., Ltd.*

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

(Stock Code: 1919)

NOTICE OF EGM

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the "**EGM**") of COSCO SHIPPING Holdings Co., Ltd.* (the "**Company**") will be held on Friday, 31 October 2025 at 2:30 p.m. at Conference Room, 47th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong and Ocean Hall, 5th Floor, Shanghai Ocean Hotel, No. 1171, Dong Da Ming Road, Shanghai, the PRC for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions of the Company.

Unless otherwise defined, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 13 October 2025 (the "**Circular**").

ORDINARY RESOLUTIONS

1. To consider and approve the continuing connected transactions under the Master Financial Services Agreement and the proposed annual caps thereunder.

2. To consider and approve the continuing connected transactions under the COSCO SHIPPING Master Agreements and the proposed annual caps thereunder:

   2.1 To consider and approve the continuing connected transactions under the Master General Services Agreement and the proposed annual caps thereunder.

   2.2 To consider and approve the continuing connected transactions under the Master Shipping Services Agreement and the proposed annual caps thereunder.

   2.3 To consider and approve the continuing connected transactions under the Master Port Services Agreement and the proposed annual caps thereunder.

2.4 To consider and approve the continuing connected transactions under the Master Vessel and Container Asset Services Agreement and the proposed annual caps thereunder.

2.5 To consider and approve the continuing connected transactions under the Trademark Licence Agreement and the proposed annual caps thereunder.

3. To consider and approve the continuing connected transactions under the SIPG Shipping and Terminal Services Agreement and the proposed annual caps thereunder.

Yours faithfully,
By Order of the Board
COSCO SHIPPING Holdings Co., Ltd.*
XIAO Junguang
Company Secretary

Shanghai, the People's Republic of China
13 October 2025

Notes:

1. For more information in relation to the resolution at the EGM, please refer to the announcement of the Company dated 28 August 2025, and the circular of the Company dated 13 October 2025.

2. Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, votes of the Shareholders at the EGM shall be taken by poll.

3. A Shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote in his/her stead. A proxy needs not to be a Shareholder.

4. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his/her/its attorney duly authorized in writing. If the Shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorized attorney(s). If that instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.

5. In order to be valid, the form of proxy together with the power of attorney or other authorization document (if any) must be deposited at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited (address: 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong) for holders of H Shares as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the EGM if he/she so wishes.

6. The H Share register of members of the Company will be closed from Monday, 27 October 2025 to Friday, 31 October 2025, both days inclusive, during which period no transfer of the H Shares will be effected. The Shareholders whose names appear in the H Share register of members of the Company on Monday, 27 October 2025 are entitled to attend and vote at the EGM. In order to attend and vote at the EGM, all transfer documents accompanied by relevant share certificates must be lodged with the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712 to 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 24 October 2025.

7. The Shareholders or their proxies attending the EGM shall produce their identity documents. If the attending Shareholder is a corporate, its legal representative or person authorized by the Board or other decision-making authority shall present a copy of the relevant resolution of the Board or other decision making authority in order to attend the EGM.

8. As at the date hereof, the Directors are Mr. WAN Min[1] (Chairman), Mr. ZHANG Feng[1] (Vice Chairman), Mr. TAO Weidong[1], Mr. ZHU Tao[1], Mr. XU Feipan[1], Mr. YU De[2], Prof. MA Si-hang Frederick[3], Mr. SHEN Dou[3] and Ms. HAI Chi-yuet[3].

[1] *Executive Director*

[2] *Non-executive Director*

[3] *Independent non-executive Director*

* *For identification purpose only*