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 a licensed securities dealer and other registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **COSCO SHIPPING Energy Transportation Co., Ltd.**, you should at once hand this circular, the enclosed form of proxy to the purchaser or the transferee or to licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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COSCO SHIPPING ENERGY TRANSPORTATION CO., LTD.*
中遠海運能源運輸股份有限公司

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

(Stock Code: 1138)

(1) PROPOSED DISTRIBUTION OF FINAL DIVIDEND;
(2) PROPOSED AUTHORISATION TO THE BOARD TO DECIDE THE 2026 INTERIM PROFIT DISTRIBUTION PLAN;
(3) GENERAL MANDATE TO ISSUE SHARES;
(4) RE-APPOINTMENT OF OVERSEAS AND DOMESTIC AUDITOR;
(5) PROPOSED ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS;
(6) PROPOSED FORMULATION OF MEASURES FOR THE REMUNERATION MANAGEMENT OF DIRECTORS AND SENIOR MANAGEMENT;
(7) DISCLOSEABLE AND CONNECTED TRANSACTION – ACQUISITION OF THE ENTIRE EQUITY INTEREST IN THE TARGET COMPANY;
AND
(8) NOTICE OF ANNUAL GENERAL MEETING

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

MESSIS 大有融資

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 7 to 29 of this circular. A letter from the Independent Board Committee to the Independent Shareholders is set out on pages 30 to 31 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 32 to 48 of this circular.

A notice convening the AGM to be held at 2:00 p.m. on Friday, 26 June 2026 at 3rd Floor, Ocean Hotel, No. 1171 Dongdaming Road, Hongkou District, Shanghai, the PRC is set out on pages AGM-1 to AGM-6 of this circular.

Whether or not you are able to attend the AGM, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event by not less than 24 hours before the time appointed for the holding of AGM or any adjournment thereof (i) in case of H Shareholders, to the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, (ii) in case of A Shareholders, to the office of the Board of Directors of the Company at 7th Floor, 670 Dongdaming Road, Hongkou District, Shanghai, the PRC. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or at any adjournment thereof should you so wish.

* *For identification purposes only*

3 June 2026

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NOTICE OF ANNUAL GENERAL MEETING AGM-1

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

"AGM" or "Annual General Meeting"	the annual general meeting of the Company to be held at 2:00 p.m. on 26 June 2026 at 3rd Floor, Ocean Hotel, No. 1171 Dongdaming Road, Hongkou District, Shanghai, the People's Republic of China to consider and if thought fit, approve, among other things, the Equity Transfer Agreement and the Proposed Acquisition contemplated thereunder
"AGM Notice"	a notice convening the Annual General Meeting as set out on pages AGM-1 to AGM-6 of this circular
"A Share(s)"	the domestic share(s) in the ordinary share capital of the Company with a par value of RMB1.00 each, which are listed on the Shanghai Stock Exchange (Stock Code: 600026)
"A Shareholder(s)"	holder(s) of A Share(s)
"Announcement(s)"	collectively, the announcement of the Company dated 27 April 2026 in relation to the Proposed Acquisition and the announcement of the Company dated 2 June 2026 in relation to the entering into of the Equity Transfer Agreement
"Articles of Association"	the articles of association of the Company
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Director(s)
"Company"	COSCO SHIPPING Energy Transportation Co., Ltd.* (中遠海運能源運輸股份有限公司), a joint stock limited company established in the PRC, whose H Shares and A Shares are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1138) and the Shanghai Stock Exchange (Stock Code: 600026), respectively
"China Shipping"	China Shipping Group Company Limited* (中國海運集團有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of COSCO SHIPPING and a controlling shareholder of the Company
"Clarksons"	Clarkson Research Services Limited, a research arm of Clarkson PLC which is a leading provider of shipping services headquartered in London

"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"COSCO SHIPPING" or the "Vendor"	China COSCO SHIPPING Corporation Limited* (中國遠洋海運集團有限公司), a PRC state-owned enterprise and an indirect controlling shareholder of the Company
"COSCO SHIPPING Group"	COSCO SHIPPING and its subsidiaries (exclusive of the Group)
"COSCO SHIPPING Investment Dalian" or the "Target Company"	COSCO SHIPPING Investment Dalian Co., Ltd.* (中遠海運大連投資有限公司), a company incorporated under the laws of the PRC with limited liability
"COSCO SHIPPING Investment Dalian Equity Transfer Agreement" or "Equity Transfer Agreement"	the equity transfer agreement dated 2 June 2026 entered into between COSCO SHIPPING and Dalian COSCO Energy in relation to the transfer of the entire equity interest in COSCO SHIPPING Investment Dalian
"CSRC"	China Securities Regulatory Commission
"Dalian COSCO Energy" or the "Purchaser"	Dalian COSCO SHIPPING Energy Supply Chain Co., Ltd.* (大連中遠海運能源供應鏈有限公司), a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
"Dalian COSCO Energy Storage"	Dalian COSCO SHIPPING Energy Storage & Transportation Co., Ltd.* (大連中遠海能儲運有限公司), a non-wholly-owned subsidiary of the Target Company which was held as to 60% by the Target Company and 40% by a wholly-owned subsidiary of COSCO SHIPPING as at the Latest Practicable Date
"Dalian Liquefied Gas"	Dalian COSCO SHIPPING Energy LPG Transportation Co., Ltd.* (大連中遠海能液化氣運輸有限公司), a direct and wholly-owned subsidiary of the Target Company
"Director(s)"	the director(s) of the Company
"Existing Agreements"	collectively, the agreements entered into by the Target Company and its subsidiary Dalian COSCO Energy Storage with the Parties to the Existing Agreements, details of which are set out in the section headed "*Continuing Connected Transactions Pursuant to Rule 14A.60(1) of the Listing Rules*" in the announcement of the Company dated 27 April 2026

"Group"	the Company and its subsidiaries
"Issuance Mandate"	a general and unconditional mandate proposed to be granted to the Directors to allot, issue or deal with additional A Shares and/or H Shares, with such additional A Shares and/or H Shares to be issued not exceeding, in each case, 20% of the respective class of Shares in issue (excluding any treasury Shares) as at the date of passing of the proposed special resolution contained in paragraph 6 of the AGM Notice
"H Shareholder(s)"	holder(s) of H Share(s)
"H Share(s)"	overseas listed foreign shares in the ordinary share capital of the Company with a par value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange (Stock Code: 1138)
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Independent Board Committee"	the independent board committee of the Company comprising Mr. Victor HUANG, Mr. LI Runsheng, Mr. ZHAO Jinsong and Mr. WANG Zuwen, being all the independent non-executive Directors, which is established to advise the Independent Shareholders in respect of (i) the Equity Transfer Agreement and the transactions contemplated thereunder, and (ii) the Underlying Shipbuilding Contracts and the transactions contemplated thereunder
"Independent Financial Adviser"	MESSIS CAPITAL Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, which has been appointed as the independent financial adviser to make the relevant recommendation to the Independent Board Committee and the Independent Shareholders on (i) the Equity Transfer Agreement and the transactions contemplated thereunder, and (ii) the Underlying Shipbuilding Contracts and the transactions contemplated thereunder
"Independent Shareholder(s)"	Shareholder(s) other than COSCO SHIPPING and its associates

"independent third party(ies)"	individual(s) or company(ies) and their respective beneficial owner(s) which, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, are third parties independent of the Company and its connected persons
"Latest Practicable Date"	29 May 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"Nomination Committee"	the nomination committee of the Board
"Parties to the Existing Agreements"	China Shipping & Sinopec Suppliers Co., Ltd., Liaoning Branch* (中石化中海船舶燃料供應有限公司遼寧分公司), Shanghai COSCO SHIPPING Lines Service Centre Ltd.* (上海中遠海運集裝箱運輸信息服務有限公司), COSCO SHIPPING Lines (Dalian) Co., Ltd.* (大連中遠海運集裝箱運輸有限公司), COSCO SHIPPING (Dalian) Electronic Technology Co., Ltd.* (大連中遠海運電子科技有限公司), COSCO SHIPPING Ferry Co., Ltd.* (中遠海運客運有限公司), COSCO SHIPPING Logistics (Nanjing) Co., Ltd.* (南京中遠海運物流有限公司), Dalian COSCO SHIPPING Logistics Supply Chain Co., Ltd.* (大連中遠海運物流供應鏈有限公司)* and China Shipping Telecommunications Co., Ltd., Dalian Branch* (中海電信有限公司大連分公司), each being a subsidiary and/or an associate of COSCO SHIPPING and a connected person of the Company
"percentage ratio(s)"	has the meaning ascribed to it under the Listing Rules
"PRC"	the People's Republic of China, which for the purpose of this circular only, means the PRC (Mainland)
"Previous Acquisition"	the transaction in relation to the acquisition of the entire equity interest in Shanghai Liquefied Gas by the Company in accordance with the Shanghai Liquefied Gas Equity Transfer Agreement; for details, please refer to the announcement of the Company dated 28 October 2025, and unless the context requires otherwise, capitalized terms used in this circular shall have the meanings as defined in such announcement
"Proposed Acquisition"	the proposed acquisition of the entire equity interest in the Target Company contemplated under the Equity Transfer Agreement (including the acquisition of the Target Group and the Vessels by virtue of such Proposed Acquisition)

"Qidong COSCO SHIPPING"	Qidong COSCO SHIPPING Ocean Engineering Co., Ltd.* (啟東中遠海運海洋工程有限公司), a wholly-owned subsidiary of COSCO SHIPPING and therefore a connected person of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shanghai Orient"	Shanghai Orient Appraisal Co., Ltd., an independent valuer
"Shanghai Listing Rules"	the Rules Governing the Listing of Stocks in Shanghai Stock Exchange
"Shanghai Stock Exchange"	the Shanghai Stock Exchange
"Share(s)"	A Share(s) and/or H Share(s)
"Shareholder(s)"	shareholder(s) of the Company
"Target Group"	collectively, the Target Company and its subsidiaries, Dalian Liquefied Gas and Dalian COSCO Energy Storage
"Transition Period"	the period from the date after the Valuation Benchmark Date to the respective date of completion of the Proposed Acquisition
"treasury Share(s)"	has the meaning ascribed to it in the Listing Rules
"Underlying Shipbuilding Contract(s)"	the respective shipbuilding contracts dated 31 December 2024 and entered into by Dalian Liquefied Gas (as buyer) and Qidong COSCO SHIPPING (as seller) for the construction of the Vessels
"Vessel(s)"	collectively, four VLGC with guaranteed cargo capacity of not less than 88,000 cubic metres and deadweight of approximately 55,000 metric tons at design draught each
"US$"	U.S. dollar, the lawful currency of the United States
"Valuation Benchmark Date"	31 December 2025
"VLGC"	Very Large Gas Carrier(s)
"%"	percent.

* *For identification purposes only*

Date of despatch of this circular	3 June 2026
Latest time for lodging proxy forms for the AGM	25 June 2026
Time and date of the AGM	26 June 2026

COSCO SHIPPING ENERGY TRANSPORTATION CO., LTD.*
中遠海運能源運輸股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1138)

Executive Directors:
REN Yongqiang *(Chairman)*
ZHU Maijin

Non-executive Directors:
WANG Shuqing
WANG Wei
ZHOU Chongyi
MA Yuanru

Independent non-executive Directors:
Victor HUANG
LI Runsheng
ZHAO Jinsong
WANG Zuwen

Registered office:
Room A-1015
No. 188 Ye Sheng Road
China (Shanghai) Pilot Free Trade Zone
Lingang Special Area
The People's Republic of China

Principal place of business in the PRC:
7th Floor, 670 Dongdaming Road
Hongkou District, Shanghai
The People's Republic of China

Principal place of business in Hong Kong:
Rooms 3601-3602
36/F West Tower, Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

3 June 2026

To the Shareholders

Dear Sir/Madam,

(1) PROPOSED DISTRIBUTION OF FINAL DIVIDEND;
(2) PROPOSED AUTHORISATION TO THE BOARD TO DECIDE THE 2026 INTERIM PROFIT DISTRIBUTION PLAN;
(3) GENERAL MANDATE TO ISSUE SHARES;
(4) RE-APPOINTMENT OF OVERSEAS AND DOMESTIC AUDITOR;
(5) PROPOSED ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS
(6) PROPOSED FORMULATION OF MEASURES FOR THE REMUNERATION MANAGEMENT OF DIRECTORS AND SENIOR MANAGEMENT
(7) DISCLOSEABLE AND CONNECTED TRANSACTION – ACQUISITION OF THE ENTIRE EQUITY INTEREST IN THE TARGET COMPANY; AND
(8) NOTICE OF ANNUAL GENERAL MEETING

* *For identification purposes only*

I. INTRODUCTION

Reference is made to (i) the announcement of the Company dated 26 May 2026 in relation to certain guarantee for wholly-owned subsidiaries of the Company; and (ii) the Announcements of the Company dated 27 April 2026 and 2 June 2026 in relation to the Equity Transfer Agreement and the Proposed Acquisition contemplated thereunder. Pursuant to the Equity Transfer Agreement, COSCO SHIPPING (as the Vendor) has agreed to dispose of, and Dalian COSCO Energy (as the Purchaser) has agreed to acquire, the entire equity interest in the Target Company, subject to the terms and conditions thereof. Dalian COSCO Energy shall be entitled to or bear the profit or loss of the equity interests to be transferred pursuant to the Equity Transfer Agreement during the Transition Period.

The AGM will be convened by the Company for the relevant Shareholders to consider and approve, among others, (i) the proposed distribution of final dividend, (ii) the proposed authorisation to the Board to decide the 2026 interim profit distribution plan, (iii) the Issuance Mandate, (iv) the re-appointment of auditor of the Company for the year ending 31 December 2026, (v) the Equity Transfer Agreement and the Proposed Acquisition contemplated thereunder, (vi) the proposed appointment of Mr. LI Kin Fai, Mr. CHEN Gang and Ms. CHENG Yan as independent non-executive Directors and (vii) the proposed formulation of the Measures of Remuneration Management of Directors and Senior Management of the Company.

The purpose of this circular is to provide you with, among other things, information on the resolutions to be proposed at the AGM in respect of the aforesaid matters and to give the Shareholders the notice of AGM.

II. PROPOSED DISTRIBUTION OF FINAL DIVIDEND

As disclosed in the announcement of the Company dated 26 March 2026 in relation to the annual results of the Group for the year ended 31 December 2025, the Board proposed the distribution of a final dividend of RMB2,076,783,919, representing RMB0.38 per share (before tax), in respect of the year ended 31 December 2025.

The proposed distribution of the final dividend is subject to the approval of the Shareholders by way of an ordinary resolution at the AGM.

The final dividend will be distributed and paid to A Shareholders and domestic investors investing in H Shares through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect in RMB and to H Shareholders in HK$. The actual amount of the final dividend to be distributed and paid to H Shareholders in HK$ will be calculated in accordance with the benchmark exchange rate for RMB to HK$ as quoted by the People's Bank of China on the date of the AGM (subject to the approval by the Shareholders). The final dividend in respect of the H Shares will be distributed and paid on or before Friday, 28 August 2026.

The Company will pay the receiving agent the final dividend declared for payment to H Shareholders. Such final dividend will be paid by the receiving agent and dispatched by Computershare Hong Kong Investor Services Limited to the H Shareholders, who are entitled to receive the same, by ordinary post at their own risk on or before Friday, 28 August 2026.

Enterprise Income Tax

According to the amendment of the Law of the People's Republic of China on Corporate Income Tax and the implementation rules which came into effect on 29 December 2018, the

Company is required to withhold corporate income tax at the rate of 10% before distributing the final dividend for the year ended 31 December 2025 to non-resident enterprise Shareholders whose names appeared on the register of H Shares members of the Company. Any Shares not registered in the name of an individual person, including those registered in the name of HKSCC Nominees Limited, other nominees, trustees or other groups and organizations, will be treated as being held by non-resident enterprise Shareholders and therefore will be subject to the withholding of the corporate income tax. After receiving the final dividend, non-resident enterprise Shareholders may apply, personally or by proxy, to the competent taxation authorities and provide materials proving their eligibility to be the actual beneficiaries under the taxation agreements (arrangement) for a tax refund.

Individual Income Tax

Pursuant to the requirements of the Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policies Regarding Individual Income Tax (Cai Shui Zi [1994] No. 020) (《財政部、國家税務總局關於個人所得税若干政策問題的通知》(財税字[1994]020號)), overseas individuals are for the time being exempt from the individual income tax on dividends and bonus received from foreign-invested enterprises in the PRC. As the Company is a foreign-invested joint stock limited company, individual H Shareholders whose names appeared in the register of H Shares members are not required to pay the individual income tax of the PRC.

Profit Distribution for Investors Investing in H Shares through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect

Shanghai-Hong Kong Stock Connect

For domestic investors (including enterprises and individuals) investing in the H Shares listed on the Hong Kong Stock Exchange through the Shanghai Stock Exchange, the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the H Shareholders through Shanghai-Hong Kong Stock Connect, will receive the final dividend paid by the Company and further distribute the final dividend to the relevant investors of H Shares through Shanghai-Hong Kong Stock Connect through its depositary and clearing system.

The final dividend will be paid to the investors investing in H Shares through Shanghai-Hong Kong Stock Connect in RMB. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關税收政策的通知》(財税[2014]81號)) issued by the Ministry of Finance of the PRC, the State Administration of Taxation and the CSRC:

(i) for dividends and bonuses received by mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the relevant H share listed company shall withhold and pay individual income tax payable by such mainland individual investors at the rate of 20% on their behalf;

(ii) for dividends and bonuses received by mainland securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, individual income tax payable by such mainland securities investment funds shall be withheld and paid by the relevant H share listed company in the same manner as stated in paragraph (i) above; and

(iii) for dividends and bonuses received by mainland enterprise investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the relevant H share listed company shall not withhold or pay the income tax of dividends and bonuses for mainland enterprise investors and those enterprise investors shall report and pay the income tax themselves.

Shenzhen-Hong Kong Stock Connect

For domestic investors (including enterprises and individuals) investing in H Shares listed on the Hong Kong Stock Exchange through the Shenzhen Stock Exchange, the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the H Shareholders through Shenzhen-Hong Kong Stock Connect, will receive the final dividend paid by the Company and further distribute the final dividend to the relevant investors of H Shares through Shenzhen-Hong Kong Stock Connect through its depositary and clearing system.

The final dividend will be paid to the investors investing in H Shares through Shenzhen-Hong Kong Stock Connect in RMB. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No.127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)):

(i) for dividends and bonuses received by mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the relevant H share listed company shall withhold and pay individual income tax payable by such mainland individual investors at the rate of 20% on their behalf;

(ii) for dividends and bonuses received by mainland securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, individual income tax payable by such mainland securities investment funds shall be withheld and paid by the relevant H share listed company in the same manner as stated in paragraph (i) above; and

(iii) for dividends and bonuses received by mainland enterprise investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the relevant H share listed company shall not withhold or pay the income tax of dividends and bonuses for mainland enterprise investors and those enterprise investors shall report and pay the income tax themselves.

The record date, the date of distribution and other arrangements in relation to the payment of the final dividend to domestic investors investing in H Shares through Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect will be the same as those for the H Shareholders.

Profit Distribution to Investors of Northbound Trading

For investors (including enterprises and individuals) of the Hong Kong Stock Exchange investing in A Shares listed on the Shanghai Stock Exchange (the "**Northbound Trading**"), the record date, the date of distribution and other arrangements in relation to the payment of the final dividend to the investors of Northbound Trading will be the same as those for the A Shareholders. For details, please refer to the announcement of the Company to be released in the A Share market in due course.

To Qualify for the Proposed Final Dividend

To ascertain the entitlement of Shareholders to the proposed final dividend, the register of H Shares members of the Company will be closed from Tuesday, 21 July 2026 to Friday, 24 July 2026 (both days inclusive), during which no transfer of H Shares will be registered. The Shareholders whose names appear on the register of H Shares members of the Company at the close of business on Friday, 24 July 2026 will be qualified for the proposed final dividend. In order to qualify for the proposed final dividend, all transfer documents together with the relevant share certificates must be lodged with the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 20 July 2026.

III. PROPOSED AUTHORISATION TO THE BOARD TO DECIDE THE 2026 INTERIM PROFIT DISTRIBUTION PLAN

The Board proposes to the general meeting to authorize the Board to determine the 2026 interim profit distribution plan and to handle the relevant matters of interim profit distribution at its sole discretion, which means that the Board may decide to distribute the 2026 interim profit through cash dividend if the conditions for distribution of cash dividend under the Articles of Association are fulfilled. The total amount of cash dividend would be 30% to 50% of the net profit attributable to Shareholders realized by the Company in the first half of 2026, provided that the particular distribution plan including whether to implement the interim profit distribution and the particular amount thereon is subject to the decision of the Board in accordance with the 2026 interim results and cash requirements of the Company.

IV. GENERAL MANDATE TO ISSUE SHARES

To enhance the timeliness and flexibility of the capital operations of the Company, a special resolution will be proposed to the AGM to approve the granting of a general and unconditional mandate (the "**Issuance Mandate**") to the Board and to authorize the Board to (i) subject to market conditions and the needs of the Company, and in compliance with relevant laws and regulations and obtaining approvals from all relevant governmental or regulatory authorities (if applicable), separately or concurrently, issue, allot and/or deal with additional A Shares and/or H Shares (including convertible bonds and other securities with rights to subscribe for or convert into Shares), with such additional A Shares and/or H Shares to be issued not exceeding, in each case, 20% of the respective class of Shares in issue (excluding any treasury Shares) as at the date of passing of the proposed special resolution at the AGM; and (ii) authorize the Board to approve, sign and execute or cause to be signed and executed all documents, deeds and matters that they deem related to the exercise of the Issuance Mandate mentioned above.

As at the Latest Practicable Date, the issued share capital of the Company comprised of 4,169,220,839 A Shares and 1,296,000,000 H Shares. Subject to the passing of the proposed special resolution approving the grant of the Issuance Mandate, and on the basis that the issued Shares remain unchanged prior to the AGM, a maximum of 833,844,167 A Shares and 259,200,000 H Shares can be allotted, issued and/or dealt with by the Board pursuant to the Issuance Mandate to be granted by the Shareholders.

The specific contents of the Issuance Mandate include but are not limited to the following:

(i) The granting of the Issuance Mandate to the Board (within the scope as set out in paragraph (ii) below) to, subject to market conditions and the requirements of the Company, separately or concurrently issue additional shares of the issued A Shares and/or H Shares of the Company during the Relevant Period (as defined below), and to make or grant decisions

which might require the exercise of such powers (including authorising the Board during the Relevant Period to make or grant decisions which might require the exercise of such powers after the end of the Relevant Period).

(ii) The respective number of the A Shares and/or H Shares conditionally or unconditionally agreed to be issued by the Board shall not exceed in each case, 20% of the respective class of Shares in issue when this resolution is approved at the AGM.

(iii) The Board is authorised to formulate and implement the detailed issuance plan, including but not limited to (1) the class and number of the new shares to be issued, (2) the pricing mechanism and/or issue price (including price range), (3) starting and closing date of the issuance, (4) use of proceeds, (5) the making or granting of authorisations in respect of decisions which may require the exercise of such powers, and (6) other contents that the detailed issuance plan should contain as required by the relevant laws and regulations and other regulatory documents, the relevant regulatory institutions, and the exchange where the relevant Shares are listed.

(iv) The Board is authorised to engage intermediary institutions in respect of the issuance of Shares, to approve and sign all acts, documents and other matters necessary or relevant to the issuance of Shares, and to consider, approve, and sign, on behalf of the Company, agreements related to the issuance of Shares, including but not limited to subscription agreements, underwriting agreements and engagement agreements of intermediaries.

(v) The Board is authorised to consider and execute, on behalf of the Company, statutory documents related to the issuance of Shares for submission to the relevant regulatory authorities, to carry out relevant approval procedures as required by regulatory authorities and the places in which the Company is listed, and to complete all necessary filings, registrations and record with the relevant governmental authorities of Hong Kong and/or any other regions or jurisdictions (where applicable).

(vi) The Board is authorised to amend, as required by regulatory authorities within or outside China, relevant agreements and statutory documents referred to in paragraphs (iv) and (v) above.

(vii) The Board is authorised to approve the increase in registered capital of the Company after issuance of the new Shares, make appropriate and necessary amendments to the relevant contents of total share capital and shareholding structure in the Articles of Association, carry out the relevant approval, registration and filing procedures pursuant to domestic and overseas statutory requirements, and take any other action and complete any procedures required to implement the relevant share issuance and realize the increase in the registered capital of the Company.

(viii) Upon obtaining of the aforesaid Issuance Mandate by the Board, to delegate the authority to the authorised person(s) of the Company to jointly or individually sign, execute, amend, complete and submit all agreements, contracts and documents relating to the issuance of shares under the Issuance Mandate unless otherwise required under the relevant laws and regulations.

(ix) Exercise of the Issuance Mandate by the Board is subject to the Company Law, the Securities Law of the People's Republic of China, the Listing Rules, or all applicable laws, regulations and rules of any other governmental or regulatory authorities.

(x) The aforesaid authorisation may be granted to any Director.

Except that the Board may make or grant decisions under the authorisation granted thereto during the Relevant Period in relation to the issuance of A Shares and/or H Shares, which might require further promotion or implementation after the end of the Relevant Period, the Issuance Mandate shall be effective during the Relevant Period. "Relevant Period" means the period after the passing of this resolution as a special resolution at the AGM, until the earliest of:

(i) the date of the conclusion of the 2026 annual general meeting of the Shareholders to be held in 2027;

(ii) the expiration of 12 months from the date of passing of this resolution; and

(iii) the date on which the authorisation granted to the Board under this resolution is revoked or varied by a special resolution of the Shareholders at any general meeting.

Should the Board or its authorised person(s), during the Relevant Period, sign the necessary documents, complete the necessary formalities or take relevant steps which might require to be performed or carried out upon or after the end of the Relevant Period or continued until the end of the Relevant Period, the Relevant Period will be extended accordingly.

The Issuance Mandate has been considered and approved by the Board, and will be proposed at the AGM for the Shareholders' consideration and approval by way of a special resolution.

V. RE-APPOINTMENT OF AUDITOR FOR YEAR ENDING 31 DECEMBER 2026

In accordance with the relevant provisions of the Articles of Association and the audit requirements of the Company, the Board intends to re-appoint SHINEWING (HK) CPA Limited and ShineWing Certified Public Accountants LLP as the overseas auditor and the domestic auditor of the Company for the year ending 31 December 2026, respectively, and to hold office until the conclusion of the next annual general meeting for providing the Company with audit reports including the 2026 interim review report, the 2026 annual audit report and the audit report on the internal control, as well as rendering specific audit and review services.

The respective fees for review and audit payable by the Company to SHINEWING (HK) CPA Limited and ShineWing Certified Public Accountants LLP for the year ending 31 December 2026 in the amount of RMB2.376 million and RMB3.1 million (inclusive of taxes and travel expenses), respectively.

The pricing principles for audit fee are based on (a) the Company's business scale, (b) the industry in which it operates, (c) the complexity of accounting treatment, (d) the number of auditors required to audit the annual report of the Company and the amount of work involved and (e) any other relevant facts and circumstances known at the relevant time. In the event of a major change in the scope of review and audit in respect of the Company, the Board or any person authorized by the Board may reasonably determine the specific amount of the audit fees of the domestic and overseas auditors of the Company for the year ending 31 December 2026 based on the actual circumstances of the audit work involved, and having duly observed the aforesaid pricing principles.

The aforesaid resolution was duly considered and approved at the Board meeting held on Monday, 27 April 2026 and will be submitted to the AGM for consideration and approval by way of an ordinary resolution.

VI. PROPOSED ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

On 26 May 2026, the Board announced that it has proposed to appoint Mr. LI Kin Fai ("**Mr. LI**"), Mr. CHEN Gang ("**Mr. CHEN**") and Ms. CHENG Yan ("**Ms. CHENG**") as independent non-executive Directors of the Company.

Having considered the recommendations made by the nomination committee of the Board after reviewing the qualifications of the candidates for independent non-executive Directors in accordance with the Company's nomination policy and the Board diversity policy, the Board has resolved to nominate Mr. LI, Mr. CHEN and Ms. CHENG as candidates for independent non-executive Directors of the Board. Each of Mr. LI, Mr. CHEN and Ms. CHENG has confirmed to the Company that (i) he/she is independent with respect to each of the factors set out in Rules 3.13(1) to (8) of the Listing Rules; (ii) he/she does not and has not had any financial or other interests in the businesses of the Company or its subsidiaries, nor has any connection with any core connected persons (as defined in the Listing Rules) of the Company; and (iii) there are no other circumstances that may affect his/her independence at the time of the proposed appointment.

Biographical details of the aforesaid candidates for independent non-executive Directors are set out in Appendix III to this circular. The Board has resolved to submit the list of the aforesaid candidates for independent non-executive Directors to the shareholders for their consideration and approval. The term of office of each of the aforesaid candidates for independent non-executive Directors shall commence from the date of passing of the relevant resolution(s) at the AGM and until the end of the term of the eleventh session of the Board.

Subject to the shareholders' approval of the proposed appointment of Mr. LI, Mr. CHEN and Ms. CHENG at the AGM, Mr. LI, Mr. CHEN and Ms. CHENG will enter into service contracts with the Company for a term of service commencing from the date of passing of the relevant resolution(s) at the AGM until the end of the term of the current session of the Board, and will be subject to retirement and re-election at the shareholders' meetings of the Company in accordance with the Articles of Association. Pursuant to such proposed service contracts, (i) Mr. LI is entitled to a director's fee of RMB300,000 per annum, which is determined with reference to his duties and responsibilities and the prevailing market conditions, and meeting allowances of RMB3,000 for each Board meeting and general meeting, and RMB2,000 for each Board committee meeting; and (ii) Mr. CHEN and Ms. CHENG are entitled to a director's fee not exceeding RMB150,000 per annum, which is determined with reference to his/her duties and responsibilities and the prevailing market conditions, and meeting allowances of RMB3,000 for each Board meeting and general meeting, and RMB2,000 for each Board committee meeting. The above has been determined with reference to, among other things, the development of the Company and the remuneration levels in the places where it operates and the industry, and in light of the actual circumstances of the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. LI, Mr. CHEN and Ms. CHENG have confirmed that they (i) did not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company; (ii) did not have any interests in the shares of the Company within the meaning of Part XV of the SFO (Chapter 571 of the Laws of Hong Kong); (iii) did not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) did not hold any other positions in other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, Mr. LI, Mr. CHEN and Ms. CHENG have confirmed that: (i) there is no other information in relation to their proposed appointments required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules; and (ii) there are no other matters in relation to their proposed appointments that need to be brought to the attention of the shareholders.

VII. PROPOSED FORMULATION OF MEASURES FOR THE REMUNERATION MANAGEMENT OF DIRECTORS AND SENIOR MANAGEMENT

In order to further improve the remuneration management system for the Directors and senior management of the Company, in accordance with relevant laws, regulations and the Articles of Association, and in light of the actual circumstances of the Company, the resolution in relation to the formulation of the Measures for the Remuneration Management of Directors and Senior Management was considered and approved by the Remuneration Committee and the Board on 19 May 2026 and 26 May 2026, respectively.

The resolution in relation to the proposed formulation of the Measures for the Remuneration Management of Directors and Senior Management will be put forward by way of an ordinary resolution for the Shareholders' consideration and approval at the AGM. For details, please refer to Appendix IV to this circular and the overseas regulatory announcement of the Company dated 26 May 2026.

VIII. THE EQUITY TRANSFER AGREEMENT AND THE PROPOSED ACQUISITION CONTEMPLATED THEREUNDER

On 2 June 2026, Dalian COSCO Energy entered into the COSCO SHIPPING Investment Dalian Equity Transfer Agreement with COSCO SHIPPING, pursuant to which, COSCO SHIPPING (as the Vendor) has agreed to dispose of, and Dalian COSCO Energy (a wholly-owned subsidiary of the Company, as the Purchaser) has agreed to acquire, the entire equity interest in COSCO SHIPPING Investment Dalian, subject to the terms and conditions thereof. In accordance with the requirements under the applicable PRC laws and regulations and pursuant to the COSCO SHIPPING Investment Dalian Equity Transfer Agreement, Dalian COSCO Energy shall be entitled to or bear the profit or loss of the equity interests to be transferred during the Transition Period.

The Equity Transfer Agreement

The principal terms of the Equity Transfer Agreement are set out below:

Date

2 June 2026

Parties

(1) COSCO SHIPPING (as transferor); and

(2) Dalian COSCO Energy (as transferee).

Subject matter

Pursuant to the Equity Transfer Agreement, COSCO SHIPPING agreed to dispose of, and Dalian COSCO Energy agreed to acquire 100% of the equity interest in COSCO

SHIPPING Investment Dalian, subject to the terms and conditions thereof. Dalian COSCO Energy shall be entitled to or bear the profit or loss of the equity interest to be transferred pursuant to the Equity Transfer Agreement during the Transition Period.

Consideration and payment terms

Pursuant to the Equity Transfer Agreement, the consideration for 100% of the equity interest in COSCO SHIPPING Investment Dalian is approximately RMB1,585 million, and all such consideration shall be payable in cash by Dalian COSCO Energy to COSCO SHIPPING by way of bank transfer within 5 working days from the effective date of the Equity Transfer Agreement.

The consideration was determined after arm's length negotiations between the parties with reference to the appraised value of COSCO SHIPPING Investment Dalian by Shanghai Orient and has reflected the current asset status of the Target Company, as well as business prospects and market environment. The independent valuation, which adopted an asset-based approach, has incorporated factors such as industry cycle adjustments and the current realizable value of the assets in arriving at the appraisal value.

According to the valuation report issued by Shanghai Orient, the appraised value of the entire shareholders' equity interest in COSCO SHIPPING Investment Dalian as at the Valuation Benchmark Date was RMB1,584.7180 million. The final transaction price shall be determined by reference to the asset appraisal value filed with and approved by the competent state-owned assets supervision authority.

The aforementioned appraisal value in respect of the equity interest in the Target Company was determined based on the asset-based approach in accordance with the PRC laws and regulations. For details, please refer to Appendix II to this circular for further details of the valuation.

As the appraisal was conducted by Shanghai Orient as at the Valuation Benchmark Date (i.e., 31 December 2025), the Directors considered that it is fair and reasonable and in the interests of the Company and the Shareholders as a whole that Dalian COSCO Energy (being the Purchaser) shall be entitled to or bear the profit or loss attributable to the Target Company during the Transition Period (being the period from the date after the Valuation Benchmark Date to the respective date of completion of the Proposed Acquisition).

The consideration will be funded by Dalian COSCO Energy, of which approximately 60% will be financed externally and approximately 40% will be funded by internal resources.

Effectiveness

The Equity Transfer Agreement shall take effect upon fulfilment of the following condition in full and approval by the general meeting of the Company: the transferee, the transferor, and the Target Company having all fulfilled the necessary internal and external approval and filing procedures in accordance with the relevant laws and regulations, regulatory rules, and articles of association.

INFORMATION ON THE PARTIES AND THE TARGET GROUP

Information on the Group

The Company is 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 Hong Kong Stock Exchange and the A Shares of which are listed on the Shanghai Stock Exchange. The Group is principally engaged in investment holding, oil shipment along the coast of the PRC and internationally, international liquefied natural gas shipment, international chemical transportation and vessel chartering.

Information on Dalian COSCO Energy

Dalian COSCO Energy is a company incorporated under the laws of the PRC with limited liability and is a wholly-owned subsidiary of the Company. It is principally engaged in liquefied gas carrier shipment along the domestic coast, international maritime dangerous goods transportation, domestic ship management business, international ship management business, and logistics warehousing and storage business.

Information on COSCO SHIPPING

COSCO SHIPPING is a state-owned enterprise and is a controlling shareholder of the Company, controlled by the State-owned Assets Supervision and Administration Commission of the State Council. COSCO SHIPPING is principally engaged in 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 and maritime engineering.

Information on the Target Group

The Target Company

COSCO SHIPPING Investment Dalian is a company incorporated under the laws of the PRC with limited liability. It is a diversified investment and asset management platform focusing on shipping-related industries, and also covers supporting businesses such as ship management business.

As at the Latest Practicable Date, COSCO SHIPPING Investment Dalian is wholly-owned by COSCO SHIPPING, with COSCO SHIPPING having contributed RMB2,737.20 million in initial paid-in capital.

Subsidiaries of the Target Company

As at the Latest Practicable Date, the Target Group comprises of (i) the Target Company, (ii) Dalian Liquefied Gas, a wholly-owned subsidiary of the Target Company, and (iii) Dalian COSCO Energy Storage, a non-wholly owned subsidiary of the Target Company.

(i) Dalian Liquefied Gas

Dalian Liquefied Gas, a wholly-owned subsidiary of the Target Company, is principally engaged in the provision of International Passenger Vessels and Dangerous Liquid Bulk Carrier. As at the Latest Practicable Date, pursuant to the Underlying Shipbuilding Contracts, Dalian Liquefied Gas maintains shipbuilding orders for four VLGCs which are currently under construction, of which two are expected to be delivered and put into operation in 2026, and the remaining two are expected to be delivered and put

into operation in 2027. For further details, please refer to the section headed "*THE UNDERLYING SHIPBUILDING CONTRACTS*" in this Letter from the Board.

(ii) Dalian COSCO Energy Storage

Dalian COSCO Energy Storage, on the other hand, is a 60%-controlled subsidiary of the Target Company which is principally engaged in bonded warehouse operation, export supervision warehouse operation, cargo transportation, general cargo warehousing, loading and unloading, and other related businesses.

Meanwhile, COSCO SHIPPING Investment Dalian also invested in the construction of a third-party hazardous chemical warehousing and logistics park in Changxing Island, Dalian, which is the largest in-scale and has one of the highest level of intelligence in Northeast China. Phase I of the project has been put into operation, and the engineering construction of Phase II has been fundamentally completed by the end of 2025, and is expected to be put into operation after completing relevant acceptance and approval procedures in 2026.

Upon completion of equity transfer under the Equity Transfer Agreement, the Company will come to hold 100% equity interest in COSCO SHIPPING Investment Dalian through Dalian COSCO Energy and therefore COSCO SHIPPING Investment Dalian will become an indirect wholly-owned subsidiary of the Company. By virtue of the Proposed Acquisition, the Company will, through the Target Company, consolidate control of the remaining members of the Target Group (i.e. Dalian Liquefied Gas and Dalian COSCO Energy Storage), along with the Vessels upon their respective delivery. Subsequent to completion of the Proposed Acquisition, Dalian COSCO Energy will merge with the Target Company and all assets and liabilities of the Target Company will be absorbed into that of Dalian COSCO Energy.

Financial Information of the Target Group

Based on the financial statements of COSCO SHIPPING Investment Dalian prepared in accordance with the China Accounting Standards for Business Enterprises, the financial information of COSCO SHIPPING Investment Dalian for the two years ended 31 December 2025 (on a consolidated basis) was as follows:

	For the year ended 31 December	
	2024	**2025**
	(audited)	(audited)
	(RMB)	*(RMB)*
Profit before taxation	12.6869 million	0.1957 million
Profit/(loss) after taxation	(5.5839million)	7.2223 million

According to the consolidated financial statements of COSCO SHIPPING Investment Dalian for the year ended 31 December 2025, the audited total assets and total net assets of COSCO SHIPPING Investment Dalian as at 31 December 2025 was RMB1,937.7052 million and RMB1,579.8093 million, respectively.

According to the valuation report issued by Shanghai Orient, the appraised value of the shareholders' equity interest in COSCO SHIPPING Investment Dalian as at the Valuation Benchmark Date (being 31 December 2025) was RMB1,584.7180 million, which was determined based on the asset-based approach in accordance with the relevant PRC laws and regulations.

THE UNDERLYING SHIPBUILDING CONTRACTS

The principal terms of the Underlying Shipbuilding Contracts for the four Vessels are set out below:

Date

31 December 2024

Parties

(1) Dalian Liquefied Gas (as the buyer); and

(2) Qidong COSCO SHIPPING (as the builder and seller).

Subject matter

Pursuant to the Underlying Shipbuilding Contracts, Qidong COSCO SHIPPING has agreed to build, equip, launch and complete at the shipyard, and to sell and deliver to Dalian Liquefied Gas, and Dalian Liquefied Gas has agreed to purchase and take delivery of the VLGCs.

The Vessels

The Vessels are four VLGCs with guaranteed cargo capacity of not less than 88,000 cubic metres and deadweight of approximately 55,000 metric tons at design draught each. As at the Latest Practicable Date, the Vessels remain under-construction.

Consideration and payment terms

Pursuant to the Underlying Shipbuilding Contracts, the respective consideration for the Vessels is US$112.00 million, US$112.00 million, US$116.00 million and US$116.00 million, and the aggregate consideration approximately US$456.00 million (equivalent to approximately RMB3,208,921,400).

The consideration (being the vessel price of each of the Vessels) is payable by Dalian Liquefied Gas to Qidong COSCO SHIPPING in five (5) instalments of 5%, 25%, 5%, 5% and 60%, respectively based on the shipbuilding progress.

As at 31 December 2025, Dalian Liquefied Gas has settled a total sum of RMB560,871,120 under the Underlying Shipbuilding Contracts. As at the Latest Practicable Date, Dalian Liquefied Gas has settled a total sum of RMB640,266,240 under the Underlying Shipbuilding Contracts, and RMB2,568,655,160 remains to be paid based on the shipbuilding progress.

The total sum under the Underlying Shipbuilding Contracts settled as of the Latest Practicable Date comprise of (i) RMB557 million, which correspond to the first three payment instalments for the two Vessels each with a consideration of US$112.00 million and which are scheduled for delivery in 2026; and (ii) RMB83 million, which correspond to the first payment instalment for the two Vessels each with a consideration of US$116.00 million and which are scheduled for delivery in 2027.

The consideration for each Vessel may be adjusted based on (i) the construction elements of the relevant Vessel, being its speed, deadweight tonnage and fuel consumption rate, (for the speed

and deadweight tonnage) falling below or (for fuel consumption rate) exceeding certain agreed benchmarks as stipulated in the Underlying Shipbuilding Contract(s); or (ii) the delay in delivery of the relevant Vessel exceeding certain agreed time limits as stipulated in the Underlying Shipbuilding Contract(s). The above adjustments shall be made together with the fifth instalment payment. The consideration for each Vessel is not subject to any upward adjustment mechanism pursuant to the Underlying Shipbuilding Contracts.

Each of the Underlying Shipbuilding Contracts provides that there will be no adjustment in the price of the relevant Vessels if the delivery is delayed for a period not exceeding 60 days ("**Grace Period**"). Under the Underlying Shipbuilding Contracts, delay will be permitted on account of force majeure events.

If the delay exceeds the Grace Period but does not exceed 240 days (being the number of days including the Grace Period but excluding the days allowed for delay under force majeure events therein prescribed under the Underlying Shipbuilding Contracts) ("**240 Prescribed Days**") or 270 days (being the number of days including the Grace Period and the days allowed for delay under force majeure events together with any other days which are not allowed for delay therein prescribed under the Underlying Shipbuilding Contracts) ("**270 Prescribed Days**") respectively, there will be a reduction in the price of the relevant Vessels determined on the basis of the extent of the delay. For the avoidance of doubt, the said reduction in the price will be calculated based on a reduction rate of US$16,000 per day, subject to a maximum aggregate amount of reduction of US$2,880,000 in respect of each Vessel.

If the delay exceeds 240 Prescribed Days or 270 Prescribed Days respectively, unless the parties agree otherwise, Dalian Liquefied Gas (as the buyer) has the right to refuse to accept delivery of the relevant Vessels in which case all payments paid under the Underlying Shipbuilding Contracts together with interests will be refunded to Dalian Liquefied Gas.

There will be other downward adjustments in price of the relevant Vessels if their performance (such as speed, deadweight tonnage, fuel consumption rate) does not satisfy certain agreed benchmarks (as the case may be). However, should the relevant performance exceed or fall below certain agreed benchmark, Dalian Liquefied Gas (as the buyer) has the right to refuse delivery of the relevant Vessels or accept the relevant Vessels with a reduced contract price. The maximum aggregate amount of reduction in the price in relation to speed, deadweight tonnage and fuel consumption rate is US$560,000, US$1,000,000 and US$500,000, respectively for each of the relevant Vessels.

The consideration for the Vessels was determined after arm's length negotiations between Dalian Liquefied Gas and Qidong COSCO SHIPPING with reference to the market price for the construction of the same specifications of the Vessels by two (2) independent ship builders in the market and Qidong COSCO SHIPPING respectively, the final quotation from Qidong COSCO SHIPPING was considered to be more favourable than the two (2) other quotations from the independent ship builders.

In the course of negotiating the consideration for the Vessels, to reach the final terms of the Underlying Shipbuilding Contracts, the Company has been informed by Dalian Liquefied Gas that it had sent enquiries to a number of shipyards in the PRC, selected the target shipyard based on respective shipbuilding capacity, dock availability, delivery date, price and other factors of the shipyards with feedback offers, and conducted several rounds of negotiation with the target shipyard in respect of the technical and commercial aspects.

The remaining consideration for the Vessels which are payable by Dalian Liquefied Gas pursuant to the Underlying Shipbuilding Contracts are expected to be funded by internal financial resources of Dalian Liquefied Gas (40%) and external financing (60%).

Having considered the following factors, the Board was of the view that the terms of the Underlying Shipbuilding Contracts remain fair and reasonable as at the time of the Proposed Acquisition, and that the terms of the Underlying Shipbuilding Contracts are in the interests of the Company and its Shareholders as a whole:

(i) While Dalian Liquefied Gas had conducted price comparison of shipbuilding prices at or around the time when the Underlying Shipbuilding Contracts were entered into, the Board has also conducted their own assessment prior to entering into the Equity Transfer Agreement by making reference to the prevailing market prices for the construction of the same specifications of the Vessels quoted by other independent third party shipbuilders in the market. Clarksons, a research arm of Clarkson PLC which focuses primarily on the collection, validation, analysis and management of data in regards to the merchant shipping and offshore markets, with its reports widely cited in the shipping industry, stated that during the period from November 2024 up to the Latest Practicable Date, the order prices of each comparable vessel (a total of thirteen (13)) were reportedly in the range of US$113 to US$121 million, which were higher than that of the Vessels ordered by Dalian Liquefied Gas.

(ii) Apart from the pricing for the construction of the Vessels as discussed above, the Board has also considered the key terms offered under the Underlying Shipbuilding Contracts, including without limitation, the delivery schedule of the Vessels. Given the specifications and shipbuilding capacity designated for the Vessels, the Company is of the view that the delivery schedule offered by Qidong COSCO SHIPPING (in 2026 and 2027) was more favourable than the terms offered by other independent third party shipyards in the PRC (including a delivery schedule which is later than 2026 and 2027).

(iii) Upon completion of the acquisition of the Target Group, the Company envisages to pay for the Vessels in installments based on the construction progress from internal resources and external finance of the Group. The overall asset and liability structure of the Group is expected to remain solid, with sufficient operating working capital and financing and exchange rates risks within control. Since the delivery and operation of the four Vessels is expected to further expand the LPG fleet of the Group, which will in turn further enhance its competitiveness in the LPG and hydrogen-based green energy sub-markets, it is expected that the overall profitability of the Group will be improved, while also consolidating the integrated logistics service system encompassing oil, gas, chemicals, and storage, all of which are in the interests of the Company and its Shareholders as a whole.

Delivery

As at the Latest Practicable Date, the Vessels are under construction. Amongst the four Vessels, two are expected to be delivered and put into operation in 2026, and the remaining two are expected to be delivered and put into operation in 2027.

Modifications

During the construction of the Vessels, Dalian Liquefied Gas (as the buyer) shall be entitled to make reasonable requests for changes to the specifications of the Vessels to Qidong COSCO SHIPPING. Dalian Liquefied Gas shall provide sufficient documentation and describe the changes requested in detail, provided that the shipbuilding plan and other commitments of Qidong COSCO SHIPPING may reasonably be adjusted according to the changes.

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

1. Implementing SOE reforms, deepening the integration of the energy supply chain

Since 2024, the Company has gradually integrated the equity interest and assets related to the energy and chemical logistics supply chain of COSCO SHIPPING Group through the "acquisition + entrustment" model. Among which, pursuant to an entrustment management agreement, COSCO SHIPPING Investment Dalian has been entrusted to the Company for administration. The Proposed Acquisition aims to integrate high-quality assets and businesses into the Company, including the VLGCs under construction and the warehousing and logistics park of COSCO SHIPPING Investment Dalian, so as to achieve the objective to integrate energy and chemical transportation resources, consolidate the Company's diversified business structure of oil, gas, chemical, and warehousing, and solidify the foundation for the high-quality development of the Company.

2. Realizing unified operation and development of liquefied petroleum gas (LPG) and hydrogen-based green energy businesses, enhancing synergy

The Proposed Acquisition intends to consolidate COSCO SHIPPING Investment Dalian into the Company. Dalian COSCO Energy (a specialized company under the Company which is engaged in the transportation of chemicals such as LPG and integrated logistics business of hydrogen-based green energy) will acquire 100% equity interest in COSCO SHIPPING Investment Dalian and implement unified operation and management after the absorption and merger. This will help enhance the profitability of Dalian COSCO Energy and strengthen the market competitiveness of the Company in the LPG and hydrogen-based green energy business segments.

Since the delivery and operation of the four Vessels is expected to further expand the LPG fleet of the Group, which will in turn further enhance the Group's competitiveness in the LPG and hydrogen-based green energy sub-markets, it is expected that the overall profitability of the Group will be improved, while also consolidating the integrated logistics service system encompassing oil, gas, chemicals, and storage, all of which are in the interests of the Company and its Shareholders as a whole.

3. Fulfilling the commitment to avoid business competition, improving governance standards

The Proposed Acquisition will inject high-quality assets and businesses, such as the Vessels under construction and the warehousing and logistics park of COSCO SHIPPING Investment Dalian, into the Group, thereby fulfilling the commitment to avoid business competition made at the beginning of the integration project, and enhancing the standardization and transparency of corporate governance.

Despite the above advantages in relation to the Proposed Acquisition, the Company anticipates that, following the delivery of the Vessels under the Underlying Shipbuilding Contracts, the Group's fixed assets will increase while current assets will decrease and long term liabilities will increase depending on the proportion of the contract price for the Vessels which are to be funded from internal resources and external finance. Despite the aforesaid drawback to the indirect consolidation of the Vessels by virtue of the Proposed Acquisition, the Company is of the view that there are no other disadvantages arising from the Proposed Acquisition.

The terms of the Equity Transfer Agreement are determined by the parties after arm's length negotiation. The Board (excluding the independent non-executive Directors) are of the view that while the Proposed Acquisition is not conducted in the ordinary and usual course of business of the Group, it is on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Board also acknowledges that there are very limited target companies that are comparable with the Target Group; and even fewer equity transfer transactions in recent years which carry similar industry characteristics and business model.

IMPLICATIONS UNDER THE LISTING RULES

As at the Latest Practicable Date, 1,026,369,981 A Shares are directly held by COSCO SHIPPING and 1,536,924,595 A Shares are held by China Shipping (a wholly-owned subsidiary of COSCO SHIPPING). Therefore, COSCO SHIPPING and its associates are entitled to exercise control over the voting rights in respect of 2,563,294,576 A Shares, representing approximately 46.90% of the total issued share capital of the Company. Accordingly, COSCO SHIPPING is a controlling shareholder of the Company and therefore a connected person of the Company. Accordingly, the Proposed Acquisition will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, the Previous Acquisition and the Proposed Acquisition were entered into by the Group with parties who are connected with one another and therefore, the Previous Acquisition and the Proposed Acquisition should be aggregated. As it is expected that one or more applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Proposed Acquisition (upon aggregation with the Previous Acquisition) will exceed 5% but are all less than 25%, the Proposed Acquisition constitutes a discloseable and connected transaction of the Company and is subject to the notification and announcement requirements under Chapter 14, as well as the announcement, Independent Shareholders' approval, circular and annual reporting requirements under Chapter 14A of the Listing Rules.

At the AGM convened for the purpose of, among others, considering, and if thought fit, approving the Equity Transfer Agreement and the Proposed Acquisition contemplated thereunder. COSCO SHIPPING and its associates are required to abstain from voting on the relevant resolution(s) related to the Equity Transfer Agreement and the Proposed Acquisition contemplated thereunder at such AGM. For further details, please refer to the section headed "*IX. AGM*" of this Letter from the Board.

DIRECTORS' CONFIRMATION

As Mr. REN Yongqiang, Mr. ZHU Maijin, Mr. WANG Shuqing, Mr. WANG Wei and Ms. ZHOU Chongyi hold positions in COSCO SHIPPING and/or its subsidiaries other than the Group, therefore, Mr. REN Yongqiang, Mr. ZHU Maijin, Mr. WANG Shuqing, Mr. WANG Wei and Ms. ZHOU Chongyi have abstained from voting in respect of the approval of the Board resolution(s) relevant to the Proposed Acquisition. Save as disclosed above, no other Directors have material interests in the Proposed Acquisition and therefore no other Directors have abstained from voting in respect of the relevant Board resolution(s).

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee (comprising all the independent non-executive Directors) has been formed under Chapter 14A of the Listing Rules to advise the Independent Shareholders as to whether the terms in respect of (i) the Equity Transfer Agreement and the transactions contemplated thereunder, and (ii) the Underlying Shipbuilding Contracts and the transactions contemplated thereunder, are fair and reasonable, on normal commercial terms, and whether they are in the interests of the Company and its Shareholders as a whole despite that they not in the ordinary and usual course of business of the Group.

The Independent Financial Adviser has been appointed to advise and make recommendation to the Independent Board Committee and the Independent Shareholders as to whether the terms in respect (i) the Equity Transfer Agreement and the transactions contemplated thereunder, and (ii) the Underlying Shipbuilding Contracts and the transactions contemplated thereunder, are fair and reasonable, on normal commercial terms, and whether they are in the interests of the Company and its Shareholders as a whole in accordance with Rule 14A.40 of the Listing Rules despite that such aforesaid transactions are not in the ordinary and usual course of business of the Group.

CONTINUING CONNECTED TRANSACTIONS PURSUANT TO RULE 14A.60(1) OF THE LISTING RULES

It is expected that, following completion of the Equity Transfer Agreement, the Company (through its directly wholly-owned subsidiary) will hold 100% equity interest in COSCO SHIPPING Investment Dalian and accordingly, COSCO SHIPPING Investment Dalian and its subsidiaries will respectively become a subsidiary of the Company.

Prior to completion, COSCO SHIPPING Investment Dalian and its non-wholly owned subsidiary Dalian COSCO Energy Storage entered into the Existing Agreements with fixed periods and fixed terms based on actual operational needs with the respective Parties to the Existing Agreements (all of which are subsidiaries and/or associates of COSCO SHIPPING). Pursuant to Chapter 14A of the Listing Rules, it is expected that the Existing Agreements will constitute continuing connected transactions of the Group upon completion.

Pursuant to Rule 14A.60(1) of the Listing Rules, the Company is required to comply with the annual review and disclosure requirements under Chapter 14A of the Listing Rules, including the publication of an announcement and annual reporting in respect of the continuing connected transactions under the Existing Agreements. The Company will further comply with all applicable reporting, disclosure and, if applicable, Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules upon any variation or renewal of the Existing Agreements.

The Board confirms that none of the Directors was deemed to have any material interest in the transactions contemplated under the Existing Agreements.

The principal terms of the Existing Agreements are set out below:

No.	Name of the Agreement	Date of the Agreement	Parties to the Agreement	Term of the Agreement	Scope of the Agreement	Total fees during the term of the Agreement *(RMB)*
1	Office lease agreement	25 June 2025	COSCO SHIPPING Investment Dalian (as lessor); China Shipping & Sinopec Suppliers Co., Ltd., Liaoning Branch (as lessee)	From 1 July 2025 to 30 June 2028	COSCO SHIPPING Investment Dalian has agreed to provide leasing services to China Shipping & Sinopec Suppliers Co., Ltd., Liaoning Branch* (中石化中海船舶燃料供應有限公司遼寧分公司) in respect of Rooms 1801, 1802, 1803, 1805, 1806, and 1807, Unit 1, 18th Floor, Block B, Dalian COSCO SHIPPING Mansion, No. 11 Yuguang Street, Zhongshan District, Dalian (involving a rental area of 1,320.6 m^2). The lessee shall pay the lessor on a quarterly basis.	Rent: RMB72/month/m^2 (inclusive of tax, exclusive of property management fees). As at the Latest Practicable Date, the rental income expected to be recorded in 2026 is approximately RMB1,141,000.
2	Office lease agreement	15 October 2021	COSCO SHIPPING Investment Dalian (as lessor); Shanghai COSCO SHIPPING Lines Service Centre Ltd. (as lessee)	From 1 October 2022 to 30 September 2027	COSCO SHIPPING Investment Dalian has agreed to provide leasing services to Shanghai COSCO SHIPPING Lines Service Centre Ltd.* (上海中遠海運集裝箱運輸信息服務有限公司) in respect of the entire 19th floor office space, Block B, Dalian COSCO SHIPPING Mansion, No. 11 Yuguang Street, Zhongshan District, Dalian (involving a rental area of 1,302.51 m^2). The lessee shall pay the lessor on a quarterly basis.	Rent: RMB2.40/day/m^2. Renovation and modification costs are amortized over a five-year period at RMB77,748.32 per quarter. As at the Latest Practicable Date, the rental income (including additional rent for renovation) expected to be recorded in 2026 is approximately RMB1,452,000.
3	Office lease agreement	31 January 2022	COSCO SHIPPING Investment Dalian (as lessor); COSCO SHIPPING Lines (Dalian) Co., Ltd. (as lessee)	From 1 December 2022 to 30 November 2027	COSCO SHIPPING Investment Dalian has agreed to provide leasing services to COSCO SHIPPING Lines (Dalian) Co., Ltd.* (大連中遠海運集裝箱運輸有限公司) in respect of the entire 22nd floor office space, Block B, Dalian COSCO SHIPPING Mansion, No. 11 Yuguang Street, Zhongshan District, Dalian (involving a rental area of 1,302.51 m^2). The lessee shall pay the lessor on a quarterly basis.	Rent: RMB3.1/day/m^2. As at the Latest Practicable Date, the rental income expected to be recorded in 2026 is approximately RMB1,473,800.

No.	Name of the Agreement	Date of the Agreement	Parties to the Agreement	Term of the Agreement	Scope of the Agreement	Total fees during the term of the Agreement *(RMB)*
4	Office lease agreement	24 December 2025	COSCO SHIPPING Investment Dalian (as lessor); COSCO SHIPPING (Dalian) Electronic Technology Co., Ltd. (as lessee)	From 1 January 2026 to 31 December 2026	COSCO SHIPPING Investment Dalian has agreed to provide leasing services to COSCO SHIPPING (Dalian) Electronic Technology Co., Ltd. * (大連中遠海運電子科技有限公司) in respect of office units 2101, 2102, and 2103, 21st Floor, Block B, Dalian COSCO SHIPPING Mansion, No. 11 Yuguang Street, Zhongshan District, Dalian (involving a rental area of 572.59 m^2). The lessee shall pay the lessor on a quarterly basis.	Rent: RMB72/month/m^2 (inclusive of tax, exclusive of property management fees). As at the Latest Practicable Date, the rental income expected to be recorded in 2026 is approximately RMB494,700.
5	Office lease agreement	24 December 2025	COSCO SHIPPING Investment Dalian (as lessor); COSCO SHIPPING Ferry Co., Ltd. (as lessee)	From 1 January 2026 to 31 December 2030	COSCO SHIPPING Investment Dalian has agreed to provide leasing services to COSCO SHIPPING Ferry Co., Ltd.* (中遠海運客運有限公司) in respect of Archive Room No. 10, 24th Floor, Block B, Dalian COSCO SHIPPING Mansion, No. 11 Yuguang Street, Zhongshan District, Dalian (involving a rental area of 130.63 m^2). The lessee shall pay the lessor on a quarterly basis.	Rent: RMB96/month/m^2 (inclusive of tax, property management fees). As at the Latest Practicable Date, the rental income expected to be recorded in 2026 is approximately RMB150,500.
6	Logistics service agreement (Warehousing)	8 September 2025	Dalian COSCO Energy Storage (as provider of the warehousing services); COSCO Logistics (Nanjing) Co., Ltd. (as cargo owner)	From 10 September 2025 to 9 September 2026	Dalian COSCO Energy Storage has agreed to provide warehousing services for specific cargoes to COSCO SHIPPING Logistics (Nanjing) Co., Ltd.* (南京中遠海運物流有限公司). The service fees are determined under the below specific bases, after arm's length negotiation between the parties with reference to benchmark prices of other logistics companies contracted by the cargo owner: (1) Basic storage fee RMB2.00 per – ton per day; (2) Inbound/outbound warehouse service fee – RMB32 per ton; and (3) Container handling fee – RMB200.00 per 20 general purpose container ("**GP**") or RMB400.00 per 40GP.	As at the Latest Practicable Date, no amount has been incurred, and the transaction volume (in dollar terms) of the logistics service agreement (warehousing) is capped at RMB82,700 during the term of such agreement.

No.	Name of the Agreement	Date of the Agreement	Parties to the Agreement	Term of the Agreement	Scope of the Agreement	Total fees during the term of the Agreement *(RMB)*
7	Comprehensive logistics service Contract	26 September 2025	Dalian COSCO Energy Storage (as recipient of combined transport services); Dalian COSCO SHIPPING Logistics Supply Chain Co., Ltd. (as provider of combined transport services)	From 28 September 2025 to 27 September 2026	Dalian COSCO SHIPPING Logistics Supply Chain Co., Ltd.* (大連中遠海運物流供應鏈有限公司) has agreed to provide intermodal transport services for specific cargoes to Dalian COSCO Energy Storage. The service fees payable are determined under the below specific bases, after arm's length negotiation between the parties with reference to the prices quoted on normal commercial terms by other providers of similar services to independent third parties: (1) Land transportation fee – RMB900 per 40GP per transit (Qingdao Port), RMB150 per 40GP per transit (Dalian Port); and (2) Port handling package fee – RMB150 per 40GP	As at the Latest Practicable Date, no amount has been incurred, and the transaction volume (in dollar terms) of the comprehensive logistics service contract is capped at RMB17,000 during the term of such agreement.
8	Internet access service agreement	3 August 2023	Dalian COSCO Energy Storage (as recipient of Internet services); China Shipping Telecommunications Co., Ltd., Dalian Branch (as provider of Internet access services)	From 4 August 2025 to 3 August 2026	China Shipping Telecommunications Co., Ltd., Dalian Branch* (中海電信有限公司大連分公司) has agreed to provide Internet access services to Dalian COSCO Energy Storage.	The monthly rental service fee for Internet access services is RMB1,400/month. As at the Latest Practicable Date, the rental expenses expected to be recorded in 2026 is RMB16,800.

Further details regarding the Existing Agreements, including the principal terms of the Existing Agreements, have been set out in the section headed "*Continuing Connected Transactions Pursuant to Rule 14A.60(1) of the Listing Rules*" in the Announcement dated 27 April 2026.

IX. AGM

The AGM will be held at 3rd Floor, Ocean Hotel, No. 1171 Dongdaming Road, Hongkou District, Shanghai, the People's Republic of China on Friday, 26 June 2026 at 2:00 p.m. for the purpose of considering, and if thought fit, approving among others (i) the proposed distribution of final dividend, (ii) the proposed authorisation to the Board to decide the 2026 interim profit distribution plan, (iii) the Issuance Mandate, (iv) the re-appointment of auditor of the Company for the year ending 31 December 2026, (v) the Equity Transfer Agreement and the Proposed Acquisition contemplated thereunder, (vi) the proposed appointment of Mr. LI Kin Fai, Mr. CHEN Gang and Ms. CHENG Yan as independent non-executive Directors and (vii) the proposed formulation of the Measures of Remuneration Management of Directors and Senior Management of the Company. A notice of the AGM is set out on pages AGM-1 to AGM-3 of this circular.

A form of proxy for use at the AGM is enclosed. Whether or not you intend to attend the AGM, you are requested to complete and return the enclosed form of proxy (for use at the AGM) in accordance with the instructions printed thereon to the H Share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in case of H Shareholders) or the office of the Board of Directors of the Company at 7th Floor, 670 Dongdaming Road, Hongkou District, Shanghai, the PRC (in case of A Shareholders) as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the AGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or at any adjournment thereof should you so wish.

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

In accordance with the Listing Rules, any Shareholder who has a material interest in the Equity Transfer Agreement and the transactions contemplated thereunder shall abstain from voting on the corresponding resolution(s) at the AGM. As at the Latest Practicable Date, 1,026,369,981 A Shares were directly held by COSCO SHIPPING and 1,536,924,595 A Shares were held by China Shipping (a wholly-owned subsidiary of COSCO SHIPPING). Therefore, COSCO SHIPPING and its associates are entitled to exercise control over the voting rights in respect of 2,563,294,576 A Shares, representing approximately 46.90% of the total issued share capital of the Company. Accordingly, COSCO SHIPPING, China Shipping and their respective associates and persons participating in or interested in the Equity Transfer Agreement are required to abstain from voting on the corresponding resolution(s) (being the ordinary resolutions numbered 8 and 9) to be proposed at the AGM. Save for the aforesaid, to the best of the Directors' knowledge, information and belief, as at the Latest Practicable Date, no other Shareholder has a material interest in the Equity Transfer Agreement and the transactions contemplated thereunder and is required to abstain from voting on the relevant resolutions at the AGM.

X. CLOSURE OF REGISTER OF MEMBERS

For determining the H Shareholders who are entitled to attend and vote at the AGM, the H share register of members of the Company will be closed from Tuesday, 23 June 2026 to Friday, 26 June 2026, both days inclusive, during which period no transfer of the H Shares will be effected. The H Shareholders whose names appear in the register of members of the Company on Friday, 26 June 2026 are entitled to

attend and vote at the AGM. In order to qualify for the entitlement to attend and vote at the AGM, 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 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 22 June 2026.

XI. RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the resolutions to approve, among other things, the proposed distribution of final dividend, the proposed authorisation to the Board to decide the 2026 interim profit distribution plan, the Issuance Mandate and the re-appointment of auditor of the Company for the year ending 31 December 2026, are in the interests of the Company and the Shareholders as a whole and, accordingly, recommend the Shareholders to approve such relevant resolutions resolutions to be proposed at the AGM.

Your attention is drawn to the letter from the Independent Board Committee set out on pages 30 to 31 of this circular and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 32 to 48 of this circular in connection with the Equity Transfer Agreement and the Proposed Acquisition contemplated thereunder, and the principal factors and reasons considered by the Independent Financial Adviser in arriving at such advice.

The Independent Board Committee, having considered the terms of (i) the Equity Transfer Agreement and the transactions contemplated thereunder, and (ii) the Underlying Shipbuilding Contracts and the transactions contemplated thereunder, and the advice of the Independent Financial Adviser, are of the opinion that the Equity Transfer Agreement is not in the ordinary and usual course of business of the Group, the Equity Transfer Agreement, the Underlying Shipbuilding Contracts and the transactions contemplated thereunder are entered into on normal commercial terms or better and is fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the corresponding resolutions to approve the Equity Transfer Agreement and the transactions contemplated thereunder.

Based on the information as set out in this circular, the Directors (excluding the independent non-executive Directors) consider that the terms of (i) the Equity Transfer Agreement and the transactions contemplated thereunder, and (ii) the Underlying Shipbuilding Contracts and the transactions contemplated thereunder are fair and reasonable, and in the interests of the Company and its Shareholders as a whole, and recommend the Independent Shareholders to approve the relevant resolution to be proposed at the AGM.

XII. ADDITIONAL INFORMATION

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

By order of the Board
COSCO SHIPPING Energy Transportation Co., Ltd.
REN Yongqiang
Chairman

COSCO SHIPPING ENERGY TRANSPORTATION CO., LTD.*
中遠海運能源運輸股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1138)

3 June 2026

To the Independent Shareholders

Dear Sir or Madam,

(1) DISCLOSEABLE AND CONNECTED TRANSACTION – ACQUISITION OF THE ENTIRE EQUITY INTEREST IN THE TARGET COMPANY; AND (2) NOTICE OF ANNUAL GENERAL MEETING

We refer to the circular of the Company dated 3 June 2026 (the "**Circular**") in relation to, among other things, the Equity Transfer Agreement and the Proposed Acquisition contemplated thereunder, 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 Equity Transfer Agreement and the transactions contemplated thereunder, and (ii) the Underlying Shipbuilding Contracts and the transactions contemplated thereunder are entered into on normal commercial terms or better, is fair and reasonable, in the ordinary and usual course of business and in the interests of the Company and the Shareholders as a whole.

* *For identification purposes only*

Having considered the terms of (i) the Equity Transfer Agreement and the transactions contemplated thereunder, and (ii) the Underlying Shipbuilding Contracts and the transactions contemplated thereunder and the advice of the Independent Financial Adviser, despite the entering into the Equity Transfer Agreement and the transactions contemplated thereunder are not in the ordinary and usual course of business of the Group, the Independent Board Committee is of the opinion that (i) the Equity Transfer Agreement and the transactions contemplated thereunder, and (ii) the Underlying Shipbuilding Contracts and the transactions contemplated thereunder are entered into on normal commercial terms or better, is 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 favor of the relevant resolutions to be proposed at the AGM to approve the Equity Transfer Agreement and the transactions contemplated thereunder.

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

Mr. Victor HUANG	**Mr. LI Runsheng**	**Mr. ZHAO Jinsong**	**Mr. WANG Zuwen**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*	*Independent non-executive Director*

The following is the letter of advice from the Independent Financial Adviser, Messis Capital Limited, to the Independent Board Committee and the Independent Shareholders in relation to the terms of the COSCO SHIPPING Investment Dalian Equity Transfer Agreement which has been prepared for the purpose of inclusion in this circular.

MESSIS 大有融資

3 June 2026

To: The Independent Board Committee and the Independent Shareholders of COSCO Shipping Energy Transportation Co., Ltd.

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF THE ENTIRE EQUITY INTEREST IN THE TARGET COMPANY PURSUANT TO THE COSCO SHIPPING INVESTMENT DALIAN EQUITY TRANSFER AGREEMENT

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 COSCO SHIPPING Investment Dalian Equity Transfer Agreement and the transactions contemplated thereunder. Details of the COSCO SHIPPING Investment Dalian Equity Transfer Agreement are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company to the Shareholders dated 3 June 2026 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

With reference to the announcement of the Company dated 27 April 2026, COSCO SHIPPING (as the Vendor) has agreed to dispose of, and Dalian COSCO Energy (a wholly-owned subsidiary of the Company, as the Purchaser) has agreed to acquire, the entire equity interests in COSCO SHIPPING Investment Dalian pursuant to the COSCO SHIPPING Investment Dalian Equity Transfer Agreement, the principal terms of which are set out in the Letter from the Board.

As at the Latest Practicable Date, 1,026,369,981 A Shares are directly held by COSCO SHIPPING and 1,536,924,595 A Shares are held by China Shipping Group Company Limited (a wholly-owned subsidiary of COSCO SHIPPING). Therefore, COSCO SHIPPING and its associates are entitled to exercise control over the voting rights in respect of 2,563,294,576 A Shares, representing approximately 46.90% of the total issued share capital of the Company. Accordingly, COSCO SHIPPING is a controlling shareholder of the Company and therefore a connected person of the Company. Accordingly, it is expected that the Proposed Acquisition will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

With reference to the announcement of the Company dated 28 October 2025, COSCO SHIPPING Investment Dalian (being the Target Company in the Proposed Acquisition and the vendor in the Previous Acquisition) has agreed to dispose of, and Dalian COSCO Energy (a wholly-owned subsidiary of the Company, being the purchaser in both the Proposed Acquisition and the Previous Acquisition) has agreed to acquire, the entire equity interests in Shanghai Liquefied Gas. Pursuant to Rule 14A.81 of the Listing Rules, the Previous Acquisition and the Proposed Acquisition were entered into by the Group with parties who are connected with one another and therefore, the Previous Acquisition and the Proposed Acquisition should be aggregated.

With reference to the Letter from the Board, as it is expected that one or more applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Proposed Acquisition (upon aggregation with the Previous Acquisition) will exceed 5% but are all less than 25%, the Proposed Acquisition constitutes a discloseable and connected transaction of the Company and is subject to the notification and announcement requirements under Chapter 14, as well as the announcement, Independent Shareholders' approval, circular and annual reporting requirements under Chapter 14A of the Listing Rules.

Save for COSCO SHIPPING and its associates, being controlling shareholders of the Company and are regarded as having material interest in the Proposed Acquisition, no Shareholders will be required to abstain from voting on the resolution(s) approving the Proposed Acquisition. As Mr. Ren Yongqiang, Mr. Zhu Maijin, Mr. Wang Shuqing, Mr. Wang Wei and Ms. Zhou Chongyi hold positions in COSCO SHIPPING and/or its subsidiaries other than the Group, therefore, Mr. Ren Yongqiang, Mr. Zhu Maijin, Mr. Wang Shuqing, Mr. Wang Wei and Ms. Zhou Chongyi have abstained from voting in respect of the approval of the Board resolutions relevant to the Proposed Acquisition. Save as disclosed above, no other Directors have material interests in the Proposed Acquisition and therefore no other Directors have abstained from voting in respect of the relevant Board resolutions.

The Independent Board Committee, comprising all four independent non-executive Directors, namely Mr. Victor Huang, Mr. Li Runsheng, Mr. Zhao Jinsong and Mr. Wang Zuwen, has been established to consider and make a recommendation to the Independent Shareholders on whether the Proposed Acquisition is fair and reasonable, and is in the interests of the Company and the Shareholders as a whole. We, Messis Capital Limited, have been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

Messis Capital Limited is not connected with the Directors or substantial shareholders of the Company or any of their respective associates and therefore is considered suitable to give independent advice to the Independent Board Committee and the Independent Shareholders. In the past two years, there was no engagement between the Company and us. Apart from normal professional fees payable to us in connection with this appointment of us as independent financial adviser, no arrangement exists whereby Messis Capital Limited will receive any fees or benefits from the Company or the Directors or substantial shareholders of the Company or any of their respective associates. We are independent under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in connection with the Proposed Acquisition.

BASIS OF OUR OPINION

In formulating our opinions and recommendations, we have reviewed, inter alia, (i) the COSCO SHIPPING Investment Dalian Equity Transfer Agreement; (ii) the announcement of the Company dated 27 April 2026 in relation to the Proposed Acquisition; (iii) the Valuation Report; and (iv) the annual report of the Company for the year ended 31 December 2025. We have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the Company, the Directors and the management of the Company. We have assumed that all information, representations and opinions contained or referred to in the Circular and all information and representations which have been provided by the Company, the Directors and the management of the Company for which they are solely and wholly responsible, are true and accurate at the time they were made and will continue to be accurate as at the Latest Practicable Date. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the management of the Company.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the 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 document misleading.

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any material facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Company, the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs of the Group and any parties in relation to the COSCO SHIPPING Investment Dalian Equity Transfer Agreement.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the COSCO SHIPPING Investment Dalian Equity Transfer Agreement and the Proposed Acquisition. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendations to the Independent Board Committee and the Independent Shareholders, we have considered the following principal factors and reasons:

1. Information on the Group

The Company is 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 Hong Kong Stock Exchange and the A Shares of which are listed on the Shanghai Stock Exchange. The Group is principally engaged in investment holding, oil shipment along the coast of the PRC and internationally, international liquefied natural gas shipment, international chemical transportation and vessel chartering.

The tables below set forth a summary of the consolidated financial information of the Company for the year ended 31 December 2025 ("**FY2025**") and 2024 ("**FY2024**") respectively as extracted from the annual report for the year ended 31 December 2025 (the "**2025 Annual Report**"):

	Year ended 31 December	
	2025	**2024**
	RMB'000	*RMB'000*
	(Audited)	*(Audited)*
		(Restated)
Revenue	23,701,066	23,158,728
Profit for the year	4,422,894	4,391,773
Non-current assets	72,776,031	71,950,911
Current assets	19,302,549	9,861,512
Non-current liabilities	26,672,650	32,053,754
Current liabilities	15,762,757	10,252,808
Net assets	49,643,173	39,505,861

With reference to the 2025 Annual Report, total revenue of the Group increased mildly by approximately RMB542.3 million or 2.3% from RMB23,158.7 million in FY2024 to RMB23,701.1 million in FY2025. The increase in total revenue of RMB542.3 million in FY2025 was mainly driven by the increase in segment revenue generated from (i) the oil transportation segment which increased by approximately RMB158.7 million or 0.8% mainly resulted from the growth in international oil shipping business as the Group continuously advanced route layout and diversified customer structures, renewed contracts of affreightment for global routes with large international oil companies and developed new customers and cargo sources; and (ii) the LNG shipping segment which increased by approximately RMB317.7 million or 14.3% mainly resulted from the enhancement of fleet capacity through acquisition of a total of 13 LNG carriers by the Group during the year.

Profit for the year remained stable and increased mildly by approximately RMB31.1 million or 0.7% from RMB4,391.8 million in FY2024 to RMB4,422.9 million in FY2025 which was in line with the increase in total revenue.

As at 31 December 2025, total assets of the Group amounted to approximately RMB92,078.6 million, presenting an increase of approximately RMB10,266.2 million or 12.5% as compared with that as at 31 December 2024. The increase in total assets was mainly attributable to the increase in current assets contributed by the net proceeds from equity funding during FY2025 amounting to approximately RMB7,979.5 million that significantly increased the cash and bank balance of the Group.

As at 31 December 2025, total liabilities of the Group amounted to RMB42,435.4 million and remained stable as compared to approximately RMB42,306.6 million as at 31 December 2024. The increase in current liabilities in FY2025 was mainly attributable to the increase in current portion of the interest-bearing bank and other borrowings payable within one year which was countered by a decrease in non-current liabilities attributable to a similar magnitude of decrease in non-current portion of borrowings. The total borrowings remained stable at approximately RMB32,476.0 million in FY2025 as compared to approximately RMB32,771.8 million in FY2024.

As a result of the foregoing, the net assets of the Company as at 31 December 2025 increased by approximately RMB10,137.3 million or 25.7% from RMB39,505.9 million in FY2024 to RMB49,643.2 million in FY2025.

2. Information on COSCO SHIPPING Investment Dalian

With reference to the Letter from the Board, COSCO SHIPPING Investment Dalian is a company incorporated under the laws of the PRC with limited liability. It is a diversified investment and asset management platform focusing on shipping-related industries, and also covers supporting businesses such as ship management business.

As discussed with management of the Group, we are given to understand that COSCO SHIPPING Investment Dalian has two subsidiaries, namely Dalian COSCO SHIPPING Energy LPG Transportation Co., Ltd. (大連中遠海能液化氣運輸有限公司) ("**Dalian Liquefied Gas**") and Dalian COSCO SHIPPING Energy Storage & Transportation Co., Ltd. (大連中遠海能儲運有限公司) ("**Dalian COSCO Energy Storage**"). Dalian Liquefied Gas maintains shipbuilding orders for four very large gas carriers ("**VLGC**") which are currently under construction. COSCO SHIPPING Investment Dalian also invested in the construction of a third-party hazardous chemical warehousing and logistics park in Changxing Island, Dalian. We are also given to understand that COSCO SHIPPING Investment Dalian is positioned as a management platform company and its main revenue is derived from leasing office buildings to related parties within the COSCO SHIPPING Group and leasing warehousing land to Dalian COSCO Energy Storage.

We have obtained and sighted the audited financial statement of COSCO SHIPPING Investment Dalian for the year ended 31 December 2025 provided by the management of the Group and noticed that COSCO SHIPPING Investment Dalian recorded consolidated total assets of approximately RMB1,937.7 million and net assets of approximately RMB1,579.8 million as at 31 December 2025. Cash and cash equivalent amounted to RMB1,032.7 million while construction-in-progress amounted to RMB559.9 million, representing approximately 53.3% and 28.9% of consolidated total assets of COSCO SHIPPING Investment Dalian as at 31 December 2025 respectively. Total liabilities of COSCO SHIPPING Investment Dalian amounted to RMB357.9 million which mainly comprised long-term borrowings amounting to RMB316.6 million.

With reference to the Letter from the Board, the Proposed Acquisition aims to (i) integrate high-quality assets and businesses into the Company, including the VLGCs under construction and the warehousing and logistics park of COSCO SHIPPING Investment Dalian; (ii) implement unified operation and management of the LPG and hydrogen-based green energy business segments; and (iii) reduce connected transactions between the Company and its controlling shareholder and its related parties. We have reviewed the 2025 Annual Report and noticed that the Company used to manage, on an entrustment basis, assets owned by COSCO SHIPPING Investment Dalian whereby the Company earns entrustment fee income by exercising shareholder's rights in COSCO SHIPPING Investment Dalian and taking responsibilities of its operation, management and financial supervision. In other words, while ownership of assets has been retained by COSCO SHIPPING Investment Dalian, the actual day-to-day operation and management of the assets of COSCO SHIPPING Investment Dalian was carried out by the Company under the entrustment management agreement.

Having considered that the Company is familiar with the operation and has been exerting actual control and influence over the assets of COSCO SHIPPING Investment Dalian as evidenced by the existing entrustment management arrangement between the parties, we concur with the view of the executive Directors that the Proposed Acquisition could (i) enhance balance sheet of the Group by consolidating high quality assets and businesses of COSCO SHIPPING Investment Dalian into the Company in particular cash resources and construction-in-progress which aggregately accounted for 82.2% of the total assets of the Target Group; (ii) unify operation and

management by absorbing assets and businesses relevant to LPG business segment under the control of Dalian COSCO Energy, being the Purchaser and wholly owned subsidiary of the Company that primarily operates the LPG transportation business of the Group; and (iii) reduce connected transactions including the aforementioned entrustment management arrangement upon completion of the Proposed Acquisition and the Target Company becoming an indirect wholly-owned subsidiary of the Company. In light of the above, we consider that while the Proposed Acquisition is not in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole.

3. Principal terms of the COSCO SHIPPING Investment Dalian Equity Transfer Agreement

Date:	2 June 2026
Parties:	(1) COSCO SHIPPING (as transferor) (2) Dalian COSCO Energy (as transferee)
Subject matter:	COSCO SHIPPING agreed to dispose of, and Dalian COSCO Energy agreed to acquire 100% of the equity interest in COSCO SHIPPING Investment Dalian, subject to the terms and conditions thereof. In accordance with the requirements under the applicable PRC laws and regulations and pursuant to the COSCO SHIPPING Investment Dalian Equity Transfer Agreement, Dalian COSCO Energy shall be entitled to or bear the profit or loss of the equity interest to be transferred pursuant to the COSCO SHIPPING Investment Dalian Equity Transfer Agreement during the Transition Period.
Consideration:	The consideration for 100% of the equity interest in COSCO SHIPPING Investment Dalian is approximately RMB1,585 million which was determined after arm's length negotiations between the parties with reference to the appraised value of COSCO SHIPPING Investment Dalian by Shanghai Orient, an independent valuer.
Payment terms:	All consideration shall be payable in cash by Dalian COSCO Energy to COSCO SHIPPING by way of bank transfer within 5 working days from the effective date of the COSCO SHIPPING Investment Dalian Equity Transfer Agreement. The consideration will be funded by Dalian COSCO Energy, of which approximately 60% will be financed externally and approximately 40% will be funded by internal resources.

We have reviewed the COSCO SHIPPING Investment Dalian Equity Transfer Agreement and are of the view that the principal terms are in normal commercial terms which set out, among others, basis of the consideration, intention of the transaction and payment terms. Given that the consideration was determined with reference to the appraised value on the Valuation Benchmark Date and the Company will continue to manage the operation of COSCO SHIPPING Investment

Dalian under the aforementioned entrustment management arrangement during the Transition Period, we concur with the Directors' view that it is fair and reasonable and in the interests of the Company and the Shareholders as a whole that Dalian COSCO Energy (being the Purchaser) shall be entitled to or bear the profit or loss attributable to the Target Company during the Transition Period (being the period from the date after the Valuation Benchmark Date to the respective date of completion of the Proposed Acquisition). In light of the above, we considered that the principal terms of the COSCO SHIPPING Investment Dalian Equity Transfer Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

4. Basis of consideration

With reference to the Letter from the Board, the consideration was determined after arm's length negotiations between Dalian COSCO Energy as the Purchaser and COSCO SHIPPING as the Vendor with reference to the appraised value of COSCO SHIPPING Investment Dalian as at the Valuation Benchmark Date as appraised by the Independent Valuer.

According to the Valuation Report, the appraised value of the entire equity interest in the Target Company as at the Valuation Benchmark Date amounted to RMB1,584.7180 million. The appraisal value in respect of the equity interest in the Target Company was determined based on the asset-based approach in accordance with the PRC laws and regulations. We have reviewed the Valuation Report prepared by the Independent Valuer and have discussed with the Independent Valuer regarding the valuation of the Target Company with details set out below. We have reviewed the basis and assumptions adopted by the Independent Valuer, and the reasons for the differences between the book values and appraised values of balance sheet items of the Target Company.

(a) Scope of work and qualifications of the Independent Valuer

As discussed with the Independent Valuer, we are given to understand that the Valuation Report has been prepared in compliance with the relevant professional standards issued by China Appraisal Society. We understand that the Independent Valuer is certified with the relevant PRC qualifications required to perform this valuation exercise and has 10 years' industry experience in conducting valuation exercises. We have interviewed the Independent Valuer and obtained information on the Independent Valuer's track records on other valuation projects and enquired on the Independent Valuer's current and prior relationship with the Group and other parties to the COSCO SHIPPING Investment Dalian Equity Transfer Agreement and confirmed that the Independent Valuer is independent. We have also reviewed the terms of the Independent Valuer's engagement letter and noted that there is no limitation on the scope of work which might adversely impact on the degree of assurance in the Valuation Report.

Based on the above, we are of the view that the scope of work of the Independent Valuer is appropriate and the Independent Valuer is qualified and competent to perform the valuation of COSCO SHIPPING Investment Dalian and prepare the Valuation Report.

(b) Valuation methodology

We have reviewed the Valuation Report issued by the Independent Valuer and discussed the assumptions and methodology adopted for the Valuation. We are given to understand that:

(i) The Independent Valuer did not adopt market approach because there were limited comparable companies with industry characteristics and business

model similar to that of the Target Company and the availability of public information was insufficient;

(ii) The Independent Valuer did not adopt income approach because the Target Company is positioned as a management platform company that mainly generates revenue from internal customers (i.e. subordinate companies within the COSCO Shipping Group) and therefore prerequisite of independent profitability and quantifiable future earnings for adopting the income approach is not fulfilled; and

(iii) The Independent Valuer has adopted asset-based approach because assets and liabilities of the Target Company are identifiable and value of each balance sheet items can be derived from a specific valuation approach that is appropriate for its specific circumstances.

Having considered that (i) the Valuation Report was prepared by the Independent Valuer in accordance with professional standards issued by China Appraisal Society; (ii) the Independent Valuer had also considered market approach and income approach during the course of the Valuation before concluding the Valuation with the asset-based approach; and (iii) the aforesaid reasons for not adopting the market approach and income approach, we concur with the Independent Valuer on the adoption of asset-based approach in arriving the Valuation.

(c) Valuation assumption

We noted that the Independent Valuer has made the following assumptions for the Valuation, including:

(1) Transaction assumption. The transaction assumption is that all assets to be appraised are in the process of transaction, and the appraisers will make estimation in a simulated market according to the transaction conditions (among others) of assets to be appraised.

(2) Open market assumption. The open market assumption is a hypothesis regarding the market conditions the assets are intended to enter and the influence they will receive under such market conditions. An open market refers to a fully developed and perfect market condition, which is a competitive market with various voluntary buyers and sellers. In this market, both the buyers and sellers of a transaction are equal, and given the opportunity and time to acquire sufficient market information. The transactions between the buyers and sellers are conducted under voluntary, rational, non-compulsory, or unrestricted conditions.

(3) Going concern assumption. The going concern assumption of an enterprise refers to the assumption that, under the existing asset and resource conditions, the production and business operations of the appraised entity can legally continue on a going concern basis in its current state within the foreseeable future operating period, and its operating status will not undergo material adverse changes.

(4) In-use and continue-to-use assumption. The assumption of in-situ use refers to the assumption that the assets will continue to be used in accordance with their current purposes. It is first assumed that the assets within the scope of appraisal are in use, and secondly, it is assumed that they will continue to be used according to their current purposes and manners of use, without considering the conversion of asset purposes or the optimal utilization conditions.

(5) It is assumed that there will be no unforeseeable material adverse changes in the external economic environment, such as the country's current relevant laws, macro-economy, finance, and industrial policies, nor will there be any material impact caused by other force majeure or unforeseeable factors.

(6) It is assumed that the appraised entity and its assets will not be subject to any mortgages or guarantees in the future, and the valuation conclusion will not be affected by any additional prices that might be paid due to special transaction methods.

(7) It is assumed that there will be no significant changes in the socio-economic environment where the appraised entity is located, nor in the fiscal and taxation policies such as the taxation bases and tax rates implemented, and that financial policies such as credit policies, interest rates, and exchange rates will remain basically stable.

(8) It is assumed that the current and future business operations of the appraised entity are legal and compliant, and consistent with the relevant provisions of its business license and articles of association.

(9) It is assumed that the workshops under construction and to be constructed by the appraised entity in the future will also be used for leasing to related parties of the Company.

We have reviewed the Valuation Report and discussed with the Independent Valuer in respect of the key assumptions adopted for performing the Valuation. We understand from the Independent Valuer that the assumptions are commonly adopted in other valuations of similar assets and there is no unusual assumption which has been adopted during the Valuation. We also consider the assumptions adopted in the Valuation Report are general in nature and are not aware of any material facts which lead us to doubt the assumptions adopted by the Independent Valuer.

(d) Details of the Valuation under asset-based approach

Based on the Valuation Report and our discussion with the Independent Valuer, in determining the valuation of the assets and liabilities of Target Company, the Independent Valuer has categorized the balance sheet items and considered the specific valuation approach applicable to each of the assets and/or liabilities under appropriate specific circumstances. As confirmed by the Independent Valuer, the appraisal methodologies of assets and liabilities are consistent with normal market practice. We have also reviewed the Valuation Report and the annual report of the Target Company and discussed with the Independent Valuer details of asset-based approach valuation, including the basis of appraising different categories of assets and liabilities and the reasons for difference between the book value and appraised value as summarized below:

	Items	**Book value** *RMB'0,000*	**Appraised value** *RMB'0,000*	**Difference** *RMB'0,000/ (%)*
1.	Monetary funds category	100,343.23	100,343.23	Nil
2.	Trade receivables category	802.91	802.91	Nil
3.	Other current assets	137.75	137.75	Nil
4.	Long-term equity investment	28,527.41	28,973.92	446.51 (1.57%)
5.	Investment properties	17,855.73	18,109.2	253.47 (1.42%)
6.	Non-current assets	1,693.33	1,697.88	4.55 (0.27%)
7.	Construction in progress	7,806.59	8,106.86	300.27 (3.85%)
8.	Intangible assets	4,300.95	5,198.70	897.75 (20.87%)
9.	Long-term prepaid expenses	374.09	252.67	-121.43 (-32.46%)
10.	Liabilities	3,862.64	5,151.31	1,288.68 (33.36%)

Note:

Appraised value of total assets of Target Company amounted to RMB1,636.23 million which represents sum of item 1 to 9. Appraised net assets value of the Target Company amounted to RMB1,584.72 million.

1. Monetary funds category

We have cross-checked against the annual report of the Target Company and noticed that monetary funds consist of bank deposits. As confirmed with the Independent Valuer, the verified amount is used as the appraisal value and therefore no difference with the book value.

2. Trade receivables category

We have cross-checked against the annual report of the Target Company and noticed that receivables category consists of trade receivables and other receivables.

As confirmed with the Independent Valuer, they have verified the receivables balance and the appraised value of each receivable shall be determined according to the amount that is likely to be recovered after deducting the assessment risk losses and there is no difference with book value.

3. Other current assets

Other current assets mainly refer to the value-added tax input tax to be deducted of the enterprise. As confirmed with the Independent Valuer, the appraisal value is determined based on the verified book value and therefore no variance.

4. Long-term equity investment

The long-term equity investments represent investment in wholly-owned and controlled enterprises (i.e. Dalian Liquefied Gas and Dalian COSCO Energy Storage). As discussed with the Independent Valuer, the appraised value of each long-term equity investment shall be calculated separately based on the shareholding percentage in the investee after valuation through adopting appropriate valuation approach. We are given to understand that the upward adjustment is mainly attributable to the difference between book value of initial investment costs and the appreciation of equity values of the investment after taking into account business operation and accumulated earnings of the investees over the years.

5. Investment properties

Investment properties are real estates leased to COSCO SHIPPING Group which consists of office buildings and warehouse. For the office buildings, we have discussed with the Independent Valuer and understand that there are sufficient comparable cases available in the surrounding area and therefore market approach and the income approach were adopted in the valuation of the office buildings. For the warehouse, we are given to understand that the building is a self-use factory and a project specially constructed for individual user and the Independent Valuer considers that the replacement cost can essentially reflect the market value of the building and therefore cost approach was adopted in the valuation of the warehouse.

We have enquired the Independent Valuer and was confirmed that the aforementioned assessment is normal valuation practice based on similar situations. The Independent Valuer also confirmed that the upward adjustment of value of real estate is mainly attributable to the difference between cost of investment properties after deduction of accumulated depreciation and the appraised market value of office buildings and warehouse based on their respective applicable valuation approaches discussed above.

6. Non-current assets

Non-current assets include (i) self-use office buildings; (ii) machinery equipment and other electronic equipment; and (iii) transportation vehicles. For the self-use office buildings, we have confirmed with the Independent Valuer that the same market approach was adopted in its valuation because the self-use office buildings are at the same location as the investment properties discussed above. For the machinery equipment and other electronic equipment, the Independent Valuer has

adopted cost approach because replacement cost information is readily available with reference to market prices or contract prices of similar equipment/ direct market quotation information/ prevailing market acquisition price of similar equipment. For transportation vehicles, the Independent Valuer has adopted market comparison approach which is an appraisal method based on the principle of substitution that compares the appraisal object with similar vehicles that have recently been transacted. The transaction prices of these similar vehicles are then adjusted for transaction date, transaction conditions, individual factors, etc., to derive the value of the appraisal object.

We have enquired the Independent Valuer and was confirmed that the aforementioned assessment is normal valuation practice based on similar situations. The Independent Valuer also confirmed that the upward adjustment of appraised value is mainly attributable to (i) the adjustment to the over-provided one-off depreciation recognized on the book value of electronic equipment to reflect actual condition of the equipment; and (ii) adjustment to the useful life of the transportation vehicles to align with national requirements

7. Construction in progress

The construction in progress represents capitalized construction costs of a hazardous chemical warehousing and logistics park. As discussed with the Independent Valuer, we are given to understand that they have verified the rationality of pre-project expenses and other expense outlays, analyzed the construction and installation engineering costs and applied cost of capital on the sum of project costs. We are also given to understand that the upward adjustment of appraised value is mainly attributable to cost of capital factor that was not accounted for in the book value of the construction in progress.

8. Intangible assets

The intangible assets consist of (i) land use rights pertaining to the hazardous chemical warehousing and logistics park in Changxing Island; and (ii) computer application software. For the land use right, the Independent Valuer adopted the benchmark land price approach in the valuation which is a valuation approach that makes use of standard land price formulated by the government adjusted for coefficient correction. For the computer application software, the Independent Valuer adopted the market approach and determined the appraised value based on tax-inclusive market quotations obtained and after excluding value-added tax. The Independent Valuer confirmed that the upward adjustment of appraised value is mainly attributable to difference between cost of computer application software after deduction of accumulated depreciation and the appraised market value.

9. Long-term prepaid expenses

Long-term prepaid expenses mainly represent renovation expenses for investment properties and other prepaid expenses. The Independent Valuer has randomly checked the relevant original accounting vouchers for items with large amounts or long durations, understood the basis for recognition and the amortization period, and randomly checked the relevant amortization vouchers and confirmed no irregularities noted. The Independent Valuer confirmed that the downward adjustment

of appraised value is mainly attributable to the fact that renovation expenses for investment properties have been accounted for in the appraised value of the investment properties and such amount is reduced to zero in the long-term prepaid expenses. Other long-term prepaid expenses are appraised at their book value.

10. Liabilities

The Independent Valuer has verified and confirmed the carrying amount of the liabilities. The appraised value is determined by the debtor and the amount of liabilities that the appraised entity actually needs to bear after the economic activity for the appraisal purpose is implemented. The Independent Valuer confirmed that the upward adjustment of appraised value is mainly attributable to under-provision of corporate income tax and the associated tax penalty.

Having discussed with the Independent Valuer and reviewed with them the reasons for adopting the various valuation methodologies, the bases and assumptions used for the Valuation and the valuation result, we are of the view that the chosen valuation methodologies, bases and assumptions in establishing the appraised value as at the Valuation Benchmark Date are in line with the industry practice and we have not identified any major factors which caused us to doubt the fairness and reasonableness of the principal bases and assumptions adopted for the asset-based approach valuation. Accordingly, we considered it appropriate to refer to the independent valuation conducted by the Independent Valuer in respect of the appraised value of Target Company. In light of the above, we are of the view that the consideration of the Proposed Acquisition which is determined with reference to the appraised value of the Target Company as appraised by the Independent Valuer is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

5. Our evaluation of the consideration of the Proposed Acquisition

The Target Company is positioned as a management platform company and its main revenue is derived from leasing office buildings to related parties within the COSCO SHIPPING Group and leasing warehousing land to Dalian COSCO Energy Storage. We have attempted to conduct comparable analysis by identifying comparable companies and looking into their valuation metrics based on the following selection criteria:

(i) listed on the Stock Exchange and the shares trading was not on suspension;

(ii) principally engaged in shipping-related industries and also covers supporting businesses such as ship management business; and

(iii) mainly generate revenue from group companies and/or related parties

We have used our best efforts to search for the comparable companies but no comparable companies can be identified in the market.

Despite that there is insufficient public information to conduct comparable analysis, having considered (i) the net book value of the Target Group could largely reflect its intrinsic value because cash and cash equivalent accounted for over 50% of its total assets and the Target Group, as a management platform company that serves the COSCO SHIPPING Group, has no independent profitability; (ii) the audited net assets of the Target Company as at 31 December 2025 was approximately RMB1,579.8 million as compared with the consideration of approximately

RMB1,585 million, representing an insignificant difference of less than 1%; and (iii) the fair and reasonable appraised value as discussed above, we consider that the consideration of the Proposed Acquisition is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

6. The underlying shipbuilding contracts entered into by the Target Group

Given that Dalian Liquefied Gas, being the wholly owned subsidiary of the Target Company maintains shipbuilding orders for four VLGC with Qidong COSCO SHIPPING, being a wholly owned subsidiary of COSCO SHIPPING and therefore a connected person of the Company, we have also reviewed the Underlying Shipbuilding Contracts, the principal terms of which are set out below:

Date:	31 December 2024
Parties:	(1) Dalian Liquefied Gas (as the buyer) (2) Qidong COSCO SHIPPING (as the builder and seller)
Subject matter:	Qidong COSCO SHIPPING has agreed to build, equip, launch and complete at the shipyard, and to sell and deliver to Dalian Liquefied Gas, and Dalian Liquefied Gas has agreed to purchase and take delivery of the VLGCs.
Consideration:	The respective consideration for the Vessels is US$112.00 million, US$112.00 million, US$116.00 million and US$116.00 million, and the aggregate consideration approximately US$456.00 million (equivalent to approximately RMB3,208,921,400). The consideration for the Vessels was determined after arm's length negotiations between Dalian Liquefied Gas and Qidong COSCO SHIPPING with reference to the market price for the construction of the same specifications of the Vessels by two (2) independent ship builders in the market and Qidong COSCO SHIPPING respectively, the final quotation from Qidong COSCO SHIPPING was considered to be more favourable than the two (2) other quotations from the independent ship builders.
Payment terms:	The consideration (being the vessel price of each of the Vessels) is payable by Dalian Liquefied Gas to Qidong COSCO SHIPPING in five (5) instalments of 5%, 25%, 5%, 5% and 60%, respectively based on the shipbuilding progress. As at the Latest Practicable Date, Dalian Liquefied Gas has settled a total sum of RMB640,266,240 under the Underlying Shipbuilding Contracts, and RMB2,568,655,160 remains to be paid based on the shipbuilding progress.

Adjustment clauses:	The consideration for each Vessel may be adjusted based on (i) the construction elements of the relevant Vessel, being its speed, deadweight tonnage and fuel consumption rate, (for the speed and deadweight tonnage) falling below or (for fuel consumption rate) exceeding certain agreed benchmarks as stipulated in the relevant Underlying Shipbuilding Contract(s); or (ii) the delay in delivery of the relevant Vessel exceeding certain agreed time limits as stipulated in the relevant Underlying Shipbuilding Contract(s). The above adjustments shall be made together with the fifth instalment payment. The consideration for each Vessel is not subject to any upward adjustment mechanism pursuant to the Underlying Shipbuilding Contracts. Each of the Underlying Shipbuilding Contracts provides that there will be no adjustment in the price of the relevant Vessels if the delivery is delayed for a period not exceeding 60 days ("**Grace Period**"). Under the Underlying Shipbuilding Contracts, delay will be permitted on account of force majeure events. If the delay exceeds the Grace Period but does not exceed 240 days (being the number of days including the Grace Period but excluding the days allowed for delay under force majeure events therein prescribed under the Underlying Shipbuilding Contracts) ("**240 Prescribed Days**") or 270 days (being the number of days including the Grace Period and the days allowed for delay under force majeure events together with any other days which are not allowed for delay therein prescribed under the Underlying Shipbuilding Contracts) ("**270 Prescribed Days**") respectively, there will be a reduction in the price of the relevant Vessels determined on the basis of the extent of the delay. For the avoidance of doubt, the said reduction in the price will be calculated based on a daily reduction rate of US$16,000 per day, subject to a maximum aggregate amount of reduction of US$2,880,000 in respect of each Vessel. If the delay exceeds 240 Prescribed Days or 270 Prescribed Days respectively, unless the parties agree otherwise, Dalian Liquefied Gas (as the buyer) has the right to refuse to accept delivery of the relevant Vessels in which case all payments paid under the relevant Underlying Shipbuilding Contracts together with interests will be refunded to Dalian Liquefied Gas.

	There will be other downward adjustments in price of the relevant Vessels if their performance (such as speed, deadweight tonnage, fuel consumption rate) does not satisfy certain agreed benchmarks (as the case may be). However, should the relevant performance exceed or fall below certain agreed benchmark, Dalian Liquefied Gas (as the buyer) has the right to refuse delivery of the relevant Vessels or accept the relevant Vessels with a reduced contract price. The maximum aggregate amount of reduction in the price in relation to speed, deadweight tonnage and fuel consumption rate is US$560,000, US$1,000,000 and US$500,000, respectively for each of the relevant Vessels.
Expected time of delivery:	As at the Latest Practicable Date, the Vessels are under construction. Amongst the four Vessels, two are expected to be delivered and put into operation in 2026, and the remaining two are expected to be delivered and put into operation in 2027.

As discussed with management of the Group, we are given to understand that Dalian Liquefied Gas had sent enquiries to a number of shipyards in the PRC, selected the target shipyard based on respective shipbuilding capacity, dock availability, delivery date, price and other factors of the shipyards with feedback offers, and conducted several rounds of negotiation with the target shipyard in respect of the technical and commercial aspects. It is noted that Dalian Liquefied Gas has make reference to the terms and market price for the construction of the same specifications of the Vessels by two (2) independent ship builders in the market. We have therefore obtained and reviewed the preliminary quotations from the two independent ship builders and Qidong COSCO SHIPPING. We noted from the preliminary quotations included (i) the pricing terms; (ii) the expected time of delivery; and (iii) the payment schedule. Based on our review, we understand that Qidong COSCO SHIPPING offered (i) the lowest pricing terms; (ii) the fastest delivery period; and (iii) the most competitive payment schedule, as compared to the quotations from the two independent ship builders respectively.

Given that the terms of the Underlying Shipbuilding Contracts were determined by Dalian Liquefied Gas in 2024, we have enquired the management of the Group about recent shipbuilding contracts of comparable vessels entered into between the Company and independent ship builders in order to assess if the terms of the Underlying Shipbuilding Contracts negotiated by Dalian Liquefied Gas were fair and reasonable. While the Company did not recently make purchases of VLGCs from independent ship builders, we understand from management that the Company has made purchases of large volume long haul carriers which could serve as comparable reference to purchases of VLGCs. The Company has entered into shipbuilding contracts on 22 November 2024 with Dalian Shipbuilding Industry Co., Ltd and China Shipbuilding Trading Co., Ltd. which are independent third parties for the construction of six very large crude carriers (the "**VLCCs**") expected to be delivered between the third quarter of 2027 and the fourth quarter of 2028. With reference to the announcement of the Company dated 22 November 2024 setting out the details of the purchase of VLCCs, we noticed that the consideration for each long haul tanker could reach above RMB900 million which is comparable to the average price of each VLGC in the Underlying Shipbuilding Contracts of approximately RMB802.2 million. We also noted that it is common for the progress payment to be divided into five installments with the largest portion of the contract sum payable upon delivery of the vessels. Despite that the Company did not recently make purchases of VLGCs, after comparing the contract terms entered into between the Company and independent ship builders for construction of VLCCs which are large volume long haul carriers comparable to VLGCs, we are not aware of any terms and pricing basis in the Underlying Shipbuilding Contracts that cause us to doubt the fairness and reasonableness of the terms of the Underlying Shipbuilding Contracts negotiated and determined by Dalian Liquefied Gas.

Moreover, we are given to understand that the Directors have assessed the shipbuilding prices of the VLGCs in the Underlying Shipbuilding Contracts by making reference to order prices of comparable vessels listed on the database of Clarksons, a research arm of Clarkson PLC which focuses primarily on the collection, validation, analysis and management of data in regards to the merchant shipping and offshore markets, with its reports widely cited in the shipping industry. We have obtained from management the price list of 5 comparable vessels which are VLGCs order placed with ship builders worldwide as extracted from Clarksons during the recent six months period from November 2025 to April 2026 and noted that the order prices of each comparable vessel were reportedly in the range of US$113 to US$115 million, which are in line with the prices of the VLGCs ordered by Dalian Liquefied Gas ranging from US$112 million to US$116 million.

In light of the above, we concur with the view of the Directors that the principal terms of the Underlying Shipbuilding Contracts remain fair and reasonable as at the time of the Proposed Acquisition.

Having considered that (i) the Group continues to maintain steady growth of its fleet capacity in particular to deepen its presence in the international market for VLGC shipping and has completed acquisition of a total of 13 LNG carriers during FY2025; (ii) the benefit of integrating high-quality assets and businesses into the Company including the VLGCs as discussed above; (iii) the more favorable terms of Underlying Shipbuilding Contracts entered into with Qidong COSCO SHIPPING by the Target Group as compared with terms offered by other independent ship builders; (iv) the comparable pricing and payment terms for construction of large volume long haul carriers as observed from previous shipbuilding contracts entered into between the Company and independent ship builders; and (v) the order prices of comparable VLGCs recently quoted on the database of Clarksons being in line with the prices of the VLGCs ordered by Dalian Liquefied Gas which further substantiate the fairness and reasonableness of the terms of the Underlying Shipbuilding Contracts negotiated and determined by Dalian Liquefied Gas, we concur with the view of the Directors that the continuation of Underlying Shipbuilding Contracts upon completion of the Proposed Acquisition is in the interest of the Company and the Shareholders as a whole.

OPINION AND RECOMMENDATION

Taking into account the above principal factors and reasons, we are of the view that (i) the terms of the COSCO SHIPPING Investment Dalian Equity Transfer Agreement are on normal commercial terms and are fair and reasonable; and (ii) although the Proposed Acquisition is not in the ordinary and usual course of business of the Group, they are in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the EGM to approve the COSCO SHIPPING Investment Dalian Equity Transfer Agreement.

Yours faithfully,
For and on behalf of
Messis Capital Limited
Thomas Lai
Chief Executive Officer

Mr. Thomas Lai is a licensed person registered with the Securities and Futures Commission and regarded as a responsible officer of Messis Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 30 years of experience in corporate finance industry.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

(a) As at the Latest Practicable Date, the interests of the Directors 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 Hong Kong 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 Hong Kong 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 Listing Rules were as follows:

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

Name	Nature of interest	Class of Shares[(1)]	Number of Shares held as at the Latest Practicable Date[(2)]	Approximate percentage of total number of the relevant class of Shares	Approximate percentage of total number of issued Shares
Ren Yongqiang	Beneficial owner	A	283,200(L)	0.0068%	0.0052%
Zhu Maijin	Beneficial owner	A	257,711(L)	0.0062%	0.0047%
Zhao Jinsong	Beneficial owner	H	6,000(L)	0.0004%	0.0001%

Notes:

(1) A — A Shares
H — H Shares

(2) Includes 189,744 and 180,431 share options held by Ren Yongqiang and Zhu Maijin, respectively, pursuant to the 2023 share option scheme of the Company.

(3) As at the Latest Practicable Date, the total issued share capital of the Company was 5,465,220,839 Shares, of which 1,296,000,000 were H Shares and 4,169,220,839 were A Shares.

Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors, none of the Directors or chief executive of the Company had any interest or short positions in any shares or underlying shares or 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 Hong Kong 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 Hong Kong Stock Exchange.

(b) As at the Latest Practicable Date, save as disclosed below, 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 and/or its subsidiaries**
REN Yongqiang	the General Manager Assistant of China COSCO SHIPPING Corporation Limited
ZHU Maijin	the chairman and the party secretary of the committee of COSCO SHIPPING Investment Dalian Co., Ltd.
WANG Shuqing	a director of each of COSCO SHIPPING Seafarer Management Co., Ltd. and COSCO SHIPPING LINES Korea Co., Ltd.
WANG Wei	a director of each of COSCO SHIPPING Specialized Carriers Co., Ltd. (stock code: 600428.SH), COSCO SHIPPING Bulk Co., Ltd. and COSCO SHIPPING (North America) Inc., and a supervisor of COSCO SHIPPING Logistics Co., Ltd.
ZHOU Chongyi	the deputy general manager of the Financial Management Department and a director of the Financial Service Center of China COSCO SHIPPING Corporation Limited

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 was treated as a controlling shareholder of the Company under Rule 8.10 of the Listing Rules.

4. DIRECTORS' INTERESTS IN ASSETS OF THE GROUP

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any asset which had been, since 31 December 2025, 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' INTERESTS IN CONTRACTS OR ARRANGEMENTS

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

6. DIRECTORS' INTERESTS IN SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors 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. QUALIFICATIONS OF EXPERTS AND CONSENT

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

Name	Qualification
MESSIS CAPITAL Limited	A licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Shanghai Orient Appraisal Co., Ltd.	Independent professional valuer

As at the Latest Practicable Date, each of the above experts 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, each of the above experts did not have any direct or indirect interest in any assets which had been, since 31 December 2025 (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, each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter dated 3 June 2026 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. MATERIAL LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or claim of material importance and, so far as the Directors were aware, there was no litigation or claim of material importance pending or threatened against any member of the Group.

9. MATERIAL CONTRACTS

As at the Latest Practicable Date, no member of the Group has 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 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

11. MISCELLANEOUS

(a) The registered office of the Company is located at Room A-1015, No. 188 Ye Sheng Road, China (Shanghai) Pilot Free Trade Zone Lingang Special Area, the PRC.

(b) The head office and principal place of business of the Company in the PRC is 670 Dongdaming Road, Hongkou District, Shanghai, the PRC.

(c) The place of business of the Company in Hong Kong is Rooms 3601-3602, 36/F West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.

(d) The Hong Kong branch share registrar of the Company is Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(e) The secretary of the Company is Ms. NI Yidan, being a senior economic engineer and a member of The Hong Kong Chartered Governance Institute.

12. DOCUMENTS ON DISPLAY

Electronic copies of the following documents are published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (energy.coscoshipping.com) for a period of 14 days from the date of this circular (both days inclusive):

(a) the Equity Transfer Agreement;

(b) the Underlying Shipbuilding Contracts;

(c) the letter from the Independent Board Committee, the text of which is set out in pages 30 to 31 of this circular;

(d) the letter from the Independent Financial Adviser, the text of which is set out in pages 32 to 48 of this circular; and

(e) the written consent from the Independent Financial Adviser referred to in the paragraph headed "*7. Qualifications of Experts and Consent*" in this Appendix I.

13. LANGUAGE

In the event of inconsistency between the Chinese and English version of this circular, the English version shall prevail.

As engaged by the Company, Shanghai Orient appraised the value of the entire shareholders' equity interest in the Target Company as at the Valuation Benchmark Date (i.e., 31 December 2025) in accordance with the relevant laws and regulations, valuation standards, as well as generally accepted valuation principles. Set out below is the text of the summary of a valuation report received from Shanghai Orient and prepared for the purpose of inclusion in this circular.

 # Should there be any discrepancy between the Chinese and English versions of this Appendix, the Chinese version shall prevail.

COSCO SHIPPING INVESTMENT DALIAN

Shanghai Orient has adopted the asset-based approach to value the entire shareholders' equity interest in COSCO SHIPPING Investment Dalian as at the Valuation Benchmark Date.

COSCO SHIPPING Investment Dalian is positioned as a management platform company. Its main revenue is derived from leasing office buildings to related parties within the COSCO SHIPPING Group and leasing warehousing land to its 60%-controlled subsidiary, Dalian COSCO Energy Storage. Considering that a platform company typically does not have the ability to independently operate and generate cash flow and its function of value creation is already reflected in its subordinate operating entities, the prerequisite of independent profitability and quantifiable future earnings for adopting the income approach is not fulfilled, and therefore, the income approach has not been adopted.

There are very few listed companies that are comparable with COSCO SHIPPING Investment Dalian; and there are fewer equity transactions in the recent property rights trading market with similar industry characteristics and business model, or even if there are a few cases, the data on the background of the relevant transactions and the operational and financial data of the transaction cases cannot be obtained from public channels. Due to the insufficiency of the information available, the basic conditions allowing the adoption of the market approach are absent.

Introduction of valuation method

The asset-based approach

Asset-based approach in valuation of an enterprise refers to a valuation approach for appraisal of the value of on-balance sheet and identifiable off-balance sheet assets and liabilities of the enterprise based on the balance sheet of the appraised entity as at the Valuation Benchmark Date to determine the value of the appraised entity. In the valuation of an enterprise by using the asset-based approach, the value of each asset is derived from a specific valuation approach that is appropriate for its specific circumstances.

The specific valuation approaches for this valuation are set out below:

1. Monetary funds category

Monetary funds consist of bank deposits. For RMB bank deposits, the verified amount is used as the appraisal value.

2. Trade receivables category

Receivables mainly include trade receivables and other receivables. After the verification of the receivables, the appraised value of each receivable shall be determined according to the amount that is likely to be recovered after deducting the assessment risk losses.

3. Other current assets

They mainly refer to the value-added tax input tax to be deducted of the enterprise. The appraisal value is determined based on the verified book value.

4. Long-term equity investment

For the long-term equity investments in wholly-owned and controlled enterprises, the overall asset appraisal shall be carried out in accordance with the relevant industry standards, and the appraised value of each long-term equity investment shall be calculated separately based on the shareholding percentage in the investee after valuation through adopting appropriate valuation approach.

5. Real estate

The valuation approach shall be selected by analyzing three basic approaches for asset valuation, namely market approach, income approach and cost approach, as well as the application of derivative approaches such as hypothetical development approach and land base price correction approach based on the valuation purpose, the appraised object, value category and data collection.

(i) Investment properties, fixed assets buildings:

The market approach and the income approach were adopted in the valuation for the investment property (office buildings), as a large number of comparable cases were available in the surrounding area, and such approaches can objectively reflect the market value, whereas the cost approach would not truly reflect the market value of the appraised object. Meanwhile, the appraised object is the completed office property without future redevelopment plans, therefore, the hypothetical development approach is not applicable.

The cost approach was adopted in the building used for storage, as the building is a self-use factory and a project specially constructed for individual user and the replacement cost can essentially reflect the market value of the building. There were few transactions of the same kind in the surrounding area and the land use rights with respect to the appraised object have been separately valued under the intangible assets category. The building is a self-use factory of the enterprise without future redevelopment plans, and therefore, the market approach and hypothetical development approach are not applicable. Furthermore, as rental data for such hazardous materials warehouses is scarce in the relevant leasing market, the income approach is not applicable in the valuation.

The Cost approach

It is an asset appraisal approach that seeks to estimate the value of an asset by identifying the cost of replacing in a brand new state the appraised assets in their present conditions, less the physical depreciation, functional depreciation and economic depreciation of the asset.

Basic calculation formula: Full price for replacement × Integrated newness rate

1. Determination of full price for replacement:

The formula is: Full price for replacement = Construction and installation project cost + Prepaid investment + Capital cost – Deductible value-added tax

2. Determination of newness rate:

The newness rate is determined by adopting the weighted average of the newness rate under service life approach and the newness rate under technical scoring approach.

(1) In respect of high-value, significant (structures) buildings, it is determined using a combination of surveyed newness rate and the theoretical newness rate. The calculation formula is: Integrated newness rate = Newness rate under technical scoring approach × 60% + Theoretical newness rate × 40%

Where:

(A) Theoretical newness rate = Remaining service life ÷ (Remaining service life + Used life) ×100%

(B) Newness rate under technical scoring approach = (Score of structure × Score correction factor + Score of decoration × Score correction factor + Score of equipment × Score correction factor) ÷ 100 × 100%

(C) Newness rate = (Newness rate under the service life approach × Weighted coefficient + Newness rate under technical scoring approach × Weighted coefficient) ÷ Total weighted coefficient

(2) In respect of (structures) buildings with relatively simple structure, the newness rates are determined using the service life approach with corrections according to the specific circumstances. Its formula: Newness rate = Remaining service life ÷ (Remaining service life + Used life) × 100%

The Market approach

The market approach is an approach that calculates the value of the appraised object by comparing it with similar properties that have recent transactions as at the Valuation Benchmark Date, and making appropriate adjustments to the transaction prices of these similar properties.

Basic calculation formula:

Price of the appraised object = Comparable example transaction price × Transaction condition adjustment coefficient × Transaction date adjustment coefficient × Real estate condition adjustment coefficient

The income approach

The income approach uses an appropriate discount rate to discount the expected normal annual earnings of the appraised object, namely the real estate, for each period in the future to the present value at the time of appraisal, and obtains the value of the appraised object, namely the real estate, by the summing such present value.

Basic calculation formula:

The formula for the income approach:

P = Sum of the present value of income in each period during the future income period

$$= \sum_{i-1}^{n} \frac{Fi}{(1+r)^{i}}$$

Where: P – Valuation results (discounted value)

r – Selected discount rate

n – Number of income periods

Fi – Expected annual earnings for the future income period

(i) Intangible assets land use rights:

In accordance with the purpose of the valuation and the characteristics and actual conditions of the appraised object, the valuation of the land use right is conducted using the benchmark land price approach.

As there are few cases of similar land leasing in the area where the land parcel to be appraised is located, it is unable to reasonably determine the annual net income of the land parcel to be appraised, therefore, the income approach is not adopted for the valuation. The land parcel to be appraised is for warehousing purpose, and the similar real estate in this area are mostly built for their own use, and it is difficult to determine the selling price of the real estate, therefore, the hypothetical development approach is not adopted for the valuation. As there are few cases of land expropriation in recent years in the area where the land parcel to be appraised is located, relevant land expropriation compensation standard

and relevant tax standard are unavailable for the valuation, therefore, the cost approximation approach is not suitable for the valuation. As the market approach is mainly used for the area where the real estate is developed and there are sufficient instances of alternative land transactions, but there are few transaction cases in the area where the land parcel to be appraised is located, it is not suitable to adopt the market comparison approach for the valuation.

The benchmark land price approach

The benchmark land price is a standard land price formulated by the government and has a restraint and guiding effect on market transaction prices. The benchmark land price correction approach is a valuation approach to determine the fair market value of the appraised object by conducting coefficient correction for the appraised land based on the level and range relative to the benchmark land price, and regional and individual factors affecting the land price under different uses.

Basic calculation formula:

Appraised value of the land = Benchmark land price × (1+Date correction coefficient) × (1+Total factor correction coefficient) × Plot ratio correction coefficient × Useful life correction coefficient

6. Equipment assets

Based on an analysis of the characteristics, uses, and data collection status of the various types of equipment involved, the cost approach is primarily adopted for the valuation.

Replacement cost generally refers to the renewal replacement cost, which includes direct costs, indirect costs, capital costs, taxes and surcharges, and reasonable profits.

The basic calculation formula is:

Appraised Value = Replacement cost – Physical depreciation – Functional depreciation – Economic depreciation
= Replacement cost × Integrated newness rate

(i) Machinery equipment and other electronic equipment

1) Determination of replacement cost

The replacement cost of machinery equipment is composed of the acquisition price of the equipment, transportation and miscellaneous expenses, installation and commissioning costs, pre-project and other expenses, and capital costs.

The formula for calculating the full replacement cost is:

Full replacement cost of equipment (exclusive of VAT) = Acquisition price of the equipment (exclusive of VAT) + Transportation and miscellaneous expenses (exclusive of VAT) + Installation and commissioning costs (exclusive of VAT) + Pre-project and other expenses (exclusive of VAT) + Capital cost

(1) Determination of the acquisition price of the equipment: For large-scale key equipment, reference is made to market prices or contract prices of similar equipment; for small and medium-sized equipment, the price is determined through quotation information; for equipment without direct market quotation information, the price is primarily determined by reference to the prevailing market acquisition price of similar equipment.

(2) Determination of transportation and miscellaneous expenses, installation and commissioning costs, and pre-project and other expenses: Transportation and miscellaneous expenses and installation and commissioning costs are determined with reference to industry regulations, asset appraisal management, and relevant installation quotas. Pre-project and other expenses are determined based on the pricing documents issued by various national ministries and commissions that are effective as at the Valuation Benchmark Date.

(3) Determination of capital cost: Calculated based on the reasonable period for installation, commissioning, or acquisition and construction of the equipment, with reference to the Loan Prime Rate (LPR) for the same period published by the National Interbank Funding Center as at the Valuation Benchmark Date, and on the assumption that the investment during the reasonable period is an even input.

2) Determination of integrated newness rate

Calculation formula: Integrated newness rate = Theoretical newness rate × Adjustment coefficient K

Where: Theoretical newness rate = Remaining useful life ÷ (Used life + Remaining service life) × 100%

Adjustment coefficient $K = K_1 \times K_2 \times K_3 \times K_4 \times K_5$

Various adjustment coefficients are primarily determined after conducting on-site investigations and understanding of the original manufacturing quality of the equipment, the operating status and failure frequency of the equipment, maintenance (including major repairs, etc.), the utilization rate of the equipment, and the environmental conditions of the equipment.

For general simple equipment, the integrated newness rate is directly determined by the theoretical newness rate or observed values.

3) Determination of appraised value

Calculation formula: Appraised value = Full replacement cost × Integrated newness rate

(ii) Transportation vehicles

The market comparison approach is adopted, which is an appraisal method based on the principle of substitution that compares the appraisal object with similar vehicles that have recently been transacted. The transaction prices of these similar vehicles are then adjusted for transaction date, transaction conditions, individual factors, etc., to derive the value of the appraisal object.

Calculation formula:

Market value of vehicle = Tax-exclusive price of comparable transaction instance × Transaction date adjustment coefficient × Transaction condition adjustment coefficient × Individual factor adjustment coefficient

7. Construction in progress

The appraisers collected relevant approval documents for the construction projects, conducted on-site investigations of the physical progress of the projects, and understood the payment progress and the book value. The rationality of pre-project expenses and other expense outlays was verified. The construction and installation engineering costs were analyzed and estimated by comparing them with the settlement data submitted by project supervisors, as well as local prevailing budget quotas for construction costs, fee standards, and market prices of building materials as at the Valuation Benchmark Date. Furthermore, the cost of capital was calculated based on a reasonable construction period applied to the sum of pre-project expenses and engineering costs.

8. Other intangible assets (primarily computer application software)

The appraisal methods include the three basic methods of market approach, income approach, and cost approach, as well as their derivative methods.

Income approach: Based on the historical implementation and future application prospects of the intangible asset or similar intangible assets, and in conjunction with the operating conditions of the enterprise implementing or intending to implement the intangible asset, the expected earnings it can generate are estimated. The market value of the intangible asset is then derived by discounting these earnings using a discount rate consistent with the scope of the expected earnings.

Cost approach: The market value of the intangible asset is determined by calculating its reasonable cost, profit, and related taxes and fees to arrive at its replacement cost, and then accounting for depreciation factors.

Market approach: The market value of the intangible asset is determined by collecting transaction information such as market transaction prices, transaction times, and transaction conditions of comparable transaction cases of similar intangible assets, and making necessary adjustments to such transaction information.

Considering that the intangible assets recorded in the enterprise's accounts are all purchased software assets, the market inquiry method is adopted for this valuation. The appraised value is determined based on the tax-inclusive market quotations obtained, after excluding value-added tax.

9. Long-term prepaid expenses

Based on verifying the consistency of the subsidiary ledger, general ledger, and valuation declaration form, the appraisers randomly checked the relevant original accounting vouchers for items with large amounts or long durations, understood the basis for recognition and the amortization period, and randomly checked the relevant amortization vouchers. The appraisers reviewed the relevant contracts and the amortization process; after verification, the enterprise's amortization was found to be normal. Regarding the renovation expenses for investment properties, as they have already been appraised within the investment property section, the appraised value for such long-term prepaid expenses is zero. Other long-term prepaid expenses are appraised at their book value.

10. Liabilities

Liabilities mainly include current liabilities and non-current liabilities. Based on the verification and confirmation, the appraised value is determined by the debtor and the amount of liabilities that the appraised entity actually needs to bear after the economic activity for the appraisal purpose is implemented.

Key assumptions adopted in the valuation

The key assumptions adopted in the valuation of COSCO SHIPPING Investment Dalian are as follows:

Basic assumptions

(1) Transaction assumption. The transaction assumption is that all assets to be appraised are in the process of transaction, and the appraisers will make estimation in a simulated market according to the transaction conditions (among others) of assets to be appraised.

(2) Open market assumption. The open market assumption is a hypothesis regarding the market conditions the assets are intended to enter and the influence they will receive under such market conditions. An open market refers to a fully developed and perfect market condition, which is a competitive market with various voluntary buyers and sellers. In this market, both the buyers and sellers of a transaction are equal, and given the opportunity and time to acquire sufficient market information. The transactions between the buyers and sellers are conducted under voluntary, rational, non-compulsory, or unrestricted conditions.

(3) Going concern assumption. The going concern assumption of an enterprise refers to the assumption that, under the existing asset and resource conditions, the production and business operations of the appraised entity can legally continue on a going concern basis in its current state within the foreseeable future operating period, and its operating status will not undergo material adverse changes.

(4) In-use and continue-to-use assumption. The assumption of in-situ use refers to the assumption that the assets will continue to be used in accordance with their current purposes. It is first assumed that the assets within the scope of appraisal are in use, and secondly, it is assumed that they will continue to be used according to their current purposes and manners of use, without considering the conversion of asset purposes or the optimal utilization conditions.

Specific assumptions

(1) It is assumed that there will be no unforeseeable material adverse changes in the external economic environment, such as the country's current relevant laws, macro-economy, finance, and industrial policies, nor will there be any material impact caused by other force majeure or unforeseeable factors.

(2) It is assumed that the appraised entity and its assets will not be subject to any mortgages or guarantees in the future, and the valuation conclusion will not be affected by any additional prices that might be paid due to special transaction methods.

(3) It is assumed that there will be no significant changes in the socio-economic environment where the appraised entity is located, nor in the fiscal and taxation policies such as the taxation bases and tax rates implemented, and that financial policies such as credit policies, interest rates, and exchange rates will remain basically stable.

(4) It is assumed that the current and future business operations of the appraised entity are legal and compliant, and consistent with the relevant provisions of its business license and articles of association.

(5) It is assumed that the workshops under construction and to be constructed by the appraised entity in the future will also be used for leasing to related parties of the Company.

Valuation results

COSCO SHIPPING Investment Dalian

The valuation result of the appraised entity as at the Valuation Benchmark Date was arrived at based on the valuation of the entire shareholders' equity interest in the enterprise conducted using the asset-based approach.

The table below sets out the carrying value and the appraised value of the Target Company and their difference as at the Valuation Benchmark Date:

Unit: RMB million

Item	Net carrying value A	Appraised value B	Difference C=B-A	Increase ratio (%) D=C/A×100%
Current assets	**1,012.84**	**1,012.84**	**0.00**	**0.00**
Cash and cash equivalent	1,003.43	1,003.43	0.00	0.00
Non-current assets	**605.58**	**623.39**	**17.81**	**2.94**
Long-term equity investments *(Note)*	285.27	289.74	4.47	1.57
Investment properties	178.56	181.09	2.53	1.42
Fixed assets	16.93	16.98	0.05	0.27
Construction-in-progress	78.07	81.07	3.00	3.85
Intangible assets	43.01	51.99	8.98	20.87
Long-term deferred expenses	3.74	2.53	-1.21	-32.46
Total assets	**1,618.42**	**1,636.23**	**17.81**	**1.10**
Current liabilities	35.85	35.85	0.00	0.00
Non-current liabilities	2.77	15.66	12.89	464.59
Total liabilities	**38.63**	**51.51**	**12.89**	**33.36**
Net assets (shareholders' equity)	1,579.79	1,584.72	4.92	0.31

Note: Includes the long-term equity investment held by the Target Company in Dalian Liquefied Gas (being RMB273 million), the value of which is equivalent to the net assets value of Dalian Liquefied Gas as at 31 December 2025. Such net asset value is calculated by deducting total liabilities of Dalian Liquefied Gas as at 31 December 2025 (being RMB318 million) from total assets of Dalian Liquefied Gas (being RMB591 million). The total assets of Dalian Liquefied Gas are comprised of construction-in-progress (being RMB477.00 million) and other non-current assets (being RMB84.00 million), which correspond to the total sum of RMB561 million settled by Dalian Liquefied Gas under the Underlying Shipbuilding Contracts as at 31 December 2025.

The key quantitative inputs of the valuation conducted by Shanghai Orient in respect of the Target Company were as follows:

1. *Long-term equity investments.* The increase of approximately RMB4.47 million in the appraised value of long-term equity investments was primarily attributable to the long-term equity investments being measured at their initial investment cost without any equity method adjustments. The appreciation in the appraised value of such line item was a result from the accumulated profits and losses of the subsidiary's operating and investing activities, reflecting an increase in its intrinsic value.

2. *Investment properties.* The increase of approximately RMB2.53 million in the appraised value of investment properties was due to the difference between (i) the appraised value which reflects the market value as of the Valuation Benchmark Date, and (ii) net book value of the subject properties after deducting accumulated depreciation. The depreciation period for properties held by the Target Company differs from its economic useful life, leading to an appreciation in the appraised value.

3. *Construction-in-progress.* The book value of the construction-in-progress is determined based on historical cost, reflecting only the actual explicit expenditures during the asset formation process and excluding the time value of capital during the period of capital occupation. The valuation of this item adopts the replacement cost principle, which is based on the total cost required to rebuild the asset under current market conditions, including the necessary capital costs such as interest incurred during the construction period, leading to an increase in the appraised value of approximately RMB3.00 million.

4. *Intangible assets.* The increase in appraised value of RMB8.9775 million is due to the difference between the software value, which was assessed based on market price, and the amount after taking into account of amortization.

5. *Total liabilities.* The difference between the appraised value of RMB12.89 million and the book value of RMB0.00 was primarily attributable to the incurrence of supplementary corporate income tax and certain late payment fees, which had not been accounted for in the financial statements of the Target Company.

As at the Valuation Benchmark Date, the book value of the shareholders' equity interest in the appraised entity was RMB1,579.79 million, with the appraised value of RMB1,584.72 million, appreciation of RMB4.92 million and appreciation rate of 0.31%. Among which, the book value of total assets was RMB1,618.4199 million, with the appraised value of RMB1,636.2311 million, appreciation of RMB17.8112 million and appreciation rate of 1.10%. The book value of total liabilities was RMB38.6264 million, with the appraised value of RMB51.5131 million and appreciation of RMB12.8867 million.

Biographical details of the candidates for independent non-executive Directors are set out below:

Mr. LI Kin Fai ("**Mr. LI**"), aged 56. Mr. LI worked at Deloitte Touche Tohmatsu ("**Deloitte China**") since July 1991 and served as a partner from December 2003 to May 2025, successively holding the positions of national deputy managing partner of audit & assurance, chief operating officer and chief strategy officer of audit & assurance, partner-in-charge for audit quality maintenance in south China region and audit technical partner of Deloitte China. Mr. LI obtained a bachelor's degree in accounting from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in 1991, and became a member of the Hong Kong Institute of Certified Public Accountants in China in 1996 and became a fellow member of the Hong Kong Institute of Certified Public Accountants in China in 2026.

Mr. CHEN Gang ("**Mr. CHEN**"), aged 63. Mr. CHEN joined China International United Petroleum & Chemicals Co., Ltd. since 1992, successively holding the positions of manager of the futures department, assistant general manager and deputy general manager. He acted as the general manager of Unipec U.K. Co. Limited from 2013 to 2020. From 2020 to 2023, he served as the chairman of the board and secretary of the Party committee of China International United Petroleum & Chemicals Co., Ltd., concurrently a member of the Party working committee of the refining and marketing segment (sub-group) of Sinopec* (中國石化). Mr. CHEN obtained a bachelor's degree in economics from Heilongjiang Business School* (黑龍江商學院) in 1984, and was further awarded the title of senior economist in 1996.

Ms. CHENG Yan ("**Ms. CHENG**"), aged 46. Ms. CHENG has been serving as the general manager of Digital Twin Model Technology (Beijing) Co., Ltd.*(數孿模型科技(北京)有限責任公司) since 2020. From 2004 to 2009, Ms. CHENG worked as an engineer and a director assistant at AVIC Comprehensive Technology Research Institute* (中國航空綜合技術研究所), and from 2009 to 2020, she served as the chief architect for digital transformation and the director of the technology department of Aviation Industry Corporation of China, Ltd. Ms. CHENG obtained a master's degree in mechanical manufacturing and automation in 2004 with the title of researcher (professor-level senior engineer), and obtained a bachelor's degree in mechanical manufacturing and automation in 2001, both from Beihang University. She is currently a candidate for the first cohort of the innovative leading engineering doctoral program at the department of industrial engineering, Tsinghua University.

* *For identification purposes only*

COSCO SHIPPING Energy Transportation Co., Ltd.*
中遠海運能源運輸股份有限公司

Remuneration Management System for Directors and Senior Management

Article 1 This System is hereby formulated to further improve the incentive and constraint mechanism for the remuneration of directors and senior management of COSCO SHIPPING Energy Transportation Co., Ltd. (hereinafter referred to as the "Company"), to fully motivate the work enthusiasm of directors and senior management, and based on the Company's actual conditions, in accordance with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Guidelines on Corporate Governance for Listed Companies*, the *Measures for the Administration of Independent Directors of Listed Companies*, and other relevant laws, regulations, and normative documents, as well as the Articles of Association of COSCO SHIPPING Energy Transportation Co., Ltd. (hereinafter referred to as the "Articles of Association").

Article 2 This System applies to the Company's directors, General Manager, Deputy General Managers, financial controller, general counsel, secretary to the Board, and other senior management as stipulated in the Articles of Association.

Article 3 The remuneration of directors and senior management of the Company shall be based on performance evaluation as a key criterion, with the following management principles:

(1) Strictly standardizing remuneration management. Strictly implement the relevant decisions and arrangements of higher-level authorities, and implement an income distribution mechanism that combines incentives and constraints, and places equal emphasis on efficiency and fairness.

(2) Reflecting a value creation orientation. Establish a remuneration assessment and distribution mechanism that aligns with the functional nature of the enterprise, fits the characteristics of the positions, links to comprehensive assessment results, and connects to value contribution, thereby stimulating the innovation and entrepreneurial vitality of directors and senior management.

(3) Coordinating market benchmarking with the Company's actual conditions. Based on the attributes of central state-owned enterprises, benchmark against leading enterprises and niche players in different industries by sector, conduct scientific market benchmarking of remuneration, and enhance the objectivity, scientificity, and fairness of remuneration levels.

Article 4 The Remuneration and Appraisal Committee of the Board of the Company is the management authority for assessing directors and senior management of the Company and determining their remuneration. It is responsible for formulating the assessment standards and conducting assessments of directors and senior management, formulating and reviewing the remuneration policies and plans for directors and senior management, and making recommendations to the Board on the following matters:

(1) The remuneration of directors and senior management;

(2) Formulating or amending equity incentive schemes, employee stock ownership schemes, and conditions for incentive participants to be granted with and exercise interests;

(3) Shareholding schemes arranged by directors and senior management in the proposed spin-off subsidiaries;

* *For identification purposes only*

(4) Other matters stipulated by laws and regulations, relevant rules of the stock exchange where the Company's shares are listed, and the Articles of Association.

Article 5 The Remuneration and Appraisal Committee of the Board of the Company shall be responsible for organizing the assessment and evaluation of directors and senior management, and formulating the remuneration schemes for directors and senior management in accordance with the Company's remuneration management system. The remuneration scheme for directors shall be determined by the general meeting and disclosed accordingly. The remuneration scheme for senior management shall be approved by the Board, presented to the general meeting for explanation, and disclosed accordingly.

Article 6 The remuneration of the directors (excluding independent non-executive directors) and senior management of the Company shall consist of basic salary, performance annual salary, term-based incentives, special rewards, and medium-to-long term incentive income. Independent directors shall be paid by way of independent director allowance, and the allowance scale shall be implemented upon approval by the general meeting. Reasonable expenses incurred by directors in the performance of their duties shall be borne by the Company.

Article 7 The basic salary of the directors and senior management of the Company shall be determined with reference to market remuneration levels and job responsibilities. The performance annual salary shall be linked to the assessment results of the Company and the individual. The term-based incentives, special rewards and medium-to-long term incentives shall be deliberated and determined by the Board. In principle, the proportion of performance annual salary shall be no less than 60% of the aggregate amount of basic salary and performance salary.

Article 8 The Company shall establish a deferred payment mechanism for performance annual salary. For senior management of the Company who satisfy the applicable conditions for deferred payment, 90% of the assessed performance annual salary shall be paid in the current year, and the remaining 10% shall be deferred. The deferred portion shall be linked to risk prevention and control and duty performance, and shall in principle be settled and paid after a deferral period of three years.

Article 9 The Company shall establish a payment suspension and recovery mechanism. In the event of any of the following circumstances, the performance annual salary, term-based incentives and other remuneration of the Company's directors and senior management shall be reassessed, correspondingly reduced or recovered depending on the severity of the circumstances:

(1) Restatement of the Company's financial statements due to misstatement;

(2) Directors and senior management of the Company causing losses to the Company by breach of their duties;

(3) Directors and senior management of the Company being at fault for illegal or irregular conduct including financial fraud, fund occupation and illegal guarantee;

(4) Other circumstances where remuneration reduction is deemed necessary by the Board.

Article 10 Social insurance, housing provident fund and other welfare benefits of directors and senior management of the Company shall be handled in accordance with relevant national and the Company's regulations.

Article 11 Individual income tax and the individual contributions to social insurance and housing provident fund of directors and senior management of the Company shall be borne by individuals themselves.

Article 12 The timing and method of remuneration payment for directors and senior management of the Company shall be implemented in accordance with the relevant remuneration payment provisions of the Company.

Article 13 Where directors and senior management of the Company leave office due to change of term, re-election or other reasons, their remuneration shall be calculated and paid based on their actual term of office and actual performance.

Article 14 Adjustments to the remuneration of directors and senior management of the Company shall be determined primarily on the basis of the following factors:

(1) The inflation level and the actual purchasing power of remuneration;

(2) The Company's operating performance, financial position and capacity for sustainable development;

(3) Adjustments to the Company's development strategy, organizational structure and job responsibilities;

(4) Changes in personal positions, job reassignments and the results of performance appraisals.

Article 15 The mechanism for determining the Company's total payroll shall be established in accordance with the relevant administrative measures on the total payroll of the Company.

Article 16 Matters not covered herein or any conflict with existing laws, regulations, normative documents, regulatory rules and the Articles of Association shall be governed by the provisions of such laws, regulations, normative documents, regulatory rules and the Articles of Association.

Article 17 This System and any amendments thereto shall come into effect on the date of the adoption by resolution of the general meeting.

Article 18 The Board shall be responsible for the interpretation of this System.

COSCO SHIPPING ENERGY TRANSPORTATION CO., LTD.*
中遠海運能源運輸股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1138)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the "**AGM**") of COSCO SHIPPING Energy Transportation Co., Ltd. (the "**Company**") will be held at 2:00 p.m. on Friday, 26 June 2026 (or any adjournment thereof) at 3rd Floor, Ocean Hotel, No. 1171 Dongdaming Road, Hongkou District, Shanghai, the PRC to consider and, if thought fit, approve the following resolutions.

Unless otherwise defined, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 3 June 2026.

ORDINARY RESOLUTIONS

1. To consider and approve the 2025 annual report of the Company.

2. To consider and approve the proposed distribution of the 2025 final dividend of the Company of RMB0.38 per share (before tax).

3. To consider and approve the proposed authorisation to the Board to decide the 2026 Interim Profit Distribution Plan.

4. To consider and approve the 2025 report of the Board of the Company.

5. To consider and approve the remuneration of the Directors for the year 2026;

   The Board recommends the following remuneration for the Directors for the year of 2026:

   (1) Executive Directors who concurrently hold administrative positions or undertake other specific work in the Company shall receive remuneration corresponding to the position, and those who do not concurrently hold administrative positions or undertake other specific work in the Company shall not receive any remuneration from the Company.

* *For identification purposes only*

(2) Non-executive Directors who do not hold administrative positions with the Company's Shareholders shall receive remuneration from the Company. The remuneration of such non-executive Directors shall comprise basic remuneration and performance-based compensation. Basic remuneration shall be determined by duties, position responsibilities and grade, while the amount of performance-based compensation shall be confirmed upon an annual appraisal. Non-executive Directors who hold administrative positions with the Company's Shareholders shall not receive any remuneration from the Company.

(3) Allowance of independent Directors shall comprise basic allowance and meeting allowance, with specific standards as follows: Basic allowance standards: RMB150,000 per year (pre-tax) for those serving as the conveners of the special committees; RMB120,000 per year (pre-tax) for other externally hired Directors; RMB300,000 per year (pre-tax) for externally hired Directors who are overseas individuals. Meeting allowance standards: RMB3,000 per meeting (pre-tax) for general meetings and Board meetings, and RMB2,000 per meeting (pre-tax) for meetings of special Board committees and special meetings of independent Directors.

(4) To consider and approve the resolution in relation to liability insurance for the Directors and the senior management of the Company for 2026.

In order to protect the rights and interests of the members of the Board and senior management of the Company in the course of discharging their duties, the Board also resolved, subject to the approval of the Shareholders at the AGM, to purchase liability insurance for the members of the Board and senior management of the Company, and to authorize the Board and consent to the further authorization of the management of the Company by the Board to implement the same.

SPECIAL RESOLUTION

6. To consider and approve:

"**THAT**:

(a) subject to market conditions and the needs of the Company, and in compliance with relevant laws and regulations and obtaining approvals from all relevant governmental or regulatory authorities (if applicable), the Issuance Mandate be and is hereby generally and unconditionally given to the Directors during the Relevant Period (as defined below) of all the powers of the Company to issue, allot and/or deal with additional A Shares and/or H Shares (including convertible bonds and other securities with rights to subscribe for or convert into Shares), and the total number of such additional A Shares and/or H Shares to be issued pursuant to the Issuance Mandate shall not exceed, in each case, 20% of the respective class of Shares in issue of the Company (excluding any treasury Shares) as at the date of this resolution being considered and approved at the AGM;

(b) the Issuance Mandate in paragraph (a) above shall authorize the Directors during the Relevant Period to approve, sign and execute or cause to be signed and executed all documents, deeds and matters that they deem related to the exercise of such powers; and

(c) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until the earliest of:

(i) the date of the conclusion of the 2026 annual general meeting of the Shareholders to be held in 2027;

(ii) the expiration of 12 months from the date of passing of this resolution; and

(iii) the date on which the authorisation granted to the Board under this resolution is revoked or varied by a special resolution of the Shareholders at any general meeting.

For the purpose of this resolution, any reference to an allotment, issue, grant, offer, placing, subscription or disposal of Shares shall include the sale or transfer of treasury Shares in the capital of the Company (including to satisfy any obligation upon the conversion or exercise of any convertible securities, options, warrants or similar rights to subscribe for Shares) to the extent permitted by, and subject to the provisions of, the Listing Rules and applicable laws and regulations."

ORDINARY RESOLUTIONS

7. To consider and approve (i) the re-appointments of SHINEWING (HK) CPA Limited and ShineWing Certified Public Accountants LLP as the overseas auditor and the domestic auditor of the Company for the year ending 31 December 2026, respectively, and to hold office until the conclusion of the next annual general meeting for providing the Company with audit reports including the 2026 interim review report, the 2026 annual audit report and the audit report on the internal control, as well as rendering specific audit and review services; (ii) the respective fees for review and audit payable by the Company to SHINEWING (HK) CPA Limited and ShineWing Certified Public Accountants LLP for the year ending 31 December 2026 of RMB2.376 million and RMB3.1 million (inclusive of taxes and travel expenses), respectively; and (iii) in the event of a major change in the scope of review and audit in respect of the Company, the authorisation to the Board or any person authorized by the Board to reasonably determine the specific amount of the audit fees of the domestic and overseas auditors of the Company for the year ending 31 December 2026.

8. To approve, confirm and ratify the Equity Transfer Agreement dated 2 June 2026 entered into between COSCO SHIPPING and Dalian COSCO Energy in respect of the Proposed Acquisition; and to authorize the directors of the Company to exercise all powers which they consider necessary and do such other acts and things and execute such other documents which in their opinion may be necessary or desirable to implement the Equity Transfer Agreement and the transactions contemplated thereunder.

9. To consider and approve the proposed resolution in relation to the merger by absorption COSCO SHIPPING Investment Dalian (the Target Company) by Dalian COSCO Energy (the Purchaser) upon completion of the Equity Transfer Agreement.

10. To consider and approve the proposed guarantees for (i) China Shipping Development (Hong Kong) Marine Co., Limited; (ii) COSCO SHIPPING Tanker (Singapore) Pte. Ltd.; (iii) Pan Cosmos Shipping & Enterprises Co., Ltd.; (iv) COSCO SHIPPING Energy Transportation (Hainan) Co., Ltd.* (海南中遠海運能源運輸有限公司); (v) Dalian COSCO SHIPPING Energy Supply Chain Co., Ltd.* (大連中遠海運能源供應鏈有限公司); and (vi) Shanghai COSCO SHIPPING Chemical Carrier Co., Ltd.* (上海中遠海能化工運輸有限公司) (collectively, the "**Guaranteed Wholly-owned Subsidiaries**") to be provided by the Company in a total amount not exceeding US$0.7 billion (or its equivalent in other currencies) to guarantee the possible financial obligations of the Guaranteed Wholly-owned Subsidiaries and the proposed authorisation to the chairman of the Board of the Company or his authorized representative to execute the guarantees, further details of which are set out in the relevant announcement of the Company dated 26 May 2026.

11. To consider and approve the resolution in relation to the Measures for the Remuneration Management of Directors and Senior Management.

12. To elect independent non-executive Directors of the current session of the Board of the Company and their terms of appointment: (resolutions with the adoption of cumulative voting [Note 10])

    (1) to consider and approve the election of Mr. LI Kin Fai as an independent non-executive Director of the Company and the term of his appointment, details of which are set out in the circular of the Company dated 3 June 2026;

    (2) to consider and approve the election of Mr. CHEN Gang as an independent non-executive Director of the Company and the term of his appointment, details of which are set out in the circular of the Company dated 3 June 2026;

    (3) to consider and approve the election of Ms. CHENG Yan as an independent non-executive Director of the Company and the term of her appointment, details of which are set out in the circular of the Company dated 3 June 2026.

REVIEW OF REPORT

1. To review the duty performance report of the independent non-executive Directors for the year ended 31 December 2025.

By order of the Board
COSCO SHIPPING Energy Transportation Co., Ltd.
NI Yidan
Company Secretary

Shanghai, the People's Republic of China
3 June 2026

Notes:

1. For the purpose of holding the AGM, the register of H Shares members of the Company (the "**Register of Members**") will be closed from Tuesday, 23 June 2026, to Friday, 26 June 2026 (both days inclusive), during which no transfer of H Shares of the Company will be registered. H Shareholders whose names appear on the Register of Members at the close of business on Friday, 26 June 2026 are entitled to attend and vote at the AGM after completing the registration procedures. In order to be entitled to attend and vote at the AGM, all duly completed transfer documents accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the H share registrar of the Company, not later than 4:30 p.m. on Monday, 22 June 2026.

2. To ascertain the entitlement of Shareholders to the proposed final dividend, the register of H Shares members of the Company will be closed from Tuesday, 21 July 2026 to Friday, 24 July 2026 (both days inclusive), during which no transfer of H Shares will be registered. The Shareholders whose names appear on the register of H Shares members at the close of business on Friday, 24 July 2026 will be qualified for the proposed final dividend. In order to qualify for the proposed final dividend, all transfer documents together with the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the H share registrar of the Company, not later than 4:30pm on Monday, 20 July 2026. The proposed final dividend (the payment of which is subject to approval of the Shareholders at the AGM) is to be payable on or before Friday, 28 August 2026 to the H Shareholders whose names appear on the Register of Members at the close of business on Friday, 24 July 2026.

3. The address of Computershare Hong Kong Investor Services Limited, the share registrar (for share transfer) for the H shares of the Company is as follows:

   Shops 1712-1716
   17th Floor Hopewell Centre
   183 Queen's Road East
   Wanchai
   Hong Kong

4. Each H Shareholder who has the right to attend and vote at the AGM is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his/her behalf at the AGM.

5. The form of proxy must be in writing under the hand of the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a legal person, must either be executed under its common seal or under the hand of a legal representative or other attorney duly authorised to sign the same. If the form of proxy is signed by an attorney authorised by the Shareholder, the power of attorney authorising signature or other documents of authorisation must be notarially certified.

6. To be valid, for H Shareholders, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the AGM or any adjournment thereof.

7. Each A Shareholder is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his/her behalf at the AGM. Notes 4 to 8 also apply to A Shareholders, except that the form of proxy or other documents of authority must be delivered to the Office of the Board of Directors of the Company, not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof in order for such documents to be valid.

   The details of the Office of the Board of Directors of the Company are as follows:

   7th Floor, 670 Dongdaming Road
   Hongkou District
   Shanghai
   People's Republic of China
   Postal Code: 200080
   Tel: 86 (21) 6596 6666
   Fax: 86 (21) 6596 6160

8. If a proxy attends the AGM on behalf of a Shareholder, he/she should produce his/her identity card and the form of proxy signed by the Shareholder or his/her attorney, which specifies the date of its issuance. If a Shareholder is a legal person and appoints its legal representative to attend the AGM, such legal representative should produce his/her identity card and valid documents evidencing his/her capacity as such legal representative. If a legal person Shareholder appoints a company representative other than its legal representative to attend the AGM, such representative should produce his/her identity card and an authorisation instrument affixed with the seal of that Shareholder (which is a legal person) and duly signed by its legal representative.

9. The AGM is estimated to last for an hour. Shareholders who attend the AGM in person or by proxy shall bear their own transportation and accommodation expenses.

10. No ballot will be cast "For", "Against" or "Abstain" in cumulative voting. You are requested to fill in the corresponding voting right in the "cumulative voting" column against the name of each candidate. The lowest votes will be nil and the highest will be the maximum voting rights under each resolution and unnecessarily the integral multiples of the number of Shares held by you. You may either cast all your votes to one of the proposed candidates, or cast them equally or diversely to more than one of the proposed candidates. Please note that the total number of votes that you cast on a candidate shall not exceed the total number of voting rights represented by all the Shares held by you. When the total votes cast by you on certain candidates exceeds the total votes to which you are entitled, all the votes cast will become invalid and be regarded as abstain votes; when the total votes cast by you for certain candidates are less than the total votes to which you are entitled, the votes are valid and the remaining votes will be regarded as abstain votes.

As at the date of this notice, the Board comprises Mr. REN Yongqiang and Mr. ZHU Maijin as executive Directors, Mr. WANG Shuqing, Mr. WANG Wei, Ms. ZHOU Chongyi and Ms. MA Yuanru as non-executive Directors, Mr. Victor HUANG, Mr. LI Runsheng, Mr. ZHAO Jinsong and Mr. WANG Zuwen as independent non-executive Directors.