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LC Logistics, Inc.

乐舱物流股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2490)

**MAJOR DISPOSAL
IN RELATION TO
THE SALE AND LEASEBACK OF A VESSEL**

INTRODUCTION

On 3 June 2026, (i) the Owner and the Charterer, being a wholly-owned subsidiary of the Company, entered into the Bareboat Charter Agreement, pursuant to which the Owner agreed to bareboat charter the Vessel, with Hull No. H2871, to the Charterer for a period of 120 months from the Actual Delivery Date, with a purchase obligation at the end of the Charter Period; (ii) Bal Container, being a subsidiary of the Company, entered into the DOA with the Owner, pursuant to which Bal Container agreed to assign the Shipbuilding Agreement in respect of the Vessel to the Owner at a consideration comprising the Third Instalment and the Fourth Instalment, the aggregate of which shall not exceed the lower of (a) 70% of the Contractual Purchase Price and (b) 60% of the Market Value of the Vessel; (iii) the Owner and the Standby Charterer, being the Company, entered into the Standby Charter; (iv) the Charterer entered into the Charterers' Assignment in favour of the Owner; and (v) the approved manager of the Vessel entered into the Manager's Undertaking in favour of the Owner.

LISTING RULES IMPLICATIONS

The sale and leaseback arrangement constitutes a major disposal for the Company under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios in respect of thereof exceeds 25% but all of which are below 75%, the transactions contemplated under the DOA and the Bareboat Charter Agreement constitute a major transaction for the Company and is subject to the reporting and announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

WRITTEN SHAREHOLDERS' APPROVAL

As at the date of this announcement, the Company obtained an irrevocable and unconditional written approval for the DOA, the Bareboat Charter Agreement, the Standby Charter, the Charterers' Assignment and the transactions contemplated thereunder in accordance with Rule 14.44 of the Listing Rules from Lecang Altitude Limited, Lecang Fantasy Limited, Glorious Sailing Limited, Lecang Shining Limited and Lecang Flourishing Limited, being the beneficial owners of 317,106,588 Shares, representing approximately 55.39% of the existing issued share capital of the Company as at the date of this announcement. Accordingly, the DOA, the Bareboat Charter Agreement, the Standby Charter, the Charterers' Assignment and the transactions contemplated thereunder have been approved by the Shareholders by way of written Shareholders' approval in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules.

As the transaction is subject to the satisfaction of the conditions set out below, it may or may not be completed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

INTRODUCTION

The Board is pleased to announce that on 3 June 2026, the Group entered into a sale and leaseback arrangement in respect of the Vessel, pursuant to which (i) Bal Container, a subsidiary of the Company, agreed to assign the Shipbuilding Agreement in respect of the Vessel to the Owner under the DOA; and (ii) following delivery of the Vessel, the Owner will bareboat charter the Vessel to the Charterer, a wholly-owned subsidiary of the Company, for a period of 120 months under the Bareboat Charter Agreement.

In connection with the above, (i) the Company entered into the Standby Charter as standby charterer; (ii) the Charterer executed the Charterers' Assignment in favour of the Owner; and (iii) the approved manager of the Vessel executed the Manager's Undertaking in favour of the Owner.

The transaction constitutes a sale and leaseback arrangement whereby the Group will (through Bal Container) assign the Shipbuilding Agreement for the Vessel to the Owner, and upon delivery of the Vessel by the shipbuilder, the Owner will bareboat charter the Vessel back to the Charterer (being a subsidiary of the Company) for a period of 120 months with a purchase obligation at the end of the charter period.

THE DOA

The principal terms of the DOA are summarised as follows:

Date: 3 June 2026

Parties: (1) Bal Container (as assignor); and
(2) the Owner (as assignee)

Subject Matter: Bal Container agreed to assign all its right, title and interest in and to the Shipbuilding Agreement (including the right to take delivery of the Vessel) to the Owner.

Consideration: The Consideration comprises:

- (1) the Third Instalment of up to US\$14,480,000, relating to the third instalment of the Contractual Purchase Price payable by Bal Container under the Shipbuilding Agreement; and
- (2) the Fourth Instalment of up to US\$86,880,000, relating to the fourth instalment of the Contractual Purchase Price payable by Bal Container under the Shipbuilding Agreement.

When aggregated with the Third Instalment, the Fourth Instalment shall not cause the Consideration to exceed the lower of 70% of the Contractual Purchase Price (being US\$144,800,000) and 60% of the Market Value.

Under the DOA, Bal Container is required to give written notice to the SBC Seller (being Jiangnan Shipyard and China Shipbuilding) of the assignment of the Shipbuilding Agreement and to procure the acknowledgement by the SBC Seller of such notice.

Condition precedent: Completion and implementation of the transactions contemplated under the DOA, the Bareboat Charter Agreement, the Standby Charter, the Charterers' Assignment and the Manager's Undertaking are subject to the satisfaction or waiver (where applicable) of the relevant conditions precedent and other requirements under the transaction documents, including, among others, delivery of corporate authorisations, legal opinions, know-your-customer documents, payment of applicable fees, costs and expenses, insurance and vessel-related documents, and approval by the Shareholders where required under the Listing Rules.

If the Shareholders' approval is not obtained, the Company will not proceed with the Disposal and the transactions contemplated under the transaction documents.

THE BAREBOAT CHARTER AGREEMENT

The principal terms of the Bareboat Charter Agreement are summarised as follows:

Date: 3 June 2026

Parties: (1) the Owner; and
(2) the Charterer

Charter Period: 120 months from the Actual Delivery Date

Hire: The Charterer shall pay to the Owner:

- (a) Fixed Hire: for each quarter, a sum equal to 1/40th of (the Actual Owners' Costs minus the Balloon), payable quarterly; and
- (b) Variable Hire: for each quarter, interest on the outstanding Cost Balance at the Margin (2% per annum) plus the applicable SOFR-based rate, payable quarterly.

Balloon: 30% of the Actual Owners' Costs

Purchase Option: The Charterer has the option to purchase the Vessel during the Charter Period after the Actual Delivery Date, subject to the conditions specified in the Bareboat Charter Agreement, including the Charterer giving at least 60 Business Days' prior written notice to the Owner. The applicable purchase option fee is 1% of the Cost Balance if the Purchase Option Date falls on or before the third anniversary of the Actual Delivery Date, 0.6% of the Cost Balance if it falls after the third anniversary and on or before the sixth anniversary of the Actual Delivery Date, and nil thereafter.

Purchase Obligation:	The Charterer is obligated to purchase the Vessel at the expiry of the Charter Period at the Purchase Obligation Price, which includes the Balloon, being 30% of the Actual Owners' Costs, and any amount by which the then current Cost Balance exceeds the Balloon, together with other amounts then due and payable by the Charterer to the Owner. The Bareboat Charter Agreement also contains other circumstances giving the Owner the right to require the Charterer to purchase the Vessel, including where the Owner serves a purchase obligation notice at any time after the fifth anniversary of the Actual Delivery Date, or upon an outbreak of war between the United States of America and the PRC.
Arrangement Fee:	1% of the Consideration under the DOA, payable by the Charterer not later than three Business Days before the earlier of delivery of the Vessel and, if applicable, the date on which the Owner pre-positions the fourth instalment amount into the SBC Seller's bank, provided that if the DOA is cancelled or the Bareboat Charter Agreement is terminated before the Arrangement Fee has been paid, the Arrangement Fee shall become immediately due and payable.
Value Maintenance:	The ratio of Cost Balance to Fair Market Value shall not be higher than 70%. If the ratio is exceeded, the Charterer shall provide additional security or make prepayment.
Insurance:	The Charterer shall maintain hull and machinery and war risks insurance in an amount not less than the greater of 110% of the latest Fair Market Value or Market Value, as applicable, and 120% of the Cost Balance.

SECURITY MEASURES

The Standby Charter, the Charterers' Assignment and the Manager's Undertaking form part of the security measures in connection with the sale and leaseback arrangement, and are intended to secure the obligations of the Charterer and other obligors under the transaction documents and to protect the Owner's interests in the Vessel and the related cash flows.

The Standby Charter

The Standby Charter is a standby bareboat charter entered into between the Owner and the Standby Charterer (being the Company). The Standby Charter may commence upon the Owner's delivery of an original duly executed certificate of acceptance to the Standby Charterer and satisfaction of the relevant conditions under the Standby Charter, following certain specified events under the Bareboat Charter Agreement, including, for example, failure to pay amounts due, material misrepresentation, breach of specified undertakings, cross default, insolvency or winding-up of a core obligor.

Upon commencement, the Standby Charterer shall be deemed to have accepted delivery of the Vessel and shall assume or fulfil the obligations of BAL Athena as Charterer under the Bareboat Charter Agreement or otherwise in relation to the Vessel, including payment, operational and purchase-related obligations, on terms substantially similar to those of the Bareboat Charter Agreement.

The Charterers' Assignment

Pursuant to the Charterers' Assignment, the Charterer assigns to the Owner all of the Charterer's right, title and interest in and to (a) the Insurances, (b) the Earnings, (c) the Requisition Compensation and (d) certain Charter Rights, including rights under any Sub-Charter which is on a demise chartering basis or has a duration (taking into account any option to renew or extend) of more than thirteen (13) months, as security for the due and punctual payment of the Indebtedness and the performance by the obligors of all their obligations under the transaction documents.

The Manager's Undertaking

As a condition to the sale and leaseback arrangement, the approved manager of the Vessel is required to give the Manager's Undertaking in favour of the Owner.

For the avoidance of doubt, no member of the Group is a party to the Manager's Undertaking.

THE CONSIDERATION

The Consideration for the assignment under the DOA comprises the Third Instalment (up to US\$14,480,000) and the Fourth Instalment (up to US\$86,880,000). When aggregated with the Third Instalment, the Fourth Instalment shall not cause the Consideration to exceed the lower of 70% of the Contractual Purchase Price (being US\$144,800,000) and 60% of the Market Value.

The Consideration was determined after arm's length negotiations between Bal Container and the Owner with reference to (i) the Contractual Purchase Price of the Vessel; (ii) the Market Value of the Vessel; (iii) prevailing market conditions for sale and leaseback transactions for vessels of comparable size and type; and (iv) the Valuation Report.

Based on the Valuation Report, the appraised value of the Vessel upon its construction completion on 28 July 2026, using cost method, is US\$170.5872 million.

FINANCIAL EFFECT AND USE OF PROCEEDS FROM THE DISPOSAL

The Disposal is to be accounted for as a financing transaction under the applicable accounting standards. Accordingly, no gain or loss will be recognised by the Group upon completion of the Disposal. The total assets and total liabilities of the Group will simultaneously increase by approximately US\$101,360,000.

The net proceeds from the Disposal (being the Consideration) will be applied as follows:

- (a) approximately US\$86,880,000 will be applied towards the settlement of the outstanding construction cost of the Vessel payable to Jiangnan Shipyard and China Shipbuilding under the Shipbuilding Agreement; and
- (b) approximately US\$14,480,000 will be applied to replenish the internal resources of the Group.

THE VESSEL

The Vessel is a 14,000 TEU container vessel, Hull No. H2871, under construction by Jiangnan Shipyard pursuant to the Shipbuilding Agreement dated 6 June 2024 (as novated on 2 September 2024). The Contractual Purchase Price is US\$144,800,000.

As the Vessel is still under construction pursuant to the Shipbuilding Agreement, no net profits were attributable to the Vessel. The unaudited net book value of the Vessel as at 30 April 2026 is expected to be US\$57.92 million, which is equivalent to 40% of the Contractual Purchase Price.

REASONS FOR AND BENEFITS OF THE SALE AND LEASEBACK ARRANGEMENT

The Group is an integrated cross-border seaborne logistics service provider in the PRC. The sale and leaseback arrangement enables the Group to finance the construction cost of the Vessel while retaining operational control of the Vessel throughout the Charter Period.

The Directors consider that the sale and leaseback arrangement:

- (a) provides a cost-effective means of financing the construction of the Vessel without additional bank borrowings;
- (b) optimises the capital structure of the Group and enhances its financial flexibility;
- (c) allows the Group to retain operational control of the Vessel throughout the Charter Period; and
- (d) enables the Group to re-acquire full ownership of the Vessel upon fulfilment of the Purchase Obligation at the expiry of the Charter Period.

In view of the above, the Directors consider that the terms of the DOA, the Bareboat Charter Agreement, the Standby Charter, the Charterers' Assignment and the Manager's Undertaking are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE GROUP AND THE PARTIES TO THE TRANSACTION

Information on the Group, Bal Container and Shandong Lcang

The Group is an integrated cross-border seaborne logistics service provider in the PRC, the Shares of which are listed on the Main Board of the Stock Exchange.

Bal Container is a company incorporated in Hong Kong with limited liability and is principally engaged in the provision of cross-border transportation services. Bal Container is indirectly wholly-owned by Shandong Lcang. Shandong Lcang is a company established in the PRC with limited liability and is principally engaged in the provision of cross-border transportation services. Shandong Lcang is an approximately 99%-owned subsidiary of the Company.

Information on the Charterer

The Charterer, BAL Athena Shipping Pte. Ltd., is a company incorporated in Singapore and is a wholly-owned subsidiary of the Company. It is principally engaged in the chartering and operation of vessels.

Information on the Owner

The Owner, Tianjin Green Ocean-V Leasing Limited, is a company incorporated under the laws of the PRC and a special purpose vehicle of China Development Bank Financial Leasing Co., Ltd. (國銀金融租賃股份有限公司), a company listed on the Main Board of the Stock Exchange (Stock Code: 1606). The Owner is principally engaged in the leasing business.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Owner and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

Information on China Shipbuilding and Jiangnan Shipyard

China Shipbuilding is a corporation organised and existing under the laws of the PRC and is principally engaged in the trading of ships and related equipment. China Shipbuilding is indirectly wholly-owned by State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會) in the PRC.

Jiangnan Shipyard is a corporation organised and existing under the laws of the PRC and is principally engaged in the construction of ships. Jiangnan Shipyard is a wholly-owned subsidiary of China CSSC Holdings Limited (中國船舶工業股份有限公司), a company listed on Shanghai Stock Exchange (Stock Code: 600150).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, China Shipbuilding, Jiangnan Shipyard and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of thereof exceeds 25% but all of which are below 75%, the transactions contemplated under the DOA and the Bareboat Charter Agreement constitute a major transaction for the Company and is subject to the reporting and announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

WRITTEN SHAREHOLDERS' APPROVAL

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the transactions contemplated under the DOA, the Bareboat Charter Agreement, the Standby Charter and the Charterers' Assignment. As such, no Shareholders would be required to abstain from voting in favour of the resolution approving the DOA, the Bareboat Charter Agreement, the Standby Charter, the Charterers' Assignment.

Pursuant to the Acting in Concert Deed, each of Mr. Xu Xin, Ms. Li Yan and Ms. Liu Quanxiang had agreed and confirmed that from the date they became the registered owners and/or beneficial owners of the equity interests in the Group to the date when any of them ceases to be the controlling shareholder of the Company: (a) they had been and would continue to be parties acting in concert and they had agreed to consult with each other and reach a unanimous consensus among themselves before the decision, implementation and agreement on all material management affairs, voting and/or commercial decisions, including but not limited to financial and operational matters, of any member of the Group; (b) they had cast and would continue to cast their votes as directors and/or shareholders (as the case may be) unanimously for or against all resolutions in all board and shareholders' meetings and discussions of any member of the Group; and (c) they had cooperated and would continue to cooperate with one another to acquire, maintain and consolidate the control and management of the Group. By virtue of the Securities and Futures Ordinance, each of the ultimate controlling shareholders of the Company together with investment holding companies held or controlled by them (being Lecang Boundless Limited, Lecang Fantasy Limited, Grand Sailing Limited, Lecang Altitude Limited, Peace Seaworld Limited, Lecang Shining Limited, Spring Wealth Limited, Lecang Flourishing Limited and Glorious Sailing Limited) are all deemed to be interested in the total Shares directly held by Lecang Fantasy Limited, Lecang Altitude Limited, Lecang Shining Limited, Lecang Flourishing Limited and Glorious Sailing Limited.

Accordingly, Mr. Xu Xin, Ms. Li Yan and Ms. Liu Quanxiang are entitled to exercise voting rights in 317,106,588 Shares, representing approximately 55.39% of the existing issued share capital of the Company.

As at the date of this announcement, the Company obtained an irrevocable and unconditional written approval for the DOA, the Bareboat Charter Agreement, the Standby Charter, the Charterers' Assignment and the transactions contemplated thereunder in accordance with Rule 14.44 of the Listing Rules from Lecang Altitude Limited, Lecang Fantasy Limited, Glorious Sailing Limited, Lecang Shining Limited and Lecang Flourishing Limited, being the beneficial owners of 317,106,588 Shares, representing approximately 55.39% of the existing issued share capital of the Company as at the date of this announcement. Accordingly, the DOA, the Bareboat Charter Agreement, the Standby Charter, the Charterers' Assignment and the transactions contemplated thereunder have been approved by the Shareholders by way of written Shareholders' approval in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, (i) details of the DOA, the Bareboat Charter Agreement, the Standby Charter and the Charterers' Assignment; (ii) financial information of the Group; and (iii) other information required under the Listing Rules is expected to be despatched on or before 25 June 2026.

As the transaction is subject to the satisfaction of the conditions set out below, it may or may not be completed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

Unless the context requires otherwise, capitalized terms used in this announcement shall have the meanings as follows:

“Actual Delivery Date”	the date on which the Vessel is delivered by the Owner to the Charterer under the Bareboat Charter Agreement, which is expected to occur immediately after the Vessel is delivered by the SBC Seller to the Owner under the Shipbuilding Agreement following the assignment by Bal Container to the Owner
“Actual Owners’ Costs”	the aggregate of (i) the Consideration and (ii) any amount accruing on the Fourth Instalment actually deposited with the SBC Seller’s bank, calculated by reference to the Margin and the applicable SOFR-based rate
“Arrangement Fee”	the arrangement fee in an amount equal to 1% of the Consideration, payable by the Charterer not later than three Business Days before the earlier of delivery of the Vessel and, if applicable, the date on which the Owner pre-positions the fourth instalment amount into the SBC Seller’s bank, provided that if the DOA is cancelled or the Bareboat Charter Agreement is terminated before the Arrangement Fee has been paid, the Arrangement Fee shall become immediately due and payable
“Bal Container”	Bal Container Line Co., Limited, a company incorporated in Hong Kong with limited liability and an indirect subsidiary of the Company
“Balloon”	an amount equal to 30% of the Actual Owners’ Costs
“Bareboat Charter Agreement”	the bareboat charter agreement dated 3 June 2026 entered into between the Owner and the Charterer in respect of the bareboat chartering of the Vessel
“Board”	the board of directors of the Company
“Business Day”	in relation to the determination of the Actual Delivery Date, a day (other than a Saturday or Sunday) on which banks are open for general business in Singapore, and in any other case, a day (other than a Saturday or Sunday) on which banks are open for general business in Singapore, New York and Shanghai
“Charter Period”	120 months from the Actual Delivery Date

“Charterer”	BAL Athena Shipping Pte. Ltd., a company incorporated in Singapore with limited liability and a wholly-owned subsidiary of the Company
“Charterers’ Assignment”	the deed of assignment dated 3 June 2026 entered into by the Charterer in favour of the Owner, pursuant to which the Charterer assigns to the Owner all of the Charterer’s right, title and interest in and to, among other things, the Insurances, the Earnings, the Requisition Compensation and certain Charter Rights as security for the Indebtedness
“China Shipbuilding”	China Shipbuilding Trading Co., Ltd. (中國船舶工業貿易有限公司), a corporation organised and existing under the laws of the PRC
“Company”	LC Logistics, Inc. (樂艙物流股份有限公司), an exempted company incorporated in the Cayman Islands with limited liability
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the aggregate amount payable or deemed to have been paid by the Owner to or for the account of Bal Container in consideration of the assignment of the Shipbuilding Agreement, comprising the Third Instalment and the Fourth Instalment
“Contractual Purchase Price”	the purchase price of the Vessel under the Shipbuilding Agreement, being US\$144,800,000, subject to adjustment in accordance with the terms of the Shipbuilding Agreement
“Cost Balance”	at any relevant time, an amount equal to the Actual Owners’ Costs as reduced by any payment, prepayment or deemed payment of Fixed Hire or the Balloon
“Director(s)”	the director(s) of the Company
“Disposal”	the assignment by Bal Container of the Shipbuilding Agreement to the Owner pursuant to the DOA and the transactions contemplated under the DOA, the Bareboat Charter Agreement, the Standby Charter, the Charterers’ Assignment and the Manager’s Undertaking
“DOA”	the deed of assignment dated 3 June 2026 entered into between Bal Container and the Owner, pursuant to which Bal Container assigns its right, title and interest in and to the Shipbuilding Agreement to the Owner and the Owner agrees to pay or is deemed to have paid the Consideration
“Fair Market Value”	the fair market value of the Vessel ascertained in accordance with the valuation mechanism under the Bareboat Charter Agreement

“Fixed Hire”	the fixed hire payable by the Charterer to the Owner on each Hire Payment Date during the Charter Period, being an amount equal to 1/40th of the amount by which the Actual Owners’ Costs exceeds the Balloon
“Fourth Instalment”	an amount which relates to, and shall be no more than, the fourth instalment of the Contractual Purchase Price payable by Bal Container under the Shipbuilding Agreement, being no more than US\$86,880,000, provided that, when aggregated with the Third Instalment, it shall not exceed the lower of 70% of the Contractual Purchase Price and 60% of the Market Value
“Group”	the Company and its subsidiaries
“Hire”	the Fixed Hire and the Variable Hire payable under the Bareboat Charter Agreement
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Indebtedness”	the aggregate from time to time of all sums of any nature, together with all accrued and unpaid interest on those sums, payable by the obligors or any of them to the Owner under all or any of the transaction documents
“Independent Third Party(ies)”	individual(s) or company(ies) which, to the best of our Directors’ knowledge, information, and belief, having made all reasonable enquiries, is/are independent of the Company and its connected persons
“Jiangnan Shipyard”	Jiangnan Shipyard (Group) Co., Ltd. (江南造船(集團)有限責任公司), a corporation organised and existing under the laws of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Manager’s Undertaking”	the deed of undertaking dated 3 June 2026 entered into by the approved manager of the Vessel in favour of the Owner in respect of the Vessel
“Margin”	2% per annum
“Market Value”	the market value of the Vessel as determined by the valuation report prepared for the purposes of the transaction
“Owner”	Tianjin Green Ocean-V Leasing Limited, a company incorporated under the laws of the PRC and a special purpose vehicle of China Development Bank Financial Leasing Co., Ltd. (國銀金融租賃股份有限公司) (Stock Code: 1606)

“PRC”	the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Purchase Obligation”	the obligation of the Charterer to purchase the Vessel from the Owner at the Purchase Obligation Price in the circumstances specified in the Bareboat Charter Agreement, including where the Owner serves a purchase obligation notice at any time after the fifth anniversary of the Actual Delivery Date, upon the expiry of the Charter Period, or upon an outbreak of war between the United States of America and the PRC
“Purchase Obligation Price”	the amount payable by the Charterer to the Owner for the purchase of the Vessel pursuant to the Purchase Obligation, comprising the applicable outstanding Cost Balance or Balloon amount, together with other amounts then due and payable by the Charterer to the Owner under the Bareboat Charter Agreement
“Purchase Option”	the option of the Charterer to purchase the Vessel from the Owner during the Charter Period after the Actual Delivery Date, subject to the conditions specified in the Bareboat Charter Agreement, including the Charterer giving at least 60 Business Days’ prior written notice to the Owner
“Purchase Option Price”	the amount payable by the Charterer to the Owner upon exercise of the Purchase Option, comprising the applicable purchase option fee, the Cost Balance as at the Purchase Option Date and other amounts then due and payable by the Charterer to the Owner under the Bareboat Charter Agreement
“SBC Seller”	together, Jiangnan Shipyard and China Shipbuilding
“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會)
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shandong Lcang”	Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司), a company established in the PRC with limited liability and an approximately 99%-owned subsidiary of the Company
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Shipbuilding Agreement”	the shipbuilding agreement dated 6 June 2024 (as novated on 2 September 2024) entered into among Bal Container, China Shipbuilding and Jiangnan Shipyard in respect of the construction and sale of the Vessel (referred to as the “Building Contract” in the DOA)

“Standby Charter”	the standby bareboat charter dated 3 June 2026 entered into between the Owner and the Standby Charterer in respect of the Vessel, under which the Standby Charterer may, upon commencement of the Standby Charter in accordance with its terms, assume or fulfil the obligations of BAL Athena as Charterer under the Bareboat Charter Agreement or otherwise in relation to the Vessel
“Standby Charterer”	the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TEU(s)”	twenty-foot equivalent unit, a standard unit of measurement of the volume of a container with a length of 20 feet, height of eight feet six inches and width of eight feet
“Third Instalment”	an amount which relates to, and shall be no more than, the third instalment of the Contractual Purchase Price payable by Bal Container under the Shipbuilding Agreement, being no more than US\$14,480,000
“US\$”	United States dollar, the lawful currency of the United States of America
“Valuation Report”	the valuation report to be prepared by Shanghai Gillion Asset Appraisal Co., Ltd. in respect of the Vessel, a copy of which will be set out in Appendix II to the relevant circular
“Variable Hire”	the variable hire payable by the Charterer to the Owner on each Hire Payment Date during the Charter Period, calculated by reference to the outstanding Cost Balance at a rate per annum equal to the Margin plus the applicable SOFR-based rate
“Vessel”	the 14,000 TEU container vessel, Hull No. H2871, under construction by Jiangnan Shipyard pursuant to the Shipbuilding Agreement
“%”	per cent

By Order of the Board
LC Logistics, Inc.
Mr. Xu Xin
Chairman of the Board

Hong Kong, 3 June 2026

As at the date of this announcement, the Board comprises Mr. Xu Xin, Ms. Li Yan, Ms. Zhu Jiali, and Mr. Yu Zhenrong as executive Directors, Dr. Gu Lin, Mr. Du Haibo, and Mr. Qi Yinliang as independent non-executive Directors.