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**中遠海運發展股份有限公司**  
**COSCO SHIPPING Development Co., Ltd.\***

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 02866)**

**CONNECTED TRANSACTIONS**  
**(1) NON-EXERCISE OF THE RIGHT OF FIRST REFUSAL**  
**AND**  
**(2) ASSIGNMENT OF LEASE CONTRACTS**

**NON-EXERCISE OF THE RIGHT OF FIRST REFUSAL**

The Board hereby announces that Pan Asia Shipping and Vision Credit, existing shareholders of COSCO SHIPPING Microfinance (an associate of the Company), propose to conduct the Proposed Equity Transfer, pursuant to which an aggregate of 35% equity interests in COSCO SHIPPING Microfinance held by Pan Asia Shipping and Vision Credit will be transferred. As at the date of this announcement, COSCO SHIPPING Microfinance is held as to 45% by the Company, as to 25% by Pan Asia Shipping, as to 20% by Sino-Poland Development (an independent third party) and as to 10% by Vision Credit (an independent third party), respectively.

Pursuant to the Company Law of the PRC, the Company, as a shareholder of COSCO SHIPPING Microfinance, is entitled to the right of first refusal with respect to any proposed transfer of equity interest in COSCO SHIPPING Microfinance to any other persons other than the existing shareholders (unless otherwise agreed by all shareholders), pursuant to which the Company has a pre-emptive right to acquire the equity interests in COSCO SHIPPING Microfinance to be transferred by Pan Asia Shipping and Vision Credit.

The Board further announces that the Company will maintain its proportion of equity interests in COSCO SHIPPING Microfinance pursuant to the Non-exercise of the Right of First Refusal in relation to the Proposed Equity Transfer.

**ASSIGNMENT OF LEASE CONTRACTS**

The Board hereby announces that, on 14 September 2021, Florens Finance Leasing has entered into the Transfer Agreement with CS Ningbo Asset Management (an indirect wholly-owned subsidiary of COSCO SHIPPING), pursuant to which Florens Finance Leasing has agreed to assign all the Lease Assets under the Lease Contracts to CS Ningbo Asset Management at the aggregate consideration of approximately RMB192,676,500.

The actual amount of consideration shall be subject to the adjustment by the appraisal price to be filed with the competent state-owned assets supervision and administration authorities and confirmation by the Group.

## **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, 47,570,789 A Shares, representing approximately 0.41% of the total issued share capital of the Company, are held by COSCO SHIPPING, 4,410,624,386 A Shares, representing approximately 38.00% of the total issued share capital of the Company, are held by China Shipping, and 100,944,000 H Shares, representing approximately 0.87% of the total issued share capital of the Company, are held by Ocean Fortune Investment Limited, a wholly-owned subsidiary of COSCO SHIPPING Investment. Therefore, COSCO SHIPPING and its associates control or are entitled to exercise control over the voting rights in respect of 4,458,195,175 A Shares and 100,944,000 H Shares, representing approximately 39.28% of the total issued share capital of the Company. Accordingly, COSCO SHIPPING is an indirect controlling Shareholder of the Company and therefore a connected person of the Company.

### **Non-exercise of the Right of First Refusal**

As COSCO SHIPPING is an indirect controlling shareholder of COSCO SHIPPING Holdings and Pan Asia Shipping is an indirect non-wholly owned subsidiary of COSCO SHIPPING Holdings, Pan Asia Shipping is an associate of COSCO SHIPPING and therefore a connected person of the Company. Therefore, the Non-exercise of the Right of First Refusal will constitute a connected transaction of the Company under the Listing Rules.

### **Assignment of Lease Contracts**

CS Ningbo Asset Management is an indirect wholly-owned subsidiary of COSCO SHIPPING and therefore an associate of COSCO SHIPPING. Accordingly, CS Ningbo Asset Management is a connected person of the Company. Therefore, the Assignment of Lease Contracts will constitute a connected transaction of the Company under the Listing Rules.

As one or more applicable percentage ratios calculated in accordance with the Listing Rules in respect of each of the Non-exercise of the Right of First Refusal and the Assignment of Lease Contracts exceeds 0.1% but are less than 5%, the aforesaid transactions are subject to the reporting and announcement requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **NON-EXERCISE OF THE RIGHT OF FIRST REFUSAL**

The Board hereby announces that Pan Asia Shipping and Vision Credit, existing shareholders of COSCO SHIPPING Microfinance (an associate of the Company), propose to conduct the Proposed Equity Transfer, pursuant to which an aggregate of 35% equity interests in COSCO SHIPPING Microfinance held by Pan Asia Shipping and Vision Credit will be transferred. As at the date of this announcement, COSCO SHIPPING Microfinance is held as to 45% by the Company, as to 25% by Pan Asia Shipping, as to 20% by Sino-Poland Development (an independent third party) and as to 10% by Vision Credit (an independent third party), respectively.

Pursuant to the Company Law of the PRC, the Company, as a shareholder of COSCO SHIPPING Microfinance, is entitled to the right of first refusal with respect to any proposed transfer of equity interest in COSCO SHIPPING Microfinance to any other persons other than the existing shareholders (unless otherwise agreed by all shareholders), pursuant to which the Company has a pre-emptive right to acquire the equity interests in COSCO SHIPPING Microfinance to be transferred by Pan Asia Shipping and Vision Credit.

The Board further announces that the Company will maintain its proportion of equity interests in COSCO SHIPPING Microfinance pursuant to the Non-exercise of the Right of First Refusal in relation to the Proposed Equity Transfer.

### **Information on COSCO SHIPPING Microfinance**

COSCO SHIPPING Microfinance is a company established under the laws of the PRC with limited liability and an associate of the Company. As at the date of this announcement, it has a registered capital of RMB200,000,000. It is principally engaged in the issuance of loans and related consultancy activities.

Based on the financial statements of COSCO SHIPPING Microfinance prepared in accordance with the China Accounting Standards for Business Enterprises, the net profits (before and after taxation) of COSCO SHIPPING Microfinance for the two years ended 31 December 2019 and 2020 are set out below:

|                        | <b>For the year ended 31 December</b> |             |
|------------------------|---------------------------------------|-------------|
|                        | <b>2019</b>                           | <b>2020</b> |
|                        | (audited)                             | (audited)   |
|                        | (RMB'000)                             | (RMB'000)   |
| Profit before taxation | 4,469.7                               | 3,816.2     |
| Profit after taxation  | 3,352.3                               | 2,848.3     |

The total assets and the total liabilities of COSCO SHIPPING Microfinance as at 31 December 2020 were approximately RMB238.9 million and RMB32.6 million, respectively.

### **Information on the parties to the Proposed Equity Transfer**

#### ***Information on the Group***

The Company is a joint stock limited company established under the laws of the PRC with limited liability, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange and the A Shares of which are listed on the Shanghai Stock Exchange.

The Group is principally engaged in shipping and industry-related leasing businesses, manufacturing of containers and provision of investment and financial services.

### ***Information on Pan Asia Shipping***

Pan Asia Shipping is a company established under the laws of the PRC with limited liability. It is principally engaged in container transportation and is indirectly held by COSCO SHIPPING Holdings as to 62% as at the date of this announcement.

COSCO SHIPPING Holdings is a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Hong Kong Stock Exchange and the A shares of which are listed on the Shanghai Stock Exchange. The COSCO SHIPPING Holdings Group provides a wide range of container shipping and terminal services covering the whole shipping value chain for both international and domestic customers.

As at the date of this announcement, Pan Asia Shipping is also held by SIPG as to 20%, Fosun Industrial Investment as to 9.9382%, by Hongyang as to 8% and by Gongqingcheng as to 0.0618%. Save as disclosed in this announcement, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, save for COSCO SHIPPING Holdings, each of remaining shareholders of Pan Asia Shipping and their ultimate beneficial owners is an independent third party.

### ***Information on Vision Credit***

Vision Credit is a company established under the laws of the PRC with limited liability. It is principally engaged in the development and provision of financial technology products and services. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Vision Credit is an indirect wholly-owned subsidiary of VCREDIT Holdings Limited as at the date of this announcement.

VCREDIT Holdings Limited (Stock Code: 2003) is an exempted company registered by way of continuation in the Cayman Islands, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange.

Save as disclosed in this announcement, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, each of Vision Credit and its ultimate beneficial owner is an independent third party.

### **REASONS FOR AND BENEFITS OF NON-EXERCISE OF THE RIGHT OF FIRST REFUSAL**

The Group is principally engaged in shipping and industry-related leasing businesses, manufacturing of containers and provision of investment and financial services. As set out above, COSCO SHIPPING Microfinance is principally engaged in the issuance of loans and related consultancy activities, which are not the core businesses of the Group. Accordingly, the Non-exercise of the Right of First Refusal is in line with the strategic development objectives of the Group.

The Board (including the independent non-executive Directors) considers that the Non-exercise of the Right of First Refusal is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

## ASSIGNMENT OF LEASE CONTRACTS

The Board hereby announces that, on 14 September 2021, Florens Finance Leasing has entered into the Transfer Agreement with CS Ningbo Asset Management (an indirect wholly-owned subsidiary of COSCO SHIPPING), pursuant to which Florens Finance Leasing has agreed to assign all the Lease Assets under the Lease Contracts to CS Ningbo Asset Management at the aggregate consideration of approximately RMB192,676,500.

The principal terms of the Transfer Agreement are set out as follows:

**Date:** 14 September 2021

**Parties:** (1) Florens Finance Leasing (as the transferor); and  
(2) CS Ningbo Asset Management (as the transferee).

**Subject Matter:** Pursuant to the Transfer Agreement, Florens Finance Leasing agreed to assign all the Lease Assets under the Lease Contracts, including the following:

- (i) the corresponding current and future rights and obligations under the Lease Contracts (excluding obligations duly fulfilled by the transferor);
- (ii) the transferor's ownership rights of all the Lease Assets;
- (iii) the rent corresponding to the consideration (including but not limited to the lease principal, lease interest, fees and all related expenses which shall be borne by Florens Finance Leasing (as the lessor) as at the Valuation Benchmark Date); and
- (iv) all rights of the transferor under the guarantee contract corresponding to the transferred lease liabilities.

For further information on the Lease Assets, please refer to the subsection headed "Information on the Lease Assets" below.

**Consideration:** The consideration payable under the Transfer Agreement shall be approximately RMB192,676,500, which was determined after arm's length negotiations between the parties on normal commercial terms based on the appraised value of long-term receivables of the Lease Assets as set out in the Valuation Reports. The actual amount of consideration shall be subject to the adjustment by the appraisal price to be filed with the competent state-owned assets supervision and administration authorities and confirmation by the Group.

In the event of discrepancy between the remaining amount of lease liabilities under the Lease Contracts and the amount of consideration, CS Ningbo Asset Management shall still be entitled to acquire all ownership rights.

|                                    |  |
|------------------------------------|--|
| <b>Payment method:</b>             | <p>Upon fulfilment of the conditions precedent, Florens Finance Leasing shall pay the consideration in one lump sum to the designated bank account of CS Ningbo Asset Management. The consideration shall be settled in RMB.</p> <p>Upon payment of the consideration, Florens Finance Leasing shall provide a legally effective invoice or receipt to CS Ningbo Asset Management in accordance with the requirements of laws and regulations.</p>   |
| <b>Return of security deposit:</b> | <p>The security deposits paid by the Lessees to Florens Finance Leasing (as the lessor) prior to signing of the Transfer Agreement, in the aggregate amount of RMB6,583,000, shall be remitted in full to CS Ningbo Asset Management prior to payment of the consideration, where no interest will be accrued on such security deposits.</p>   |
| <b>Conditions precedent:</b>       | <p>Payment of the consideration shall be subject to the satisfaction or, if applicable, waiver of all of the following conditions precedent:</p> <ul style="list-style-type: none"> <li>(i) the Transfer Agreement and relevant transaction documents having been executed and having come into effect, where approvals and authorizations have been obtained from the competent internal authorities of the respective signatories;</li> <li>(ii) CS Ningbo Asset Management having obtained certified copies of approvals, permits or consents from any governmental bodies necessary for (i) the execution and performance of the Transfer Agreement and relevant transaction documents; or (ii) the effectiveness and enforceability of the aforesaid documents (if applicable);</li> <li>(iii) CS Ningbo Asset Management having received from Florens Finance Leasing the relevant documentation or materials for certifying its legal and effective ownership of the Lease Assets, lease liabilities and guarantee rights, including but not limited to the duly signed Lease Contracts, deeds of guarantee, mortgage contracts, guarantee registration documents, payment certificates for the Lease Assets, sealed copy invoices, signed confirmation letters of receipt, notice of lease commencement, notice of rent adjustment, previous lease payment invoices and receipts (if applicable);</li> <li>(iv) the Lease Assets to be transferred being free from any damage and fit for normal use, and the Lease Contracts and/or guarantee contracts have not been breached and no early repayment has been made thereunder;</li> <li>(v) Florens Finance Leasing and the Lessees having performed the relevant obligations under the Lease Contracts, there being no breach of the Lease Contracts by Florens Finance Leasing;</li> <li>(vi) CS Ningbo Asset Management having received the original payment notice issued by Florens Finance Leasing; and</li> </ul> |



(vii) CS Ningbo Asset Management having received the amount of security deposits in full and other sums payable from Florens Finance Leasing.

Pursuant to the Transfer Agreement, the aforesaid conditions precedent shall be satisfied by Florens Finance Leasing within seven (7) working days before completion.

As at the date of this announcement, conditions precedent (i), (iii), (iv) and (v) have been satisfied.

**Completion:** Completion shall take place upon the full payment of the transfer consideration and the completion of the transfer of the Lease Assets.

Upon completion, Florens Finance Leasing shall cease to be the lessor of the Lease Contracts and shall no longer enjoy any rights or assume any obligations thereunder, where CS Ningbo Asset Management as the new lessor shall exercise rights and perform obligations to the Lessees in accordance with the terms of the Lease Contracts.

**Delivery:** There shall be no physical delivery of the Lease Assets upon completion, where Florens Finance Leasing shall be deemed to have effected delivery of the Lease Assets upon transfer of all ownership rights to CS Ningbo Asset Management.

### **Information on the Lease Assets**

The Lease Assets to be transferred under the Transfer Agreement are all the leased properties, lease liabilities and relevant security rights thereunder, where the total rent for the remaining lease terms as at the Valuation Benchmark Date shall correspond to the amount of lease principal (i.e. RMB192,598,998.14) plus the interest receivable (i.e. RMB12,565,357.99).

As at the Valuation Benchmark Date, the total appraised value of long-term receivables of the Lease Assets was RMB192,676,500, which is proposed to be the amount of consideration. The actual amount of consideration shall be subject to the adjustment by the appraisal price to be filed with the competent state-owned assets supervision and administration authorities and confirmation by the Group.

### **Information on the parties to the Transfer Agreement and the Assignment of Lease Contracts**

#### ***Information on Florens Finance Leasing***

Florens Finance Leasing is a company established under the laws of the PRC with limited liability. It is principally engaged in financial leasing. As at the date of this announcement, Florens Finance Leasing is an indirect wholly-owned subsidiary of the Company.

#### ***Information on CS Ningbo Asset Management***

CS Ningbo Asset Management is a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of COSCO SHIPPING as at the date of this announcement. It is principally engaged in asset management.

### ***Information on COSCO SHIPPING Leasing***

COSCO SHIPPING Leasing is a company established under the laws of the PRC with limited liability and is one of the Lessees. As at the date of this announcement, it is an associate of the Company and its remaining shareholders are independent third parties. It is principally engaged in financial leasing.

### ***Information on COSCO SHIPPING***

COSCO SHIPPING is a company incorporated under the laws of the PRC, and is a state-owned enterprise controlled by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC. The scope of business of COSCO SHIPPING includes international shipping, ancillary business in international maritime transportation, import and export of goods and technologies, international freight agency business, leasing of self-owned vessels, sales of vessels, containers and steel and maritime engineering.

### **REASONS FOR AND BENEFITS OF ASSIGNMENT OF LEASE CONTRACTS**

With a focus on integrated logistics industry, the Company will develop container manufacturing, container leasing and shipping leasing business as the core business and shipping supply chain finance services as auxiliary business, with a view to pursuing an industry-finance-investment integrated business underpinned by investment, and develop into an excellent industrial finance operator with COSCO SHIPPING characteristics. The Assignment of Lease Contracts is conducive to optimizing the quality of the Group's financial leasing assets, concentrating advantageous strength, and implementing the guiding ideology of integrating industry and finance and serving the Group's main business.

The Board (including the independent non-executive Directors) considers that the Assignment of Lease Contracts and the transactions contemplated thereunder are on normal commercial terms, which are fair and reasonable and is in the interests of the Company and the Shareholders as a whole.



## **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, 47,570,789 A Shares, representing approximately 0.41% of the total issued share capital of the Company, are held by COSCO SHIPPING, 4,410,624,386 A Shares, representing approximately 38.00% of the total issued share capital of the Company, are held by China Shipping, and 100,944,000 H Shares, representing approximately 0.87% of the total issued share capital of the Company, are held by Ocean Fortune Investment Limited, a wholly-owned subsidiary of COSCO SHIPPING Investment. Therefore, COSCO SHIPPING and its associates control or are entitled to exercise control over the voting rights in respect of 4,458,195,175 A Shares and 100,944,000 H Shares, representing approximately 39.28% of the total issued share capital of the Company. Accordingly, COSCO SHIPPING is an indirect controlling Shareholder of the Company and therefore a connected person of the Company.

### **Non-exercise of the Right of First Refusal**

As COSCO SHIPPING is an indirect controlling shareholder of COSCO SHIPPING Holdings and Pan Asia Shipping is an indirect non-wholly owned subsidiary of COSCO SHIPPING Holdings, Pan Asia Shipping is an associate of COSCO SHIPPING and therefore a connected person of the Company. Therefore, the Non-exercise of the Right of First Refusal will constitute a connected transaction of the Company under the Listing Rules.

### **Assignment of Lease Contracts**

CS Ningbo Asset Management is an indirect wholly-owned subsidiary of COSCO SHIPPING and therefore an associate of COSCO SHIPPING. Accordingly, CS Ningbo Asset Management is a connected person of the Company. Therefore, the Assignment of Lease Contracts will constitute a connected transaction of the Company under the Listing Rules.

As one or more applicable percentage ratios calculated in accordance with the Listing Rules in respect of each of the Non-exercise of the Right of First Refusal and the Assignment of Lease Contracts exceeds 0.1% but are less than 5%, the aforesaid transactions are subject to the reporting and announcement requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Wang Daxiong, Mr. Liu Chong and Mr. Xu Hui, all being executive Directors, and Mr. Huang Jian, Mr. Liang Yanfeng and Mr. Ip Sing Chi, all being non-executive Directors, hold directorship(s) or act as senior management in COSCO SHIPPING and/or its associates, and were nominated by China Shipping to the Board. Accordingly, Mr. Wang Daxiong, Mr. Liu Chong, Mr. Xu Hui, Mr. Huang Jian, Mr. Liang Yanfeng and Mr. Ip Sing Chi have therefore abstained from voting on the relevant Board resolutions approving the Non-exercise of the Right of First Refusal and the Assignment of Lease Contracts. Save as aforementioned, none of the other Directors has a material interest in the Non-exercise of the Right of First Refusal and the Assignment of Lease Contracts. Therefore, no other Director has abstained from voting on such Board resolutions.

## DEFINITIONS

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

|                                 |  |
|---------------------------------|--|
| “A Share(s)”                    | the domestic share(s) in the ordinary share capital of the Company with a par value of RMB1.00 each, which are listed on the Shanghai Stock Exchange   |
| “Assignment of Lease Contracts” | the assignment of the Lease Contracts from Florens Finance Leasing to CS Ningbo Asset Management at the aggregate consideration of approximately RMB192,676,500 on 14 September 2021   |
| “associate”                     | has the meaning ascribed to it under the Listing Rules   |
| “Board”                         | the board of Directors of the Company  |
| “China Shipping”                | China Shipping Group Company Limited <sup>#</sup> (中國海運集團有限公司), a PRC state-owned enterprise, the controlling Shareholder of the Company and a wholly-owned subsidiary of COSCO SHIPPING   |
| “Company”                       | COSCO SHIPPING Development Co., Ltd. <sup>#</sup> (中遠海運發展股份有限公司), a joint stock limited company established in the PRC, the H shares and A shares of which are listed on Main Board of the Hong Kong Stock Exchange (Stock Code: 02866) and the Shanghai Stock Exchange (Stock Code: 601866), respectively                         |
| “connected person(s)”           | has the meaning ascribed to it under the Listing Rules   |
| “controlling shareholder”       | has the meaning ascribed to it under the Listing Rules   |
| “COSCO SHIPPING”                | China COSCO SHIPPING Corporation Limited <sup>#</sup> (中國遠洋海運集團有限公司), a PRC state-owned enterprise and an indirect controlling Shareholder of the Company  |
| “COSCO SHIPPING Holdings”       | COSCO SHIPPING Holdings Co., Ltd. <sup>#</sup> (中遠海運控股股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H shares and A shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1919) and the Shanghai Stock Exchange (Stock Code: 601919), respectively |

|                                 |  |
|---------------------------------|--|
| “COSCO SHIPPING Holdings Group” | COSCO SHIPPING Holdings and its subsidiaries   |
| “COSCO SHIPPING Investment”     | COSCO SHIPPING Investment Holdings Co., Ltd.# (中遠海運投資控股有限公司), formerly known as COSCO SHIPPING Financial Holdings Co., Ltd. (中遠海運金融控股有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of COSCO SHIPPING |
| “COSCO SHIPPING Leasing”        | COSCO SHIPPING Leasing Co., Ltd.# (中遠海運租賃有限公司), a company established under the laws of the PRC with limited liability, an associate of the Company and one of the Lessees as at the date of this announcement   |
| “COSCO SHIPPING Microfinance”   | Shanghai COSCO SHIPPING Microfinance Co., Ltd.# (上海中遠海運小額貸款公司), a company established under the laws of the PRC with limited liability and an associate of the Company as at the date of this announcement   |
| “CS Ningbo Asset Management”    | COSCO SHIPPING Asset Management (Ningbo) Co., Ltd.# (中遠海運資產管理(寧波)有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of COSCO SHIPPING as at the date of this announcement                     |
| “Director(s)”                   | the director(s) of the Company   |
| “Florens Finance Leasing”       | Florens (Tianjin) Finance Leasing Co., Ltd.# (佛羅倫(天津)融資租賃有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement                                |
| “Fosun Industrial Investment”   | Shanghai Fosun Industrial Investment Company Limited# (上海復星產業投資有限公司), a company established under the laws of the PRC with limited liability   |
| “Gongqingcheng”                 | Gongqingcheng Huanhai Investment and Management LLP# (共青城寰海投資管理合夥企業(有限合夥))   |
| “Group”                         | the Company and its subsidiaries   |
| “H Share(s)”                    | the overseas listed foreign shares in the ordinary share capital of the Company with a par value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange   |
| “Hongyang”                      | Ningbo Hongyang Investment and Management LLP# (寧波甌陽投資管理合夥企業(有限合夥))  |

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| “Hong Kong”                                  | the Hong Kong Special Administrative Region of the PRC  |
| “Hong Kong Stock Exchange”                   | The Stock Exchange of Hong Kong Limited   |
| “independent third party(ies)”               | third party(ies) independent of the Company and its connected persons   |
| “Lease Assets”                               | the lease assets transferred under the Assignment of Lease Contracts, including but not limited to all the leased properties, lease liabilities and relevant security rights thereunder   |
| “Lease Contracts”                            | the lease contracts and the rights therein assigned from Florens Finance Leasing to CS Ningbo Asset Management pursuant to the terms of the Transfer Agreement  |
| “Lessee(s)”                                  | collectively, the lessees under the Lease Contracts, which include COSCO SHIPPING Leasing and 11 independent third parties  |
| “Listing Rules”                              | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited  |
| “Non-exercise of the Right of First Refusal” | the non-exercise of the right of first refusal by the Company in relation to the Proposed Equity Transfer   |
| “Pan Asia Shipping”                          | Shanghai Pan Asia Shipping Co., Ltd.# (上海泛亞航運有限公司), a company established under the laws of the PRC with limited liability and an indirect non-wholly owned subsidiary of COSCO SHIPPING Holdings as at the date of this announcement |
| “PRC”  | the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan  |
| “Proposed Equity Transfer”                   | the proposed transfer of 35% of the equity interests by Pan Asia Shipping and Vision Credit in COSCO SHIPPING Microfinance  |
| “RMB”  | Renminbi, the lawful currency of the PRC  |
| “Shareholder(s)”                             | holder(s) of the A Share(s) and H Share(s)  |
| “Sino-Poland Development”                    | Shanghai Sino-Poland Enterprise Management Development Corporation Limited# (上海中波企業管理發展有限公司), a company established under the laws of the PRC with limited liability  |
| “SIPG”                                       | Shanghai International Port (Group) Co., Ltd.# (上海國際港務(集團)股份有限公司), a company established under the laws of the PRC with limited liability   |

|                            |   |
|----------------------------|---|
| “subsidiary(ies)”          | has the meaning ascribed to it under the Listing Rules  |
| “Transfer Agreement”       | the transfer agreement dated 14 September 2021 entered into between Florens Finance Leasing and CS Ningbo Asset Management  |
| “Valuation Benchmark Date” | 31 May 2021   |
| “Valuation Reports”        | the valuation reports dated 30 July 2021 prepared by Wan Long (Shanghai) Assets Appraisal Co., Ltd.* (萬隆(上海)資產評估有限公司), an independent valuer, in respect of the value of long-term receivables of each of the Lessees, based on cost-based approach with the valuation benchmark date being 31 May 2021 |
| “VCREDIT Holdings Limited” | VCREDIT Holdings Limited (維信金科控股有限公司), an exempted company registered by way of continuation in the Cayman Islands, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 2003)   |
| “Vision Credit”            | Shanghai Vision Credit Financial Technology Co., Ltd.* (上海維信薈智金融科技有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of VCREDIT Holdings Limited as at the date of this announcement   |
| “%”                        | per cent  |

By order of the Board  
**COSCO SHIPPING Development Co., Ltd.\***  
**Cai Lei**  
*Joint Company Secretary*

Shanghai, the People’s Republic of China  
14 September 2021

*As at the date of this announcement, the Board comprises Mr. Wang Daxiong, Mr. Liu Chong and Mr. Xu Hui, being executive Directors, Mr. Huang Jian, Mr. Liang Yanfeng and Mr. Ip Sing Chi, being non-executive Directors, and Mr. Cai Hongping, Mr. Lu Jianzhong, Ms. Zhang Weihua and Mr. Shao Ruiqing, being independent non-executive Directors.*

\* *The Company is a registered non-Hong Kong company as defined under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name “COSCO SHIPPING Development Co., Ltd.”.*

# *For identification purpose only.*