



中远海运国际（新加坡）有限公司

COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD.

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Company Registration Number: 196100159G

Media Release – For Immediate Release

Proposed Disposal of 60% Shareholding Interest in COSCO SHIPPING (Singapore) Pte. Ltd. (the “Sale Company”) for US\$42,391,000

- The Sale Company owns three Supramax vessels, with an average age of 16 years
- Proposed Transaction represents the Company’s strategic decision to streamline its current conglomerate structure to increase focus on the Company’s core logistics business and to achieve better performance for the Group’s other existing businesses, including the shipping business
- To leverage on the network and management of the Purchaser and its parent company, COSCO SHIPPING Bulk Co., Ltd., to improve competitiveness and achieve better performance for the Sale Company

SINGAPORE, 8 December 2021 – COSCO SHIPPING International (Singapore) Co., Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”), one of Singapore’s leading logistics management service providers, had on 30 September 2021 announced a proposed disposal of a 60% stake in the Sale Company (the “**Proposed Partial Disposal**”) for a Consideration of US\$42,391,000 (equivalent to approximately S\$57.01 million¹) to an interested person, and the proposed entry into of a shareholders’ agreement with the purchaser on completion of the Proposed Partial Disposal as an interested person transaction (collectively, the “**Proposed Transaction**”). The purchaser, COSCO (H.K.) Shipping Co., Limited (the “**Purchaser**”), is a wholly-owned subsidiary of COSCO SHIPPING Bulk Co., Ltd. (“**COSCO SHIPPING Bulk**”), which

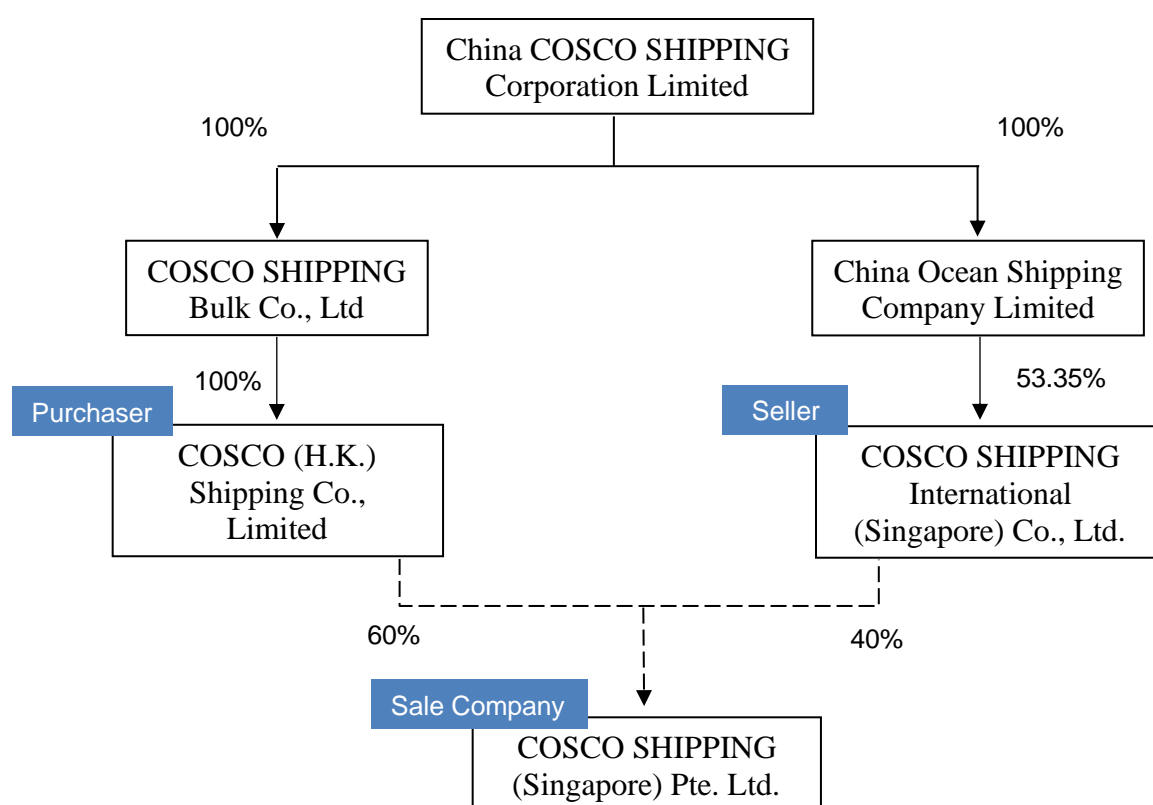
¹ For illustrative purposes, in this media release, the foreign exchange rate of US\$1 : S\$1.3448 is used to show the S\$ equivalent of the Consideration.

in turn is a wholly-owned subsidiary of China COSCO SHIPPING Corporation Limited. The latter is also the indirect controlling shareholder of the Group.

About COSCO SHIPPING Bulk and the Purchaser

COSCO SHIPPING Bulk is one of the largest bulk shipping corporations in the world, with more than 400 bulk carriers of various types and a total tonnage of approximately 40 million tonnes and has an extensive shipping service network globally. The Purchaser is a wholly-owned subsidiary of COSCO SHIPPING Bulk and owns a fleet of 98 vessels with a total deadweight ton of about 11.32 million as at 30 June 2021.

Illustration of interests after the Proposed Transaction



The Proposed Transaction represents the Company's strategic decision to streamline its conglomerate structure to increase focus on the Company's core logistics business, the largest business segment of the Group², and to achieve better performance for the Group's other existing businesses³, including the shipping business currently carried out

² The logistics business contributed to 69.5% of the Group's total revenue in FY2020.

³ The Group has 4 main business segments: Logistics, Shipping, Ship Repair and Marine Engineering, and Property Management.

through the Sale Company. The Group's logistics business owns one of Singapore's largest one-stop integrated logistics hub and its main businesses comprise warehousing, container depot, automotive logistics, transportation and property management in Singapore. The Group has logistics operations in Singapore, Malaysia, Indonesia and Vietnam.

The Group's dry bulk shipping business as carried out under the Sale Company is currently limited to three vessels of the same ship type – Supramax – with an average age of about 16 years. This has constrained the Group's ability to market and compete effectively. The dry bulk shipping business is complementary to the Group's core logistics business and ship repair and marine engineering services, but requires the necessary resources and scale to develop and expand further.

The joint interest in the Sale Company allows the Sale Company to leverage on the network and management of COSCO SHIPPING Bulk to achieve sustainable development and growth. COSCO SHIPPING Bulk has the intention to establish a base office in Singapore through the Sale Company, which will be beneficial for the Sale Company as it will be able to leverage on COSCO SHIPPING Bulk's marketing capabilities, global network of customers, specialities, expertise, resources and management skills to expand its operations in Southeast Asia.

The Company intends to use the sale proceeds from the Proposed Partial Disposal to expand and promote the development of the Group's logistics business in South and Southeast Asia, and/or for general working capital of the Group.

The Independent Financial Advisor appointed in respect to the Proposed Transaction and the Audit and Risk Management Committee of the Company are of the opinion that the Proposed Transaction is on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders.

Extraordinary General Meeting

The Board wishes to inform shareholders of the Company that the Extraordinary General Meeting ("EGM") will be convened and held on 23 December 2021, 2.00 p.m. to seek shareholders' approval for the Proposed Transaction. Due to the current COVID-19 restriction orders in Singapore, shareholders will not be able to attend the EGM in person.

A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. For more information, shareholders should refer to the Notice of EGM dated 8 December 2021 on SGXNet and the Company's website.

Submission of Proxy Forms

The duly completed and signed proxy form must be deposited via either of the following means:

- (i) **by post** to the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02, Singapore 068898; or
- (ii) **by email** to the Company's Share Registrar, Tricor Barbinder Share Registration Services at sg.is.COSCOproxy@sg.tricorglobal.com; or
- (iii) **by electronic submission**, lodged at the Company's EGM pre-registration site, <https://conveneagm.sg/coscoshippingegm>.

in any case, by **2.00 p.m. on 20 December 2021** (being not less than 72 hours before the time for holding the EGM).

Virtual Sharing by the Company

The Company will hold a shareholders' webcast session at 5.00 p.m. (Singapore time) on 9 December 2021. Shareholders may register their interests via https://coscoshipping.listedcompany.com/proposed_partial_disposal_of_cosco_shipping_singapore_pte_ltd.html to attend the virtual sharing session. The management will do a presentation regarding the Proposed Transaction and address material questions raised by shareholders. If you wish to submit your questions prior to the session, you may do so by sending your questions to coscoshipping@financialpr.com.sg.

About COSCO SHIPPING International (Singapore) Co., Ltd.

Listed on the mainboard of the SGX, COSCO SHIPPING International (Singapore) Co., Ltd. aims to become one of the leading integrated logistics service providers in South and Southeast Asia through its strategic acquisitions and investments. It is also involved in dry bulk shipping, ship repair and marine engineering as well as property management through various subsidiaries.

For further information, please contact:

Financial PR

Investor Relations

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