THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CSSC (Hong Kong) Shipping Company Limited, you should at once hand this circular, together with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

(Incorporated in Hong Kong with limited liability)

(Stock code: 3877)

MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE CONSTRUCTION OF VESSELS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

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

SOMERLEY CAPITAL LIMITED

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "DEFINITIONS" of this circular.

A letter from the Board is set out on pages 5 to 13 of this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages 14 to 15 of this circular. A letter from the Independent Financial Adviser containing its recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 16 to 29 of this circular.

The EGM will be held as a hybrid meeting with the principal meeting place at conference room of the Company at 1801, 18/F, World-wide House, 19 Des Voeux Road Central, Hong Kong and online through the online platform https://meetings.computershare.com/CSSC_2026EGM at 10:00 a.m. on Tuesday, 17 November 2026. The notice of the EGM is set out on pages 38 to 40 of this circular. A form of proxy for use at the EGM is enclosed in this circular. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk). Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person or electronically through the online platform at the EGM or any adjournment thereof should you so wish.

27 October 2026

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

"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Builders"	collectively, CSSC Guangxi and Chengxi Shipyard
"Buyer"	the Company or its nominee
"Chengxi Shipyard"	Chengxi Shipyard Co., Ltd., a company established under the laws of the PRC and indirectly wholly owned by China Shipbuilding Group, being the shipyard responsible for the design, construction and delivery of Vessels
"China Shipbuilding Group"	China State Shipbuilding Corporation Limited*(中國船舶集團有限公司), a wholly state-owned limited liability company established under the laws of the PRC, being the sole shareholder of CSSC Group and one of the controlling shareholders of the Company
"CNH"	RMB in the offshore market
"Company"	CSSC (Hong Kong) Shipping Company Limited(中國船舶集團(香港)航運租賃有限公司), a company incorporated under the laws of Hong Kong with limited liability on 25 June 2012, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3877)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"CSSC Group"	China State Shipbuilding Corporation*(中國船舶工業集團有限公司), a wholly state-owned limited liability company established under the laws of the PRC and one of the controlling shareholders of the Company
"CSSC Guangxi"	China State Shipbuilding Corporation Guangxi Shipbuilding Co., Ltd.*(中國船舶集團廣西船舶有限公司), a company established under the laws of the PRC and indirectly controlled by China Shipbuilding Group, being the shipyard responsible for the design, construction and delivery of Vessels

"CSTC"	China Shipbuilding Trading Co., Ltd.*(中國船舶工業貿易有限公司), a company established under the laws of the PRC and a wholly owned subsidiary of China Shipbuilding Group, acting as trading intermediary under the Shipbuilding Contracts
"Director(s)"	director(s) of the Company
"EGM"	an extraordinary general meeting of the Company to be held and convened to consider and, if thought fit, approve the Shipbuilding Contracts and the transactions contemplated thereunder
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent committee of the Board, comprising all three independent non-executive Directors, established to advise the Independent Shareholders in respect of the Shipbuilding Contracts and the transactions contemplated thereunder
"Independent Financial Adviser"	Somerley 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, being the independent financial adviser appointed by the Company for the purpose of advising the Independent Board Committee and the Independent Shareholders in respect of the Shipbuilding Contracts and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders who do not have a material interest in the Shipbuilding Contracts and the transactions contemplated thereunder
"Latest Practicable Date"	26 October 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers, as set out in Appendix C3 to the Listing Rules
"PRC"	the People's Republic of China, which for the purpose of this circular shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"RMB"	the lawful currency of the PRC
"Sellers"	collectively, Chengxi Shipyard and CSTC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Shipbuilding Contracts"	the shipbuilding contracts entered into between the Buyer and the Sellers on 1 September 2026 in respect of the construction of the Vessels
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary" or "subsidiaries"	has the same meaning as ascribed to it under the Listing Rules
"USD"	United States dollars, the lawful currency of the United States of America
"Vessels"	ten (10) 80,000 DWT Grain Carriers (Bulk Carriers) with Hull Numbers CX9809A, CX9810A, CX9811A, CX9812A, CX9813A, CX9814A, CX9815A, CX9816A, CX9817A and CX9818A to be constructed pursuant to the Shipbuilding Contracts, and unless otherwise stated, a "Vessel" means any of them

"%"	per cent

In this circular, for the purpose of illustration only, amounts quoted in CNH have been converted into HK$ at the rate of CNH1 to HK$1.17. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

* *For identification purposes only. The English names are only translations of the official Chinese names. In case of inconsistency, the Chinese names prevail.*

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

(Incorporated in Hong Kong with limited liability)

(Stock code: 3877)

Executive Directors:
Mr. Li Hongtao *(Chairman)*
Mr. Liu Hui

Non-executive Directors:
Mr. Xie Weizhong
Mr. Chi Benbin

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

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

27 October 2026

To the Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE CONSTRUCTION OF VESSELS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated 1 September 2026 in respect of the Shipbuilding Contracts and the transactions contemplated under the Shipbuilding Contracts.

The main purpose of this circular is to provide you with, among other things, (1) further details in relation to the transactions contemplated under the Shipbuilding Contracts; (2) the recommendation of the Independent Board Committee in relation to the Shipbuilding Contracts and the transactions contemplated thereunder, (3) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Shipbuilding Contracts and the transactions contemplated thereunder; and (4) a notice of the EGM required under the Listing Rules.

BACKGROUND

The Board is pleased to announce that on 1 September 2026 (after trading hours), the Company as the Buyer, and Chengxi Shipyard and CSTC as the Sellers, entered into ten Shipbuilding Contracts on substantially the same terms for the construction of ten Vessels. The consideration for each Vessel is CNH323,500,000 (equivalent to approximately HK$378,495,000) and the aggregate consideration for ten Vessels is CNH3,235,000,000 (equivalent to approximately HK$3,784,950,000).

The Shipbuilding Contracts will be effective subject to, among others, (i) the approval of the Independent Shareholders at the EGM and (ii) the effectiveness of the corresponding bareboat charter in respect of the relevant Vessel.

CONTRACT TERMS

Consideration

The consideration of each Vessel was determined by the Buyer and the Sellers after arm's length negotiations taking into account: (i) the market price of comparable type of vessels in other shipbuilding transactions and the construction price of the same type of vessels offered by the Sellers to other independent third parties recently by reference to the publicly available industry reports (the "**Reports**") published by independent industry consultants. Based on the Reports, the consideration amount of the Vessels under the Shipbuilding Contracts is the same as the construction price of same type of vessel offered by the Sellers to other independent third parties in other transactions and lower than the market price of comparable type of vessels in other shipbuilding transactions; and (ii) payment terms and delivery dates of the Vessels, and was agreed between a willing buyer and a willing seller. The terms of the Shipbuilding Contracts (including the consideration for each of the Vessels) were determined on an arm's length basis and on normal commercial terms.

The Buyer shall pay the transaction consideration of CNH323,500,000 for each Vessel in five instalments based on progress intervals on the construction of each Vessel with smaller proportion of the consideration amount payable in the first four instalments and the majority of the payment payable in the fifth instalment upon delivery of the Vessels.

The Vessels are expected to be delivered during the period from 30 September 2029 to 31 December 2030, subject to the arrangements of delay in delivery as agreed in the Shipbuilding Contracts. In case of delay in delivery, the Sellers shall deduct the liquidated damages from the fifth instalment of the consideration of each Vessel under the Shipbuilding Contracts (the exact amount of which shall be assessed based on the extent of delay from the original delivery date pursuant to the Shipbuilding Contracts with the grace period of 30 days from the agreed delivery date, subject to a maximum amount of CNH7,200,000 for each Vessel) and, accordingly, the fifth instalment shall be paid on a net basis (i.e. after deducting the aforementioned liquidated damages payable by the Sellers).

Technical Specifications

If under extreme circumstances where the Sellers fail to conform to the technical specifications (such as deviation of the speed, fuel consumption or the deadweight tonnage of the relevant Vessels from the agreed permissible range), the Sellers shall deduct the liquidated damages from the fifth instalment of the consideration of the Shipbuilding Contracts (the exact amount of which shall be assessed based on the extent of deviation from the relevant technical specifications as prescribed under the Shipbuilding Contracts) as follows:

(i) Speed: if the guaranteed speed is not achieved, liquidated damages ranging from CNH200,000 to CNH1,400,000 shall be payable by the Sellers depending on the extent of the shortfall;

(ii) Fuel consumption: if the actual fuel consumption exceeds the guaranteed fuel consumption, liquidated damages ranging from CNH150,000 to CNH750,000 for each Vessel; and

(iii) Deadweight: if the actual deadweight is less than the guaranteed deadweight, liquidated damages ranging from CNH2,000 to CNH1,600,000 for each Vessel and accordingly, the fifth instalment shall be paid on a net basis (i.e. after deducting the aforementioned liquidated damages payable by the Sellers).

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

Rescission and Termination

The Buyer may elect to revoke or terminate the Shipbuilding Contract in the event of delayed delivery of the Vessels by the Sellers or failure of the Sellers to conform to the aforementioned technical specifications in the construction of the Vessels to the extent as prescribed under the Shipbuilding Contracts. In case of delay in delivery, if such delay continues for a period of 210 days after the expiry of the grace period (being 30 days for the remainder of vessels) (i.e. a total of 240 days from the original delivery date), the Buyer may at its option rescind the Shipbuilding Contracts in respect of the relevant Vessel.

Refund

In the event that the Shipbuilding Contracts are revoked or terminated by the Buyer in accordance with the specific terms thereof, the Sellers shall refund to the Buyer in CNH the full amount already paid by the Buyer to the Sellers in respect of the relevant Vessel(s), together with interests incurred thereof (the exact amount of which shall be determined based on the agreed interest rate of 6% per annum on the amount required to be refunded as computed from the date when such sum is received by the Sellers in accordance with the terms under the Shipbuilding Contracts).

SOURCE OF FUNDS

The aggregate consideration of CNH3,235,000,000 (equivalent to approximately HK$3,784,950,000) is expected to be funded by internal resources of the Group and bank borrowings.

INFORMATION OF THE PARTIES TO THE SHIPBUILDING CONTRACTS

The Buyer

The Company is a shipyard-affiliated leasing company and is principally engaged in the provision of leasing services.

The Sellers

Chengxi Shipyard is a company established under the laws of the PRC and is principally engaged in the shipbuilding business. As at the Latest Practicable Date, Chengxi Shipyard is a subsidiary of China Shipbuilding Group.

CSTC is a company established under the laws of the PRC and is a subsidiary of China Shipbuilding Group. CSTC acts as a trading intermediary under the Shipbuilding Contracts, facilitating the transactions between the Buyer and the Builders and providing professional advice to optimise the construction and delivery process of the Vessels. As at the Latest Practicable Date, CSTC is a subsidiary of China Shipbuilding Group.

CSSC Guangxi

CSSC Guangxi is a company established under the laws of the PRC and is principally engaged in the shipbuilding business. As at the Latest Practicable Date, CSSC Guangxi is a subsidiary of China Shipbuilding Group.

China Shipbuilding Group is a state-authorised investment institution directly supervised and administered by the State-owned Assets Supervision and Administration Commission of the State Council, and its core business includes shipbuilding, ship-repairing, processing, export/import of marine equipment, diversified businesses such as other steel structure manufacturing and international cooperation, joint venture operations, financing, technology trading and workforce exportation.

Both Chengxi Shipyard and CSSC Guangxi are the Builders and are jointly responsible for the design, construction and delivery of the Vessels.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS UNDER THE SHIPBUILDING CONTRACTS

The Company is a shipyard-affiliated leasing company and is principally engaged in the provision of leasing services. The Board is continuously seeking to optimise the quality of the fleets of the Group and adjust the Group's fleet profile as appropriate.

The acquisition of the Vessels is consistent with the Group's ongoing strategy to renew its fleet with modern and high-quality vessels. In view of increasingly stringent maritime regulations, the Company has decided to order brand-new vessels that comply with the latest environmental requirements and incorporate tailor-made designs. The Vessels are more fuel-efficient and of higher operational efficiency than the existing bulk carriers of the Group currently in operation, which meet the latest environmental regulations and prevailing specification requirements in the shipping industry. This decision supports the Company's long-term objective of maintaining a modern fleet and is in line with the Group's business development strategy. Furthermore, China Shipbuilding Group is a leading state-owned shipbuilding conglomerate in the PRC and has solid experience and substantial expertise in shipbuilding and is equipped with capabilities in constructing a wide range of vessels. During the ordinary and usual course of business of the Group, the Group has been purchasing vessels from China Shipbuilding Group and/or its associates since its establishment in 2012. The vessels purchased from China Shipbuilding Group and/or its associates have been used for the Group's operating lease business and for direct finance lease transactions (both being the Group's principal businesses). When the Vessels are delivered from the Builders, the Group would be able to generate leasing income by leasing the vessels to customer(s).

The Builders, being subsidiaries of the China Shipbuilding Group, have been well-recognised for their manufacturing process and quality control, which is crucial to the performance of the Vessels. The Group has previously engaged the Builders as shipbuilders for other shipbuilding transactions and hence collaboration with the same shipbuilder is expected to generate synergy effects in vessel construction. Furthermore, CSTC has extensive experience in coordinating the shipbuilders and the buyers as well as monitoring the shipbuilding progress.

Therefore, engaging CSTC as a trader under the Shipbuilding Contracts not only is in line with the common practice in the market, but also allows the Group to obtain professional advice from CSTC and further optimise the construction and delivery process of the Vessels. It is also noted that CSSC Guangxi and Chengxi Shipyard had entered into letters of intent with other independent third-party buyers for the construction of the same type of vessel ordered by the Group. Hence, it is believed that the Builders are well-recognised by the market for the construction of such vessel. In addition, the Vessels delivery schedule offered by the Builders is also in line with the strategic plan of the Group, and the consideration offered by the Builders is comparable to those offered by other shipbuilders (including independent third-party shipbuilders) as obtained by the Group through market researches.

The Company believes that the Shipbuilding Contracts and the transactions contemplated thereunder will enable the Group to optimise the fleet profile through ongoing asset portfolio management, which is in line with the Group's business development strategy.

The Company is of the view that the terms under the Shipbuilding Contracts were arrived at after arm's length negotiations between the parties thereto and were on normal commercial terms and in the ordinary and usual course of business of the Group, and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

FINANCIAL EFFECT(S) OF THE TRANSACTIONS UNDER THE SHIPBUILDING CONTRACTS

It is expected that upon completion, (i) the assets of the Company will increase by CNH3,235,000,000 (equivalent to approximately HK$3,784,950,000), and such increase will be partially offset by a decrease in the Group's cash and cash equivalents due to the utilization of internal resources to partially fund the acquisition; and (ii) the total liabilities will increase as the borrowings will increase due to the bank financing required for funding the acquisition of the Vessels.

The Group is a shipyard-affiliated leasing company principally engaged in the provision of leasing services. Upon delivery of the Vessels from the Builders, the Group will lease the Vessels to customer(s) for its leasing business, accordingly, the Group's earnings are expected to increase as a result of the leasing income generated from leasing the Vessels to customers.

The Directors are of the view that the acquisition of the Vessels will bring a positive impact to the earnings of the Group in the future.

THE LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, China Shipbuilding Group (through CSSC Group) is interested in 4,602,046,234 Shares, accounting for approximately 74.17% of the issued share capital of the Company. As Chengxi Shipyard and CSTC (being the Sellers) and CSSC Guangxi (being one of the Builders) are subsidiaries of China Shipbuilding Group, which is the sole shareholder of CSSC Group, the Sellers and CSSC Guangxi are connected persons of the Company. Therefore, the transactions contemplated under the Shipbuilding Contracts constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios exceed 25% but are less than 75%, accordingly, the transactions contemplated under the Shipbuilding Contracts also constitute major transactions of the Company under Chapter 14 of the Listing Rules and are subject to the reporting, announcement and Shareholders' approval requirements under the Listing Rules.

WAIVER IN RESPECT OF DOCUMENTS ON DISPLAY

In respect of the Shipbuilding Contracts, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 14.66(10) and 14A.70(13) and paragraph 43(2)(c) of Appendix D1B to the Listing Rules (the "**Waiver**"), so that certain sensitive information may be redacted from the Shipbuilding Contracts to be published on the websites of the Stock Exchange and the Company. The Stock Exchange has granted the Waiver to the Company, which allows the Company to redact the sensitive information therein including: (i) the technical details of the Vessels; (ii) details of the terms of payment (including the Sellers' bank account details) and liquidated damages; (iii) period of guarantee of material and workmanship by the Sellers; (iv) rate of default interest and operational details relating to the default by the Buyer; and (v) the identity and identifying particulars of the bareboat charterer of the Vessels (collectively, the "**Sensitive Commercial Information**"); and (vi) certain sensitive contact and personal information of the Buyer, the Sellers and the Builders (the "**Sensitive Personal Information**").

The Sensitive Commercial Information is highly commercially sensitive and confidential to the parties to the Shipbuilding Contracts and, if disclosed, would (i) significantly prejudice the Group's operation and commercial interests; (ii) adversely affect the Group's commercial negotiation position, future collaboration with the Builders and Sellers as well as the Group's ability to source quality container vessels in the future; (iii) gravely undermine the competitiveness of the respective parties; and (iv) undermine the interests of the Company and the Shareholders and/or the Independent Shareholders (as the case may be) as a whole. Moreover, the Sensitive Commercial Information is either operational in nature or highly technical and therefore has no material influence on the Independent Shareholders' assessment of the assets and liabilities, financial position, profits and losses and prospects of the Company and, where relevant, the impact of the transactions contemplated under the Shipbuilding Contracts as a whole. Furthermore, under the Shipbuilding Contracts, the Buyer is contractually obliged to preserve the

confidentiality of technical information concerning the design and construction of the Vessels and not to disclose such information to any third party without the prior written consent of the Sellers. The material terms of the Shipbuilding Contracts have been summarised and disclosed in this circular, from which the Independent Shareholders will be able to have sufficient information to assess and make an informed voting decision on the transactions contemplated under the Shipbuilding Contracts.

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

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

GENERAL

As at the Latest Practicable Date, China Shipbuilding Group (through CSSC Group) is interested in 4,602,046,234 Shares, accounting for approximately 74.17% of the issued share capital of the Company. Since China Shipbuilding Group, the sole shareholder of CSSC Group, is the indirect shareholder of the Chengxi Shipyard and CSTC (being the Sellers) and CSSC Guangxi as at the Latest Practicable Date, China Shipbuilding Group and its associates will be required to abstain from voting on the resolution in relation to the Shipbuilding Contracts and the transactions contemplated thereunder to be proposed at the EGM.

Save for Mr. Li Hongtao, Mr. Liu Hui, Mr. Xie Weizhong and Mr. Chi Benbin, who are considered to be interested in the Shipbuilding Contracts by virtue of their directorial and/or managerial positions in China Shipbuilding Group, none of the other Directors has abstained from voting at the Board meeting to approve the Shipbuilding Contracts and the transactions contemplated thereunder.

EGM

The EGM will be convened by the Company to, among other things, consider and, if thought fit, approve the Shipbuilding Contracts and the transactions contemplated thereunder.

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the Shipbuilding Contracts and the transactions contemplated thereunder. The Company has appointed Somerley Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard.

RECOMMENDATIONS

Your attention is drawn to (i) the letter from the Independent Board Committee as set out on pages 14 to 15 of this circular; (ii) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders as set out on pages 16 to 29 of this circular; and (iii) the additional information set out in the appendices to this circular.

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

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

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

(Incorporated in Hong Kong with limited liability)

(Stock code: 3877)

27 October 2026

To the Independent Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE CONSTRUCTION OF VESSELS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

We refer to the circular dated 27 October 2026 (the "**Circular**") issued by the Company to the Shareholders, of which this letter forms part. Unless the context otherwise requires, terms and expressions defined in the Circular shall have the same meanings in this letter.

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders as to whether the terms of the Shipbuilding Contracts and the transactions contemplated under the Shipbuilding Contracts, as set out in the Circular, are fair and reasonable and to recommend whether or not the Independent Shareholders should approve the terms of and the entering into of the Shipbuilding Contracts. Somerley Capital Limited has been appointed as the Independent Financial Adviser in this regard.

We wish to draw your attention to the letter from the Board, as set out on pages 5 to 13 of this Circular and the text of a letter from the Independent Financial Adviser, as set out on pages 16 to 29 of this Circular, both of which provide details of the transactions contemplated under the Shipbuilding Contracts. Your attention is also drawn to the additional information set out in the appendices to the Circular.

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

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

Yours faithfully,
the Independent Board Committee

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

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



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

27 October 2026

To: the independent board committee and the independent shareholders

Dear Sir/Madam,

MAJOR AND CONNECTED TRANSACTIONS IN RELATION TO THE CONSTRUCTION OF VESSELS

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the independent board committee and the independent shareholders of CSSC (Hong Kong) Shipping Company Limited (the "**Company**") in relation to the proposed construction of ten vessels (the "**Transactions**"). Details of the Transactions are set out in the "Letter from the Board" (the "**Board Letter**") contained in the circular of the Company dated 27 October 2026 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless otherwise defined herein.

On 1 September 2026 (after trading hours), the Company as Buyer, and Chengxi Shipyard and CSTC as Sellers, entered into the Shipbuilding Contracts on substantially the same terms for the construction of ten Vessels for a consideration of CNH323,500,000 (equivalent to approximately HK$378,495,000) for each Vessel and for an aggregate consideration of CNH3,235,000,000 (equivalent to approximately HK$3,784,950,000) (i.e. the Transactions).

According to the Board Letter, as at the Latest Practicable Date, China Shipbuilding Group (through CSSC Group) is interested in 4,602,046,234 Shares, accounting for approximately 74.17% of the issued share capital of the Company. As Chengxi Shipyard and CSTC (being the Sellers) and CSSC Guangxi (being one of the Builders) are subsidiaries of China Shipbuilding Group, which is the sole shareholder of CSSC Group, the Sellers and CSSC Guangxi are connected persons of the Company. Accordingly, the transactions contemplated under the Shipbuilding Contracts (i.e. the Transactions) constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratios in respect of the transactions exceed 25% but are less than 75%, accordingly, the transactions contemplated under the Shipbuilding Contracts also constitute major transactions of the Company under Chapter 14 of the Listing Rules and are subject to the reporting, announcement and Shareholders' approval requirements under the Listing Rules.

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

During the past two years, Somerley Capital Limited has acted as the independent financial adviser to the independent board committee and independent shareholders of the Company in relation to (i) the discloseable and connected transactions in relation to the construction of vessels (details of which are set out in the Company's circular dated 28 August 2025) and (ii) continuing connected transactions and discloseable transaction in relation to the 2025 financial services framework agreement (details of which are set out in the Company's circular dated 30 May 2025). The past engagements were limited to providing independent advisory services to the independent board committee and independent shareholders of the Company pursuant to the Listing Rules. Under the past engagements, Somerley Capital Limited received normal professional fees from the Company. As at the Latest Practicable Date, there were no relationships or interests between (a) Somerley Capital Limited and (b) the Group, the Sellers and CSSC Guangxi that could reasonably be regarded as a hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the independent financial adviser to the Independent Board Committee and the Independent Shareholders for the Engagement.

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

PRINCIPAL FACTORS AND REASONS CONSIDERED

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

1. Information on the parties to the Transactions

The Buyer

The Buyer (i.e. the Company) is a shipyard-affiliated leasing company and is principally engaged in the provision of leasing services.

The Sellers

Chengxi Shipyard is a company established under the laws of the PRC and is principally engaged in the shipbuilding business. As at the Latest Practicable Date, Chengxi Shipyard is a subsidiary of China Shipbuilding Group.

CSTC is a company established under the laws of the PRC and is a subsidiary of China Shipbuilding Group. CSTC acts as a trading intermediary under the Shipbuilding Contracts, facilitating the transactions between the Buyer and the Builders and providing professional advice to optimise the construction and delivery process of the Vessels. As at the Latest Practicable Date, CSTC is a subsidiary of China Shipbuilding Group.

CSSC Guangxi

CSSC Guangxi is a company established under the laws of the PRC and is principally engaged in the shipbuilding business. As at the Latest Practicable Date, CSSC Guangxi is a subsidiary of China Shipbuilding Group.

Both Chengxi Shipyard and CSSC Guangxi are the Builders and are jointly responsible for the design, construction and delivery of the Vessels.

China Shipbuilding Group

China Shipbuilding Group is a state-authorised investment institution directly supervised and administered by the State-owned Assets Supervision and Administration Commission of the State Council, and its core business includes shipbuilding, ship-repairing, processing, export/import of marine equipment, diversified businesses such as other steel structure manufacturing and international cooperation, joint venture operations, financing, technology trading and workforce exportation.

2. Reasons for and benefits of the Transactions

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

As advised by the Management, it is the Group's strategy to optimize the quality of the Group's fleets and adjust the Group's fleet profile as appropriate. The Group continues to invest in new vessels so as to renew its fleet with modern and high-quality vessels, and also to replenish its fleet portfolio for replacement of the older vessels which are sold by the Group. During each of the last three years ended 31 December 2023, 2024 and 2025, the Group had 18, 15 and 10 new vessels delivered respectively. As at 30 June 2026, the Group's fleet size amounted to 130 vessels (107 of which were in operation and 23 of which were under construction), as compared to a total of 143 vessels (121 of which were under lease and 12 of which were under construction) as at 30 June 2025. According to the Company's 2024 annual report and 2025 annual report, the Group recorded year-on-year increase in revenue of approximately 11.3% and 0.2% respectively during the year ended 31 December 2024 and 2025. We understand from the Management that revenue for the year ended 31 December 2025 remained broadly stable with a slight increase of approximately 0.2%, which was mainly attributable to the net effect of (i) the increase in income generated from operating lease services; and (ii) the decrease in revenue from financing services due to a reduction in lease receivables, which partially offset the aforesaid increase. Furthermore, according to the Company's interim results for the six months ended 30 June 2026, the Group recorded revenue of approximately HK$1,911.2 million, representing a decrease of approximately 5.29% as compared to the corresponding period in 2025, which was mainly attributable to the expiration and settlement of certain finance lease projects from the previous year and early repurchases by customers. In light of the above, we consider that the Transactions are in line with the Group's development strategy to continue investing in new vessels.

At the same time, we understand from the Management that, in response to increasingly stringent maritime regulations, the Company has decided to order brand-new vessels that comply with the latest environmental requirements and incorporate tailor-made designs. In particular, the Management advised that the specific regulatory requirements applicable to the Vessels include the "Rules for Green Eco-Ships" issued by the China Classification Society (CCS), with which the new Vessels will fully comply. Furthermore, the energy efficiency indicators of the Vessels are designed to comply with the Phase 3 requirements of the Energy Efficiency Design Index (EEDI) mandated by the International Maritime Organization (IMO). Consequently, the Vessels under the Shipbuilding Contracts are more fuel-efficient and of higher operational efficiency than the Group's existing bulk carriers currently in operation, fully meeting the latest environmental regulations and prevailing specification requirements in the shipping industry.

The Shipbuilding Contracts are entered into with the Chengxi Shipyard and CSTC (acting as the Sellers). As set out in the Board Letter, the Builders, being subsidiaries of the China Shipbuilding Group, have been well recognised for their manufacturing process and quality control, which are crucial to the performance of the Vessels. The Group has previously engaged the Builders as shipbuilders for other shipbuilding transactions and hence collaboration with the same shipbuilders is expected to provide synergy in vessel construction. Furthermore, CSTC has extensive experience in coordinating the shipbuilders and the buyer as well as monitoring the shipbuilding progress. Therefore, engaging CSTC as a trader under the Shipbuilding Contract not only is in line with the common practice in the market, but also allows the Group to obtain professional advice from CSTC and further optimise the construction and delivery process of the Vessels.

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

3. Principal terms of the Transactions

On 1 September 2026 (after trading hours), the Company as Buyer, and Chengxi Shipyard and CSTC as the Sellers entered into ten Shipbuilding Contracts on substantially the same terms for the construction of ten Vessels for a consideration of CNH323,500,000 (equivalent to approximately HK$378,495,000) for each Vessel and for an aggregate consideration of CNH3,235,000,000 (equivalent to approximately HK$3,784,950,000). The Shipbuilding Contracts will be effective subject to (i) the approval of the Independent Shareholders at the EGM and (ii) the effectiveness of the corresponding bareboat charter in respect of the relevant Vessel.

Vessels to be constructed:

Ten 80,000 deadweight grain carriers

Consideration:

Pursuant to the Shipbuilding Contract, the consideration for each Vessel is CNH323,500,000 (equivalent to approximately HK$378,495,000) and shall be settled in five instalments based on progress intervals on the construction of each Vessel (with smaller proportion of the consideration amount payable in the first four instalments and the majority of the payment payable in the fifth instalment upon delivery of the Vessels).

As set out in the Board Letter, the consideration of each Vessel was determined by the Buyer and the Sellers after arm's length negotiations taking into account: (i) the market price of comparable type of vessels in other shipbuilding transactions and the construction price of the same type of vessels offered by the Sellers to other independent third parties recently by reference to the publicly available industry reports (the "**Reports**") published by independent industry consultants. Based on the Reports, the consideration amount of the Vessels under the Shipbuilding Contracts is the same as the construction price of same type of vessel offered by the Sellers to other independent third parties in other transactions and lower than that of the market price of comparable type of vessels in other shipbuilding transactions; and (ii) payment terms and delivery dates of the Vessels, and was agreed between a willing buyer and a willing seller**.** The terms of the Shipbuilding Contracts (including the consideration for each Vessel) were determined on an arm's length basis and on normal commercial terms.

Delivery date:

Pursuant to the Shipbuilding Contracts, the Vessels shall be delivered during the period from 30 September 2029 to 31 December 2030, subject to the arrangements of delay in delivery as agreed in the Shipbuilding Contracts.

In case of delay in delivery, the Sellers shall deduct the liquidated damages from the fifth instalment of the consideration of each Vessel under the Shipbuilding Contracts (the exact amount of which shall be assessed based on the extent of delay from the original delivery date pursuant to the Shipbuilding Contracts with the grace period of 30 days from the agreed delivery date, subject to a maximum amount of CNH7,200,000 for each Vessel) and, accordingly, the fifth instalment shall be paid on a net basis (i.e. after deducting the aforementioned liquidated damages payable by the Sellers).

Technical Specifications:

If under extreme circumstances where the Sellers fail to conform to the technical specifications (such as deviation of the speed, fuel consumption or the deadweight tonnage of the relevant Vessels from the agreed permissible range), the Sellers shall deduct the liquidated damages from the fifth instalment of the consideration of the Shipbuilding Contracts (the exact amount of which shall be assessed based on the extent of deviation from the relevant technical specifications as prescribed under the Shipbuilding Contracts) as follows:

i. Speed: if the guaranteed speed is not achieved, liquidated damages ranging from CNH200,000 to CNH1,400,000 shall be payable by the Sellers depending on the extent of the shortfall;

ii. Fuel consumption: if the actual fuel consumption exceeds the guaranteed fuel consumption, liquidated damages ranging from CNH150,000 to CNH750,000 for each Vessel; and

iii. Deadweight: if the actual deadweight is less than the guaranteed deadweight, liquidated damages ranging from CNH2,000 to CNH1,600,000 for each of the Vessel and accordingly, the fifth instalment shall be paid on a net basis (i.e. after deducting the aforementioned liquidated damages payable by the Sellers).

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

Rescission and Termination:

The Buyer may elect to revoke or terminate the Shipbuilding Contract in the event of delayed delivery of the Vessels by the Sellers or failure of the Sellers to conform to the aforementioned technical specifications in the construction of the Vessels to the extent as prescribed under the Shipbuilding Contracts. In case of delay in delivery, if such delay continues for a period of 210 days after the expiry of the grace period (being 30 days for the remainder of vessels) (i.e. a total of 240 days from the original delivery date), the Buyer may at its option rescind the Shipbuilding Contracts in respect of the relevant Vessel.

Refund:

In the event that the Shipbuilding Contracts is revoked or terminated by the Buyer in accordance with the specific terms thereof, the Sellers shall refund to the Buyer in CNH the full amount already paid by the Buyer to the Sellers in respect of the relevant Vessel(s), together with interests incurred thereof (the exact amount of which shall be determined based on the agreed interest rate of 6% per annum on the amount required to be refunded as computed from the date when such sum is received by the Sellers in accordance with the terms under the Shipbuilding Contracts).

4. Assessment of the principal terms of the Transactions

We have performed analysis on the key terms of the Shipbuilding Contract, including the consideration, the payment terms and the adjustment terms. Details are set out below.

4.1. Evaluation of the Consideration

We have discussed with the Management regarding the pricing basis of the Vessels. As advised by the Management, the Company and the Sellers had made references to recent market transactions for similar vessels when determining the consideration for the Vessels. We have enquired with the Management for further details and noted that references had been made to (i) a transaction carried out by independent third parties for the same type of vessel; and (ii) transactions carried out by the China Shipbuilding Group and/or its associates with other independent third parties.

For the transactions carried out by independent third parties, we understand from the Management that such transaction refers to the shipbuilding transaction in August 2024, in which Hainan COSCO SHIPPING Development Ocean Transport Co., Ltd. entered into shipbuilding contracts with Dalian Heavy Industry (which is an affiliated shipyard within the COSCO group system) for similar 80,000 DWT bulk carriers, recording an average transaction price of approximately RMB312 million per vessel. We have discussed with the Builders and the Management regarding the differences between the abovementioned price and the consideration for the Vessels under the Shipbuilding Contracts. We understand that the current price has been determined after adjustments mainly for increases in direct manufacturing costs (including raw materials, core equipment, and labor) and mandatory technical upgrades to comply with the latest maritime cybersecurity regulations. Furthermore, the specific design of the Vessels features a heavier structure compared to traditional models, necessitating a larger volume of steel for construction.

As part of our due diligence process, we reviewed data published by Clarkson Research, an independent provider of shipping market intelligence. According to their records, the new building price index for similar Panamax/Kamsarmax bulk carriers (tracking 80,000 to 84,000 DWT vessels) demonstrated a steady upward trend, representing an overall market price increase of approximately 2% between August 2024 and August 2026. Simultaneously, we examined the cost fluctuations of steel, being the primary raw material for shipbuilding, based on data published by the China Iron and Steel Association. We noted that 20mm Q235 medium-thick steel plates represent the standard and most widely consumed specification for hull plates and core structural components. The national average pricing data across 14 major cities in China for this material indicates an upward trend, with an increase of approximately 6.3% from August 2024 to August 2026. Combining the broader 2% industry price trend and the 6.3% national average increase in core material costs required for these heavier vessels, the approximately 4% difference between the reference price of the independent third party transaction of RMB312 million and the consideration for the Vessels of RMB323.5 million is considered reasonable.

In addition, we understand from the Management that they have also made reference to the recent transaction prices of similar vessels entered into between the China Shipbuilding Group and/or its associates and other independent third-party ship-owners in the latest 3 months prior to the date of the Shipbuilding Contracts with consideration of RMB319 million per vessel and RMB326 million per vessel. The consideration of CNH323.5 million (equivalent to approximately RMB323.5 million) per Vessel under the Transactions falls between these two recent market prices.

Taking into account the above, we consider that the consideration under the Shipbuilding Contracts is fair and reasonable as far as the Independent Shareholders are concerned.

4.2. Assessment of the Payment Terms and Adjustment Terms

Under the Transactions, the consideration (subject to adjustment in the event of delay and failure of the Builders to conform to specific technical specifications, in accordance with the terms of the Shipbuilding Contract (the "**Adjustment Terms**")) shall be paid by the Buyer to the Builders in instalments according to the shipbuilding progress of Vessels, with majority of the consideration payable on the delivery of Vessels. As advised by the Management, such payment schedule (i.e., payment in instalments according to the shipbuilding progress with majority of the consideration payable on the delivery of vessels) and the Adjustment Terms were determined based on arm's length negotiation with the shipbuilders; and was in line with market practice. For our due diligence purpose, we have identified transactions in relation to the acquisition of vessels from shipbuilders announced by other companies listed on the Stock Exchange (the "**Market Transactions**") during the six months prior to the date of the Shipbuilding Contract (the "**Review Period**"). To the best of our knowledge and as far as we are aware of, we found 10 transactions which met the aforesaid criteria.

Buyer	Shipbuilder/Seller	Date of announcement	Payment Terms	Adjustment Terms
LC Logistics, Inc. (2490) or its nominee	Shanghai Waigaoqiao Shipbuilding Company Limited and China Shipbuilding Trading Co., Ltd.	27-Feb-26	The consideration of each vessel will be settled in five instalments according to the progress of the construction of the respective vessel, representing 10%, 10%, 10%, 10% and 60% of the consideration. The majority of the consideration is payable upon the delivery of the respective vessel.	Not specified
Seacon Shipping Pte. Ltd., an indirect wholly-owned subsidiary of Seacon Shipping Group Holdings Limited (2409)	Jiangsu Dajin Heavy Industry Co., Ltd.	24-Mar-26	The consideration will be paid in accordance with the agreed milestones in the building progress under the shipbuilding contract.	The fifth instalment is subject to adjustments in accordance with the provisions in the corresponding Shipbuilding Contract.
SITC Shipowning Group Company Limited, a wholly-owned subsidiary of SITC International Holdings Company Limited (1308)	Jiangsu Yangzi Hongyuan Shipbuilding Co., Ltd. and Jiangsu New Yangzi Shipbuilding Co., Ltd.	26-Mar-26	The consideration will be paid in accordance with the agreed milestones in the building progress under the shipbuilding contract.	Not specified
Jasper Bay Pte. Ltd. and Jackson Bay Pte. Ltd., indirect wholly-owned subsidiaries of Pacific Basin Shipping Limited (2343)	Jiangmen Nanyang Ship Engineering Co., Ltd.	16-Apr-26	The consideration will be paid in five instalments in accordance with the vessel's construction progress, representing approximately 20%, 10%, 10%, 10% and 50% of the consideration. The majority of the consideration is payable upon the delivery of the vessel.	Not specified

Buyer	Shipbuilder/Seller	Date of announcement	Payment Terms	Adjustment Terms
Twelve indirect wholly-owned subsidiaries of Orient Overseas (International) Limited (316), which is a subsidiary of COSCO SHIPPING Holdings Co., Ltd. (1919)	China Shipbuilding Trading Co., Ltd. and Hudong-Zhonghua Shipbuilding (Group) Co., Ltd.	29-Apr-26	The consideration will be payable in five instalments based on progress intervals on the construction of each vessel, with smaller proportion of contract price payable in the first four instalments and the majority of the payment payable in the fifth instalment upon delivery of the vessel.	Deduct liquidated damages from the 5th instalment for delay in delivery (max approx US$7.2m per vessel) or failure to conform to technical specifications like speed or DWT (max approx US$9.7m per vessel).
Jinshun Shipping Inc. and Jintong Marine Inc., each an approximately 55.69% indirect subsidiary of Jinhui Holdings Company Limited (137)	Jiangmen Nanyang Ship Engineering Co., Ltd.	3-Jun-26	The consideration of each vessel will be paid in five instalments according to the progress of the construction of the respective vessel, representing 10%, 10%, 10%, 10% and 60% of the consideration. The majority of the consideration is payable upon the delivery of the respective vessel.	Subject to adjustment relating to delay in delivery, guaranteed speed deficiency, fuel consumption being exceeded or deadweight deficiency. Any adjustment shall not exceed a reduction of approximately 6% of the contract price.
Jingang Marine Inc. and Jinji Marine Inc., each an approximately 55.69% indirect subsidiary of Jinhui Holdings Company Limited (137)	Sumec Marine Co., Ltd. and New Dayang Shipbuilding Co., Ltd.	8-Jun-26	The consideration will be paid in four instalments, representing approximately 9.4%, 13.5%, 9.4% and 67.6% of the consideration. The majority of the consideration is payable upon the delivery of the vessel	Subject to adjustment relating to delay in delivery, guaranteed speed deficiency, fuel consumption being exceeded or deadweight deficiency. Any adjustment shall not exceed a reduction of approximately 7% of the contract price.
Hainan COSCO SHIPPING Development Ocean Transport and Oriental Fleet SHIPPING 11 Limited, wholly-owned subsidiaries of COSCO SHIPPING Development Co., Ltd. (2866)	Dalian Heavy Industry, CSSC Chengxi, CSSC Dalian, CSSC Qingdao, and China Shipbuilding Trading Co., Ltd.	30-Jun-26	The contract price shall be payable in five instalments based on progress intervals, with a smaller proportion payable in the first four instalments and the majority payable in the fifth instalment upon delivery.	Downward adjustments (deducted from the fifth instalment) or right to rescind if speed, DWT, fuel consumption rate fail to meet agreed standards, or if delay in delivery exceeds agreed limits.

Buyer	Shipbuilder/Seller	Date of announcement	Payment Terms	Adjustment Terms
Seacon Shipping Pte. Ltd., an indirect wholly-owned subsidiary of Seacon Shipping Group Holdings Limited (2409)	TSUNEISHI GROUP (ZHOUSHAN) SHIPBUILDING INC.	20-Jul-26	The consideration will be paid in five instalments: 10% upon signing, 10% upon 1 year anniversary, 10% upon steel-cutting, 10% upon launching, and 60% upon delivery.	The fifth instalment is subject to adjustment upon delivery (specific mechanisms are not detailed in the provided text).
Hainan COSCO SHIPPING Development Ocean Transport, a wholly-owned subsidiary of COSCO SHIPPING Development Co., Ltd. (2866)	1. Shanghai Waigaoqiao Shipbuilding Co., Ltd. and CSTC 2. Nantong Xiangyu Shipbuilding and Offshore Engineering Co., Ltd. and Xiamen STC	29-Jul-26	Payable in five instalments based on progress intervals, with a smaller proportion in the first four instalments and the majority in the fifth instalment upon delivery.	Downward adjustments (deducted from the 5th instalment) or right to rescind if speed, DWT, fuel consumption rate fail to meet agreed standards, or if delay exceeds agreed time limits.

Source: the Stock Exchange's website

We noted from the Market Transactions that for all of the Market Transactions, (i) the considerations of vessels are paid according to the agreed milestones of the shipbuilding progress; and (ii) majority of the consideration is payable on the delivery of vessels. Accordingly, we are of the view that the payment terms of the Transactions are fair and reasonable.

We noted that seven of the Market Transactions had disclosure on the terms of adjustment in the relevant announcements. For our due diligence purpose, we have inquired with the Management regarding the basis of the Adjustment Terms (which we also noted from those Market Transactions with detailed disclosures on specific technical deficiencies). As advised by the Management, the Adjustment Terms serve as a protection to the Buyer, enabling the final instalment of consideration to be adjusted to the extent of delay and Builders' failure to conform specific technical specifications as stipulated under the relevant Shipbuilding Contracts; and in addition, the Adjustment Terms are in line with comparable transactions for the same type of Vessels entered into between the Builders and other buyers. In light of the above, we are of the view that the Adjustment Terms of the Transactions are fair and reasonable.

4.3. Internal control procedures

For our due diligence purpose, we enquired of the Management the internal procedures of the Group in relation to the construction of vessels for leasing purpose. As advised by the Management, for the Group's leasing projects, the business department shall prepare the relevant project reports and/or other supporting documents for the assessment of the risk management department; and the projects shall be reviewed and approved by the Board/ general manager's committee (which is a committee comprising the Company's managers and chaired by the Company's general manager). The project reports and/or the relevant supporting documents include relevant assessment of the leasing project, such as analyses of the vessel construction prices. When preparing the project reports and the relevant supporting documents, the business department would refer to, among other things, prevailing market values for the construction of similar vessels, as ascertained from industry reports prepared by independent research companies and/or recent comparable transactions in the industry.

The Management confirmed that the Company followed the Internal Procedures when entering into the Transactions.

4.4. Our view

Taking into account our analysis on the key terms of the Transactions as mentioned above, we are of the view that the terms of the Transactions are fair and reasonable.

5. Possible financial effects of the Transactions

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

As advised by the Management, upon completion of the Transactions and delivery of the Vessels, the Group's fixed assets shall increase by the amount of the consideration, while the Group's cash and cash equivalents shall decrease by the amount of the consideration which would be funded by internal resources and the Group's total liabilities will increase to the extent of the bank borrowings obtained for financing the construction of the Vessels.

In addition, as stated in the Board Letter, the Group is a shipyard-affiliated leasing company principally engaged in the provision of leasing services. Upon delivery of the Vessels from the Builders, the Group will lease the Vessels to customer(s) for its leasing business. Accordingly, the Group's earnings are expected to increase as a result of the leasing income generated from leasing the Vessels to customers.

OPINION AND RECOMMENDATION

Having taken into account the above principal factors, we consider that (i) the terms of the Transactions are on normal commercial terms and are fair and reasonable; and (ii) the Transactions are in the ordinary and usual course of business of the Group and 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 ordinary resolution(s) to be proposed at the EGM to approve the Transactions.

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

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

[#] *Unless the context otherwise requires, conversion of CNH into HK$ is based on the exchange rate of 1:1.17. Such exchange rates is for the purpose of illustration only and do not constitute representation that any amounts in CNH or HK$ have been or may be converted at such or any other rates or at all.*

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for each of the three years ended 31 December 2023, 2024 and 2025 are disclosed in the annual reports of the Company for the year ended 31 December 2023 (pages 110-220), for the year ended 31 December 2024 (pages 98-204) and for the year ended 31 December 2025 (pages 101-204), respectively. All of which are published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (https://www.csscshipping.com):

(i) annual report of the Company for the year ended 31 December 2023:

https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0426/2024042601200.pdf

(ii) annual report of the Company for the year ended 31 December 2024:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0428/2025042800709.pdf

(iii) annual report of the Company for the year ended 31 December 2025:

https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0428/2026042802857.pdf

(iv) interim results of the Company for the six months ended 30 June 2026:

https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0824/2026082401261.pdf

2. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, taking into account the internal resources and facilities presently available from banks and financial institutions, the Group would have sufficient working capital for its present requirements for at least 12 months from the date of this circular in the absence of unforeseen circumstances.

3. STATEMENT OF INDEBTEDNESS AND CONTINGENT LIABILITIES

As at the close of business on 31 August 2026, being the latest practicable date for the purpose of this indebtedness statement, the Group had outstanding borrowing and indebtedness of approximately HK$24,747 million. The indebtedness was comprised of (i) secured and guaranteed bank loans of approximately HK$2,900 million; (ii) unsecured and unguaranteed bank loans of approximately HK$10,518 million; (iii) unsecured and guaranteed bond of approximately HK$4,270 million; (iv) unsecured and unguaranteed bond of approximately HK$2,370 million; (v) unsecured and guaranteed convertible bond of approximately HK$2,153 million; (vi) secured and guaranteed other borrowings of approximately HK$1,212 million; (vii) unsecured and guaranteed other borrowings of approximately HK$1,032 million; and (viii) unsecured and unguaranteed lease liabilities of approximately HK$292 million. As at the close of business on 31 August 2026, the Group had contingent liability in respect of guarantees provided for bank loans and other borrowings of joint ventures of approximately HK$2,786 million.

Save as disclosed above and apart from intra-group liabilities, as at the close of business on 31 August 2026, the Group did not have any (i) debt securities issued and outstanding, authorised or otherwise created but unissued, term loans, distinguishing between guaranteed, unguaranteed, secured and unsecured; (ii) other borrowings or indebtedness in the nature of borrowing; (iii) mortgages and charges; and (iv) any contingent liabilities or guarantees as at the close of business of 31 August 2026.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Looking ahead to 2026 and the 15th Five-Year Plan period, the Group will closely carry out the national strategy of building a maritime power and green development concepts. Building on opportunities arising from industry differentiation and transformation, it will adhere to the overarching principle of ''seeking progress while maintaining stability''. Guided by the operational strategy of ''innovation-driven, structural optimization, refined operations and value leadership'', the Group will continuously strengthen its core competitiveness to achieve long-term sustainable development, provide premium services to global customers and create greater value for Shareholders.

Upholding innovation-driven development to forge core capabilities. Fully leverage the Group's industrial advantages, increase investment and financing in green and intelligent ships and marine engineering equipment, and promote technological progress and industrial upgrading in the industry. Optimize asset structure to navigate industry cycles with stability. Dynamically adjust asset allocation strategies, continuously increase the proportion of clean energy and high-end equipment, and build an asset portfolio that combines growth potential with defensive capabilities. Boost operational efficiency and strengthen internal momentum. Promote the deep integration of digital technology and refined management, further improve asset management and operation levels, and enhance value creation capabilities throughout the entire lifecycle.

Continuously deepen reforms and advance digital intelligence empowerment. Comprehensively promote the implementation of the 15th Five-Year Plan, continuously optimize the Group's governance structure and improve operational efficiency. Widely apply big data, artificial intelligence and other technologies to enhance vessel management, risk control and market forecasting capabilities. Focus on value creation to achieve win-win outcomes for all stakeholders. While maintaining prudent operations, we will actively explore opportunities to extend our industrial chain, creating greater comprehensive value for shareholders, customers and the society. With unwavering strategic resolution, agile market responsiveness and a spirit of continuous innovation, the Group will navigate new challenges and forge ahead steadily in this new phase of development. We are committed to composing a new chapter of high-quality development, creating exceptional value for all shareholders, and contributing to the State's development as a maritime power.

Pledge of Assets

As at 31 August 2026, the Group's secured bank and other borrowings of HK$4,112 million were secured by loan and lease receivables of approximately HK$2,539 million, shares of certain subsidiaries, floating charge on deposits of approximately HK$57 million, general assignments, bareboat charterer assignments, intra-group loan assignments and property, plant and equipment of approximately HK$2,987 million.

Foreign Currency Exposure

In terms of exchange rate structure, the Group continued to uphold its original exchange rate risk management strategies and maintained the basic matching of assets and liabilities in currency. The vessels under finance lease and operating lease are purchased in USD, and the corresponding finance lease receivables and fixed assets are denominated in USD, while the main source of funding is bank loans denominated in USD. There is therefore no significant risk exposure in exchange rate. The Group holds some of its monetary funds in Hong Kong dollars, RMB and Euros, but the overall proportion is relatively small.

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 in this circular misleading.

2. DISCLOSURE OF INTERESTS

(A) Interests of Directors and chief executive of the Company

As at the Latest Practicable Date, none of the Directors and the chief executive of the Company had any interests and short positions in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(B) Interests of substantial Shareholders

As at the Latest Practicable Date, the interests and short positions of the substantial Shareholders in the Shares or underlying Shares which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO:

Name	Capacity/Nature of interests	Number of Shares	Long/Short position	Approximate percentage of shareholding in the Company *(%)*
State-owned Assets Supervision and Administration Commission of the State Council ("**SASAC**")	Interest in controlled corporation[(1)]	4,602,046,234	Long position	74.17
China Shipbuilding Group	Interest in controlled corporation[(1)]	4,602,046,234	Long position	74.17
CSSC Group	Interest in controlled corporation[(1)]	4,602,046,234	Long position	74.17
CSSC International Holding Company Limited ("**CSSC International**")	Beneficial owner[(1)]	4,602,046,234	Long position	74.17

Name	Capacity/Nature of interests	Number of Shares	Long/Short position	Approximate percentage of shareholding in the Company *(%)*
JPMorgan Chase & Co.	Interest in controlled corporation	499,211,128	Long position	8.05
		373,010,437	Short position	6.01
		5,701,179	Lending pool	0.09
CITIC Securities Company Limited	Interest in controlled corporation	448,568,229	Long position	7.23
		442,710,489	Short position	7.14

Note:

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

Save as disclosed above, as at the Latest Practicable Date, as far as the Directors are aware, no other persons (other than the Directors and chief executives of the Company) had interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors is a director or employee of a company which has an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTORS' INTERESTS IN ASSETS OR CONTRACTS OR ARRANGEMENT

As at the Latest Practicable Date, none of the Directors has or has had direct or indirect interest in any assets acquired or disposed of by or leased to or by or proposed to be acquired or disposed of by or leased to or by any member of the Group since 31 December 2025, being the date to which the latest published audited annual financial statements of the Group were made up.

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any of the Directors are materially interested and which is significant to the business of the Group.

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

To the best of the Directors' knowledge, none of the Directors or proposed Directors or their respective close associates had any interests in any business which competed or might compete with the business of the Group as at the Latest Practicable Date.

5. DIRECTORS' SERVICE CONTRACT

As at the Latest Practicable Date, none of the Directors has any existing or proposed service contracts with any member of the Group which will not expire or be determinable by the relevant member of the Group within one year without payment of compensation (other than statutory compensation).

6. LITIGATION

To the best knowledge of the Directors, as at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

7. MATERIAL CONTRACT

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

(1) Shipbuilding Contracts

8. QUALIFICATION AND CONSENT OF EXPERT

The following are the qualifications of the expert whose letter or advice is contained in this circular:

Name	Qualifications
Somerley 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

The above expert has given and has not withdrawn its written consent to the issue of this circular with its opinion included in the form and context in which it is included and the references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above expert had no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did it have any direct or indirect interest in any assets which had been, since 31 December 2025, being the date to which the latest audited consolidated accounts 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.

9. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

10. DOCUMENTS ON DISPLAY

Copies of the following documents published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (http://www.csscshipping.com) for 14 days from the date of this circular:

(i) the annual reports of the Company for the three years ended 31 December 2025;

(ii) the letter from the Independent Financial Adviser, the text of which is set out on pages 16 to 29 of this circular;

(iii) the written consent from the Independent Financial Adviser referred to in the paragraph headed "8. Qualification and Consent of Expert" in this Appendix II; and

(iv) the Shipbuilding Contracts[1].

Note:

1. The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 14.66(10) and 14A.70(13) and paragraph 43(2)(c) of Appendix D1B to the Listing Rules, so that only the redacted version of each of the Shipbuilding Contracts will be published on the websites of the Stock Exchange and the Company as documents on display. For further details, please refer to the paragraph headed "WAIVER IN RESPECT OF DOCUMENTS ON DISPLAY" in the Letter from the Board in this circular.

11. MISCELLANEOUS

(i) The registered office of the Company is located at 1801, 18/F, World-wide House, 19 Des Voeux Road Central, Hong Kong.

(ii) The Company's Hong Kong share registrar is Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

(iii) Mr. Ng Kwun Wa is the company secretary of the Company. He is a member of the Hong Kong Chartered Governance Institute and a member of the Hong Kong Institute of Certified Public Accountants. Ms. Ng Sau Mei is the assistant company secretary of the Company. She is a fellow member of the Hong Kong Chartered Governance Institute.

(iv) The English text of this circular shall prevail over the Chinese text in case of any inconsistency.

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

(Incorporated in Hong Kong with limited liability)

(Stock code: 3877)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the "**EGM**") of CSSC (Hong Kong) Shipping Company Limited (the "**Company**") will be held at 1801, 18/F, World-wide House, 19 Des Voeux Road Central, Hong Kong and online through the online platform https://meetings.computershare.com/CSSC_2026EGM on Tuesday, 17 November 2026 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the resolution below as an ordinary resolution. Unless otherwise defined herein, the terms herein shall have the same meanings as defined in the circular to the shareholders of the Company dated 27 October 2026 (the "**Circular**").

ORDINARY RESOLUTION

1. "**THAT**,

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

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

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

Hong Kong, 27 October 2026

As at the date of this notice, the Board comprises Mr. Li Hongtao and Mr. Liu Hui as executive Directors, Mr. Xie Weizhong and Mr. Chi Benbin as non-executive Directors, and Mr. Wang Dennis, Mdm. Shing Mo Han Yvonne, BBS, JP and Mr. Li Hongji as independent non-executive Directors.

Notes:

1. The register of members of the Company will be closed from Thursday, 12 November 2026 to Tuesday, 17 November 2026, both dates inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the EGM, all transfers of shares accompanied by the relevant share certificates and properly completed and signed transfer forms must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 11 November 2026.

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

3. Form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 48 hours before the time appointed for holding of the EGM (i.e. before 10:00 a.m. on Sunday, 15 November 2026) or any adjourned meeting.

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

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

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

7. The Company will conduct a hybrid EGM via online platform, which allows shareholders to participate in the EGM online in a convenient and efficient way from anywhere with an internet connection. Shareholders will be able to view the live broadcast and participate in voting and submit questions in written form to the EGM by visiting the website at https://meetings.computershare.com/CSSC_2026EGM via smartphones, tablets or computers. The live broadcast option can also broaden the reach of the EGM to shareholders who are unable to attend in person.

8. For online voting at the EGM, shareholders can refer to the enclosed notification letter and the Online Meeting User Guide for details.

   If you have any queries on the above, please contact the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, via their hotline at (852) 2862 8555 from 9:00 a.m. to 6:00 p.m. (Monday to Friday, excluding Hong Kong public holidays).

9. Shareholders who wish to attend the EGM and exercise their voting rights can be achieved in one of the following ways:

   (1) attend the EGM in person; or

   (2) attend the EGM via online platform which enables live streaming and interactive platform for Q&A and vote online; or

   (3) appoint chairman of the EGM or other persons as your proxy to vote on your behalf. Your proxy's authority and instruction will be revoked if you attend and vote in person or via online platform at the EGM.

   Non-registered shareholders who wish to attend and participate in the EGM via online platform should liaise with your bank(s), broker(s), custodian(s), nominee(s) or HKSCC Nominees Limited through which your shares are held (collectively, the "**Intermediaries**") and provide your email addresses to your Intermediaries. Details regarding the arrangements of the EGM, including login details to access the online platform and online voting, will be sent by Computershare Hong Kong Investor Services Limited to the email addresses provided by the non-registered shareholders.

   For corporate shareholders who wish to attend the EGM and vote online, please contact the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at (852) 2862 8555 on or before Friday, 13 November 2026 for arrangement.