THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, certified public accountant or other professional adviser.

If you have sold or transferred all your shares in Chu Kong Shipping Enterprises (Group) Company Limited (the "**Company**"), you should at once hand this circular, with the accompanying proxy form, to the purchaser or the transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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珠江船務企業(股份)有限公司
Chu Kong Shipping Enterprises (Group) Co., Ltd.

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00560)

(1) NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE REVISION OF ANNUAL CAPS; AND (2) NOTICE OF GENERAL MEETING

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

FRONTPAGE 富比

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

A letter from the Board (as defined herein) is set out on pages 5 to 17 of this circular. A letter from the Independent Board Committee is set out on pages 18 to 19 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions is set out on pages 20 to 40 of this circular.

A notice convening the General Meeting of the Company to be held at United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on 26 November 2026 (Thursday) at 3:00 p.m. (Hong Kong time) is set out on pages 45 to 46 of this circular.

If you intend to appoint a proxy to attend the General Meeting, you are required to complete the enclosed proxy form in accordance with the instructions printed thereon and return the completed proxy form to the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, and in any event so that it is received not less than 48 hours before the time appointed for the General Meeting (i.e. before 24 November 2026 (Tuesday), 3:00 p.m. (Hong Kong time)) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the General Meeting or at any other adjourned meeting should you so wish.

11 November 2026

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

"2024 Master Agreements"	the Master Ferry Technical Support Services Agreement, the Master Cargo Warehousing and Transportation Agreement and the Master Fuel Supply Agreement signed between the Company and GDPS on 25 November 2024
"associates"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"CKSE"	Chu Kong Shipping Enterprises (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability, the controlling Shareholder that holds approximately 71.0% of the total number of issued shares of the Company as at the date of this circular and a wholly-owned subsidiary of GDPS
"Company"	Chu Kong Shipping Enterprises (Group) Company Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 00560)
"connected person"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Directors"	the directors of the Company
"GDPS"	廣東省港航集團有限公司(Guangdong Provincial Port & Shipping Group Company Limited*), a state-owned enterprise established under the laws of the PRC and is wholly owned by the State-owned Assets Supervision and Administration Commission of Guangdong Province, which indirectly holds approximately 71.0% of the total issued shares of the Company as at the date of this circular
"GDPS Group"	GDPS and its subsidiaries and associates (other than the Group)
"General Meeting"	the general meeting to be convened and held by the Company to consider and if thought fit, to approve the Proposed Revision of Annual Caps under the Master Ferry Technical Support Services Agreement, the Master Cargo Warehousing and Transportation Agreement and the Master Fuel Supply Agreement, 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 its independent non-executive Directors, namely Mr. Chan Kay-cheung, Ms. Yau Lai Man, Hon. Rock Chen Chung-nin and Mr. Tang Yi Hoi, formed to consider, and to advise the Independent Shareholders, amongst other things, whether the Non-exempt Continuing Connected Transactions and the Proposed Revision of Annual Caps contemplated thereunder are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole
"Independent Financial Adviser" or "Frontpage Capital"	Frontpage Capital Limited, a licensed corporation permitted to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, which is the independent financial adviser to the Independent Board Committee and the Independent Shareholders on the terms of the Non-exempt Continuing Connected Transactions, the Proposed Revision of Annual Caps, the Revised Annual Caps and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders who are independent of and have no interest in the Non-exempt Continuing Connected Transactions
"Independent Third Parties"	Independent third party(ies) who is/are not connected person(s) (as defined in the Listing Rules) of the Company and is/are independent of the Company and the connected person(s) of the Company (as defined under the Listing Rules)
"Latest Practicable Date"	5 November 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Macao"	the Macao Special Administrative Region of the PRC
"Master Cargo Warehousing and Transportation Agreement"	the agreement dated 25 November 2024 entered into between the Company and GDPS regarding the provision of cargo warehousing and transportation services to the GDPS Group

"Master Ferry Technical Support Services Agreement"	the agreement dated 25 November 2024 entered into between the Company and GDPS regarding the provision of ferry technical support services by the GDPS Group to the Group
"Master Fuel Supply Agreement"	the agreement dated 25 November 2024 entered into between the Company and GDPS pursuant to which the Group agrees to supply diesel and lubricants to the passenger ferries, cargo vessels and roadway transport vehicles owned, chartered, operated or acted as agent by the GDPS Group or to GDPS Group as an agent or a supplier
"Non-exempt Continuing Connected Transactions"	the continuing connected transactions contemplated under the Master Ferry Technical Support Services Agreement, the Master Cargo Warehousing and Transportation Agreement and the Master Fuel Supply Agreement
"Original Annual Cap(s)"	the annual caps in respect of the 2024 Master Agreements for each of the two financial years ending 31 December 2026 and 2027, as set out in this circular
"Pearl River Delta Region"	in broad terms, includes the Pearl River, its tributaries and other navigable inland waterways on the west bank of the West River in Guangdong Province which are accessible from Hong Kong territorial waters
"Percentage Ratios"	the percentage ratios, other than the profits ratio and the equity capital ratio, under Rule 14.07 of the Listing Rules
"PRC" or "China"	the People's Republic of China, which for the purposes of this circular, excludes Hong Kong, Macao, and Taiwan
"Proposed Revision of Annual Caps"	the proposed revision of the Original Annual Caps for the continuing connected transactions of the Company under the 2024 Master Agreements for each of the two financial years ending 31 December 2026 and 2027, subject to the approval of the Independent Shareholders at the General Meeting
"Revised Annual Cap(s)"	the revised annual caps under the 2024 Master Agreements for each of the two financial years ending 31 December 2026 and 2027 as set out in this circular
"SFO"	the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong)
"Share(s)"	share(s) of the Company
"Shareholder(s)"	holder(s) of the Shares

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"%"	per cent

In this circular, the English names of the PRC government authorities or entities are translations of their Chinese names and included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.

* *for identification purpose only*

珠江船務企業(股份)有限公司
Chu Kong Shipping Enterprises (Group) Co., Ltd.

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00560)

Executive Director
Mr. Zhou Jun *(General Manager)*

Non-executive Director
Ms. Zhong Yan

Independent Non-executive Directors
Mr. Chan Kay-cheung
Ms. Yau Lai Man
Hon. Rock Chen Chung-nin
Mr. Tang Yi Hoi

Registered Office
22nd Floor
Chu Kong Shipping Tower
143 Connaught Road Central
Hong Kong

Head office and principal place of business in Hong Kong
24th Floor
Chu Kong Shipping Tower
143 Connaught Road Central
Hong Kong

11 November 2026

To the Shareholders

Dear Sir or Madam,

(1) NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE REVISION OF ANNUAL CAPS; AND (2) NOTICE OF GENERAL MEETING

INTRODUCTION

References are made to the announcements of the Company dated 25 November 2024 and 23 October 2025 and the circular of the Company dated 16 December 2024 in relation to the 2024 Master Agreements entered into between the Company and GDPS, and the announcement of the Company dated 29 September 2026 in relation to the Proposed Revision of Annual Caps under the 2024 Master Agreements for each of the two financial years ending 31 December 2026 and 2027.

The purpose of this circular is to provide you with, among other things, (i) further information on the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps; (ii) a letter of recommendation from the Independent Board Committee containing its opinion and recommendations to the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps; and (iv) a notice of the General Meeting.

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

1. Master Ferry Technical Support Services Agreement

Date	:	25 November 2024
Period	:	From 1 January 2025 to 31 December 2027
Parties	:	(i) the Company (ii) GDPS
Nature of transaction	:	Pursuant to the Master Ferry Technical Support Services Agreement, any member of the GDPS Group agrees at the request of any member of the Group to provide (a) ferry technical support services; (b) regular ferries maintenance and repairs; and (c) emergency ad-hoc repairs to the ferries, including the ferries which it acts as agent, of any member of the Group from time to time. Pursuant to which, any member of the GDPS Group shall, at the request of and under the direction of any member of the Group, provide the ferry technical support services to the ferries from time to time in accordance with the terms and conditions of the relevant ferry technical support services agreements to be entered into between any member of the Group and any member of the GDPS Group.
Payment term	:	The Group shall pay within 30 days after each month end upon confirming the payment amounts with the GDPS Group.
Pricing basis	:	The service fee for the provision of ferry technical support services will be determined by the market rates of maintenance and repair technical support service provided by GDPS Group. In order to ensure the service fee payable by the Group and the terms offered by GDPS Group are fair and reasonable and in line with prevailing market rates, the Group will obtain two quotations from other suppliers who are Independent Third Parties (with scale similar to the GDPS Group) to other customers (with scale similar to the Group) for the provision of similar ferry technical support services when entering into separate agreements with respect to the individual transactions contemplated under the Master Ferry Technical Support Services Agreement. Such fees and terms shall be on terms no less favourable to the Group than the terms available from Independent Third Parties.

2. Master Cargo Warehousing and Transportation Agreement

Date	:	25 November 2024
Period	:	From 1 January 2025 to 31 December 2027
Parties	:	(i) the Company (ii) GDPS
Nature of transaction	:	Pursuant to the Master Cargo Warehousing and Transportation Agreement, any member of the Group agrees at the request of any member of the GDPS Group to provide the cargo warehousing and transportation services to any member of the GDPS Group from time to time in accordance with the terms and conditions of the relevant cargo warehousing and transportation agreements to be entered into between any member of the Group and any member of the GDPS Group.
Payment term	:	The GDPS Group shall pay within 30 days after each month end upon confirming the payment amounts with the Group.
Pricing basis	:	The fee in respect of the provision of the cargo warehousing and transportation services will be determined by the contract parties at the time of entry into the relevant service agreements with reference to the type of storage space required and operation fees, destination of transportation, size, weight and type of cargo and mode of transport. The fee and terms quoted by the Group to GDPS Group will be no more favourable to the fee and terms offered to Independent Third Parties of similar scale when entering into the relevant agreements contemplated under the Master Cargo Warehousing and Transportation Agreement, with by reference to at least two quotations provided to Independent Third Parties for similar services.

3. Master Fuel Supply Agreement

Date	:	25 November 2024
Period	:	From 1 January 2025 to 31 December 2027
Parties	:	(i) the Company (ii) GDPS
Nature of transaction	:	Pursuant to the Master Fuel Supply Agreement, the Group agrees to supply diesel and lubricants to the passenger ferries, cargo vessels and roadway transport vehicles owned, chartered, operated or acted as agent by the GDPS Group or to GDPS Group as an agent or a supplier at the request of any member of the GDPS Group from time to time in accordance with the terms and conditions of the relevant fuel supply agreements to be entered into between members of the Group and members of the GDPS Group. The diesel and lubricants are standard products manufactured and sold to the Group by major oil companies. The Group would retrieve the diesel from the location specified by the oil companies and the lubricants will be delivered to the Group's oil tankers once the Group has placed an order with them. In terms of provision of diesel to our customers, the customers would make arrangements to purchase the diesel either via the Group's oil tankers or at terminal docks. As for provision of lubricants, the Group will supply to the customers via the Group's oil tankers. As set out in this circular, the Group may, at the request of members of the GDPS Group from time to time, expand its fuel supply services to include roadway transport vehicles owned, chartered, operated or acted as agent or supplier by the GDPS Group in accordance with the terms and conditions of the relevant fuel supply agreements to be entered into between members of the Group and members of the GDPS Group.
Payment term	:	The GDPS Group shall settle the purchase price of diesel and lubricants in arrears on a monthly basis to the Group within 30 days after the balance has been confirmed between both parties.

Pricing basis : As regards to the provision of diesel, depending on the term of supply and the size of customers, the pricing policy of the Group is briefly described as follows:

(a) for customers who procure from the Group on a regular basis and billed on a monthly basis, the aggregate sum of (i) the monthly average spot price for diesel provided by diesel suppliers in their quotations on a monthly basis based on the Singapore spot market price, being one of the major oil reference prices for Asia; (ii) the warehouse and transportation fees charged by the diesel supplier(s) and incurred by the Group, which are passed down to the customers; and (iii) a standard operational handling fees based on the location of where the diesel is provided taking into account the operational costs of each location; or

(b) for customers who procure from the Group on an ad-hoc basis and billed as and when they procure the diesel, which is based on diesel spot price provided by diesel suppliers in their quotations based on the Singapore spot market price, being one of the major oil reference prices for Asia, on the date preceding the supply of diesel, and the selling price of diesel as quoted by one of the largest diesel suppliers in Hong Kong.

With respect to diesel pricing policy (a), the Group's business operation department will prepare a monthly price formulation schedule of all regular customers to determine the final pricing of the customers which will need to be approved by the business operation manager. Since the GDPS Group has been a regular customer of the Group, the Group charges at a price determined based on pricing policy (a). For pricing policy (b), the price of diesel will be determined daily by the business operation department prior to the start of operation and one price will be charged throughout the day.

The Group formulates a standard price to customers based on the pricing factors disclosed above. The diesel price charged to the GDPS Group will also be determined with reference to at least two quotations or pricing records offered to Independent Third Parties for similar transactions to ensure that the pricing offered to the GDPS Group is no more favourable than that offered to Independent Third Parties. Independent Third Parties are also charged at the standard price or a more competitive price when contracts are tendered from Independent Third Parties.

As regards the provision of lubricants which are standard products manufactured and sold by major oil companies, the Group will charge on the basis of cost plus a markup that would be below the recommended retail pricing of the lubricants as suggested by the manufacturer in order to remain competitive when compared to other brands of lubricants available in the market. The Group will determine the markup for the price of lubricants after making references to the selling price of similar products from various public sources such as competitors' websites. The price list will be reviewed if there are any changes in the price of the lubricants when obtained from the suppliers and any changes will need to be approved by the business operation manager. The lubricants are sold at the same price for all customers.

The price of the diesel and lubricants offered by the Group to the GDPS Group will be on terms no more favourable than the terms available to the Independent Third Parties. Both diesel and lubricants are supplied by the Group to the GDPS Group on substantially the same terms as they are supplied to other independent customers of the Group which would be determined with reference to the purchased quantity of diesel and lubricants, the volume delivered, the frequency of delivery, the payment terms and the tender terms determined following the tender process and relationship with the customers, with reference to at least two quotations or pricing records offered to Independent Third Parties for similar transactions.

HISTORICAL TRANSACTION AMOUNTS

The following table summarizes the historical transaction amounts under the 2024 Master Agreements for the year ended 31 December 2025, the eight months ended 31 August 2026 and the nine months ended 30 September 2026:

	For the eight months ended 31 August 2026	**For the nine months ended 30 September 2026**	**For the year ended 31 December 2025**
	HK$'000	*HK$'000*	*HK$'000*
Transaction amount under the Master Ferry Technical Support Services Agreement	30,022	38,329	36,214
Transaction amount under the Master Cargo Warehousing and Transportation Agreement	12,889	14,242	20,514
Transaction amount under the Master Fuel Supply Agreement	65,982	73,988	40,254

From 1 January 2026 up to the Latest Practicable Date, the actual amount of the Non-exempt Continuing Connected Transactions did not exceed the Original Annual Caps for the year ending 31 December 2026.

ORIGINAL ANNUAL CAPS AND REVISED ANNUAL CAPS

As the Board estimates that the Original Annual Caps under the 2024 Master Agreements for each of the two financial years ending 31 December 2026 and 2027 will not be sufficient to meet the Group's needs, the Board proposes to revise the annual caps for each of the two financial years ending 31 December 2026 and 2027 as follows:

	Annual Caps for the financial years ending 31 December			
	2026		**2027**	
	Original	**Revised**	**Original**	**Revised**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Master Ferry Technical Support Services Agreement	43,000	58,000	43,000	64,000
Master Cargo Warehousing and Transportation Agreement	23,500	37,000	24,800	46,000
Master Fuel Supply Agreement	76,700	154,000	77,000	155,000

Pursuant to the Master Fuel Supply Agreement, in addition to supplying diesel and lubricants to passenger ferries and cargo vessels, the Group may, at the request of members of the GDPS Group from time to time, expand its fuel supply services to include roadway transport vehicles owned, chartered, operated or acted as agent or supplier by the GDPS Group in accordance with the terms and conditions of the relevant fuel supply agreements to be entered into between members of the Group and members of the GDPS Group. The expansion of the fuel supply business to roadway transport vehicles is expected to contribute to the increase in the transaction amounts contemplated under the Master Fuel Supply Agreement.

Apart from the Revised Annual Caps and the revised term mentioned above, other terms (including the payment terms) and conditions of the 2024 Master Agreements remain unchanged.

REASONS FOR AND BENEFITS OF THE NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

The Company is a company incorporated in Hong Kong with limited liability and the Group is mainly engaged in the operation and management of river trade cargo terminals in mainland China and Hong Kong; cargo transportation, warehousing and storage business; provision of management and other related services to high-speed waterway passenger transportation in Guangdong, Hong Kong and Macao; provision of ferry services in Hong Kong; and provision of diesel and lubricants for passenger ferries, cargo vessels and roadway transport vehicles in Hong Kong.

The GDPS Group is principally engaged in (i) the tourist and tourist related industries; (ii) the transportation of passengers and cargo in the Pearl River Delta Region; and (iii) the leasing of properties. GDPS is a state-owned enterprise established under the laws of the PRC and is wholly owned by the State-owned Assets Supervision and Administration Commission of Guangdong Province.

In view of the (i) past cooperation between the Group and the GDPS Group; (ii) operational benefits to be derived; and (iii) the Proposed Revision of Annual Caps will bring stable income to the Group, the Directors (including the independent non-executive Directors whose views have been set out in the letter from the Independent Board Committee in this circular after taking into consideration the advice of the Independent Financial Adviser) consider that the Non-exempt Continuing Connected Transactions and transactions contemplated thereunder are entered into in the ordinary and usual course of business of the Group and on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Taking into account the benefits of entering into the Non-exempt Continuing Connected Transactions as disclosed above, the pricing basis and the internal control measures put in place by the Group, the Directors are not aware of any material disadvantages of entering into the Non-exempt Continuing Connected Transactions.

BASIS AND BENEFITS OF THE REVISED ANNUAL CAPS

The Board has taken into consideration the following factors in determining the Revised Annual Caps under the 2024 Master Agreements for each of the two financial years ending 31 December 2026 and 2027:

(i) the historical transactions under the 2024 Master Agreements for the year ended 31 December 2025 and the eight months ended 31 August 2026;

(ii) the recent performance and business plans of the Group;

(iii) the expected increase of the number of newly commissioned ferries and reduction in the number of retired ferries, and the condition of the ferry fleet under the Master Ferry Technical Support Services Agreement. During the financial year ended 31 December 2025 and the six months ended 30 June 2026, the Group commissioned 10 new ferries and retired 3 ferries. The number of ferries requiring maintenance and repair has increased from 20 as at 31 December 2024 to 27 as at the Latest Practicable Date. A higher number of ferries in service, together with ferries remaining in service pending retirement, is expected to increase the frequency of routine maintenance and emergency repair requirements. The Board has also taken into account the higher cost of each repair and maintenance job, arising from increased labour costs and spare part prices, which is expected to increase the amount payable to the GDPS Group for the same repair work;

(iv) the anticipated increase in warehousing business volume arising from the cooperation of warehouses in Tuen Mun and Nansha Logistics Park under the Master Cargo Warehousing and Transportation Agreement, following the commencement of the new business in March 2026; and

(v) the anticipated fuel price increase and expansion of the fuel supply business to roadway transport vehicles under the Master Fuel Supply Agreement. The expansion into roadway transport vehicles owned, chartered, operated, or managed by the GDPS Group or for which GDPS providing fuel introduces a new business stream that significantly increases overall transaction volume. In addition, the Board has taken into account the increase in diesel prices since the original annual caps were set in November 2024 and the potential for further upward movements. The average diesel price increased from HK$5.39 per litre in 2024 to HK$7.11 per litre for the eight months ended 31 August 2026, representing an increase of approximately 31.9%. As prices charged to the GDPS Group are determined by reference to prevailing global market rates, the historical increase and any further anticipated increases in fuel prices will result in a higher price for each litre supplied.

The Board has also taken into account the long-standing and mutually beneficial business relationship between the Group and the GDPS Group, the operational benefits to be derived from the Master Ferry Technical Support Services Agreement, and the additional revenue and profit contribution expected to be generated from the Master Cargo Warehousing and Transportation Agreement and the Master Fuel Supply Agreement.

The Directors (including the independent non-executive Directors who have taken into account the advice from the Independent Financial Adviser in respect of the Proposed Revision of Annual Caps and the Revised Annual Caps) consider that the Revised Annual Caps in respect of the Non-exempt Continuing Connected Transactions have been determined on a fair and reasonable basis, and that the transactions contemplated thereunder are and will continue to be conducted in the ordinary and usual course of business of the Group, on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL PROCEDURES ON THE PRICING BASIS OF THE NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

In order to ensure that (i) the terms offered in the Non-exempt Continuing Connected Transactions are not more favourable than those terms offered to Independent Third Parties or not less favourable to the Group than those offered by Independent Third Parties; and (ii) the Proposed Revision of Annual Caps and the Revised Annual Caps are not exceeded, the Company implemented the following procedures supervising the Non-exempt Continuing Connected Transactions in the internal control system:

(i) policies relating to "Measures for the Implementation of Connected Transactions" (including continuing connected transactions) have been issued to ensure the proper control and management of connected transactions in the Group;

(ii) the Company will supervise the Non-exempt Continuing Connected Transactions pursuant to its internal control manual and procedures;

(iii) the internal audit department of the Company will periodically review (at least on an annual basis) and inspect the process of the Non-exempt Continuing Connected Transactions under the 2024 Master Agreements;

(iv) the finance department of the Company will collect statistics and report to management quarterly the transaction amount of the Non-exempt Continuing Connected Transactions to ensure the respective annual caps approved by the Board or the Independent Shareholders are not exceeded. If 80% of the relevant annual cap has been utilised, the finance department would alert the management, and the management shall determine whether the remaining unused annual cap is still sufficient, and whether the Group should strictly control the transaction amount to keep within the relevant annual cap or that a revision of the respective annual cap is required;

(v) the auditor of the Company will review the statistics of the Non-exempt Continuing Connected Transactions on an annual basis in compliance with the annual reporting and review requirements under the Listing Rules; and

(vi) the independent non-executive Directors will perform an annual review on the Non-exempt Continuing Connected Transactions pursuant to Rule 14A.55 of the Listing Rules.

The Directors consider that the Company has established sufficient internal control measures to ensure the Non-exempt Continuing Connected Transactions, the relevant Revised Annual Caps and the transactions contemplated thereunder are entered into the ordinary and usual course of business of the Group, are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, GDPS is a state-owned enterprise established under the laws of the PRC which indirectly holds 796,035,520 Shares, representing approximately 71.0% of the total issued share capital of the Company through CKSE. GDPS is therefore a connected person of the Company under the Listing Rules. The transactions under the 2024 Master Agreements therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable Percentage Ratios relating to the Proposed Revision of Annual Caps of the Non-exempt Continuing Connected Transactions are higher than 5% and over HK$10,000,000 on an annual basis, the Non-exempt Continuing Connected Transactions are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, Mr. Zhou Jun being the executive Director and Ms. Zhong Yan being the non-executive Director, are also the directors of CKSE. Accordingly, each of Mr. Zhou Jun and Ms. Zhong Yan is considered to have a material interest in the transactions contemplated under the 2024 Master Agreements and has abstained from voting on the board resolutions approving the revision of the annual caps.

An Independent Board Committee, comprising all the independent non-executive Directors, namely, Mr. Chan Kay-cheung, Ms. Yau Lai Man, Hon. Rock Chen Chung-nin, and Mr. Tang Yi Hoi has been formed to consider the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps, and to advise the Independent Shareholders as to whether the Non-exempt Continuing Connected Transactions, the relevant Revised Annual Caps and the transactions contemplated thereunder are entered into the ordinary and usual course of business of the Group, fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Frontpage Capital has been appointed to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the terms of the Non-exempt Continuing Connected Transactions, the relevant Revised Annual Caps and transactions contemplated thereunder.

GDPS and its associates, including CKSE (wholly owned subsidiary of GDPS), are regarded as having a material interest in the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps. Accordingly, CKSE will abstain from voting at the General Meeting in respect of the resolution proposed to be passed for approving the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps. Save as disclosed in this circular, no other Shareholders will be required to abstain from voting at the General Meeting in respect of the resolutions proposed to be passed for approving the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps.

GENERAL MEETING

A notice convening the General Meeting of the Company to be held at United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on 26 November 2026 (Thursday) at 3:00 p.m. (Hong Kong time) is set out on pages 45 to 46 of this circular.

The register of members of the Company will be closed on 23 November 2026 (Monday) to 26 November 2026 (Thursday), during which no transfer of Shares will be effected. In order to ascertain Shareholders' rights for the purpose of attending and voting at the General Meeting to be held on 26 November 2026 (Thursday), all transfer documents, accompanied by relevant share certificates, must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. (Hong Kong time) on 20 November 2026 (Friday) for registration.

A proxy form for use at the General Meeting is enclosed with this circular. Whether you are able to attend the General Meeting or not, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return it to the Company's share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for the General Meeting (i.e. before 24 November 2026 (Tuesday) at 3:00 p.m. (Hong Kong time)) or any adjournment thereof (as the case may be). Submission of a proxy form shall not preclude you from attending the General Meeting or any adjournment of such meeting and voting in person should you so wish and in such event, the proxy form will be deemed to be revoked.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee containing its recommendation to the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps set out on pages 18 to 19 of this circular; and (ii) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its advice in respect of the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps set out on pages 20 to 40 of this circular.

The Directors (including the members of the Independent Board Committee having considered the advice from the Independent Financial Adviser) consider that the Non-exempt Continuing Connected Transactions, the Proposed Revision of Annual Caps and the transactions contemplated thereunder are entered into the ordinary and usual course of business of the Group, fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors (including the members of the Independent Board Committee having considered the advice from the Independent Financial Adviser) recommend that the Independent Shareholders vote in favour of the resolution to be proposed at the General Meeting to approve the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps.

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board of
Chu Kong Shipping Enterprises (Group) Co., Ltd.
Zhou Jun
Managing Director

The following is the text of a letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions, the Proposed Revision of Annual Caps and the Revised Annual Caps.

珠江船務企業(股份)有限公司
Chu Kong Shipping Enterprises (Group) Co., Ltd.
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00560)

11 November 2026

To the Independent Shareholders

Dear Sir or Madam,

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE REVISION OF ANNUAL CAPS

We refer to the circular of the Company dated 11 November 2026 ("**Circular**") of which this letter forms part. Terms defined in the Circular bear the same meanings herein unless the context otherwise requires.

We have been appointed by the Board as the Independent Board Committee to consider and advise the Independent Shareholders as to whether the Non-exempt Continuing Connected Transactions, the relevant Revised Annual Caps and the transactions contemplated thereunder are entered into the ordinary and usual course of business of the Group, fair and reasonable and on normal commercial terms so far as the Independent Shareholders are concerned and whether the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps are in the interests of the Company and its Shareholders as a whole. Frontpage Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps.

We wish to draw your attention to the letter from the Board set out on pages 5 to 17 of the Circular which contains, inter alia, information about the Non-exempt Continuing Connected Transactions, the relevant Revised Annual Caps and the letter of advice from the Independent Financial Adviser set out on pages 20 to 40 of the Circular which contains its advice in respect of the terms of the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps.

Having taken into account the advice from the Independent Financial Adviser, we consider the terms of the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps are entered into the ordinary and usual course of business of the Group, fair and reasonable, on normal commercial terms so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the General Meeting to approve the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps.

Yours faithfully,
Independent Board Committee

Chan Kay-cheung **Yau Lai Man** **Rock Chen Chung-nin** **Tang Yi Hoi**
Independent Non-executive Directors

Set out below is the text of a letter received from Frontpage Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders which has been prepared for the purpose of inclusion in this circular.

FRONTPAGE 富比

11 November 2026

To the Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE REVISION OF ANNUAL CAPS

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Revised Annual Caps under the 2024 Master Agreements, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company dated 11 November 2026 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular, unless the context requires otherwise.

References are made to the announcements of the Company dated 25 November 2024 and 23 October 2025 and the circular of the Company dated 16 December 2024 in relation to the 2024 Master Agreements entered into between the Company and GDPS, and the announcements of the Company dated 29 September 2026 and 8 October 2026 in relation to the Proposed Revision of Annual Caps under the 2024 Master Agreements for each of the two financial years ending 31 December 2026 and 2027.

As at the Latest Practicable Date, GDPS is a state-owned enterprise established under the laws of the PRC which indirectly holds 796,035,520 Shares, representing approximately 71.0% of the total issued share capital of the Company through CKSE, GDPS is therefore a connected person of the Company under the Listing Rules. The transactions under the 2024 Master Agreements therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable Percentage Ratios relating to the Proposed Revision of Annual Caps of the Non-exempt Continuing Connected Transactions are higher than 5% and over HK$10,000,000 on an annual basis, the Non-exempt Continuing Connected Transactions are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, Mr. Zhou Jun being the executive Director and Ms. Zhong Yan being the non-executive Director, are also the directors of CKSE. Accordingly, each of Mr. Zhou Jun and Ms. Zhong Yan is considered to have a material interest in the transactions contemplated under the 2024 Master Agreements and has abstained from voting on the board resolutions approving the revision of the annual caps.

INDEPENDENT BOARD COMMITTEE

An Independent Board Committee, comprising all the independent non-executive Directors, namely, Mr. Chan Kay-cheung, Ms. Yau Lai Man, Hon. Rock Chen Chung-nin, and Mr. Tang Yi Hoi has been formed to consider the Non-exempt Continuing Connected Transactions and the relevant Revised Annual Caps, and to advise the Independent Shareholders as to whether the Non-exempt Continuing Connected Transactions, the relevant Revised Annual Caps and the transactions contemplated thereunder are entered into the ordinary and usual course of business of the Group, fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

BASIS OF OUR OPINION

In formulating our opinion and recommendation, we have considered, among other things, (i) the 2024 Master Agreements; (ii) the 2025 annual report of the Company; (iii) the 2026 interim report of the Company; and (iv) other information as set out in the Circular.

We have also relied on all relevant information, opinions and facts supplied and represented by the Company, the Directors and the management of the Company. We have assumed that all such information, opinions, facts and representations provided to us or contained or referred to in the Circular, for which the Company is fully responsible, were true and accurate in all respects as at the date hereof and may be relied upon. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Company, and the Company has confirmed that no material facts have been withheld or omitted from the information provided and referred to in the Circular, which would make any statement therein misleading.

We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out independent verification of the information provided by the Directors and the representatives of the Company, nor have we conducted any form of in-depth investigation into the businesses, affairs, operations, financial position or future prospects of the Group and any of their respective subsidiaries and associates.

OUR INDEPENDENCE

We are not connected with the Directors, chief executive and substantial Shareholders, CKSE, GDPS Group or any of their respective subsidiaries or associates and do not have any shareholding, direct or indirect, in any member of the Company or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Company as at the Latest Practicable Date. There is no arrangement exists whereby we will receive any benefits from the Company or the Directors, chief executive and substantial Shareholders, CKSE, GDPS Group or any of their respective subsidiaries or associates for our services to the Company in connection with this appointment aside from our professional fees. During the last two years, we have acted as an independent financial adviser to the then independent board committee and the independent shareholders of the Company in relation to the circulars of the Company dated 16 December 2024. Despite the previous engagements, we consider our independence in regard of our engagement to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Non-exempt Continuing Connected Transactions unaffected due to the fact that under the previous engagements, (i) our role was independent in nature; (ii) we were only entitled to receive normal professional fees that are comparable to market rates and in line with general market practice; (iii) we have discharged our responsibilities with due care and skill and performed our duties with impartiality in respect of each of our engagements with the Company; (iv) each of the engagements was handled independently as an individual task; (v) we were selected after a competitive bidding process conducted by the Company and not directly selected by the Company; and (vi) we are independent from the Company in accordance to Rule 13.84 of the Listing Rules as none of the circumstance stated therein is relevant to us. Therefore, we consider ourselves eligible to act as the Independent Financial Adviser to the Company under the requirements of the Listing Rules.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation to the Independent Board Committee and Independent Shareholders, we have considered the following principal factors and reasons:

1. Background Information of the parties

Information on the Group

The Group is mainly engaged in the operation and management of river trade cargo terminals in mainland China and Hong Kong; cargo transportation, warehousing and storage business; provision of management and other related services to high-speed waterway passenger transportation in Guangdong, Hong Kong and Macao; provision of ferry services in Hong Kong; and provision of diesel and lubricants for passenger ferries, cargo vessels and roadway transport vehicles in Hong Kong.

Historical financial performance of the Group

According to the 2025 annual results of the Company, the Group recorded a consolidated revenue of approximately HK$2,551,156,000 (2024: approximately HK$2,741,286,000), representing a decrease of 6.9% as compared with the previous year. Profit attributable to the Shareholders of the Company amounted to approximately HK$51,996,000 (2024: approximately HK$117,027,000), representing a decrease of 55.6% as compared with the corresponding period. The decrease in the Group's revenue was primarily attributable to the decline in revenue generated from the cargo transportation and fuel supply businesses, which recorded year-on-year decreases of 9.7% and 16.3%, respectively. Such decrease was partially offset by the growth in the cargo handling and storage business and passenger transportation business, which recorded year-on-year increases of 5.7% and 2.1%, respectively, for the year ended 31 December 2025.

The following table below sets forth the breakdown of the revenue of the Group for the years ended 31 December 2024 and 2025 according to business segment:

	Year ended 31 December		
Business segment	**2024**	**2025**	**Year-on-year**
	(HK$'000)	*(HK$'000)*	*(%)*
Cargo transportation	1,606,094	1,450,782	-9.7%
Cargo handling and storage	357,810	378,224	5.7%
Passenger transportation	372,791	380,762	2.1%
Fuel supply	382,747	320,322	-16.3%
Corporate and other businesses	21,844	21,066	-3.6%
Total	**2,741,286**	**2,551,156**	**-6.9%**

Information in relation to the GDPS Group

The GDPS Group is principally engaged in (i) the tourist and tourist related industries; (ii) the transportation of passengers and cargoes in the Pearl River Delta Region; and (iii) the leasing of properties. GDPS is a state-owned enterprise established under the laws of the PRC and is wholly owned by the State-owned Assets Supervision and Administration Commission of Guangdong Province.

2. Master Ferry Technical Support Services Agreement

(i) Principal terms of the Master Ferry Technical Support Services Agreement

Date:	25 November 2024
Tenure:	From 1 January 2025 to 31 December 2027
Parties:	(i) the Company (ii) GDPS
Subject matter:	Pursuant to the Master Ferry Technical Support Services Agreement, any member of the GDPS Group agrees at the request of any member of the Group to provide (a) ferry technical support services; (b) regular ferries maintenance and repairs; and (c) emergency ad-hoc repairs to the ferries, including the ferries which it acts as agent, of any member of the Group from time to time. Pursuant to which, any member of the GDPS Group shall, at the request of and under the direction of any member of the Group, provide the ferry technical support services to the ferries from time to time in accordance with the terms and conditions of the relevant ferry technical support services agreements to be entered into between any member of the Group and any member of the GDPS Group.
Payment terms:	The Group shall pay within 30 days after each month end upon confirming the payment amounts with the GDPS Group.
Pricing basis:	The service fee for the provision of ferry technical support services will be determined by the market rates of maintenance and repair technical support service provided by GDPS Group. In order to ensure the service fee payable by the Group and the terms offered by GDPS Group are fair and reasonable and in line with prevailing market rates, the Group will obtain two quotations from other suppliers who are Independent Third Parties (with scale similar to the GDPS Group) to other customers (with scale similar to the Group) for the provision of similar ferry technical support services when entering into separate agreements with respect to the individual transactions contemplated under the Master Ferry Technical Support Services Agreement. Such fees and terms shall be on terms no less favourable to the Group than the terms available from Independent Third Parties.

(ii) Reasons and benefits for the Master Ferry Technical Support Services Agreement

As advised by the management of the Company, the Group expects an increase of the number of newly commissioned ferries and a reduction in the number of retired ferries, and including the aging the condition of some of the ferry fleet that are needed to be maintained under the Master Ferry Technical Support Services Agreement.

During the financial year ended 31 December 2025 and the six months ended 30 June 2026, the Group commissioned 10 new ferries and retired 3 ferries. The number of ferries requiring maintenance and repair has increased from 20 as at 31 December 2024 to 27 as at the Latest Practicable Date. A higher number of ferries in service, together with ferries remaining in service pending retirement, is expected to increase the frequency of routine maintenance and emergency repair requirements. The Board has also taken into account the higher cost of each repair and maintenance job, arising from increased labour costs and spare part prices, which is expected to increase the amount payable to the GDPS Group for the same repair work.

Having considered the reasons above, we are of the view that the reasons and benefit for the Master Ferry Technical Support Services Agreement is on normal commercial terms and in the ordinary and usual course of business of the Company, fair and reasonable so far as the Independent Shareholders are concerned, and in the interest of the Company and the Shareholders as a whole.

(iii) Pricing basis

According to the Company, the service fee for the provision of ferry technical support services will be determined by the market rates of maintenance and repair technical support service provided by GDPS Group. In order to ensure the service fee payable by the Group and the terms offered by GDPS Group are fair and reasonable and in line with prevailing market rates, the Group will obtain two quotations from other suppliers who are Independent Third Parties (with scale similar to the GDPS Group) to other customers (with scale similar to the Group) for the provision of similar ferry technical support services when entering into separate agreements with respect to the individual transactions contemplated under the Master Ferry Technical Support Services Agreement. Such fees and terms shall be on terms no less favourable to the Group than the terms available from Independent Third Parties.

In order to assess the fairness and reasonableness of the pricing basis of the Master Ferry Technical Support Services Agreement, we have obtained 3 sets of two quotations provided by the Company to assess if the fees and terms as quoted by GDPS is on terms no less favourable to the Group than the terms available from Independent Third Parties. As some of the major ferry maintenance contracts we reviewed are infrequent and as a state-controlled entity, they would undertake a public bidding process on these maintenance contracts, we are of the view that the 3 complete sets of directly comparable maintenance quotation are sufficient to provide an indication on how the Company is undertaking their comparative quotations. In addition, assuming there is an effective internal control procedure in place, the same would have been undertaken repeatedly over the last few years in the same comparable manner.

Based on the aforesaid samples we have reviewed and the discussion with the management on how these comparative quotations are undertaken, we are of the view that the pricing basis is on normal commercial terms and in the ordinary and usual course of business of the Group, fair and reasonable insofar as the Independent Shareholders are concerned, and in the interest of the Company and Shareholders as a whole.

(iv) Annual Cap and basis of determination

A summary of the annual caps of the Master Ferry Technical Support Services Agreement under the Non-Exempt Continuing Connected Transactions, which include (i) the historical annual caps for the year ended 31 December 2025, the eight months ended 31 August 2026 and nine months ended 30 September 2026; (ii) the Original Annual Caps for the two years ended 31 December 2026 and 2027; and (iii) the Revised Annual Caps are set out in the table below:

				For the year ended 31 December			
	Historical 2025 *(HK$'000)*	**Historical (eight months ended 31 August 2026)** *(HK$'000)*	**Historical (nine months ended 30 September 2026)** *(HK$'000)*	**Original 2026** *(HK$'000)*	**Revised 2026** *(HK$'000)*	**Original 2027** *(HK$'000)*	**Revised 2027** *(HK$'000)*
Amount/Annual caps	36,214	30,022	38,329	43,000	58,000	43,000	64,000

From 1 January 2026 up to the Latest Practicable Date, the actual amount of the Master Ferry Technical Support Services Agreement under the Non-exempt Continuing Connected Transactions did not exceed the Original Annual Caps for the year ending 31 December 2026.

In determining the Revised Annual Caps, the Directors have taken into consideration the expected increase of the number of newly commissioned ferries and reduction in the number of retired ferries, and the condition of the ferry fleet under the Master Ferry Technical Support Services Agreement. During the financial year ended 31 December 2025 and the six months ended 30 June 2026, the Group commissioned 10 new ferries and retired 3 ferries. The number of ferries requiring maintenance and repair has increased from 20 as at 31 December 2024 to 27 as at the Latest Practicable Date. A higher number of ferries in service, together with ferries remaining in service pending retirement, is expected to increase the frequency of routine maintenance and emergency repair requirements. The Board has also taken into account the higher cost of each repair and maintenance job, arising from increased labour costs and spare part prices, which is expected to increase the amount payable to the GDPS Group for the same repair work.

In assessing the Directors view of the ferry fleet, we have obtained a complete list of ferry fleet information from the Company. Based on the list of ferry fleet, we noted that 7 of their ferry aged between 39 to 45 years old, 2 are between 33 to 34 years old and 6 are between 24 to 26 years old. These aging 15 ferries are expected to continue operating until sufficient replacement new ferries are procured to replace them. As these fleets aged, they not only require increase amount of work to upkeep, repair and maintain, they also face the problem that their replacement parts will become obsolete and even more costly to replace. In addition, the increase in the number of Xin Ming Zhu series ferry starting in 2023 has slowly crept up to 13 and additional units are still being constructed in the pipeline. With the increase in the number of new ferries, the daily use of the fleet will invariably lead to the need for regular maintenance and the continual increase in numbers of this fleet would naturally increase the need for additional caps under the Master Ferry Technical Support Services Agreement.

In determining the Revised Annual Caps under the Master Ferry Technical Support Services Agreement, the Company has used their historical data to calculate major maintenance requirements based on usage distance and/or time. As the numbers of ferry fleet has increased significantly, the amount of usage distance and/or time of the overall ferry fleet has also increased significantly, leading to the need for the Revised Annual Caps.

In view of the delayed retirement of the aging fleet and the increase in number of new ferries, we are of the view that the Revised Annual Caps of the Master Ferry Technical Support Services Agreement is on normal commercial terms and in the ordinary and usual course of business of the Group, fair and reasonable insofar as the Independent Shareholders are concerned, and in the interest of the Company and Shareholders as a whole.

3. Master Cargo Warehousing and Transportation Agreement

(i) Principal terms of the Master Cargo Warehousing and Transportation Agreement

Date:	25 November 2024
Tenure:	From 1 January 2025 to 31 December 2027
Parties:	(i) the Company (ii) GDPS
Subject matter:	Pursuant to the Master Cargo Warehousing and Transportation Agreement, any member of the Group agrees at the request of any member of the GDPS Group to provide the cargo warehousing and transportation services to any member of the GDPS Group from time to time in accordance with the terms and conditions of the relevant cargo warehousing and transportation agreements to be entered into between any member of the Group and any member of the GDPS Group.

Payment terms:	The GDPS Group shall pay within 30 days after each month end upon confirming the payment amounts with the Group.
Pricing basis:	The fee in respect of the provision of the cargo warehousing and transportation services will be determined by the contract parties at the time of entry into the relevant service agreements with reference to the type of storage space required and operation fees, destination of transportation, size, weight and type of cargo and mode of transport. The fee and terms quoted by the Group to GDPS Group will be no more favourable to the fee and terms offered to Independent Third Parties of similar scale when entering into the relevant agreements contemplated under the Master Cargo Warehousing and Transportation Agreement, with by reference to at least two quotations provided to Independent Third Parties for similar services.

(ii) Reasons and benefits for the Master Cargo Warehousing and Transportation Agreement

As advised by the management of the Company, the Group anticipate an increase in warehousing business volume arising from the cooperation of warehouses in Tuen Mun and Nansha Logistics Park under the Master Cargo Warehousing and Transportation Agreement, following the commencement of the new business in March 2026.

We have reviewed the agreement dated 30 March 2026, whereby the Group's subsidiary entered into an agreement to provide warehousing services to warehouse storage service provider who focuses on providing such services to cross border online retailers. As this is a new business that was not anticipated previously, there is a need to increase the annual caps to accommodate for this new business.

Having considered the reasons above, we are of the view that the reasons and benefit for the Master Cargo Warehousing and Transportation Agreement is on normal commercial terms and in the ordinary and usual course of business of the Company, fair and reasonable so far as the Independent Shareholders are concerned, and in the interest of the Company and the Shareholders as a whole.

(iii) Pricing basis

According to the Company, the fee in respect of the provision of the cargo warehousing and transportation services will be determined by the contract parties at the time of entry into the relevant service agreements with reference to the type of storage space required and operation fees, destination of transportation, size, weight and type of cargo and mode of transport. The fee and terms quoted by the Group to GDPS Group will be no more favourable to the fee and terms offered to Independent Third Parties of similar scale when entering into the relevant agreements contemplated under the Master Cargo Warehousing and Transportation Agreement, with by reference to at least two quotations provided to Independent Third Parties for similar services.

In determining the fairness and reasonableness of the pricing basis under the Master Cargo Warehousing and Transportation Agreement, we have requested for invoices charged to independent third parties from random months for each quarter for since 1 January 2025 up to the Latest Practicable Date. Based on the aforesaid sampling method, we have obtained 7 sets of invoices comparing charges offered to the GDPS Group and compared to two Independent Third Parties to determine if the prices offered to GDPS Group is no more favourable than those offered to Independent Third Parties.

As such, we are of the view that the pricing basis under the Master Cargo Warehousing and Transportation Agreement is on normal commercial terms, in the ordinary and usual course of business of the Group, fair and reasonable insofar as the Independent Shareholders are concerned, and in the interest of the Company and Shareholders as a whole.

(iv) Annual Cap and basis of determination

A summary of the annual caps of the Master Cargo Warehousing and Transportation Agreement under the Non-Exempt Continuing Connected Transactions, which include (i) the historical annual caps for the year ended 31 December 2025, the eight months ended 31 August 2026 and nine months ended 30 September 2026; (ii) the Original Annual Caps for the two years ended 31 December 2026 and 2027; and (iii) the Revised Annual Caps are set out in the table below:

				For the year ended 31 December			
	Historical 2025	Historical (eight months ended 31 August 2026)	Historical (nine months ended 30 September 2026)	Original 2026	Revised 2026	Original 2027	Revised 2027
	(HK$'000)	*(HK$'000)*	*(HK$'000)*	*(HK$'000)*	*(HK$'000)*	*(HK$'000)*	*(HK$'000)*
Amount/Annual caps	20,514	12,889	14,242	23,500	37,000	24,800	46,000

From 1 January 2026 up to the Latest Practicable Date, the actual amount of the Master Cargo Warehousing and Transportation Agreement under the Non-exempt Continuing Connected Transactions did not exceed the Original Annual Caps for the year ending 31 December 2026.

In determining the Revised Annual Caps of the Master Cargo Warehousing and Transportation Agreement, the Directors have taken into consideration the anticipated increase in warehousing business volume arising from the cooperation of warehouses in Tuen Mun and Nansha Logistics Park under the Master Cargo Warehousing and Transportation Agreement, following the commencement of the new business in March 2026.

Historically, the Group has provided ad-hoc services under the Master Cargo Warehousing and Transportation Agreement to GDPS Group. However, GDPS Group has secured a client who will permanently use the Group's warehouses to handle their warehousing and logistical needs, leading to the agreement signed in March 2026. During a 3-month period, the Group noted that the revenue generated from this new business has increase significantly and the Group has extrapolated the 3 months revenue and together with a buffer to arrive at the Revised Annual Caps. We have reviewed the revenues generated from the new business and concur that the Revised Annual Caps are necessary if the Group wishes to continue providing the Master Cargo Warehousing and Transportation Agreement services to the client of GDPS Group.

In view of the new business which would generate additional revenues to the Group, we are of the view that the Revised Annual Caps of the Master Cargo Warehousing and Transportation Agreement is on normal commercial terms and in the ordinary and usual course of business of the Group, fair and reasonable insofar as the Independent Shareholders are concerned, and in the interest of the Company and Shareholders as a whole.

4. Master Fuel Supply Agreement

(i) Principal terms of the Master Fuel Supply Agreement

Date:	25 November 2024
Tenure:	From 1 January 2025 to 31 December 2027
Parties:	(i) the Company (ii) GDPS
Subject matter:	Pursuant to the Master Fuel Supply Agreement, the Group agrees to supply diesel and lubricants to the passenger ferries, cargo vessels and roadway transport vehicles owned, chartered, operated or acted as agent by the GDPS Group or to GDPS Group as an agent or a supplier at the request of any member of the GDPS Group from time to time in accordance with the terms and conditions of the relevant fuel supply agreements to be entered into between members of the Group and members of the GDPS Group.

The diesel and lubricants are standard products manufactured and sold to the Group by major oil companies. The Group would retrieve the diesel from the location specified by the oil companies and the lubricants will be delivered to the Group's oil tankers once the Group has placed an order with them. In terms of provision of diesel to our customers, the customers would make arrangements to purchase the diesel either via the Group's oil tankers or at terminal docks. As for provision of lubricants, the Group will supply to the customers via the Group's oil tankers.

As set out in this circular, the Group may, at the request of members of the GDPS Group from time to time, expand its fuel supply services to include roadway transport vehicles owned, chartered, operated or acted as agent or supplier by the GDPS Group in accordance with the terms and conditions of the relevant fuel supply agreements to be entered into between members of the Group and members of the GDPS Group.

Payment terms: The GDPS Group shall settle the purchase price of diesel and lubricants in arrears on a monthly basis to the Group within 30 days after the balance has been confirmed between both parties.

Pricing basis: As regards to the provision of diesel, depending on the term of supply and the size of customers, the pricing policy of the Group is briefly described as follows:

(a) for customers who procure from the Group on a regular basis and billed on a monthly basis, the aggregate sum of (i) the monthly average spot price for diesel provided by diesel suppliers in their quotations on a monthly basis based on the Singapore spot market price, being one of the major oil reference prices for Asia; (ii) the warehouse and transportation fees charged by the diesel supplier(s) and incurred by the Group, which are passed down to the customers; and (iii) a standard operational handling fees based on the location of where the diesel is provided taking into account the operational costs of each location; or

(b) for customers who procure from the Group on an ad-hoc basis and billed as and when they procure the diesel, which is based on diesel spot price provided by diesel suppliers in their quotations based on the Singapore spot market price, being one of the major oil reference prices for Asia, on the date preceding the supply of diesel, and the selling price of diesel as quoted by one of the largest diesel suppliers in Hong Kong.

With respect to diesel pricing policy (a), the Group's business operation department will prepare a monthly price formulation schedule of all regular customers to determine the final pricing of the customers which will need to be approved by the business operation manager. Since the GDPS Group has been a regular customer of the Group, the Group charges at a price determined based on pricing policy (a). For pricing policy (b), the price of diesel will be determined daily by the business operation department prior to the start of operation and one price will be charged throughout the day.

The Group formulates a standard price to customers based on the pricing factors disclosed above. The diesel price charged to the GDPS Group will also be determined with reference to at least two quotations or pricing records offered to Independent Third Parties for similar transactions to ensure that the pricing offered to the GDPS Group is no more favourable than that offered to Independent Third Parties. Independent Third Parties are also charged at the standard price or a more competitive price when contracts are tendered from Independent Third Parties.

As regards the provision of lubricants which are standard products manufactured and sold by major oil companies, the Group will charge on the basis of cost plus a markup that would be below the recommended retail pricing of the lubricants as suggested by the manufacturer in order to remain competitive when compared to other brands of lubricants available in the market. The Group will determine the markup for the price of lubricants after making references to the selling price of similar products from various public sources such as competitors' websites. The price list will be reviewed if there are any changes in the price of the lubricants when obtained from the suppliers and any changes will need to be approved by the business operation manager. The lubricants are sold at the same price for all customers.

The price of the diesel and lubricants offered by the Group to the GDPS Group will be on terms no more favourable than the terms available to the Independent Third Parties. Both diesel and lubricants are supplied by the Group to the GDPS Group on substantially the same terms as they are supplied to other independent customers of the Group which would be determined with reference to the purchased quantity of diesel and lubricants, the volume delivered, the frequency of delivery, the payment terms and the tender terms determined following the tender process and relationship with the customers, with reference to at least two quotations or pricing records offered to Independent Third Parties for similar transactions.

(ii) Reasons and benefits for the Master Fuel Supply Agreement

As advised by the management of the Company, the Group anticipated fuel price increase and expansion of the fuel supply business to roadway transport vehicles under the Master Fuel Supply Agreement. The expansion into roadway transport vehicles owned, chartered, operated, or managed by the GDPS Group or to GDPS Group as an agent or a supplier introduces a new business stream that significantly increases overall transaction volume. In addition, the Board has taken into account the increase in diesel prices since the original annual caps were set in November 2024 and the potential for further upward movements. The average diesel price increased from HK$5.39 per litre in 2024 to HK$7.11 per litre for the eight months ended 31 August 2026, representing an increase of approximately 31.9%. As prices charged to the GDPS Group are determined by reference to prevailing global market rates, the historical increase and any further anticipated increases in fuel prices will result in a higher price for each litre supplied.

Based on our discussion with the Company, we noted that GDPS Group has begun incorporating the purchase of fuel for roadway transport vehicles, which historically was not significant. As a result in their recent increased sales to roadway transport vehicle, we are of the view that increase the Original Annual Caps would increase the opportunity to capture higher revenues. In addition, the outbreak of the Iran War has also led to significantly higher fuel prices resulting in an insufficient Original Annual Caps.

Having considered the reasons above, we are of the view that the reasons and benefit for the Master Fuel Supply Agreement is on normal commercial terms and in the ordinary and usual course of business of the Company, fair and reasonable so far as the Independent Shareholders are concerned, and in the interest of the Company and the Shareholders as a whole.

(iii) Pricing basis

As regards to the provision of diesel, depending on the term of supply and the size of customers, the pricing policy of the Group is briefly described as follows:

(a) for customers who procure from the Group on a regular basis and billed on a monthly basis, the aggregate sum of (i) the monthly average spot price for diesel provided by diesel suppliers in their quotations on a monthly basis based on the Singapore spot market price, being one of the major oil reference prices for Asia; (ii) the warehouse and transportation fees charged by the diesel supplier(s) and incurred by the Group, which are passed down to the customers; and (iii) a standard operational handling fees based on the location of where the diesel is provided taking into account the operational costs of each location; or

(b) for customers who procure from the Group on an ad-hoc basis and billed as and when they procure the diesel, which is based on diesel spot price provided by diesel suppliers in their quotations based on the Singapore spot market price, being one of the major oil reference prices for Asia, on the date preceding the supply of diesel, and the selling price of diesel as quoted by one of the largest diesel suppliers in Hong Kong.

With respect to diesel pricing policy (a), the Group's business operation department will prepare a monthly price formulation schedule of all regular customers to determine the final pricing of the customers which will need to be approved by the business operation manager. Since the GDPS Group has been a regular customer of the Group, the Group charges at a price determined based on pricing policy (a). For pricing policy (b), the price of diesel will be determined daily by the business operation department prior to the start of operation and one price will be charged throughout the day.

The Group formulates a standard price to customers based on the pricing factors disclosed above. The diesel price charged to the GDPS Group will also be determined with reference to at least two quotations or pricing records offered to Independent Third Parties for similar transactions to ensure that the pricing offered to the GDPS Group is no more favourable than that offered to Independent Third Parties. Independent Third Parties are also charged at the standard price or a more competitive price when contracts are tendered from Independent Third Parties.

As regards the provision of lubricants which are standard products manufactured and sold by major oil companies, the Group will charge on the basis of cost plus a markup that would be below the recommended retail pricing of the lubricants as suggested by the manufacturer in order to remain competitive when compared to other brands of lubricants available in the market. The Group will determine the markup for the price of lubricants after making references to the selling price of similar products from various public sources such as competitors' websites. The price list will be reviewed if there are any changes in the price of the lubricants when obtained from the suppliers and any changes will need to be approved by the business operation manager. The lubricants are sold at the same price for all customers.

The price of the diesel and lubricants offered by the Group to the GDPS Group will be on terms no more favourable than the terms available to the Independent Third Parties. Both diesel and lubricants are supplied by the Group to the GDPS Group on substantially the same terms as they are supplied to other independent customers of the Group which would be determined with reference to the purchased quantity of diesel and lubricants, the volume delivered, the frequency of delivery, the payment terms and the tender terms determined following the tender process and relationship with the customers, with reference to at least two quotations or pricing records offered to Independent Third Parties for similar transactions.

In order to assess the fairness and reasonableness of the pricing basis of Master Fuel Supply Agreement, we have obtained and reviewed a random sample copies for each of diesel and lubricant per quarter in respect of the historical transactions between the Group and GDPS Group since 1 January 2025 to Latest Practicable Date and compare them to invoices of similar products and dates issued by the Group to other Independent Third Parties. As a result, we have obtained a total of 7 sets of comparable invoices for each of diesel and lubricant. We are of the view that a random sample from each quarter is sufficiently spread out over each year when diesel prices have varied over time is representative and sufficient for our assessment purposes and therefore is fair and reasonable to use such sample size.

Based on our review of the invoices, we noted that the prices of diesel and lubricants sold by the Group to the GDPS Group were no more favourable than standard prices paid by Independent Third Parties, and were hence in line with the pricing basis under the Master Fuel Supply Agreement. Based on our discussion with the management and the samples that we have reviewed, the warehouse and transportation fees charged by the diesel supplier(s) were passed on to customers and additional standard operational handling fees were charged according to the location of the refuelling.

In terms of provision of lubricants, the prices paid by their customers are the same for both GDPS Group and Independent Third Parties depending on the type of lubricants needed by the customers. We also noted that the pricing and payment terms under the Master Fuel Supply Agreement are no more favourable to the GDPS Group than those under the aforesaid sample relevant invoices issued to other Independent Third Parties.

Based on the aforesaid invoices we have reviewed and the discussion with the management on how these pricing are determined, we are of the view that the pricing basis is on normal commercial terms and in the ordinary and usual course of business of the Group, fair and reasonable insofar as the Independent Shareholders are concerned, and in the interest of the Company and Shareholders as a whole.

(iv) Annual Cap and basis of determination

A summary of the annual caps of the Master Fuel Supply Agreement under the Non-Exempt Continuing Connected Transactions, which include (i) the historical annual caps for the year ended 31 December 2025, the eight months ended 31 August 2026 and nine months ended 30 September 2026; (ii) the Original Annual Caps for the two years ended 31 December 2026 and 2027; and (iii) the Revised Annual Caps are set out in the table below:

				For the year ended 31 December			
	Historical 2025 *(HK$'000)*	Historical (eight months ended 31 August 2026) *(HK$'000)*	Historical (nine months ended 30 September 2026) *(HK$'000)*	Original 2026 *(HK$'000)*	Revised 2026 *(HK$'000)*	Original 2027 *(HK$'000)*	Revised 2027 *(HK$'000)*
Amount/Annual caps	40,254	65,982	73,988	76,700	154,000	77,000	155,000

From 1 January 2026 up to the Latest Practicable Date, the actual amount of the Master Fuel Supply Agreement under the Non-exempt Continuing Connected Transactions did not exceed the Original Annual Caps for the year ending 31 December 2026.

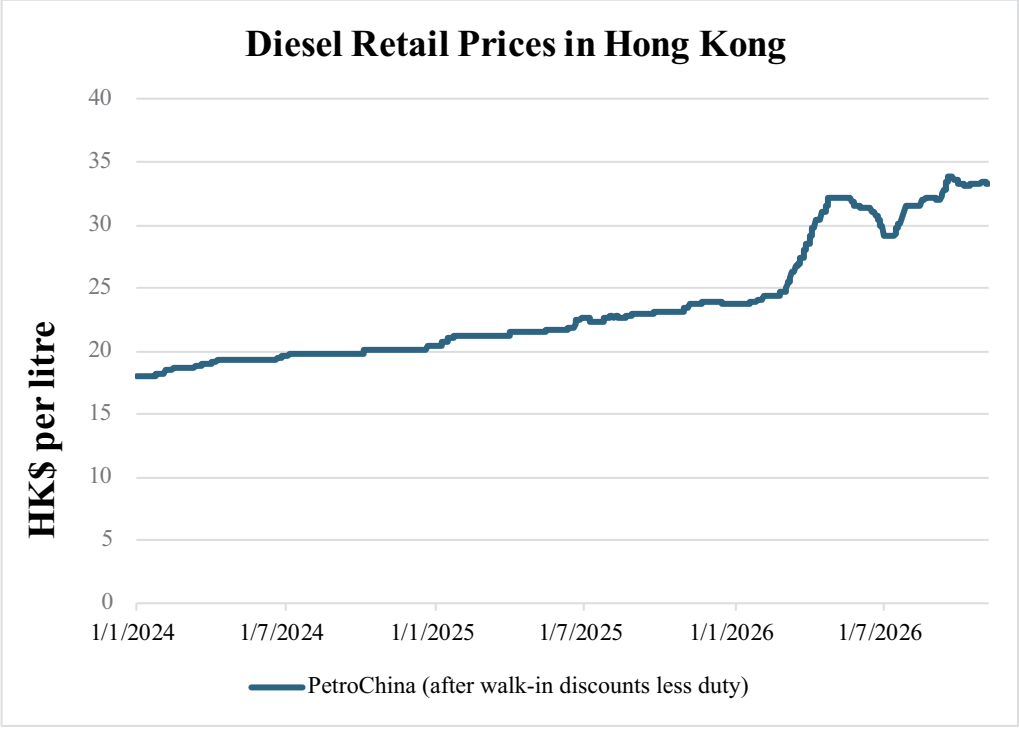
In determining the Revised Annual Caps, the Directors have taken into consideration the anticipated fuel price increase and expansion of the fuel supply business to roadway transport vehicles under the Master Fuel Supply Agreement. The expansion into roadway transport vehicles owned, chartered, operated, or managed by the GDPS Group or to GDPS Group as an agent or a supplier introduces a new business stream that significantly increases overall transaction volume. In addition, the Board has taken into account the increase in diesel prices since the original annual caps were set in November 2024 and the potential for further upward movements. The average diesel price increased from HK$5.39 per litre in 2024 to HK$7.11 per litre for the eight months ended 31 August 2026, representing an increase of approximately 31.9%. As prices charged to the GDPS Group are determined by reference to prevailing global market rates, the historical increase and any further anticipated increases in fuel prices will result in a higher price for each litre supplied.

We have discussed with the Company with regards to the substantial increase in the Revised Annual Caps of the Master Fuel Supply Agreement. Based on the information presented by the Company, a significant portion of the increase arises from the establishment of the new fuel supply business to roadway transport vehicles. Based on data provided by GDPS Group to the Group, it is estimated that the annual consumption of diesel by roadway transport vehicles to reach 7.5 million litres per annum. Using the current diesel price of approximately HK$7.50 per litre, the contribution from roadway transport vehicles alone to the annual caps would amount to approximately HK$56 million.

Diesel Prices

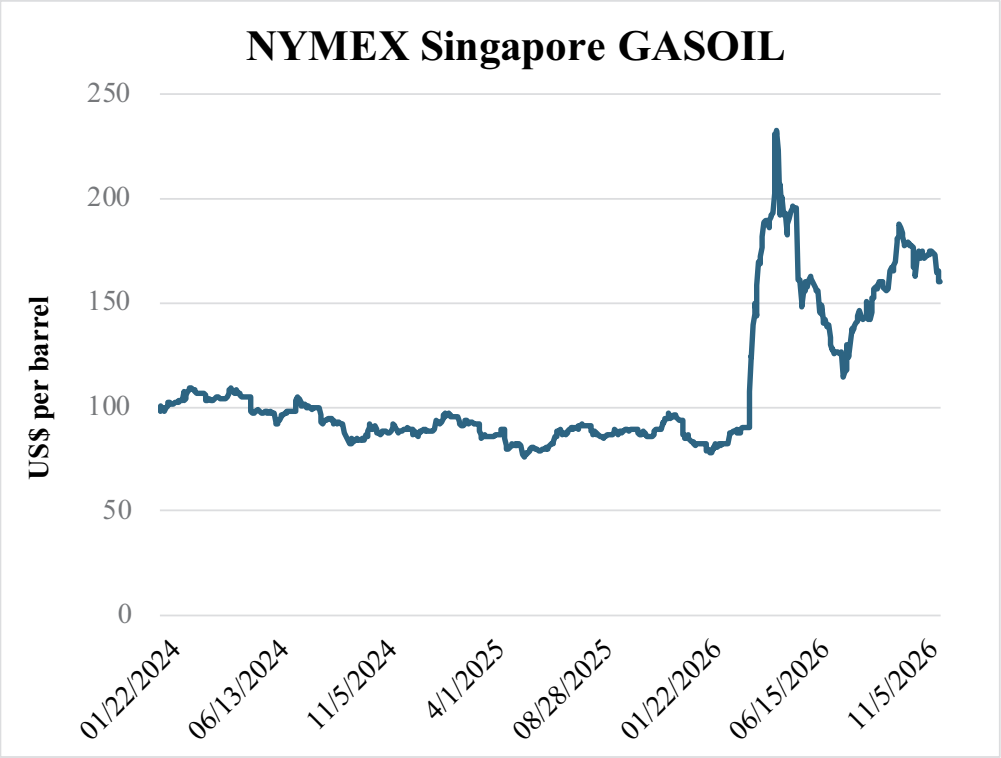
Diesel, a component of crude oil, fluctuate in prices in accordance to the global crude oil prices. As the annual caps of the Master Fuel Supply Agreement is determined using the prices of diesel, global events affecting prices of crude oil will cause significant price swings and impact the annual caps.

Recent political tensions in the middle east have driven crude oil prices to a level rarely seen recently. Based on data obtained from the Consumer Council of Hong Kong, pump prices of retail diesel offered by PetroChina after discounts rose from HK$18 per litre in January 2024 to HK$33 per litre as at Latest Practicable Date after the war on Iran started. This increase represents a rise of approximately 83% in the retail pump prices in Hong Kong.



Source: Consumer Council (www.consumer.org.hk)

On the global scene, prices of diesel have also risen significantly. The NYMEX Singapore Gasoil Platts Futures (gasoil is another terminology for diesel) rose from approximately US$98 per barrel in January 2024 to US$159 per barrel as at Latest Practicable Date, representing an approximate increase of 62%.



Source: data extracted from www.investing.com

As no one is able to ascertain when the conflict in the middle east will end, the Company has adopted a conservative stance to use a high diesel fuel price in determining their annual caps. We are of the view that this is prudent as it will ensure sufficient annual caps is in place to minimize disruption to the operations of the Group's business. As the Master Fuel Supply Agreement allows the Group to sell diesel and related lubricants to is connected persons, which is a transaction of revenue in nature for the Company. Therefore, it is in the interest of the Company and Shareholders as a whole that the annual caps for Master Fuel Supply Agreement are set sufficiently in order not to disrupt revenue generating activities of the Group.

Having considered the reasons above, we are of the view that the Revised Annual Caps under the Master Fuel Supply Agreement is on normal commercial terms and in the ordinary and usual course of business of the Company, fair and reasonable so far as the Independent Shareholders are concerned, and in the interest of the Company and the Shareholders as a whole.

5. Internal Control Measures

In order to ensure that (i) the terms offered in the Non-exempt Continuing Connected Transactions are not more favourable than those terms offered to Independent Third Parties or not less favourable to the Group than those offered by Independent Third Parties; and (ii) the Proposed Revision of Annual Caps and the Revised Annual Caps are not exceeded, the Company implemented the following procedures supervising the Non-exempt Continuing Connected Transactions in the internal control system:

(i) policies relating to "Measures for the Implementation of Connected Transactions" (including continuing connected transactions) have been issued to ensure the proper control and management of connected transactions in the Group;

(ii) the Company will supervise the Non-exempt Continuing Connected Transactions pursuant to its internal control manual and procedures;

(iii) the internal audit department of the Company will periodically review (at least on an annual basis) and inspect the process of the Non-exempt Continuing Connected Transactions under the 2024 Master Agreements;

(iv) the finance department of the Company will collect statistics and report to management quarterly the transaction amount of the Non-exempt Continuing Connected Transactions to ensure the respective annual caps approved by the Board or the Independent Shareholders are not exceeded. If 80% of the relevant annual cap has been utilised, the finance department would alert the management, and the management shall determine whether the remaining unused annual cap is still sufficient, and whether the Group should strictly control the transaction amount to keep within the relevant annual cap or that a revision of the respective annual cap is required;

(v) the auditor of the Company will review the statistics of the Non-exempt Continuing Connected Transactions on an annual basis in compliance with the annual reporting and review requirements under the Listing Rules; and

(vi) the independent non-executive Directors will perform an annual review on the Non-exempt Continuing Connected Transactions pursuant to Rule 14A.55 of the Listing Rules.

In order to determine if the Company has implemented sufficient internal control measures and if those measures had been properly executed, we have performed the following reviews:

(i) obtain and review a copy of "Measures for the Implementation of Connected Transactions";

(ii) obtain and review a copy of the report by auditors with regards to their review and inspection of the processes of the Non-exempt Continuing Connected Transactions under the 2024 Master Agreements; and

(iii) obtain and review a report from the finance department outlining the annual caps level of the existing continuing connected transactions of the Group.

Having conducted the aforesaid assessment, we did not discover any material deficiencies that would prevent the Company from fully complying with the Listing Rules when conducting the continuing connected transactions contemplated under the Non-exempt Continuing Connected Transactions.

RECOMMENDATION

Having considered the principal factors and reasons as discussed above, we are of the view that the Master Ferry Technical Support Services Agreement, the Master Cargo Warehousing and Transportation Agreement, and the Master Fuel Supply Agreement contemplated under the Non-Exempt Continuing Connected Transactions and the Revised Annual Caps are conducted in the ordinary and usual course of business of the Group, on normal commercial terms, fair and reasonable insofar as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

Accordingly, we would recommend that the Independent Board Committee advise the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the upcoming General Meeting to approve the Non-Exempt Continuing Connected Transactions and their proposed annual caps.

Yours faithfully,
For and on behalf of
Frontpage Capital Limited
Chai Yee Choong
Director

Mr. Chai Yee Choong is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Frontpage Capital Limited to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO. He has 20 years of experience in corporate finance.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Interests of Directors and chief executives

As at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures (as the case may be) of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or which (b) were required pursuant to section 352 of the SFO to be entered in the register referred to therein; or which (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies under the Listing Rules.

As at the Latest Practicable Date:

(i) none of the Directors had any existing or proposed services contract (excluding contracts expiring or terminable by the Group within one year without payment of compensation other than statutory compensation) with any member of the Group;

(ii) none of the Directors had any direct or indirect interest in any assets which had been since 31 December 2025, being the date of the latest published audited accounts of the Group, acquired or disposed of by or leased to any member of the Group or was proposed to be acquired or disposed of by or leased to any member of the Group; and

(iii) none of the Directors was materially interested in any contract or arrangement which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group taken as a whole.

(b) Substantial shareholding in other members of the Group

As at the Latest Practicable Date, so far as is known to any Directors or chief executive of the Company, the following parties (other than a Director or chief executive of the Company) had an interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Long position in the Shares – interest in the Shares

Name of Shareholder	Capacity/Nature of interest	Number of Shares *(Note 1)*	Percentage of issued share capital *(Note 2)*
CKSE *(Note 3)*	Beneficial owner	796,035,520 (L)	71%
GDPS *(Note 3)*	Interest of controlled corporation	796,035,520 (L)	71%

Notes:

1. The letter "L" denotes long position in the shares of the Company.

2. Percentage of shareholding is calculated on the basis of 1,121,166,885 issued shares of the Company as at the Latest Practicable Date.

3. CKSE is wholly owned by GDPS, and GDPS is deemed to be interested in all the shares held by CKSE pursuant to the SFO. Accordingly, the interests disclosed by shareholders (i) and (ii) above are in respect of the same shareholding.

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

As at the Latest Practicable Date, so far as the Directors were aware, the following Directors were directors or employees of the substantial shareholders of the Company:

Name of Director	Name of substantial shareholder entity	Position held
Mr. Zhou Jun	CKSE	Director
Ms. Zhong Yan	CKSE	Director

3. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors and their respective associates had any interest in any business (apart from the Group's business) which competes or is likely to compete, either directly or indirectly, with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder) or have or may have any other conflict of interest with the Group pursuant to the Listing Rules.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are 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 financial statements of the Company were made up.

5. CONSENT OF EXPERT

The following is the qualification of the expert who has given an opinion or advice contained in this circular or reference to its name has been made in this circular:

Name	Qualification
Frontpage Capital Limited	a licensed corporation under the SFO to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities for the purpose of the SFO

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter or statements and reference to its name in the form and context in which they appear.

As at the Latest Practicable Date, the Independent Financial Adviser was not beneficially interested in the share capital of the Group nor did it have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in the Group.

As at the Latest Practicable Date, the Independent Financial Adviser had no direct or indirect interest in any assets which had been since 31 December 2025 (being the date to which the latest published audited accounts of the Company were made up) acquired or disposed of by or leased to the Group, or were proposed to be acquired or disposed of by or leased to the Group.

6. GENERAL

Should there be any inconsistencies between the English text and the Chinese text of the circular, the English text of this circular shall prevail over the Chinese text.

7. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the Stock Exchange's website (http://www.hkexnews.hk) and the Company's website (https://www.cksd.com/en) for a period of 14 days from the date of this circular:

(a) the Master Ferry Technical Support Services Agreement;

(b) the Master Cargo Warehousing and Transportation Agreement;

(c) the Master Fuel Supply Agreement; and

(d) the written consent of the Independent Financial Adviser referred to in the paragraph headed "Consent of Expert" in this appendix.

珠江船務企業(股份)有限公司
Chu Kong Shipping Enterprises (Group) Co., Ltd.

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00560)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a general meeting (the "**General Meeting**") of CHU KONG SHIPPING ENTERPRISES (GROUP) COMPANY LIMITED (the "**Company**") will be held at United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on 26 November 2026 (Thursday) at 3:00 p.m. (Hong Kong time) for the following purpose of considering and, if thought fit, passing with or without amendment, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

1. "**THAT**:

   (a) the Revised Annual Caps (as defined and described in the circular of the Company dated 11 November 2026) and the transactions contemplated thereunder be and are hereby confirmed, ratified and approved; and

   (b) any one or more directors of the Company be and are hereby authorised to do all such acts and things as they consider necessary and to sign and execute all such documents (including under the seal of the Company), and to take all such steps which in their opinion may be necessary, appropriate, desirable or expedient for the purpose of giving effect to the Proposed Revision of Annual Caps, the Revised Annual Caps and completing the transactions contemplated thereby."

By order of the Board
Chu Kong Shipping Enterprises (Group) Co., Ltd.
Zhou Jun
Managing Director

Hong Kong, 11 November 2026

Notes:

1. A member of the Company entitled to attend and vote at the General Meeting is entitled to appoint one or more proxies to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the General Meeting. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each of such proxies is so appointed.

2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of any officer or attorney authorised to sign the same.

3. In order to be valid, the proxy form must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, with the Company's share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and, in any event not less than 48 hours before the time appointed for the holding of the General Meeting (i.e. before 24 November 2026 (Tuesday) at 3:00 p.m. (Hong Kong time)) or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude a shareholder from attending in person and voting at the General Meeting or any adjournment thereof, should he/she so wish and in such event, the proxy form will be deemed to be revoked.

4. The register of members of the Company will be closed from 23 November 2026 (Monday) to 26 November 2026 (Thursday), both dates inclusive, during which no transfer of Shares will be effected. In order to ascertain Shareholders' rights for the purpose of attending and voting at the General Meeting, all transfer documents, accompanied by relevant share certificates, must be lodged with the Company's share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on 20 November 2026 (Friday) for registration.

5. In the case of joint holders of shares, any one of such holders may vote at the General Meeting, either personally or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the General Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.

6. The voting on the resolution will be conducted by way of a poll.

7. As at the date of this circular, the Company's executive Director is Mr. Zhou Jun; non-executive Director is Ms. Zhong Yan; and independent non-executive Directors are Mr. Chan Kay-cheung, Ms. Yau Lai Man, Hon. Rock Chen Chung-nin and Mr. Tang Yi Hoi.