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

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

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中遠海運國際(香港)有限公司

COSCO SHIPPING INTERNATIONAL (HONG KONG) CO., LTD.

(Incorporated in Bermuda with limited liability)

(Stock Code: 00517)

RE-ELECTION OF DIRECTORS AND GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES PROPOSALS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening an annual general meeting of the Company to be held at 47th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong on Friday, 28th May 2021 at 2:30 p.m. is set out on pages 16 to 20 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting 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 at the meeting or any adjournment thereof (as the case may be) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Taking into account of the recent development of the epidemic caused by novel coronavirus pneumonia (COVID-19), the Company will implement the following prevention and control measures at the AGM against the epidemic to protect the Shareholders from the risk of infection:

- (i) Compulsory body temperature check will be conducted;
- (ii) Every Shareholder or proxy is required to wear surgical face mask throughout the AGM;
- (iii) Every Shareholder or proxy is required to submit the health declaration form, which may be used for close contact tracing, if required;
- (iv) No refreshment will be served; and
- (v) Every Shareholder or proxy will be assigned a designated seat at the time of registration to ensure social distancing.

If Shareholder or proxy (a) who does not comply with any of the precautionary measures referred to in (i) to (iii) above; or (b) with a body temperature of over 37.3 degrees Celsius; or (c) who is subject to health quarantine prescribed by the Government of Hong Kong will not be given access to the meeting venue. The Company reminds the Shareholders or proxies that they should carefully consider the risks of attending the AGM, taking into account their own personal circumstances. For the health and safety of Shareholders, the Company would like to advise Shareholders to exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy and to return their forms of proxy, by the time specified above, instead of attending the AGM in person.

The Company will keep the evolving novel coronavirus pneumonia (COVID-19) situation under review and may implement additional measures which will be announced closer to the date of the AGM. Shareholders should check the Company's website at hk.coscoshipping.com for future announcements and updates of the Company.

26th April 2021

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	3
2. Re-election of Directors	4
3. General Mandate to Issue Shares	5
4. General Mandate to Repurchase Shares	5
5. Annual General Meeting	6
6. Recommendation	6
7. Voting by way of poll	6
8. Responsibility Statement	7
Appendix I – Details of Directors	8
Appendix II – Explanatory Statement	13
Notice of Annual General Meeting	16

DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at 47th Floor, COSCO Tower, 183 Queen’s Road Central, Hong Kong on Friday, 28th May 2021 at 2:30 p.m., the notice of which is enclosed with this circular
“AGM Notice”	the notice convening the AGM set out on pages 16 to 20 of this circular
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“close associate(s)”	the meaning ascribed to it in the Listing Rules
“Company”	COSCO SHIPPING International (Hong Kong) Co., Ltd., a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“core connected person(s)”	the meaning ascribed to it in the Listing Rules
“COSCO SHIPPING”	中國遠洋海運集團有限公司 (China COSCO Shipping Corporation Limited*), a company established in the PRC and the ultimate holding company of the Company
“Director(s)”	the directors of the Company for the time being
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	20th April 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Repurchase Mandate”	a general mandate to the Directors to exercise the power of the Company to repurchase Shares up to 10% of the total number of issued Shares as at the date of passing ordinary resolution thereof

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company (or of such other nominal amount as shall result from a subdivision, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Share Issue Mandate”	a general mandate to the Directors to exercise the power of the Company to allot and issue Shares up to 20% of the total number of issued Shares as at the date of passing ordinary resolution thereof
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing of their own securities on the Stock Exchange
“Shareholder(s)”	the holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers
“%”	per cent

* *for identification purposes only*

LETTER FROM THE BOARD



中遠海運國際(香港)有限公司

COSCO SHIPPING INTERNATIONAL (HONG KONG) CO., LTD.

(Incorporated in Bermuda with limited liability)

(Stock Code: 00517)

Executive Directors:

Mr. Zhu Jianhui (*Chairman and
Managing Director*)

Mr. Ma Jianhua

Non-executive Directors:

Mr. Feng Boming

Mr. Chen Dong

Independent Non-executive Directors:

Mr. Tsui Yiu Wa, Alec

Mr. Jiang, Simon X.

Mr. Kwong Che Keung, Gordon

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head Office and Principal Place
of Business:*

47th Floor, COSCO Tower

183 Queen's Road Central

Hong Kong

26th April 2021

To the Shareholder(s)

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS AND
GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES PROPOSALS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the ordinary resolutions to be proposed at the AGM. These include ordinary resolutions (i) to re-elect Directors who are due to retire from the Board at the AGM; and (ii) to grant the Directors general mandates to issue and repurchase the Shares.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

The Board currently comprises seven Directors, namely Mr. Zhu Jianhui (Chairman and Managing Director), Mr. Ma Jianhua, Mr. Feng Boming, Mr. Chen Dong, Mr. Tsui Yiu Wa, Alec, Mr. Jiang, Simon X. and Mr. Kwong Che Keung, Gordon. In accordance with the bye-law 99 of the Bye-laws, every Director shall be subject to retirement by rotation at least once every three years and a retiring Director shall be eligible for re-election at such annual general meeting of the Company. In accordance with the bye-law 102(B) of the Bye-laws, the Director so appointed to fill causal vacancy is subject to re-election at the next following general meeting or annual general meeting after the appointment.

In relation to the ordinary resolution no. 3. set out in the AGM Notice, Mr. Zhu Jianhui, Mr. Ma Jianhua, Mr. Tsui Yiu Wa, Alec and Mr. Kwong Che Keung, Gordon will retire as Directors from the Board at the AGM, and being eligible and offer for re-election in accordance with the bye-laws 99 and 102(B) of the Bye-laws. The Nomination Committee of the Company has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, and the independence of all independent non-executive Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the principles and criteria set out in the Company's board diversity policy, director appointment policy and the Company's corporate strategy. Notwithstanding that (i) Mr. Tsui Yiu Wa, Alec, has been Independent Non-executive Director of the Company for more than nine years, he meets the independence guidelines as set out in the Listing Rules; and (ii) Mr. Kwong Che Keung, Gordon, is an independent non-executive director of eight listed companies other than the Independent Non-executive Director of the Company for the time being, he had a good attendance record and made valuable contribution at the past meetings of the Board and the board committees of the Company. The Company was of the view that Mr. Tsui Yiu Wa, Alec remains independent and Mr. Kwong Che Keung, Gordon would be able to continue to devote sufficient time to the Board. The independence of each of Independent Non-executive Directors is judged against the ability, integrity and willingness of the director to act. Each of Mr. Tsui Yiu Wa, Alec and Mr. Kwong Che Keung, Gordon, the Independent Non-Executive Director, has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. In addition, based on the annual confirmation by Mr. Tsui Yiu Wa, Alec and Mr. Kwong Che Keung, Gordon, the Board considers each of them continues to satisfy the independence criteria under the Listing Rules, as well as their objectivity and independent frame of mind exhibited throughout their tenure and the Company believes that they will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. The Nomination Committee of the Company has recommended to the Board on re-election of all the retiring Directors at the AGM including the aforesaid retiring Independent Non-executive Directors.

Accordingly, the Board would like to seek approval from the Shareholders for the re-election of Mr. Zhu Jianhui and Mr. Ma Jianhua as Executive Directors, Mr. Tsui Yiu Wa, Alec and Mr. Kwong Che Keung, Gordon as Independent Non-executive Directors. Details of the retiring Directors offered themselves for re-election at the AGM are set out in the Appendix I to this circular.

LETTER FROM THE BOARD

3. GENERAL MANDATE TO ISSUE SHARES

At the AGM, the ordinary resolution no. 5.B. will be proposed to grant to the Directors the Share Issue Mandate. In addition, the ordinary resolution no. 5.C. will be proposed to authorise an extension of the Share Issue Mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Share Issue Mandate the number of Shares repurchased under the Repurchase Mandate, if granted.

As at the Latest Practicable Date, the total number of issued Shares is 1,532,955,429. Subject to the passing of the ordinary resolution no. 5.B. set out in the AGM Notice and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed to allot, issue and deal with a maximum of 306,591,085 Shares, representing not more than 20% of the total number of issued Shares as at the Latest Practicable Date.

The Share Issue Mandate and the extension of the Share Issue Mandate shall be exercisable during the period from the date of passing the ordinary resolution nos. 5.B. and 5.C. until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; or (iii) the date on which the authority set out in the said ordinary resolution(s) is revoked or varied by an ordinary resolution or ordinary resolutions of the Shareholders in general meeting.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in the AGM Notice.

4. GENERAL MANDATE TO REPURCHASE SHARES

Ordinary resolution no. 5.A. will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in the AGM Notice. The Shares may be repurchased pursuant to the Repurchase Mandate up to 10% of the total number of issued Shares as at the date of passing the ordinary resolution no. 5.A.. The Repurchase Mandate shall be exercisable during the period from the date of passing the said ordinary resolution until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; or (iii) the date on which the authority set out in the said ordinary resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

An explanatory statement as required under the Share Repurchase Rules, containing all relevant information relating to the Repurchase Mandate, is set out in Appendix II to this circular. The information in the explanatory statement provides information reasonably necessary to enable the Shareholders to make an informed decision in relation to the ordinary resolution no. 5.A..

LETTER FROM THE BOARD

5. ANNUAL GENERAL MEETING

A notice convening the AGM is set out on pages 16 to 20 of this circular.

For the purpose of ascertaining shareholders' right to attend and vote at the AGM, the register of members of the Company will be closed from 25th May 2021 to 28th May 2021, both days inclusive, during which no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 24th May 2021.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting 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 at the meeting or any adjournment thereof (as the case may be) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

6. RECOMMENDATION

The Directors consider that the re-election of Directors, the granting of the Repurchase Mandate, the Share Issue Mandate and its extension are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant ordinary resolutions at the AGM.

7. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the shareholders at the general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. In compliance with the Listing Rules and pursuant to the Bye-laws, the votes at the AGM will be taken by poll, the results of which will be announced after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

8. 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.

On behalf of the Board

COSCO SHIPPING International (Hong Kong) Co., Ltd.

Zhu Jianhui

Chairman and Managing Director

This appendix serves as an explanatory statement giving particulars of the retiring Directors for re-election at the AGM are set out below:

1. Mr. Zhu Jianhui

aged 58, has been the Chairman of the Board since March 2020, the Managing Director of the Company since January 2018 and the Executive Director of the Company since August 2016. He also had been the Vice Chairman of the Board of the Company from August 2016 to March 2020. Mr. Zhu is chairman of Corporate Governance Committee, Strategic Development Committee, Risk Management Committee, member of Remuneration Committee and Nomination Committee of the Company. Mr. Zhu leads overall management and operation, strategic development and human resources management of the Company. He is also director, chairman and president of COSCO SHIPPING (Hong Kong) Co., Limited (direct controlling Shareholder) and non-executive director of Piraeus Port Authority S.A. (listed on Athens Stock Exchange) and the director of Hainan Harbor & Shipping Holding Co., Ltd. He had been the manager of China Ocean Shipping Agency Nantong (Penavico Nantong), the deputy general manager of China Ocean Shipping Agency (Shanghai), the deputy general manager of China Ocean Shipping Agency head office, the deputy general manager of COSCO Logistics Co., Ltd., the general manager of China Ocean Shipping Tally Company and the general manager of Dalian Ocean Shipping Company. Mr. Zhu possesses extensive professional knowledge in ocean shipping and logistics management and also has rich experience in corporate operation and management. Mr. Zhu graduated from Shanghai Maritime College and obtained a Master's degree. He is a senior economist. Save as disclosed above, Mr. Zhu has not held any directorship in other listed public companies whether in Hong Kong or overseas in the past three years preceding the Latest Practicable Date.

Save as disclosed above, Mr. Zhu does not hold any other positions in the Company and its subsidiaries and does not have any other relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Zhu has entered into a letter of appointment with the Company on 29th May 2020 for a term commencing from 29th May 2020 to the conclusion of the 2022 annual general meeting of the Company. The letter of appointment is subject to termination by either party giving one month's prior notice in writing or such other shorter notice period as may be agreed by both parties.

The emolument received by Mr. Zhu from the Company was his annual salary of HK\$6,200,000 for the financial year ended 31st December 2020. The level of his emolument was determined on the basis of his experience, qualification, responsibilities involved in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Zhu beneficially owns share options granted by the Company to subscribe for 1,000,000 Shares at exercise price of HK\$2.26 each and has family interest in 20,000 A shares of China COSCO Holdings Company Limited (now known as COSCO SHIPPING Holdings Co., Ltd.), an associated corporation of the Company and 10,000 A shares of China Shipping Container Lines Company Limited (now known as COSCO SHIPPING Development Co., Ltd.), an associated corporation of the Company, both held by his spouse, within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Zhu has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

2. Mr. Ma Jianhua

aged 58, has been the Non-executive Director of the Company since October 2018 and re-designated as Executive Director of the Company in May 2020, and the member of Strategic Development Committee and Risk Management Committee of the Company. He is also Deputy General Manager of the Company and director and vice president of COSCO SHIPPING (Hong Kong) Co., Limited (direct controlling Shareholder). Mr. Ma was the non-executive director of COSCO SHIPPING Holdings Co., Ltd. (listed in Shanghai and Hong Kong). He was also the deputy head of the human resources and labor department and the research officer of the Ministry of Transport of the PRC, the deputy party secretary and the leader of the discipline inspection team of Shenzhen Maritime Safety Administration, the deputy director of the general office and the deputy secretary of Chongqing municipality of the PRC, the party secretary and the deputy general manager of COSCO Logistics Co., Ltd., the party secretary and the deputy general manager of COSCO Shipbuilding Industry Company Limited, the supervisor, party secretary and deputy general manager of COSCO SHIPPING Holdings Co., Ltd.. Mr. Ma has extensive experience in transportation and logistics management, human resources management and modern corporate governance, etc.. Mr. Ma graduated from the Party School of the Central Committee of the Communist Party of China majoring in economics and management and is a senior engineer. Save as disclosed above, Mr. Ma has not held any directorship in other listed public companies whether in Hong Kong or overseas in the past three years preceding the Latest Practicable Date.

Save as disclosed above, Mr. Ma does not hold any other positions in the Company and its subsidiaries and does not have any other relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Ma has entered into a letter of appointment with the Company on 19th May 2020 for a term commencing from 19th May 2020 to the conclusion of the 2022 annual general meeting of the Company. The letter of appointment is subject to termination by either party giving one month's prior notice in writing or such other shorter notice period as may be agreed by both parties.

Mr. Ma has not received any director's emoluments from the Company for the financial year ended 31st December 2020.

As at the Latest Practicable Date, Mr. Ma beneficially owns share options granted by the Company to subscribe for 1,000,000 Shares at exercise price of HK\$2.26 each within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Ma has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

3. Mr. Tsui Yiu Wa, Alec

aged 71, has been the Independent Non-executive Director of the Company since February 2004 and is chairman of Nomination Committee, member of Audit Committee, Remuneration Committee and Corporate Governance Committee of the Company. Mr. Tsui is director of Industrial and Commercial Bank of China (Asia) Limited and also independent non-executive director of a number of listed companies in Hong Kong, namely, Pacific Online Limited, Hua Medicine as well as independent director of two companies listed overseas including ATA Creativity Global (formerly known as ATA Inc.) (listed on NASDAQ) and Melco Resorts & Entertainment Limited (listed on NASDAQ). Mr. Tsui graduated from the University of Tennessee, the United States and was awarded a Bachelor of Science degree and a Master of Engineering degree in Industrial Engineering and had completed the Program for Senior Managers in Government at the John F. Kennedy School of Government at Harvard University, the United States. He was the chairman of Hong Kong Securities Institute from 2001 to 2004 and the chief operating officer of Hong Kong Exchanges and Clearing Limited in 2000 and the adviser and council member of the Shenzhen Stock Exchange from July 2001 to June 2002. He has numerous years of experience in finance and administration, corporate and strategic planning, information technology and human resources management. Mr. Tsui was the chairman and director of WAG Worldsec Corporate Finance Limited and previously served as the independent non-executive director of the listed companies in Hong Kong, namely, Summit Ascent Holdings Limited until his resignation in September 2018, Kangda International Environmental Company Limited until his resignation in April 2019, DTXS Silk Road Investment Holdings Company Limited until his retirement in May 2020 and Melco Resorts and Entertainment (Philippines) Corporation (listed in the Republic of Philippines in December 2012 and delisted in June 2019) until his resignation in November 2020. Save as disclosed above, Mr. Tsui has not held any directorship in other listed public companies whether in Hong Kong or overseas in the past three years preceding the Latest Practicable Date.

Save as disclosed above, Mr. Tsui does not hold any other positions in the Company and its subsidiaries and does not have any other relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Tsui has entered into a letter of appointment with the Company on 29th May 2020 for a term commencing from 29th May 2020 to the conclusion of the 2022 annual general meeting of the Company. The letter of appointment is subject to termination by either party giving one month's prior notice in writing or such other shorter notice period as may be agreed by both parties.

The emolument received by Mr. Tsui from the Company was his director's fee of HK\$320,000 for the financial year ended 31st December 2020. The level of his emolument was determined on the basis of his experience, qualifications, responsibilities involved in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Tsui does not have and is not deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Tsui has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

4. Mr. Kwong Che Keung, Gordon

aged 71, has been the Independent Non-executive Director of the Company since July 2020 and is chairman of Audit Committee, member of Nomination Committee, Remuneration Committee and Corporate Governance Committee of the Company. Mr. Kwong is also independent non-executive director of a number of listed companies in Hong Kong, namely, Agile Group Holdings Limited, China Power International Development Limited, Chow Tai Fook Jewellery Group Limited, FSE Services Group Limited, Henderson Investment Limited, Henderson Land Development Company Limited and NWS Holdings Limited. He is also an independent non-executive director of Piraeus Port Authority S.A. (listed on Athens Stock Exchange), a fellow subsidiary of the Company. Mr. Kwong was the managing director of the Company from 1998 to 2001. He was an independent non-executive director of OP Financial Limited until his retirement in August 2019 and an independent non-executive director of Global Digital Creations Holdings Limited until his retirement in May 2020. Mr. Kwong graduated from The University of Hong Kong with a bachelor's degree in social sciences in 1972 and is a fellow member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants respectively. Mr. Kwong was a partner of an international big four accounting firm from 1984 to 1998 and an independent member of the Council of The Stock Exchange of Hong Kong Limited from 1992 to 1997, during which he had also acted as the convener of both the listing committee and the compliance committee of The Stock Exchange of Hong Kong Limited. He has over 40 years of experience in accounting and auditing. Save as disclosed above, Mr. Kwong has not held any directorship in other listed public companies whether in Hong Kong or overseas in the past three years preceding the Latest Practicable Date.

Save as disclosed above, Mr. Kwong does not hold any other positions in the Company and its subsidiaries and does not have any other relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Kwong has entered into a letter of appointment with the Company on 9th July 2020 for a term commencing from 9th July 2020 to the conclusion of the 2022 annual general meeting of the Company. The letter of appointment is subject to termination by either party giving one month's prior notice in writing or such other shorter notice period as may be agreed by both parties.

The emolument received by Mr. Kwong from the Company was his director's fee of HK\$160,000 for the financial year ended 31st December 2020. The level of his emolument was determined on the basis of his experience, qualifications, responsibilities involved in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Kwong beneficially owns 250,000 shares of COSCO SHIPPING Ports Limited, an associated corporation of the Company, within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Kwong has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

This appendix serves as an explanatory statement, as required by the Listing Rules and the Share Repurchase Rules to provide the requisite information to Shareholders for their consideration of the granting of the Repurchase Mandate. For the purpose of this appendix, the term “shares” shall be as defined in the Takeovers Code to mean shares of all classes and securities which carry a right to subscribe or purchase shares.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,532,955,429 Shares.

Subject to the passing of the ordinary resolutions to approve the Repurchase Mandate and Share Issue Mandate, and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of AGM, the Company would be allowed (i) under the Repurchase Mandate to repurchase a maximum of 153,295,542 Shares representing not more than 10% of the total number of issued Shares as at the Latest Practicable Date; and (ii) under the Share Issue Mandate to allot and issue a maximum of 306,591,085 Shares representing not more than 20% of the total number of issued Shares as at the Latest Practicable Date.

2. REASONS FOR REPURCHASE

Although the Directors have no present intention of repurchasing any Shares, they believe the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and its Shareholders. Trading conditions on the Stock Exchange have sometimes been volatile in recent years. At any time in the future when the Shares are trading at a discount to their underlying value, the ability of the Company to repurchase Shares will be beneficial to those Shareholders who retain their investment in the Company since their interest in the assets of the Company would increase in proportion to the number of Shares repurchased by the Company, thereby resulting in an increase in net assets of the Company and/or earnings per Share. Such repurchases will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association of the Company, the Bye-laws and the laws of Bermuda. The laws of Bermuda provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the funds of the company that would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for such purpose. The amount of premium (if any) payable on a repurchase may only be paid out of either the funds of the company that would otherwise be available for dividend or distribution or out of the company's share premium account before the shares are repurchased.

There might be an adverse material impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts of the Company for the year ended 31st December 2020 as contained in the Company's annual report 2020 in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have an adverse material effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest traded prices at which the Shares were traded on the Stock Exchange during each of the previous 12 months before the Latest Practicable Date are as follows:

	Price per Share	
	Highest HK\$	Lowest HK\$
2020		
April	2.32	2.07
May	2.37	2.24
June	2.39	2.21
July	2.49	2.11
August	2.35	2.11
September	2.28	2.10
October	2.37	2.16
November	2.82	2.30
December	2.73	2.35
2021		
January	2.60	2.30
February	2.48	2.30
March	2.71	2.36
April (up to the Latest Practicable Date)	2.78	2.67

5. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

6. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws and regulations of Bermuda, the memorandum of association of the Company and the Bye-laws.

7. EFFECT OF THE TAKEOVERS CODE

If as a result of share repurchases made pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, COSCO SHIPPING through its indirect wholly-owned subsidiary, COSCO SHIPPING (Hong Kong) Co., Limited held 1,051,183,486 Shares, representing approximately 68.57% of the total number of issued Shares. In the event that the Repurchase Mandate is exercised in full and on basis that no further Shares are issued, the number of Shares held by COSCO SHIPPING through its indirect wholly-owned subsidiary, COSCO SHIPPING (Hong Kong) Co., Limited would be increased to approximately 76.19% of the total number of Shares in issue.

The Directors are not presently aware of any consequences which may arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate. The Directors will take all reasonable steps to ensure compliance with the prescribed minimum percentage requirement of 25% of the total number of issued Shares to be held in public hands pursuant to the Listing Rules.

8. DIRECTORS' DEALINGS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

9. CORE CONNECTED PERSONS

No core connected persons have notified the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



中遠海運國際(香港)有限公司

COSCO SHIPPING INTERNATIONAL (HONG KONG) CO., LTD.

(Incorporated in Bermuda with limited liability)

(Stock Code: 00517)

NOTICE IS HEREBY GIVEN that the annual general meeting of COSCO SHIPPING International (Hong Kong) Co., Ltd. (the “Company”) will be held at 47th Floor, COSCO Tower, 183 Queen’s Road Central, Hong Kong on Friday, 28th May 2021 at 2:30 p.m. for the following purposes:

1. To receive and consider the audited financial statements for the year ended 31st December 2020 together with the directors’ report and the independent auditor’s report thereon.
2. To declare final dividend for the year ended 31st December 2020.
3.
 - (a) To re-elect Mr. Zhu Jianhui as a director of the Company.
 - (b) To re-elect Mr. Ma Jianhua as a director of the Company.
 - (c) To re-elect Mr. Tsui Yiu Wa, Alec as a director of the Company.
 - (d) To re-elect Mr. Kwong Che Keung, Gordon as a director of the Company.
 - (e) To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
4. To re-appoint PricewaterhouseCoopers as the auditor of the Company and to authorise the board of directors of the Company to fix the remuneration of the auditor of the Company.
5. As special business, to consider and, if thought fit, to pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

A. “THAT:

- (i) subject to paragraph (ii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of HK\$0.1 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the

NOTICE OF ANNUAL GENERAL MEETING

Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (ii) the aggregate number of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (i) of this resolution shall not exceed 10% of the total number of the shares of the Company in issue at the date of the passing of this resolution (as such number of shares may be adjusted in the event of any subdivision or consolidation of shares of the Company after the date of the passing of this resolution), and the said approval shall be limited accordingly; and

- (iii) for the purpose of this resolution,

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; or
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

B. “THAT:

- (i) subject to paragraph (iii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares to be allotted be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares to be allotted after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(iii) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (i) of this resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); or (b) an issue of shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantees as specified in such scheme or similar arrangement of shares or rights to acquire shares of the Company; or (c) any issue of shares pursuant to the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes and other securities of the Company which carry rights to subscribe for or are convertible into shares of the Company; or (d) an issue of shares pursuant to any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the dividend on shares of the Company in accordance with the bye-laws of the Company, shall not exceed 20% of the total number of the shares of the Company in issue at the date of the passing of this resolution (as such number of shares may be adjusted in the event of any subdivision or consolidation of shares of the Company after the date of the passing of this resolution) and the said approval shall be limited accordingly; and

(iv) for the purpose of this resolution,

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; or
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares of the Company or issue of option, warrants or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the directors of the Company to holders of shares, or any class of shares, whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their holdings of such shares (or, where appropriate, such other

NOTICE OF ANNUAL GENERAL MEETING

securities) as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

- C. “**THAT** subject to the passing of ordinary resolution nos. 5.A. and 5.B. set out in the notice of annual general meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with any additional shares of the Company pursuant to ordinary resolution no. 5.B. set out in the notice convening this meeting be and is hereby extended by the addition thereto of the number of shares representing the aggregate number of the shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution no. 5.A. set out in the notice convening this meeting, provided that such extended number shall not exceed 10% of the total number of the shares of the Company in issue at the date of the passing of the ordinary resolution no. 5.A. (as such number of shares may be adjusted in the event of any subdivision or consolidation of shares of the Company after the date of the passing of this resolution).”

By Order of the Board
COSCO SHIPPING International (Hong Kong) Co., Ltd.
Chiu Shui Suet
Company Secretary

Hong Kong, 26th April 2021

Notes:

1. Taking into account of the recent development of the epidemic caused by novel coronavirus pneumonia (COVID-19), the Company will implement the following prevention and control measures at the AGM against the epidemic to protect the Shareholders from the risk of infection:
 - (i) Compulsory body temperature check will be conducted;
 - (ii) Every Shareholder or proxy is required to wear surgical face mask throughout the AGM;
 - (iii) Every Shareholder or proxy is required to submit the health declaration form, which may be used for close contact tracing, if required;
 - (iv) No refreshment will be served; and
 - (v) Every Shareholder or proxy will be assigned a designated seat at the time of registration to ensure social distancing.

If Shareholder or proxy (a) does not comply with any of the precautionary measures referred to in (i) to (iii) above; or (b) with a body temperature of over 37.3 degrees Celsius; or (c) who is subject to health quarantine prescribed by the Government of Hong Kong will not be given access to the meeting venue. The Company reminds the Shareholders or proxies that they should carefully consider the risks of attending the AGM, taking into account their own personal circumstances. For the health and safety of Shareholders, the Company would like to advise Shareholders to exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy, and to return their forms of proxy, by the time specified above, instead of attending the AGM in person.

NOTICE OF ANNUAL GENERAL MEETING

The Company will keep the evolving novel coronavirus pneumonia COVID-19 situation under review and may implement additional measures which will be announced closer to the date of the AGM. Shareholders should check the Company's website at hk.coscoshipping.com for future announcements and updates of the Company.

2. A member of the Company who is entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares of the Company may appoint more than one proxy. A proxy need not be a member of the Company.
3. To be valid, the form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be returned to the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before time appointed for holding the meeting or any adjournment thereof (as the case may be) and in default thereof the form of proxy shall not be treated as valid.
4. For the purpose of ascertaining shareholders' right to attend and vote at the meeting, the register of members of the Company will be closed from 25th May 2021 to 28th May 2021, both days inclusive, during which no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the meeting, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 24th May 2021.
5. For the purpose of ascertaining shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed from 8th June 2021 to 10th June 2021, both days inclusive, during which no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 7th June 2021.
6. Where there are joint holders of any share of the Company, any one of such joint holders may vote at the meeting, either in person or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders be present at the meeting in person or by proxy, that one of the said joint holders so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
7. Details of the retiring directors be re-elected under resolution no. 3. and an explanatory statement in connection with the proposed repurchase mandate under resolution no. 5.A. as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited are set out in the circular to the shareholders of the Company dated 26th April 2021.
8. The Chinese version of the resolutions set out in this notice is for reference only. If there is any inconsistency between the English and the Chinese versions, the English version shall prevail.
9. As at the date of this notice, the board of directors of the Company (the "Board") comprises seven directors with Mr. Zhu Jianhui¹ (Chairman and Managing Director), Mr. Ma Jianhua¹, Mr. Feng Boming², Mr. Chen Dong², Mr. Tsui Yiu Wa, Alec³, Mr. Jiang, Simon X.³ and Mr. Kwong Che Keung, Gordon³.

¹ *Executive Director*

² *Non-executive Director*

³ *Independent Non-executive Director*