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中國外運股份有限公司 SINOTRANS LIMITED

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0598)

2021 ANNUAL GENERAL MEETING AND 2022 FIRST H SHAREHOLDERS' CLASS MEETING

A letter from the Board is set out on pages 4 to 15 of this circular.

A notice convening the AGM to be held at 1st Meeting Room, 11th Floor, Building 10/Sinotrans Tower B, No.5 Anding Road, Chaoyang District, Beijing 100029, the People's Republic of China at 1:30 p.m. on 31 May 2022, a notice of attendance and a form of proxy for use at the AGM are available on the website of the Company and the website of Hong Kong Stock Exchange.

A notice convening the HCM to be held at 1st Meeting Room, 11th Floor, Building 10/Sinotrans Tower B, No. 5 Anding Road, Chaoyang District, Beijing 100029, the People's Republic of China at 3:00 p.m. on 31 May 2022 or immediately after the conclusion of the AGM or any adjournment thereof to be held at the same place and on the same day, a notice of attendance and a form of proxy for use at the HCM are available on the website of the Company and the website of Hong Kong Stock Exchange.

Shareholders who intend to attend the AGM and/or HCM shall complete and return the notice(s) of attendance in accordance with the instruction printed thereon on or before 27 May 2022. Shareholders who intend to appoint a proxy to attend the AGM and/or HCM shall complete and return the enclosed form(s) of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the AGM and/or HCM or any adjournment thereof (as the case may be). Completion and return of the form(s) of proxy will not preclude you from attending and voting in person at the AGM and/or HCM or any adjournment of it, if you so wish.

28 April 2022

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DEFINITIONS

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

“AGM”	the 2021 annual general meeting of the Company to be held at 1:30 p.m. on 31 May 2022 at 1st Meeting Room, 11th Floor, Building 10/Sinotrans Tower B, No. 5 Anding Road, Chaoyang District, Beijing 100029, the PRC
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“A Share(s)”	the domestic share(s) of the Company with nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in RMB
“A Shareholders’ Class Meeting”	the class meeting of holders of A Shares of the Company to be held at 1st Meeting Room, 11th Floor, Building 10/Sinotrans Tower B, No. 5 Anding Road, Chaoyang District, Beijing 100029, the PRC at 3:30 p.m. on 31 May 2022 or immediately after the conclusion of the HCM or any adjournment thereof at the same place and on the same day
“Board”	the board of Directors of the Company
“China Merchants”	招商局集團有限公司 (China Merchants Group Limited), a state wholly-owned enterprise established under the laws of the PRC under direct control of the SASAC, the actual controller of the Company which holds in aggregate approximately 57.64% of the issued share capital of the Company as at the Latest Practicable Date
“Class Meetings”	A Shareholders’ Class Meeting and HCM
“Company”	中國外運股份有限公司 (Sinotrans Limited), a joint stock limited company incorporated in the PRC with limited liability, whose H Shares are listed on the Hong Kong Stock Exchange and whose A Shares are listed on the Shanghai Stock Exchange

DEFINITIONS

“Debt Financing Instruments”	the debt financing instruments in domestic or overseas currency issued by the Company or its wholly-owned subsidiary in one or multiple batches (including but not limited to short-term commercial paper issued by interbank market (with a term of one year), medium-term notes, corporate or enterprise bonds, asset trust scheme, asset securitization products and asset-backed notes issued by asset transfer, etc.) and super & short-term commercial paper (the registered amount of super & short-term commercial paper is no more than RMB5 billion)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HCM”	the class meeting of holders of H Shares of the Company to be held at 1st Meeting Room, 11th Floor, Building 10/Sinotrans Tower B, No. 5 Anding Road, Chaoyang District, Beijing 100029, the PRC at 3:00 p.m. on 31 May 2022 or immediately after the conclusion of the AGM or any adjournment thereof at the same place and on the same day
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Share(s)”	overseas listed foreign invested share(s) of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“Latest Practicable Date”	21 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, for the purpose of this circular, excludes Hong Kong, Macao and Taiwan regions of China
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the AGM, the HCM and the A Shareholders’ Class Meeting to exercise the power of the Company to repurchase H Shares in the manner as set out in the notices of the AGM and the HCM issued by the Company on 28 April 2022

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council of the People’s Republic of China
“Share(s)”	H Share(s) and A Share(s)
“Shareholder(s)”	holder(s) of the Shares
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors at the AGM to exercise the power of the Company to issue, allot and deal with Shares in the manner as set out in the notice of the AGM issued by the Company on 28 April 2022
“Sinotrans & CSC”	中國外運長航集團有限公司 (Sinotrans & CSC Holdings Co., Ltd.), a wholly state-owned company established under the laws of the PRC, a wholly-owned subsidiary of China Merchants, the controlling shareholder of the Company which collectively holds 34.85% of issued share capital of the Company as at the Latest Practicable Date
“SSE”	the Shanghai Stock Exchange
“SSE Listing Rules”	the Rules Governing the Listing of Securities on the Shanghai Stock Exchange
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Updated Mandate”	the updated mandate authorising the Directors to issue Debt Financing Instruments subject to Shareholders’ approval at the AGM as set out in this circular
“%”	per cent

LETTER FROM THE BOARD



中國外運股份有限公司 SINOTRANS LIMITED

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 0598)

Chairman:
Wang Hong

Vice Chairman:
Song Dexing

Executive Director:
Song Rong

Non-executive Directors:
Liu Weiwu
Deng Weidong
Jiang Jian
Jerry Hsu

Independent non-executive Directors:
Wang Taiwen
Meng Yan
Song Haiqing
Li Qian

Registered Office:
Sinotrans Plaza A
A43, Xizhimen Beidajie
Haidian District
Beijing, 100082
People's Republic of China

Headquarters:
Building 10/Sinotrans Tower B,
No. 5 Anding Road
Chaoyang District
Beijing, 100029
People's Republic of China

Principal Place of Business in Hong Kong:
Units F & G, 20/F., MG Tower,
133 Hoi Bun Road,
Kwun Tong, Kowloon,
Hong Kong

28 April 2022

To the Shareholders

Dear Sir/Madam,

2021 ANNUAL GENERAL MEETING AND 2022 FIRST H SHAREHOLDERS' CLASS MEETING

I. INTRODUCTION

The purpose of this circular is to provide you with the notices of the AGM and HCM and to provide you with all the information reasonably necessary to enable you to make informed decisions on whether to vote for or against the proposed resolutions at the AGM and the Class Meetings:

LETTER FROM THE BOARD

- (1) the resolution in relation to the Work Report of the Board for the year 2021;
- (2) the resolution in relation to the Work Report of the Supervisory Committee for the year 2021;
- (3) the resolution in relation to the Final Financial Accounts Report of the Company for the year 2021;
- (4) the resolution in relation to the Annual Report of the Company and its summary for the year 2021;
- (5) the resolution in relation to the financial budget of the Company for the year 2022;
- (6) the resolution in relation to the profit distribution plan of the Company for the year 2021;
- (7) the resolution in relation to the re-appointment of auditor for the year 2022;
- (8) the resolution in relation to the Directors' remuneration for the year 2021;
- (9) the resolution in relation to the renewal of Liability Insurance for Directors, Supervisors and senior management members of the Company;
- (10) the resolution in relation to the Administrative Measures for External Donations of the Company;
- (11) the resolution in relation to applying for the general mandates to issue, allot, deal with and repurchase Shares;
- (12) the resolution in relation to the Updated Mandate of the issue of Debt Financing Instruments; and
- (13) the resolution in relation to the estimated guarantees of the Company for the year 2022.

Furthermore, Shareholders will listen to the 2021 Work Report of the Independent Non-executive Directors at the AGM, which is not subject to Shareholders' approval.

II. RESOLUTIONS TO BE CONSIDERED AT THE AGM AND THE CLASS MEETINGS

1. The Resolution in Relation to the Work Report of the Board for the Year 2021

In accordance with the relevant provisions of the Articles of Association, the Board of the Company reported the working status of the Board for the year ended 31 December 2021. The full text of the aforesaid work report is set out in Appendix I to this circular. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese version shall prevail.

LETTER FROM THE BOARD

The Company has proposed an ordinary resolution at the AGM for the Shareholders to consider and, if thought fit, approve the Work Report of the Board of the Company for the year 2021.

2. The Resolution in Relation to the Work Report of the Supervisory Committee for the Year 2021

In accordance with the relevant provisions of the Articles of Association, the Supervisory Committee of the Company reported the working status of the Supervisory Committee for the year ended 31 December 2021. The full text of the aforesaid work report is set out in Appendix II to this circular. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese version shall prevail.

The Company has proposed an ordinary resolution at the AGM for the Shareholders to consider and, if thought fit, approve the Work Report of the Supervisory Committee of the Company for the year 2021.

3. The Resolution in Relation to the Final Financial Accounts Report of the Company for the Year 2021

The Company has prepared its financial statements for the year 2021 in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC, and engaged ShineWing Certified Public Accountants LLP to audit the financial statements of Company. ShineWing Certified Public Accountants LLP has issued a standard auditor's report with unqualified opinions for the Company. For details of the above statements, please refer to the Financial Report of the Company in Chapter 11 of the Annual Report of the Company for the year 2021 published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>), the SSE (<http://www.sse.com.cn>) and the Company.

The Company has proposed an ordinary resolution at the AGM for the Shareholders to consider and, if thought fit, approve the resolution in relation to the Final Financial Accounts Report of the Company for the year 2021.

4. The Resolution in Relation to the Annual Report of the Company and its Summary for the Year 2021

Details of the Annual Report of the Company for the year 2021 are available at the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>), the SSE (<http://www.sse.com.cn>) and the Company.

The Company has proposed an ordinary resolution at the AGM for the Shareholders to consider and, if thought fit, approve the Annual Report of the Company and its summary for the year 2021.

LETTER FROM THE BOARD

5. The Resolution in Relation to the Financial Budget of the Company for the Year 2022

In accordance with the relevant provisions of the Articles of Association, the Company formulated the 2022 financial budget. It is estimated that the Company will achieve operating income of RMB128.7 billion in 2022.

Special notice: The 2022 financial budget does not constitute a performance commitment or profit forecast made to investors, which is affected by factors including macro-economy, industry development situations, market demand and the epidemic, and subject to uncertainty. Investors should pay special attention.

The Company has proposed an ordinary resolution at the AGM for the Shareholders to consider and, if thought fit, approve the resolution in relation to the financial budget of the Company for the year 2022.

6. The Resolution in Relation to the Profit Distribution Plan of the Company for the Year 2021

The proposed 2021 annual dividend is RMB1.80 per 10 Shares (tax included) (i.e. RMB0.18 per Share, tax included) based on the total share capital of the Company registered on the record date of equity distribution. As at 31 December 2021, the total share capital of the Company was 7,400,803,875 Shares, based on which, the total dividend allotment is RMB1,332,144,697.50 (tax included), which accounts for 35.87% of the net profit attributable to Shareholders of the Company in the consolidated statements for the year 2021. The residual profits are recognized as retained earnings and the Company will not distribute Shares or convert any reserve into Shares. For details of distribution of annual dividend for the year 2021, please refer to the notice of AGM of the Company dated 28 April 2022.

The Company has proposed an ordinary resolution at the AGM for the Shareholders to consider and, if thought fit, approve the resolution in relation to the profit distribution plan of the Company for the year 2021.

7. The Resolution in Relation to the Re-appointment of Auditor for the Year 2022

The Company proposes to re-appoint ShineWing Certified Public Accountants LLP as the auditor of the Company for financial reports and internal control for the year 2022, with a term of office until the conclusion of the next annual general meeting of the Company. The total audit fee is RMB10.60 million, among which the audit fees for financial reports and internal control are RMB9.10 million and RMB1.50 million, respectively. Meanwhile, it is proposed at the AGM to authorize the Board, and agree that the Board will further authorize the management to adjust the estimated audit fee within the range of 5% in accordance to the scope of audit services and actual workload.

The Company has proposed an ordinary resolution at the AGM for the Shareholders to consider and, if thought fit, approve the resolution in relation to the re-appointment of auditor for the year 2022.

LETTER FROM THE BOARD

8. The Resolution in Relation to the Directors' Remuneration for the Year 2021

The Directors' remuneration of the Company for the year 2021 has been set out in Chapter 5 "Corporate Governance (Corporate Governance Report)" of the Annual Report of the Company for the year 2021. The annual report has been published on the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>), the SSE (<http://www.sse.com.cn>) and the Company. Except independent non-executive Directors, the remuneration of other Directors for the year 2021 is RMB1,021.6 thousand (before tax) from the Company. Song Rong, the Director, is also the President of the Company and only took the remuneration as the President.

The Company has proposed an ordinary resolution at the AGM for the Shareholders to consider and, if thought fit, approve the resolution in relation to the Directors' remuneration for the year 2021.

9. The Resolution in Relation to the Renewal of Liability Insurance for Directors, Supervisors and Senior Management Members of the Company

Pursuant to C.1.8 of the code provisions on Corporate Governance Code as set out in Appendix 14 to the Listing Rules and to protect the rights and interests of the Directors, Supervisors and senior management of the Company and satisfy the regulatory requirements for listed companies, the Company proposes to continue to purchase liability insurance applicable to Directors, Supervisors and senior management members of the Company (the "**Liability Insurance**"). The specific plan of the Liability Insurance is set out as follows:

The total insurance premium is not more than RMB0.4 million with an accumulated insurance amount limit of RMB150 million and the insurance period of 12 months.

It is proposed at the AGM to authorize the third session of the Board, and agree that the Board will further authorize the management of the Company to deal with specific matters concerning the purchase of the Liability Insurance for the Directors, Supervisors and senior management members, including but not limited to the determination of the insured persons coverage, the insurer, insurance amount, insurance premium and other insurance terms, the selection and appointment of the insurance brokerage company or other intermediaries, and signing of relevant legal documents, and the dealing with other matters concerning the renewal of the insurance at or before the expiration of the liability insurance contracts, in compliance with the above plan. The authorization period commences from the date of deliberation and approval by the general meeting of shareholders to the date of expiration of the third session of the Board.

The Company has proposed an ordinary resolution at the AGM for the Shareholders to consider and, if thought fit, approve the resolution in relation to the renewal of Liability Insurance for the Directors, Supervisors and senior management members of the Company.

LETTER FROM THE BOARD

10. The Resolution in Relation to the Administrative Measures for External Donations of the Company

In order to further regulate the external donations of the Group, the Board has formulated the Administrative Measures for External Donations of the Company in accordance with the Law of the People's Republic of China on Donations for Public Welfare, the Charity Law of the People's Republic of China, the Company Law of the People's Republic of China, the Notice of the Ministry of Finance on Strengthening the Financial Management of Corporate External Donations (《財政部關於加強企業對外捐贈財務管理的通知》) and other laws, regulations, normative documents as well as the Articles of Association. The full text of the aforesaid Administrative Measures for External Donations of the Company is set out in Appendix III to this circular. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese version shall prevail.

The Company has proposed an ordinary resolution at the AGM for the Shareholders to consider and, if thought fit, approve the resolution in relation to the Administrative Measures for External Donations of the Company.

11. The Resolution in Relation to Applying for the General Mandates to Issue, Allot, Deal with and Repurchase Shares

(1) GENERAL MANDATE TO ISSUE, ALLOT AND DEAL WITH SHARES

In order to provide flexibility to the Directors to issue Shares in the event that it is desirable to do so quickly, approval will be sought at the AGM to grant to the Directors a general mandate (details are set out in the notice of AGM) to allot, issue and deal with new shares not exceeding 20% of the respective number of A Shares and/or H Shares in issue of the Company as at the date of passing of the relevant special resolution. Such Share Issue Mandate, if approved, will lapse at the earliest of: (i) the conclusion of the Company's next annual general meeting; or (ii) the expiration of the 12 month period following the passing of the resolution approving the Share Issue Mandate; or (iii) the revocation or variation of the Share Issue Mandate by a special resolution of the Shareholders at the general meeting.

The Company has proposed a special resolution at the AGM for the Shareholders to consider and, if thought fit, approve the resolution in relation to the Share Issue Mandate.

(2) GENERAL MANDATE TO REPURCHASE H SHARES

In order to provide flexibility to the Directors to repurchase H Shares in the event that it is desirable to do so quickly, approval will be sought at the AGM and the Class Meetings to grant to the Directors a general mandate to repurchase H Shares not exceeding 10% of the total H Shares in issue as at the date of passing the special resolutions in the respective meetings. The Repurchase Mandate will be conditional upon the special resolutions for approving the grant of the Repurchase Mandate being passed at each of the AGM and the Class Meetings. Such Repurchase Mandate, if approved, will lapse at the earliest of: (i) the conclusion of the Company's next annual general meeting; or (ii) the expiration of the 12-month period

LETTER FROM THE BOARD

following the passing of the resolution approving the Repurchase Mandate; or (iii) the revocation or variation of the Repurchase Mandate by a special resolution of the Shareholders at the general meeting.

An explanatory statement containing information regarding the Repurchase Mandate is set out in the Appendix IV to this circular.

The Company has proposed a special resolution at the AGM and the Class Meetings for the Shareholders to consider and, if thought fit, approve the resolution in relation to the Repurchase Mandate.

12. The Resolution in Relation to the Updated Mandate of the Issue of Debt Financing Instruments

References are made to the circular of the Company dated 11 May 2021 and the poll results announcement of the Company dated 10 June 2021 in relation to, among other things, the proposed update of the mandate of the issue of debt financing instruments. The mandate approved to be updated at the annual general meeting held on 10 June 2021 will expire on date of 2021 annual general meeting of the Company. The Board has resolved to obtain an Updated Mandate to issue Debt Financing Instruments, which shall be subject to the Shareholders' approval by way of a special resolution at the AGM. The Updated Mandate will commence from the date of approval by the Shareholders at the AGM to the date of the next annual general meeting of the Company and shall include (but not limited to) the followings:

- (1) to issue Debt Financing Instruments with a single issue period not more than ten years, and the issuance size of each Debt Financing Instrument of the Company not exceeding the issuance limit pursuant to relevant laws and regulations;
- (2) that the Company may provide credit promotion measures such as guarantees or deficiency payment commitments to abovementioned issue of Debt Financing Instruments and specific credit promotion measures will be determined by an executive Director within the authorization period according to the market condition then;
- (3) to authorize an executive Director, for a period commencing from the date of approval of special resolution at the AGM to the date of the next annual general meeting of the Company and within the effective period of the registration of the Debt Financing Instruments, to deal with all matters relating to the issue of the Debt Financing Instruments according to the market condition, including but not limited to the following:
 - (a) to decide the terms of the issue of Debt Financing Instruments, including but not limited to the type, amount, interest rate, issue period, credit rating, credit promotion measures such as guarantees or deficiency payment commitments,

LETTER FROM THE BOARD

whether or not to set repurchase or redemption terms, whether or not to set options to adjust coupon rate, allotment arrangements and the use of the proceeds, etc.;

- (b) to select and engage qualified professional intermediaries, including but not limited to selecting and engaging the underwriting institutions, credit rating authority and legal counsel;
- (c) to undergo all necessary negotiations, and to amend and execute all relevant agreements and other necessary documents (including but not limited to the applications for approval of the issue of the Debt Financing Instrument, registration report, offering document, trust contract, asset transfer agreement, underwriting agreement, related announcements and documents for necessary disclosures);
- (d) to apply for all necessary approvals and make all necessary filings and registrations in connection with the Debt Financing Instruments, including but not limited to submitting application for registration to the relevant authorities in the PRC in relation to the issue of the Debt Financing Instruments and obtaining the permission from the relevant authorities (if needed) and making necessary amendments to the proposal on the issue of the Debt Financing Instruments in response to any request from the relevant authorities in the PRC;
- (e) to take all necessary actions and deal with or make decisions on all matters relevant to the issue of the Debt Financing Instruments, including but not limited to signing all the necessary documents and disclosing information in accordance with the applicable laws and regulations; and
- (f) if there is a change in the issuance policy regulated by the regulatory authorities or a change in the market conditions, except for matters requiring re-voting by the Shareholders at the general meeting of the Company as stipulated in the relevant laws and regulations and Articles of Association, within the scope authorized by the Shareholders at the AGM, to adjust the specific issuance plan according to the opinions of the regulatory authorities or the prevailing market conditions, or to decide whether to continue the issuance according to the actual situation.

The Board believes that obtaining the Updated Mandate to issue the Debt Financing Instruments will provide greater flexibility to the Group's source of funding with different maturity date for the Company and its subsidiaries and help improve the Company's debt structure and reduce its financing costs.

The Board is of the view that the Updated Mandate is in the interest of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

According to the SSE Listing Rules and the Company Law of the PRC, the abovementioned Updated Mandate shall be submitted to the AGM for Shareholders' approval. The issue of the abovementioned Debt Financing Instruments will be carried out strictly in compliance with the Listing Rules and the SSE Listing Rules and the Articles of Association. The Company will comply with relevant applicable requirements under Chapter 14 and Chapter 14A of the Listing Rules and fulfill its information disclosure obligations (if required).

The Company has proposed a special resolution at the AGM for the Shareholders to consider and, if thought fit, approve the abovementioned Updated Mandate of the issue of Debt Financing Instruments.

The issue of Debt Financing Instruments may or may not proceed. Shareholders and investors should therefore exercise caution in dealing in the Shares.

13. The Resolution in Relation to the Estimated Guarantees of the Company for the Year 2022

According to the Company's business and operation needs and improve the efficiency of operation and decision-making, in accordance with relevant laws and regulations and the Policy for the Management of External Guarantees of the Company, the estimated guarantees of the Company for the year 2022 are set out as follows:

(1) Financial credit guarantees

The Company and its subsidiaries proposed to provide financial credit guarantees (including credit guarantees and financing guarantees, the same below) with an amount of not more than RMB24.375 billion for their wholly-owned subsidiaries, of which the total amount of financial credit guarantees with the guaranteed parties whose asset-liability ratio exceeds 70% is estimated to be RMB16.228 billion.

The Company and its subsidiaries proposed to provide financial credit guarantees with an amount of not more than RMB3.680 billion for their non-wholly-owned subsidiaries, of which the total amount of financial credit guarantees with the guaranteed parties whose asset-liability ratio exceeds 70% is estimated to be RMB1.857 billion.

The Company and its subsidiaries proposed to provide financial credit guarantees with an amount of not more than RMB50 million for their joint ventures and associates, and the guaranteed party's asset-liability ratio shall not exceed 70%.

The above guarantee limit can be used on a revolving basis within the validity period.

LETTER FROM THE BOARD

(2) *Business guarantees*

The Company and its subsidiaries proposed to provide business guarantees for their wholly-owned subsidiaries with an amount of not more than RMB210 million, of which the total amount of business guarantees with the guaranteed parties whose asset-liability ratio exceeds 70% is estimated to be RMB100 million.

The Company and its subsidiaries proposed to provide business guarantees for their non-wholly-owned subsidiaries with an amount of not more than RMB200 million, and all the guaranteed parties have an asset-liability ratio of more than 70%.

The Company and its subsidiaries proposed to provide business guarantees for their subsidiaries in warehouse leasing, warehouse logistics and other businesses without determining a fixed amount.

(3) *Qualification guarantees*

The Company and its subsidiaries proposed to provide guarantees for the futures delivery warehouse business of the seven wholly-owned subsidiaries of the Company (including Sinotrans Central China Co., Ltd., Sinotrans Eastern Company Limited, Sinotrans South China Co., Ltd., Sinotrans North China Co., Ltd., Sinotrans Northeast China Co., Ltd., Qingdao Sinotrans Supply Chain Management Co., Ltd. and Qingdao Sinotrans Smart Logistics Co., Ltd.) in Shanghai Futures Exchange and its subsidiaries (including but not limited to Shanghai International Energy Exchange Corporation), Zhengzhou Commodity Exchange, Dalian Commodity Exchange, Guangzhou Futures Exchange and other futures exchanges, under which the Company and its subsidiaries will undertake the irrevocable full joint guarantee liabilities without a fixed amount for all liabilities arising from the loading, storage, unloading, delivery and other businesses of futures commodities as carried out by the guaranteed party mentioned above. The guarantee period is the term (including the automatically extended term provided that there is no disagreement from the parties) of the corresponding futures delivery warehouse business agreement between the guaranteed party and the abovementioned future exchanges and two or three years from the expiration date (subject to the requirements from such future exchanges).

The abovementioned resolution in relation to the estimated guarantees shall be valid from the approval of the AGM until the convening of 2022 annual general meeting of the Company. The abovementioned respective amount of guarantees can be adjusted and used within the guarantee limit of the same type of guaranteed party according to the relevant requirements of the SSE, and the guaranteed party whose asset-liability ratio exceeds 70% can only be adjusted and used within such limit, and an executive Director shall be authorized to approve relevant adjustments. Within the abovementioned guarantee limit, the Company will no longer hold separate Board meetings and general meetings for each guarantee.

According to the SSE Listing Rules, the abovementioned estimated guarantees of the Company for the year 2022 shall be submitted to the AGM for Shareholders' approval. The provision of the abovementioned guarantees will be carried out strictly in compliance with the

LETTER FROM THE BOARD

Listing Rules and the SSE Listing Rules and the Articles of Association. The Company will comply with relevant applicable requirements under Chapter 14 and Chapter 14A of the Listing Rules and fulfill its information disclosure obligations (if required).

The Company has proposed a special resolution at the AGM for the Shareholders to consider and, if thought fit, approve the abovementioned estimated guarantees of the Company for the year 2022.

III. AGM AND THE CLASS MEETINGS

The H Share register of members of the Company will be closed from 26 May 2022 to 31 May 2022 (both days inclusive), during which no transfer of H Shares will be registered. Any holders of H Shares whose names appear on the H Share register of members of the Company at 4:30 p.m. on 25 May 2022, are entitled to attend and vote at the AGM and/or the HCM of the Company after completing the registration procedures for attending the meeting. In order for the H Shareholders to be entitled to attend and vote at the AGM and/or the HCM, persons holding H Shares shall lodge share transfer documents and the relevant H Share certificates with the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 25 May 2022.

The AGM will be convened and held at the 1st Meeting Room, 11th Floor, Building 10/Sinotrans Tower B, No.5 Anding Road, Chaoyang District, Beijing 100029, the PRC at 1:30 p.m. on 31 May 2022 to consider and, if thought fit, approve the resolutions as set out in the notice of the AGM.

The HCM will be convened and held at the 1st Meeting Room, 11th Floor, Building 10/Sinotrans Tower B, No.5 Anding Road, Chaoyang District, Beijing 100029, the PRC at 3:00 p.m. on 31 May 2022 or immediately after the conclusion of the AGM or any adjournment thereof to be held at the same place and on the same day to consider and, if thought fit, approve the resolutions as set out in the notice of the HCM.

Notice of the AGM and the notice of HCM, together with the notice of attendance and proxy form for use at respective meeting, are despatched to Shareholders on 28 April 2022 and are available on the website of the Company and the website of Hong Kong Stock Exchange. Shareholders who intend to attend the AGM and/or the HCM shall complete and return the notice of attendance in accordance with the instruction printed thereon on or before 27 May 2022. Shareholders who intend to appoint a proxy to attend the AGM and/or the HCM shall complete and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the AGM and/or the HCM 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 AGM and/or the HCM or any adjournment thereof, if you so wish.

As at the Latest Practicable Date, none of the Shareholders is required to abstain from voting on the proposed resolutions at the AGM and the Class Meetings to the best knowledge, information and belief of the Directors after having made all reasonable enquiries.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the AGM and the HCM will be taken by poll. The Company will announce the results of the poll in accordance with the Listing Rules after the AGM and the HCM.

IV. DIRECTORS' RECOMMENDATION

As disclosed above, resolutions will be proposed at the AGM and the Class Meetings, to approve the resolutions as set out in the notice of the AGM and the notice of the HCM.

In order to pass an ordinary resolution and a special resolution of the Company at its general meeting and relevant class meeting, there requires at least a simple majority and a two-thirds majority, respectively, of the votes held by Shareholders attending the relevant general meeting or class meeting in person or by proxy (and entitled to vote) being voted in favour of the relevant resolution.

The Board (including independent non-executive Directors) considers that the resolutions as set out in the notice of the AGM and the notice of the HCM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board (including independent non-executive Directors) recommends the Shareholders and the H Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM and the HCM.

V. 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.

Yours faithfully,
By order of the Board of
Sinotrans Limited
Li Shichu
Company Secretary

SINOTRANS LIMITED
WORK REPORT OF THE BOARD FOR THE YEAR 2021

In 2021, the Board of Directors of Sinotrans Limited (the “**Company**”) diligently performed its duties and responsibilities under the laws and regulations such as the *Company Law of the People's Republic of China*, the *Articles of Association of the Company* and *Rules of Procedure of the Board of Directors of the Company* and the Company’s relevant rules. Starting from earnestly safeguarding the interests of all shareholders of the Company, the Board earnestly performed the duties entrusted by the general meeting, acted with diligence and responsibility, made scientific decisions and actively promoted the business development of the Company. In 2021, the Company followed the principle of “leading the general with strategy, working with quality and efficiency”, and adopted various measures to push the operating quality and scale efficiency to a new level. The work of the Board in 2021 is hereby reported as follows:

I. DAILY WORK OF THE BOARD

In 2021, **the Board performed its functions and powers conferred by the Articles of Association of the Company in accordance with laws and regulations, diligently implemented the resolutions of the general meeting, and fully supported and supervised the work of the management.** During the Reporting Period, a total of 9 Board meetings (including 4 regular meetings and 5 extraordinary meetings) were held, and a total of 44 resolutions were reviewed and approved. In addition to regular resolutions such as periodic reports, it also considered resolutions such as the re-election of the board of directors, amendment of the Articles of Association of the Company and related party/connected transactions that need to be disclosed and continuing related party transactions. In addition, in 2021, the special committee under the Board considered/deliberated on 18 issues, including the Company’s periodic reports, the qualifications of the candidates of Directors, remuneration of senior management and equity incentive plan, playing a better role in the Board’s prior review. The Audit Committee held 5 meetings and considered/deliberated 12 resolutions, the Nomination Committee held 3 meetings and deliberated 3 resolutions, and the Remuneration Committee held 2 meetings and deliberated 3 resolutions.

Additionally, the Board arranged the agenda and resolutions of the general meeting in a lawful, just and reasonable manner, and earnestly convened the general meeting. During the Reporting Period, 5 general meetings were held, including 1 annual general meeting, 2 extraordinary general meetings and 2 class meetings, at which a total of 22 resolutions were considered and approved, covering final financial report, annual report, annual profit distribution plan, re-appointment of annual external auditor, election of Company’s directors, appointment of supervisors and other resolutions. All the resolutions were approved by the shareholders by poll.

II. THE MAIN WORK OF THE BOARD IN 2021

(I) Actively Fulfilling the Responsibility of the Board to Grasp Direction and Conduct Comprehensive Management

The Board meetings were held in compliance with requirements of relevant laws, regulations, rules and the *Articles of Association of the Company*. All Directors conducted diligent analysis and research on material matters such as the operation of the Company and made decisions in a prudent manner, satisfactorily fulfilling the duties and responsibilities of the Board authorized by relevant laws and regulations such as the Company Law and the Articles of Association.

In 2021, the Board considered the Company's "14th Five-Year Plan" (including the overall strategy, business strategy, and strategic support systems such as talent, operation, investment management and financial control), and made it clear that the Company should base itself on the new development stage, implement the new development concept, build a new development pattern with services, take the whole network operation as the main line, create differentiated competitive advantages with seven pillars, and initially build a world-class intelligent logistics platform enterprise at the end of the "14th Five-Year".

Additionally, after prior consideration by the Remuneration Committee, the Board approved the Share Option Incentive Scheme (Phase I) of the Company and agreed to grant share options involving 73,925,800 A-shares, representing approximately 1% of the Company's total share capital, to 186 participants. The Share Option Incentive Scheme sets performance effectiveness conditions based on the growth of the Company's future performance targets, and links the individual performance appraisal results of the incentive objects with the effective proportion of options. It is conducive to the formation of a benefit sharing and risk sharing mechanism among the shareholders, Company and employees, fully arousing the enthusiasm of incentive objects, helping the Company to balance short-term and long-term goals, and supporting the Company's strategic realization and long-term sustainable development. Also, it helps to attract and retain excellent management talents and business backbones, and ensures the long-term development of the Company, thus enhancing the value and safeguard the interests of shareholders.

(II) Intensifying Communication with Shareholders and Capital Markets

The Board valued communication with shareholders and capital markets, ensured the authenticity, accuracy, completeness and timeliness of information disclosure, and enhanced the effectiveness of information disclosure; Meanwhile, it treated all shareholders and potential investors fairly, promoted investors' understanding and recognition of the Company's transformation strategy and achievements, and actively considered investors' opinions and suggestions, and achieved bilateral communication and benign interaction.

In terms of information disclosure, according to the regulatory requirements such as the listing rules of the place where the Company is listed, the Company adhered to the principle of combining statutory disclosure with voluntary disclosure, refined the advantages and highlights according to the needs of investors and the actual situation of the Company, continuously improved the transparency and quality of information disclosure. In 2021, the *Information Disclosure*

Management System of the Company was improved, and online and offline communication and training were conducted on insider trading, listing compliance matters and the code of conduct of controlling shareholders, so as to further enhance the awareness of listing compliance and effectively guarantee the truthfulness, accuracy, completeness and timeliness of information disclosure. In 2021, the Company disclosed 122 documents in Shanghai Stock Exchange and 222 documents in Chinese and English in Hong Kong Stock Exchange, and obtained Class A rating in the information disclosure evaluation of Shanghai Stock Exchange from 2020 to 2021.

In terms of investor relations, the Company further strengthened the dissemination of value, enhanced the awareness and transparency of the capital market, received more than 170 research interviews throughout the year, held briefings on the 2020 annual results and the 2021 interim results of the Company, and improved the attention of the capital market to the Company via various ways and channels, such as performance roadshows (online and on-site), annual investment bank meetings and investor reception days. Also, it strengthened information transmission internally, built a two-way bridge for investors to communicate with the Company's management, transmitted key issues that investors valued to the management and relevant departments every month, put forward suggestions for management improvement, and created a channel for feedback of capital market opinions to the Company. The Company was awarded "Best IR Hong Kong Listed Company" by NewFortune from 2020 to 2021, which showed that the investor relations management of the Company had been fully recognized by the capital market.

(III) Valuing Shareholders' Returns and Actively Fulfilling Social Responsibilities

Approved by the 2020 Annual General Meeting, the Company distributed a cash dividend of RMB0.12 per share (including tax) to shareholders, with a total dividend of about RMB888 million, accounting for 32.24% of the net profit attributable to shareholders of the listed company in the 2020 consolidated statement, which was distributed on 28 July 2021. Considering the Company's profit in 2021, in order to share the Company's growth income with all shareholders, the Company plans to distribute a cash dividend of RMB0.18 per share (including tax) to shareholders, which is 50% higher than that in 2020. The relevant profit distribution plan will be submitted to the 2021 Annual General Meeting for approval and implementation.

During the Reporting Period, the Company kept its mission in mind, as always, actively participated in social activities and public welfare undertakings, involved in the guarantee of large-scale national events, conducted charitable donations, and supported pandemic containment. In 2021, the Company donated RMB9 million of poverty alleviation funds to rural revitalization projects for the year 2021 through China Merchants Foundation, and actively expanded the channels for poverty alleviation through consumption, with a total consumption of more than RMB6.3 million of poverty alleviation products throughout the year. Also, we provided all-round material support services to CST and CCT for the Tokyo Olympic Games, offered medical equipment transportation guarantee for Beijing 2022 Winter Olympic Games, provided end-to-end full-link logistics services for China's vaccines to Djibouti and Macao, offered assistance in the torrential rain disaster in Henan Province, the strongest autumn flood in Shanxi and the pandemic in Xi'an, urgently transported relief materials, and fulfilled social responsibilities.

(IV) Reinforcing Governance Responsibility and Establishing and Improving ESG Governance System

Based on the latest rules and requirements, peer benchmarking, analysis and evaluation of the internal environment, society and governance management, and with the approval of the Board, the Company set up a three-level ESG governance structure with a gradient of “governance level-management level-executive level”, formulated the *Company’s Environmental, Social and Governance Management System*, shaped the *Report on Evaluation and Improvement Suggestions of Company’s Environmental, Social and Governance Management*, and set goals in dealing with climate change, supply chain management, emergency management and anti-corruption:

(1) **Regarding the response to climate change**, the Company has set to achieve carbon neutrality by 2060, and achieve the peak of greenhouse gas emissions by 2030; to increase the proportion of non-fossil energy use by 10% by 2030; to increase the proportion of electric forklifts to 90% by 2035, and replace all light trucks with electric vehicles; and to reduce the comprehensive energy consumption of RMB10,000 operating income in 2025 by 5% compared with 2020. (2) **Regarding emergency management**, by 2025, the second-tier companies of the Group will conduct at least 1-2 emergency drills every year, and it is required that partners above designated size establish an emergency management system. (3) **Regarding anti-corruption**, by 2025, the coverage rate of anti-corruption training for managers of companies at all levels will reach 100%, and it will complete the signing of the *Integrity Commitment Letter* with the winning bidder and the procurement manager in the procurement bidding process, and incorporate the “compliance clause” into the procurement contract. (4) **Regarding supplier management**, it is to incorporate ESG management into all aspects of suppliers’ adoption, and according to the needs of procurement projects, give appropriate points to suppliers who provide relevant certification related to ESG content in comparison and selection, and incorporate ESG related content into the daily evaluation system of suppliers. (5) **Regarding risk management**, it is to add important ESG risks as the Level 3 Risk to the Company’s existing risk assessment matrix.

III. MAIN WORK PLAN IN 2022

Looking forward to 2022, the external environment faced by the Company is more complicated, and factors such as geopolitics and repeated pandemic exert great uncertainty on the macroeconomic trend in 2022. The economy is currently facing the pressure of “demand contraction, supply shock and weakening of expectation”. Under such background, the Company will adhere to the keystone of “making progress while maintaining stability”, “staying true and being pragmatic” and “transforming from virtuality to reality”, seize the strategic opportunities of industrial chain reconstruction and supply chain remodeling, grasp the development opportunities of scientific and technological innovation and “carbon neutrality and emission peak”, balance between the whole and key points, the stock and increment, development and security, actively serve and practice the national strategy, unswervingly promote the implementation of the strategy, and work hard to promote the high-quality development of Sinotrans.

The main work plan of the Board in 2022 is as follows:

(I) Improving the Level of Corporate Governance

In 2022, the Board will constantly revise and optimize the corporate governance system, establish and improve the compliance system, and ensure the standardized and efficient operation of the Company in accordance with the latest laws and regulations of China Securities Regulatory Commission and the listing rules of listed stock exchanges, and the Company's actual situation.

(II) Maintaining Investor Relations and Further Improving the Quality Information Disclosure

Via frequent contact, communication and coordination with investors, intermediaries, regulatory authorities, exchanges and other relevant government authorities, the Company will constantly improve the level of investor relations maintenance. It will truthfully, accurately, completely, timely and fairly disclose information, further improve the quality and transparency of information disclosure, and reflect the Company's value.

(III) Doing Well in the Daily Work of the Board

The Board will operate in strict accordance with the requirements of laws, regulations and normative documents, earnestly organize the meetings of the Board and general meetings, make scientific and reasonable decisions within the authorization scope of the general meeting, conduct effective and timely inspection and supervision on the management work, and push the standardized operation level of the Company to a new level.

(IV) Enhancing Self-Building

In 2022, the Board will continue to perform the duties of Directors in a faithful and diligent manner in accordance with laws and regulations, the listing rules of the stock exchanges where the Shares are listed and the regulatory requirements of regulatory authority. In the meanwhile, based on development needs of the Company, the Board will organize and participate in relevant training in a scientific and reasonable manner, especially on improving corporate governance and performing duties by Directors.

Sinotrans Limited
The Board of Directors

SINOTRANS LIMITED
WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2021

The Supervisory Committee of the Company performed its duties diligently in 2021 in compliance with the *Company Law*, the *Securities Law* and the *Articles of Association*. It participated in the review of the material decisions of the Company, regularly inspected the operations of the Company as well as each of its businesses, effectively supervised the performance of the Board of the Company, management and their respective members, actively safeguarded the legitimate rights and interests of the Shareholders, the Company, employees and other stakeholders, and fully performed the Supervisory Committee's role of supervising the Company's corporate governance. The work of the Supervisory Committee in 2021 is hereby reported as follows:

I. MEETINGS OF THE SUPERVISORY COMMITTEE

In 2021, the Supervisory Committee of the Company convened 7 meetings and reviewed and approved 17 resolutions in total, details of which are as follows:

1. On 30 March 2021, the Company held the first meeting of Supervisory Committee for the year 2021, at which 6 resolutions, including the *Resolution on the Work Report of the Supervisory Committee of the Company for the Year 2020*, the *Resolution on the 2020 Annual Report of the Company and its Summary*, the *Resolution on the 2020 Final Financial Report of the Company*, the *Resolution on the Profit Distribution Plan for 2020*, the *Resolution on the Re-appointment of the External Auditor for 2021* and the *Resolution on the Evaluation Report on Internal Control of the Company for the Year 2020 and Assessment Plan for the Year 2021* were approved by way of poll.
2. On 28 April 2021, the Company held the second meeting of Supervisory Committee for the year 2021, at which 2 resolutions were approved by way of poll, namely the *Resolution on the First Quarterly Report of the Company for the Year 2021* and the *Resolution on Re-appointment of Supervisors*.
3. On 11 June 2021, the Company held the third meeting of Supervisory Committee for the year 2021, at which the *Resolution on the Election of Chairman of the Supervisory Committee* was approved by way of poll.
4. On 24 August 2021, the Company held the fourth meeting of Supervisory Committee for the year 2021, at which the *Resolution on the 2021 Interim Report of the Company* was approved by way of poll.
5. On 13 October 2021, the Company held the fifth meeting of Supervisory Committee for the year 2021, at which the *Resolution on Election of Mr. Huang Bilie as Chairman of the Supervisory Committee* was approved by way of poll.

6. On 27 October 2021, the Company held the sixth meeting of Supervisory Committee for the year 2021, at which 3 resolutions, including the *Resolution on the 2021 Third Quarterly Report of the Company*, the *Resolution on Extending the Performance Period of the Company's Controlling Shareholders' Commitment to Avoid Horizontal Competition* and the *Resolution on Appointing Supervisors* were approved by way of poll.
7. On 29 November 2021, the Company held the seventh meeting of Supervisory Committee for the year 2021, at which 3 resolutions, including the *Resolution on the Share Option Incentive Scheme (Draft) of Sinotrans Limited and its Summary*, the *Resolution on the Measures for the Implementation and Assessment of the Share Option Incentive Scheme of Sinotrans Limited* and the *Resolution on the List of Participants of the Share Option Incentive Scheme of Sinotrans Limited* were approved by way of poll.

II. PERFORMANCE OF DUTIES BY SUPERVISORS

(I) Legitimate Operation of the Company

In accordance with functions empowered by the *Company Law*, the *Articles of Association* and the *Rules of Procedures of the Supervisory Committee*, in 2021, the Supervisory Committee performed its duties and responsibilities conscientiously, actively attended the general meetings and Board meetings, brought its functional authority into full play through supervising and checking the decision-making procedures in various meetings and performance of duties by Directors and senior management for the year 2021 according to laws, pushing the Company to improve its governance level.

The Supervisory Committee is of view that the operation of the general meeting and the Board was standardized, the decision-making procedures were in compliance with relevant laws and regulations, the Board strictly executed each resolution approved at the general meeting and the Directors and senior management performed their duties in a diligent and dutiful manner, and none of them, in the discharge of their duties, contravened any laws, regulations or the Articles of Association or acted in such manner as would be harmful to the interests of the Company and its Shareholders.

(II) Inspection on Financial Condition of the Company

In 2021, the Supervisory Committee reviewed Quarterly Report, Interim Report and Annual Report, and effectively supervised and inspected the Company's financial status. The Supervisory Committee believed that: the Company has a sound financial system, effective financial operation, good financial status, and the financial reports disclosed by the Company gave true, accurate and complete pictures of its financial status, operating results and cash flow, and did not contain any false statements, misleading representations or material omissions, and signed written confirmation opinions on periodic reports.

(III) Internal Control of the Company

In 2021, the Company, in strict accordance with laws and regulations and relevant requirements of the Shanghai Stock Exchange and the Hong Kong Stock Exchange in respect of corporate governance, continued to improve corporate governance structure and kept promoting the Company's standardized and systematic management to enhance corporate governance through the establishment and improvement of internal control system. Currently, the Company has established a corporate governance structure with clear powers and responsibilities, checks and balances, and effective internal control system in compliance with the requirements for listed companies, and operates in strict accordance with laws.

The Supervisory Committee reviewed the *Company's Evaluation Report on Internal Control for the Year 2020*, and considered that the report complied with the requirements of the *Basic Standards for Enterprise Internal Control* and other laws and regulations, and comprehensively and truly reflected the actual situation of the Company's internal control.

(IV) Related Party Transactions, External Guarantees, the Establishment and Implementation of Administration System for Inside Information and Insiders of the Company

The Supervisory Committee, through attending the Board meetings, has effectively supervised related party transactions, equity acquisition, external guarantees, the establishment and implementation of inside information and insider administration systems approved by the Board within its authority. The Supervisory Committee believed that the Board strictly abided by the relevant provisions of the *Articles of Association* and the related Directors have fulfilled the obligation to abstain from voting on related party transactions. The Company's decision-making procedures for each related party transaction were in compliance with relevant laws and regulations. The related party transactions were at fair price and there was no violation of the principles of fairness, openness and impartiality, or harm to the interests of the Company and Shareholders. The Company's external guarantee procedures were legal and compliant; neither were there any illegal guarantees or overdue guarantees, nor occurrence of damages to the legitimate interests of the Company and its Shareholders.

The Company was able to execute the management of inside information and the registration of insiders in strict accordance with relevant requirements. During the period of periodic report disclosure, the Company conducted self-examination of Directors, Supervisors, senior management personnel and other inside information insiders in respect of dealing with the shares of the Company during the period of sensitive performance prior to the disclosure of periodic reports and the period during which other major events were disclosed. No relevant personnel were found to be engaged in insider trading activities by means of taking advantage of inside information.

III. WORK PLAN OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2022

In 2022, the Supervisory Committee will continue to faithfully perform the duties of the Supervisory Committee in strict accordance with the *Company Law, Articles of Association, Rules of Procedures of the Supervisory Committee* and other laws and regulations, further urge the standardized operation of the Company, and protect the rights and interests of shareholders, the Company and employees.

Also, the Supervisory Committee will hold regular meetings of the Supervisory Committee based on work needs, sign written confirmation opinions on periodic reports, and review and discuss the major issues in the Company's development and internal control.

Additionally, the members of the Supervisory Committee will further enhance the study of laws and regulations, the Company's internal rules and regulations, and related business and professional skills, actively involve in exchange training activities, constantly improve supervisory ability, and make contributions to the improvement of corporate governance and the sustainable and sound development of the Company.

Sinotrans Limited
The Supervisory Committee

**ADMINISTRATIVE MEASURES FOR EXTERNAL
DONATIONS OF SINOTRANS LIMITED****Chapter I General Provisions**

Article 1 In order to further regulate the external donations of Sinotrans Limited (hereinafter referred to as “**Sinotrans**” or the “**Company**”) and its subordinate units, strengthen the management of the Company’s donations, better perform social responsibilities, and safeguard the interests of shareholders as a whole, effectively enhance and publicize the brand and corporate image of the Company, these Administrative Measures is formulated in accordance with the Law of the People’s Republic of China on Donations for Public Welfare (hereinafter referred to as the “**Law on Donations for Public Welfare**”), the Charity Law of the People’s Republic of China (hereinafter referred to as the “**Charity Law**”), the Company Law of the People’s Republic of China (hereinafter referred to as the “**Company Law**”), the Notice of the Ministry of Finance on Strengthening the Financial Management of Corporate External Donations (《財政部關於加強企業對外捐贈財務管理的通知》) and other laws, regulations, normative documents as well as the Articles of Association.

Article 2 These Administrative Measures are applicable to the Company and its wholly-owned and holding companies (hereinafter referred to as the “**units**”).

Article 3 The term “donations” as mentioned in these Measures, namely donations for public welfare or charitable donations, refers to the act of voluntarily giving away for free the legal properties that the Company and the units have the right to dispose of to a legal recipient (including but not limited to natural persons, legal persons or related institutions). Donations for the purposes of public welfare, charity, etc. fall into the donations as stipulated in these Measures.

Article 4 As a department in charge of the external donations of the Company, the President Office is responsible for the planning and guidance of the Company’s donations and public welfare activities as a whole, manages and coordinates the various donation activities of the Company; the Risk Management Department is responsible for the supervision and audit of work on donations. The units shall specify its responsible department for managing external donations.

Chapter II Principles and Purposes of External Donations

Article 5 External donations shall follow below principles:

(I) Principle of unified management: external donations shall be managed by the Company in a unified manner, and no external donations shall be made without the authorization or approval of the Company;

(II) Principle of compliance and legality: external donations shall be made subject to relevant laws, regulations and the relevant provisions of the Company, in full compliance with the relevant policies of the State, not in violation of social morality and without damaging public interests as well as the legitimate rights and interests of other citizens;

(III) Principle of honesty and trustworthiness: false propaganda and rash promises are strictly prohibited. Donations made to the public or recipients in accordance with these Measures shall be performed honestly;

(IV) Principle of voluntariness and free of charge: any forced apportionment, disguised apportionment, or donations that engage in profit-making activities in the name of charity or public welfare are not allowed. Upon external donations, the recipient shall not be required to create favorable conditions for financing, market access, administrative licensing, possession of other resources, etc., thus leading to unfair market competition;

(V) Principle of clear rights and responsibilities: the directors, supervisors, senior managers or other employees of the Company shall not make external donations with the properties owned by the Company in their own name, and in external donations, donors are entitled to require recipients to fulfill their legal purposes of the donations.

(VI) Principle of doing according to the capabilities: the Company shall fully consider its own capability. If losses have occurred or external donations will lead to losses or affect the normal production and operation of the Company, no external donations are allowed, except those that have been deliberated and decided in accordance with internal procedures and have been promised to the public or recipients.

Article 6 External donations shall meet the following public welfare purposes:

(I) Activities of social groups and individuals in difficulty, such as disaster relief, poverty relief, and assistance to the disabled;

(II) Education, science, culture, health care and sports;

(III) Environmental protection, construction of social public facilities;

(IV) Other social public and welfare undertakings that promote social development and progress.

Article 7 The properties that can be used for external donations include cash and non-cash assets (including inventory commodities, fixed assets and other tangible assets). Main fixed assets and intangible assets required for production and operation, equity and creditor's rights held, materials reserved as approved by the state, state financial appropriation, entrusted properties, properties with established security interest, properties with unclear ownership, or deteriorated, damaged, expired and scrapped commodities and materials shall not be used for external donations.

Article 8 The beneficiaries of external donations shall be social welfare organizations and public welfare non-profit institutions, social disadvantaged groups or individuals outside the Company. Among them, social welfare organizations refer to foundations, charitable organizations and other social groups established in accordance with the law with the purpose of developing public welfare undertakings; public welfare non-profit institutions refer to educational institutions, scientific research institutions, medical and health institutions, social public cultural institutions, social public sports institutions and social welfare

institutions that are established in accordance with the law and engage in public welfare undertakings not for making profits. Donations shall not be made to employees within the Company or to units that have a controlling or controlled relationship with the Company in terms of operation or finance.

Article 9 The units shall not engage in the following donations:

- (I) Political donations;
- (II) Donations to organizations and individuals that commit crimes and terrorist activities;
- (III) Donations designated and apportioned by public officials or persons with specific relationships;
- (IV) Any donations based on illegal purposes such as money laundering and bribery;
- (V) Donations to for-profit activities in the name of donations for public welfare;
- (VI) Donations prohibited by laws of relevant countries or regions;
- (VII) Donations that are detrimental to national interests, Company interests and reputation and that violate the Company's core values;

Article 10 In addition to the donation items specified by the state, the units shall make external donations through charitable institutions that are legally established and accept donations, other public welfare institutions, government departments, or institutions that can conduct charitable fundraising according to applicable laws.

Article 11 When the units and the recipient agree on the purposes and beneficiaries of the donated properties, they shall not designate an interested party of the units as a beneficiary.

Chapter III Review of Recipients

Article 12 The units shall review the qualifications of the recipients as the subject of a recipient, and shall not make donations to those who fail to meet the qualifications as legal recipients.

Article 13 Where a recipient needs to perform specific obligations upon accepting the donation, the units shall examine the recipient's ability to perform such obligations from the aspects of integrity record, background, qualifications, professional experience and social influence of the recipient.

Article 14 The units shall conduct due diligence on the recipients. The content of due diligence includes but is not limited to the following matters:

- (I) The basic information, valid registration certificate and corresponding qualification certificate of a recipient, signed or sealed by a legal representative or authorized representative;

(II) Explanation on the situation that the recipient meets the qualifications for accepting the donation and tax exemption;

(III) Retrieving the credit records of the recipient and its principal person in charge through credit inquiry agencies, other relevant charitable organizations or activity management agencies, and public information platforms;

(IV) On-site inspection of the recipient's activities and social reflections in its domicile and places of principal activities;

(V) Whether the donor and its decision-makers and handlers have close relatives or specific relationships with the recipient and its principal person in charge.

Chapter IV Budget and Approval of External Donations

Article 15 External donations are subject to budget management. External donations of the units shall be included in the annual budget management according to the financial management system. The donation management department shall work with the financial department to prepare an annual donation budget plan.

Article 16 The units shall, in accordance with the Articles of Association and relevant rules and regulations, perform the internal review and approval procedures for donation budget.

Article 17 The units shall strictly control the expenditure of extra-budgetary donations. In the process of budget execution, except for external donations arranged for major natural disasters or emergencies, in principle, no donations beyond the scope and amount of the budget should be arranged. Any matters beyond the budget shall not be implemented until the corresponding decision-making procedures are carried out and such matters are reported to Sinotrans for approval in accordance with the relevant provisions of the Company's budget management measures.

Article 18 When examining and approving donation projects, the units shall perform internal approval procedures and provide relevant approval documents in accordance with the relevant regulations of the Ministry of Finance, the State-owned Assets Supervision and Administration Commission and other relevant systems of Sinotrans.

Article 19 Where the external donations of the units fall within the scope of "Three Importance and One Large" events, they should go through the decision-making procedures for "Three Importance and One Large" events in accordance with the regulations.

Chapter V Decision-making Procedures and Rules for External Donations

Article 20 The Company's decision to make external donations shall be subject to the approval and decision-making procedures in strict accordance with authorities as specified in the relevant national laws and regulations, the listing supervision regulations of the place where the Company is listed, the Articles of

Association, the Procedural Rules for General Meetings of Sinotrans Limited (《中國外運股份有限公司股東大會議事規則》), the Procedural Rules for the Board of Directors of Sinotrans Limited (《中國外運股份有限公司董事會議事規則》) and these Measures.

Article 21 According to the Enterprise Income Tax Law of the People's Republic of China, the Charity Law of the People's Republic of China and other relevant regulations, donations for public welfare refer to the donations made by enterprises through social welfare organizations or the people's governments at or above the county level, their departments and directly affiliated institutions (Cai Shui [2010] 45) to public welfare undertakings stipulated in the Law of the People's Republic of China on Donations for Public Welfare. For public welfare donations through the people's governments at or above the county level, their constituent departments and directly affiliated institutions, the qualifications for pre-tax deduction are not required. The list of social welfare organizations qualified for pre-tax deduction for public welfare donations is jointly announced by the Ministry of Finance, the State Taxation Administration, the Ministry of Civil Affairs, and the departments of finance, taxation and civil affairs of provinces, autonomous regions, municipalities directly under the central government, and cities specifically designated in the state plan each year. The list shall include social welfare organizations that continue to obtain the qualifications for pre-tax deduction for public welfare donations in the current year and those newly obtain such qualifications.

Article 22 The external donations made by the Company and the units within each financial year, including cash donations and donations of non-cash assets (the value of which is calculated according to the net book value), shall be implemented in accordance with the following standards:

(I) For a single donation of less than RMB10 million (inclusive), the donation plan shall be reviewed and approved at the general manager's office meeting held by the general manager of the Company;

(II) For a single donation of more than RMB10 million and less than RMB30 million (inclusive), the donation plan shall be reviewed and approved by the board of directors of the Company;

(III) For a single donation of more than RMB30 million, the donation plan shall be reviewed and approved at the general meeting of shareholders.

(IV) Donations made to the same subject and the same event shall be regarded as a single donation within 12 consecutive months and calculated on a cumulative basis, and the relevant cumulative amount includes the donated amount incurred by the Company and the units. Donations for which information disclosure obligations have been fulfilled and internal decision-making procedures have been conducted in accordance with the provisions hereof and the listing supervision regulations of the place where the Company is listed shall be excluded.

(V) In each financial year, extra-budgetary donations shall be submitted to the board of directors of the Company for deliberation, and the approval procedures shall be performed for additional budget allocation. Once the cumulative amount of donations not being reviewed and approved by the general meeting of shareholders exceeds RMB50 million, any new donation shall be submitted to the general meeting of shareholders for consideration and approval before execution.

(VI) Where a donation must be submitted to the board of directors or the general meeting of shareholders for deliberation pursuant to the requirements of laws and regulations, normative documents, and the Listing Rules of the place where the Company is listed, it can only be executed with the approval of the board of directors or the general meeting of shareholders.

Article 23 For external donations, a donation application shall be submitted by the department or unit implementing the donation project, reviewed and countersigned by the financial department, the discipline inspection and supervision department, the relevant functional department of securities affairs and the legal compliance department, and then reported to the leader in charge for review, and the corresponding approval procedures shall be carried out.

Among them, the donation application shall include the following contents: the reason of the donation, the object of the donation, the means of the donation, the method of the donation, the person responsible for the donation, the composition and amount of the donated properties, and the procedures for the handover of the donated properties, etc.

Article 24 External donations that have been reviewed and approved shall be reported to the relevant departments of auditing and securities affairs of the Company for the record at the same time.

Chapter VI Inspection and Supervision of External Donations

Article 25 The relevant audit departments shall conduct special audits on the use and management of donated properties in accordance with relevant requirements, relevant laws, regulations and donation agreements.

Article 26 A regular project reporting system shall be established, and the department or unit implementing the donation project shall report to the Company on a regular basis, with the provision of relevant project summary reports, financial reports, and relevant project execution materials, financial records and vouchers.

Article 27 After the donation project is completed, the department or unit implementing the donation project shall evaluate and summarize the donation project, and prepare an evaluation report upon the donation project. The report shall contain a comprehensive review of the implementation process, results and impact of the donation project, and a comparison with the objectives and related indicators determined during the approval of the donation project. Meanwhile, relevant graphic materials shall be properly filed for future reference, and donation files shall be maintained (including but not limited to donation application reports, approval procedure documents, statistics of single donation and cumulative donation amount, donation execution, and donation receipts).

Chapter VII Compliance Management of External Donations

Article 28 When making external donations, the units shall sign donation agreements or other written agreements, which clearly stipulate the properties, means, and purposes of the donations, the right of the donor to inquire about the use and management of the donated properties, and the inspection and audit authority of the donor, the recipients' compliance commitment, and accountability for breach of agreement, and the physical handover procedures involving donation of physical assets should be agreed upon.

Article 29 The units shall require recipients to confirm in the donation agreements or letter of commitments that they will abide by the compliance obligations of earmarking the fund for its specified purpose only, anti-commercial bribery, acceptance of compliance inspections and audits, and fair procurement.

Article 30 Where a donation is made in currency, the donation shall be paid with checks or through bank transfer as agreed in the donation agreement.

Article 31 Where a donation is made in kind, the units shall legally own the donated properties and have the right to dispose them. The properties of which the units are not legally owned or entitled to dispose as well as substandard products shall not be used for the external donation. The donation shall be handed over in a way as agreed in the donation agreement.

Article 32 When the units donate properties to develop an engineering project for public welfare, the donation agreement signed with the recipient shall stipulate the funds, construction, management and use of the project. The donated engineering project for public welfare shall go through the project approval procedures in accordance with the relevant laws, regulations and the donation agreement. The construction and completion acceptance shall be conducted in accordance with the law. The quality of the engineering project shall comply with the relevant quality standards.

Article 33 Where the units need to purchase supplies or services to make related donations, they must abide by the relevant laws, regulations and the procurement and bidding management regulations of the Company.

Article 34 For project-type donations with specific objects and special purposes, the donor shall track and supervise the progress of the donated projects upon delivering the donated properties to ensure that the donated properties is used for specific objects and special purposes, and the progress of the donated project conforms to the donation agreement.

Article 35 The units shall track, supervise and manage the donated projects in the following ways:

(I) Review the information and materials voluntarily announced by the recipient or request the recipient to provide relevant information and materials, inquire about the use and management of the donated properties, and put forward comments and suggestions;

(II) Inspect the progress of the project through on-site visits, interviews, listening to reports, etc., and put forward rectification requirements to the recipient within a time limit according to the inspection results, and supervise the implementation of relevant rectification measures;

(III) Conduct special audits on the use and management of donated properties in accordance with relevant laws, regulations and donation agreements, and put forward rectification requirements to the recipient within a time limit based on the audit results, and supervise the implementation of relevant rectification measures;

(IV) Establish a regular project reporting system to require the recipient to report regularly, and provide relevant project summary reports, financial reports, related project execution materials, and financial records and vouchers.

Article 36 Within one year after the completion of project-type donations with specific objects and for special purposes, the donor shall evaluate the donation project and prepare an evaluation report upon the donation project. The report shall include a comprehensive review of the implementation process, results and impact of the donation project as well as a comparison with the goals and related indicators determined during the approval of the donation project.

Article 37 The handling departments of the units shall be responsible for or assist in the follow-up, supervision and post-evaluation of the donated projects.

Article 38 When making external donations, the units shall obtain financial vouchers for the donations in accordance with relevant laws, regulations and financial accounting standards, record them truthfully and accurately, and enjoy tax incentives in accordance with the law. When accepting donations, social welfare organizations, the people's governments at or above the county level, their departments and other state organs shall use the receipts of public welfare donations as supervised (printed) by the Ministry of Finance or the financial departments of provinces, autonomous regions, and municipalities directly under the central government, respectively according to the administrative level, and affixed with the seal of the unit.

Article 39 Expenses incurred by domestic units for transporting and storing the donated assets and holding donation ceremonies shall be treated as period expenses and shall not be charged.

Article 40 The donation management departments of the units shall sort and file all the materials related to the donation project, and conduct regular inspections.

Article 41 The units shall conduct compliance trainings for the management departments of donation activities and relevant employees to ensure that the employees fully understand the requirements of compliant management of donation activities.

Chapter VIII Code of Conduct of Employees

Article 42 In the process of handling and implementing external donation activities, employees shall be legally compliant, honest and trustworthy, and carry out relevant external donations in compliance with laws and regulations.

Article 43 Employees of the units who are invited to participate in donation activities as a donor shall abide by relevant compliant management provisions of souvenir and reception of Sinotrans.

Article 44 When participating in and implement external donation activities, where employees have the following conflicts of interest with the recipient, they should take the initiative to truthfully disclose and apply for withdrawal:

(I) Taking a part-time job or any substantive or honorary position in the recipient or its affiliated enterprises (units);

(II) Existing close relatives or other specific relationships with the principal or person in charge of the recipient or its affiliated enterprises (units);

(III) Engaging in for-profit business activities by themselves, close relatives or other specific related persons, which have business dealings with the recipient and its affiliated enterprises (units);

(IV) Any other interest relationship with the recipient, which may affect the employee's performance of external donation duties.

Article 45 No employees shall have the following behaviors in external donation activities:

(I) Making external donations for the purpose of bribery;

(II) Committing acts of corruption, unjust enrichment, embezzlement, etc.;

(III) Providing any false or misleading information or documents when participate in and implement donation activities;

(IV) Failing to disclose conflicts of interest in accordance with the provisions of these Measures;

(V) Paying bribes or providing improper benefits to any organization or individual under the guise of external donations;

(VI) Participating in any money laundering or assisting money laundering activities under the guise of external donations;

(VII) Making false donations or extracting money by other fraudulent or dishonest means to seek benefits for themselves, their relatives, friends or others;

(VIII) Demanding or accepting any improper benefits provided by the recipient, beneficiary or related personnel, including but not limited to rebates, commissions, information fees, labor fees and other properties;

(IX) Donating the properties owned by the enterprise in their own names;

(X) Other donation behaviors that violate laws, regulations, regulatory frameworks of Sinotrans and the units.

Chapter IX Handling of Violations

Article 46 Any unit or employee who violates the provisions of these Measures shall be held accountable in accordance with relevant regulatory frameworks. Those suspected of violating laws and disciplines and committing crimes shall be handed over to the discipline inspection and supervision and judicial departments for handling in accordance with relevant regulations.

Article 47 Where the units find that the recipient has violated laws and rules such as misappropriation or embezzlement of donated properties in the donation activities, they shall deal with it in accordance with the relevant laws, regulations and contractual stipulations.

Chapter X Supplementary Provisions

Article 48 These Measures are formulated in accordance with relevant national laws, regulations, the Articles of Association and other relevant provisions. Where these Measures conflict with relevant laws, regulations, normative documents, the Articles of Association and other provisions, such provisions shall prevail.

Article 49 These Administrative Measures shall be interpreted and revised by the board of directors.

Article 50 These Administrative Measures shall come into force on the date of approval by the general meeting of shareholders.

This appendix includes an explanatory statement required by the Hong Kong Stock Exchange to be presented to Shareholders concerning the Repurchase Mandate proposed to be granted to the Directors.

1. LISTING RULES FOR REPURCHASES OF SHARES

The Listing Rules permit companies with a primary listing on the Main Board of Hong Kong Stock Exchange to repurchase their shares on the Main Board of Hong Kong Stock Exchange subject to certain restrictions.

2. FUNDING OF REPURCHASES

Any repurchase will be made out of funds which are legally available for the purpose in accordance with the Articles of Association and the laws of PRC. As compared with the financial position of the Company as at 31 December 2021 (being the date to which the latest audited financial statements of the Company have been made up), the Directors consider that there may not be a material adverse impact on the working capital or on the gearing position of the Company in the event that the proposed repurchases were to be exercised in full at any time during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

3. NUMBER OF THE H SHARES PROPOSED TO BE REPURCHASED

As at the Latest Practicable Date, the issued share capital of the Company was 7,400,803,875 shares comprising 5,255,916,875 A Shares and 2,144,887,000 H Shares. If the aggregate number of H Shares in issue and having not been repurchased as at the date of the passing of the resolution in relation to the H Share Repurchase Mandate is 2,144,887,000, then the maximum number of H Shares proposed to be repurchased shall not exceed 214,488,700.

4. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders to have a general mandate from the Shareholders to enable the Directors to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share of the Company and/or its earning per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

5. PRICE OF REPURCHASES AND DISPOSITION

Pursuant to the Listing Rules, the price for repurchasing H shares shall not be higher by 5% or more than the average closing market price for the five trading days preceding the date on which the H shares are actually repurchased. The Company will determine the specific repurchase price based on market conditions

and actual situation of the Company. According to relevant laws and regulations, the repurchased H shares of the Company shall be cancelled and thus the registered capital of the Company shall be decreased accordingly.

6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Hong Kong Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws, rules and regulations of the PRC.

7. EFFECT OF THE TAKEOVERS CODE

If, as a result of the Directors exercising the powers of the Company to repurchase H Shares 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 purpose of the Takeovers Code. As a result, a Shareholder or a 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, China Merchants, through its subsidiaries, held in aggregate approximately 57.64% of the issued share capital, including 4,072,813,639 A Shares and 192,978,000 H Shares.

As the shareholdings of China Merchants in the Company is more than 50%, an exercise of the Repurchase Mandate in full will not trigger an offer obligation for China Merchants and its concert parties (including Sinotrans & CSC) under Rule 26 of the Takeovers Code. In any event, the Directors do not intend to exercise the power to repurchase Shares to an extent which would render the aforesaid Shareholders or any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code. The Board will endeavor to ensure that the exercise of the Repurchase Mandate will not result in less than 25% of the Shares being held by the public.

The Directors are not aware of any consequences that may arise under the Takeovers Code and/or any similar applicable laws of which the Directors are aware, as a result of any repurchase of Shares made under the proposed resolution.

8. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell any of the H Shares to the Company.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any of the H Shares to the Company nor has he/she/it undertaken not to sell any of the H Shares held by him/her/it to the Company in the event that the Company is authorized to make repurchases of H Shares.

9. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares of the Company (whether on the Hong Kong Stock Exchange or otherwise) has been made by the Company in the preceding six months ending on the Latest Practicable Date.

10. H SHARE PRICE

The highest and lowest prices at which the H Shares were traded on the Hong Kong Stock Exchange in each of the previous twelve months immediately prior to the Latest Practicable Date were as follows:

	H Shares	
	Highest HK\$	Lowest HK\$
2021		
April	3.67	2.90
May	3.84	3.41
June	3.87	3.11
July	3.50	2.75
August	3.32	2.61
September	3.54	3.00
October	3.23	2.54
November	2.57	2.28
December	2.62	2.38
2022		
January	2.72	2.45
February	2.80	2.38
March	2.75	1.99
April (up to the Latest Practicable Date)	2.61	2.32

NOTICE OF 2021 ANNUAL GENERAL MEETING

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中國外運股份有限公司 SINOTRANS LIMITED

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 0598)

NOTICE OF 2021 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2021 annual general meeting (the “AGM”) of Sinotrans Limited (the “Company”) will be held at 1st Meeting Room, 11th Floor, Building 10/Sinotrans Tower B, No. 5 Anding Road, Chaoyang District, Beijing 100029, the People's Republic of China at 1:30 p.m. on 31 May 2022 for the purpose of considering and, if thought fit, approving, with or without modifications, the following resolutions:

SPECIAL RESOLUTIONS

1. “**THAT:**

- (a) subject to paragraph 1(c) below and compliance with all applicable laws and regulations of the People's Republic of China, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional H Shares or A Shares in the share capital of the Company in each case and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph 1(a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the number of H Shares and/or A Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) in each case by the Directors pursuant to the approval in paragraph 1(a) above shall not exceed

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20% of the total number of each of the issued H Shares and/or A Shares of the Company in each case as at the date of passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

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

- (i) the conclusion of next annual general meeting of the Company; or
- (ii) the expiration of the 12-month period following the passing of this resolution; or
- (iii) the revocation or variation of this resolution by a special resolution of the shareholders of the Company at the general meeting.”

2. **“THAT:**

- (a) subject to (i) paragraph 2(b) below and compliance with all applicable laws and regulations of the People’s Republic of China, the Listing Rules and all other applicable laws and regulations; and (ii) the passing of a special resolution by the holders of H Shares and the holders of A Shares in their respective class meeting to confer the authority to Directors contemplated in this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase its H shares be and is hereby generally and unconditionally approved;
- (b) the number of H shares in the share capital of the Company to be repurchased pursuant to the approval in paragraph 2(a) above shall not exceed 10% of the number of the issued H shares in the share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

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

- (i) the conclusion of next annual general meeting of the Company; or
- (ii) the expiration of the 12-month period following the passing of this resolution; or
- (iii) the revocation or variation of this resolution by a special resolution of the shareholders of the Company at the general meeting.”

NOTICE OF 2021 ANNUAL GENERAL MEETING

3. “**THAT** the resolution in relation to the Updated Mandate of the issue of Debt Financing Instruments be and is hereby approved.”
4. “**THAT** the resolution in relation to the estimated guarantees of the Company for the year 2022 be and is hereby approved.”

ORDINARY RESOLUTIONS

5. “**THAT** the resolution in relation to the Work Report of the Board for the year 2021 be and is hereby approved.”
6. “**THAT** the resolution in relation to the Work Report of the Supervisory Committee for the year 2021 be and is hereby approved.”
7. “**THAT** the resolution in relation to the Final Financial Accounts Report of the Company for the year 2021 be and is hereby approved.”
8. “**THAT** the resolution in relation to the Annual Report of the Company and its summary for the year 2021 be and is hereby approved.”
9. “**THAT** the resolution in relation to the financial budget of the Company for the year 2022 be and is hereby approved.”
10. “**THAT** the resolution in relation to the profit distribution plan of the Company for the year 2021 be and is hereby approved.”
11. “**THAT** the resolution in relation to the re-appointment of auditor for the year 2022 be and is hereby approved.”
12. “**THAT** the resolution in relation to the Directors’ remuneration for the year 2021 be and is hereby approved.”
13. “**THAT** the resolution in relation to the renewal of Liability Insurance for Directors, Supervisors and senior management members of the Company be and is hereby approved.”
14. “**THAT** the resolution in relation to the Administrative Measures for External Donations of the Company be and is hereby approved.”

NOTICE OF 2021 ANNUAL GENERAL MEETING

Shareholders will listen to the 2021 Work Report of the Independent Non-executive Directors of the Company at the AGM (such report is not subject to voting and resolution).

By order of the Board
Sinotrans Limited
Li Shichu
Company Secretary

Beijing, China
28 April 2022

As at the date of this notice, the board of directors of the Company comprises Wang Hong (Chairman), Song Dexing (Vice Chairman), Song Rong (executive director), Liu Weiwu (non-executive director), Deng Weidong (non-executive director), Jiang Jian (non-executive director), Jerry Hsu (non-executive director), and four independent non-executive directors, namely Wang Taiwen, Meng Yan, Song Haiqing and Li Qian.

Notes:

1. Unless otherwise specified, details of the resolutions are set out in the circular of the Company in relation to the AGM dated 28 April 2022 (the “**Circular**”). Terms defined in the Circular shall have the same meanings when used in this notice unless the context otherwise requires.
2. The H Share register of members of the Company will be closed from 26 May 2022 to 31 May 2022 (both days inclusive), during which no transfer of H Shares will be registered. Any holders of H Shares whose names appear on the H Share register of members of the Company at 4:30 p.m. on 25 May 2022, are entitled to attend and vote at the AGM of the Company after completing the registration procedures for attending the meeting. In order for the H Shareholders to be entitled to attend and vote at the AGM, persons holding H Shares shall lodge share transfer documents accompanied by the relevant H Share certificates with the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 25 May 2022, for registration.
3. Shareholders intending to attend the AGM shall give written notice to the Company, which shall be lodged at the office of the Company, at 10th Floor, Building 10/Sinotrans Tower B, No. 5 Anding Road, Chaoyang District, Beijing (Tel: (8610) 5229 5720) (for A Shareholders), or Computershare Hong Kong Investor Services Limited, the Company’s H Share Registrar, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for H Shareholders), on or before 27 May 2022.
4. Shareholders entitled to attend and vote at the AGM are entitled to appoint one or more persons (whether or not a Shareholder of the Company) as their proxy to attend and vote on behalf of themselves.
5. In order to be valid, the form of proxy, together with a duly notarised power of attorney or other document of authority, if any, under which the form is signed must be deposited at the office of the Company, at 10th Floor, Building 10/Sinotrans Tower B, No. 5 Anding Road, Chaoyang District, Beijing (Tel: (8610) 5229 5720) (for A Shareholders), or Computershare Hong Kong Investor Services Limited, the Company’s H Share Registrar, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for H Shareholders), not later than 24 hours before the time for holding the AGM or any adjournment thereof.

NOTICE OF 2021 ANNUAL GENERAL MEETING

6. A proxy attends the AGM on behalf of a Shareholder, he/she should produce his/her ID card and the instrument signed by the appointer or his/her legal representative, and specifying the date of its issuance. If a legal person Shareholder appoints its corporate representative to attend the AGM, such representative should produce his/her ID card and the notarised copy of the resolution passed by the board or other authorities or other notarised copy of the authorisation issued by such legal person Shareholder.
7. Shareholders attending the AGM are responsible for their own transportation and accommodation expenses.
8. The board of directors of the Company has recommended the payment of an annual dividend of RMB0.18 per share (tax inclusive), subject to passing of the resolution to declare and pay the annual dividend for 2021 by shareholders at the AGM. The recommended annual dividend will be paid on or before 15 July 2022 to the shareholders as registered at the close of business on 13 June 2022. The record date for the recommended annual dividend is at the close of business on 13 June 2022. For determining the entitlement to the recommended annual dividend, the register of members of the Company will be closed from 7 June 2022 to 13 June 2022, both days inclusive. In order for the H Shareholders to qualify for the recommended annual dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 6 June 2022, for registration.

Pursuant to the Articles of Association of the Company, dividends payable to the holders of A Shares of the Company will be paid in Renminbi ("RMB"), and dividends payable to the holders of H Shares of the Company will be paid in Hong Kong dollars ("HK\$"). The exchange rate for dividends payable in HK\$ is the mean average exchange rate of RMB to HK\$ published by the People's Bank of China during the week (22 March 2022 to 28 March 2022) preceding the date of recommendation of the annual dividend by the board of directors of the Company. The average exchange rate of RMB to HK\$ for the said week was HK\$1=RMB0.8135. Accordingly, the amount of annual dividend for each H Share of the Company is HK\$0.2213.

In accordance to the Enterprise Income Tax Law of the People's Republic of China and its implementation regulations which took effect on 1 January 2008, the Company is obliged to withhold and pay enterprise income tax at a tax rate of 10% on behalf of non-resident corporate shareholders on its H share register when making payments of dividend to these shareholders. Shares registered in the name of non-individual shareholders, including HKSCC Nominees Limited, other nominees or trustees or other organisations or bodies shall be deemed as shares held by non-resident corporate shareholders. Such shareholders will receive their dividend net of the enterprise income tax.

The Company will withhold and pay on behalf of the individual holders of H Share the income tax in accordance with the tax regulations of the PRC. Pursuant to the letter titled "Tax arrangements on dividends paid to Hong Kong residents by Mainland companies" issued by the Hong Kong Stock Exchange to the issuers on 4 July 2011, for non-foreign investment companies of the Mainland which are listed in Hong Kong distributing dividends to their shareholders, the individual shareholders in general will be subject to a withholding tax rate of 10%. They do not have to make any applications for entitlement to the above-mentioned tax rate. However, for shareholders who are residents of other countries and whose home countries have reached an agreement with China on an applicable withholding tax rate higher or lower than 10%, they have to follow the bilateral tax agreement in paying tax in connection with dividends paid by Mainland companies listed in Hong Kong. When making payments of dividend, the Company acting like a withholding agent in general will withhold 10% of the dividend on behalf of the individual H shareholders as individual income tax. If the relevant tax regulations and tax agreements have otherwise provisions, the Company will withhold individual income tax of such dividend in accordance with the tax rates and according to the relevant procedures as specified by the relevant regulations.

In addition, the Company signed the Agreement on Distribution of Cash Dividends of H shares for Southbound Trading (港股通H股股票現金紅利派發協議) with China Securities Depository and Clearing Corporation Limited, pursuant to which, China Securities Depository and Clearing Corporation Limited, as the nominee of the holders of H shares for Southbound Trading, will receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H shares of Southbound Trading through its depository and clearing system. The cash dividends for investors of H shares of Southbound Trading will be paid in RMB.

NOTICE OF 2021 ANNUAL GENERAL MEETING

The record date and the date of distribution of annual dividends and other arrangements for the investors of Southbound Trading will be the same as those for the holders of H shares of the Company. Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of Shenzhen-Hong Kong Stock Market (關於深港股票市場交易互聯互通機制試點有關稅收政策的通知) (Caishui [2016] No.127), for dividends received by domestic investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

NOTICE OF 2022 FIRST H SHAREHOLDERS' CLASS MEETING

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中國外運股份有限公司 SINOTRANS LIMITED

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 0598)

NOTICE OF THE 2022 FIRST H SHAREHOLDERS' CLASS MEETING

NOTICE IS HEREBY GIVEN that the 2022 first H shareholders' class meeting (the "HCM") of Sinotrans Limited (the "Company") will be held at 1st Meeting Room, 11th Floor, Building 10/Sinotrans Tower B, No. 5 Anding Road, Chaoyang District, Beijing 100029, the People's Republic of China at 3:00 p.m. on 31 May 2022 or immediately following the conclusion of the annual general meeting or any adjournment thereof to be held at the same place and on the same day for the purpose of considering and, if thought fit, approving, with or without modifications, the following resolution:

SPECIAL RESOLUTION

1. "THAT:

- (a) subject to (i) paragraph 1(b) below and compliance with all applicable laws and regulations of the People's Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable laws and regulations; and (ii) the passing of a special resolution by the shareholders of the Company at the annual general meeting and the passing of a special resolution by the A shareholders of the Company at the A shareholders' class meeting to confer the authority to the Directors contemplated in this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase its H shares in the capital of the Company be and is hereby generally and unconditionally approved;

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- (b) the number of H shares in the share capital of the Company to be repurchased pursuant to the approval in paragraph 1(a) above shall not exceed 10% of the number of the issued H shares in the share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and

- (c) for the purposes of this resolution:

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

- (i) the conclusion of next annual general meeting of the Company; or
- (ii) the expiration of the 12-month period following the passing of this resolution; or
- (iii) the revocation or variation of this resolution by a special resolution of the shareholders of the Company at the general meeting.”

By Order of the Board

Sinotrans Limited

Li Shichu

Company Secretary

Beijing, China

28 April 2022

As at the date of this notice, the board of directors of the Company comprises Wang Hong (Chairman), Song Dexing (Vice Chairman), Song Rong (executive director), Liu Weiwu (non-executive director), Deng Weidong (non-executive director), Jiang Jian (non-executive director), Jerry Hsu (non-executive director), and four independent non-executive directors, namely Wang Taiwen, Meng Yan, Song Haiqing and Li Qian.

Notes:

1. Details of the abovementioned special resolution are set out in the circular of the Company in relation to the annual general meeting dated 28 April 2022 (the “**Circular**”). Terms defined in the Circular shall have the same meanings when used in this notice unless the context otherwise requires.
2. The H Share register of members of the Company will be closed from 26 May 2022 to 31 May 2022 (both days inclusive), during which no transfer of H Shares will be registered. Any holders of H Shares whose names appear on the H Share register of members of the Company at 4:30 p.m. on 25 May 2022 are entitled to attend and vote at the HCM of the Company after completing the registration procedures for attending the meeting. In order for the H Shareholders to be entitled to attend and vote at the HCM, persons holding H Shares shall lodge share transfer documents accompanied by the relevant H Share certificates with the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 25 May 2022, for registration.

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3. Shareholders intending to attend the HCM shall give written notice of the same to the Company, which shall be lodged at Computershare Hong Kong Investor Services Limited, the Company's H Share Registrar, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before 27 May 2022.
4. Shareholders entitled to attend and vote at the HCM are entitled to appoint one or more persons (whether or not a shareholder of the Company) as their proxy to attend and vote on behalf of themselves.
5. In order to be valid, the form of proxy, together with a duly notarised power of attorney or other document of authority, if any, under which the form is signed must be deposited at Computershare Hong Kong Investor Services Limited, the Company's H Share Registrar, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 24 hours before the time for holding the HCM or any adjournment thereof.
6. If a proxy attends the HCM on behalf of a Shareholder, he/she should produce his/her ID card and the instrument signed by the appointer or his/her legal representative, and specifying the date of its issuance. If a legal person Shareholder appoints its corporate representative to attend the HCM, such representative should produce his/her ID card and the notarised copy of the resolution passed by the board or other authorities or other notarised copy of the authorisation issued by such legal person Shareholder.
7. Shareholders attending the HCM are responsible for their own transportation and accommodation expenses.