



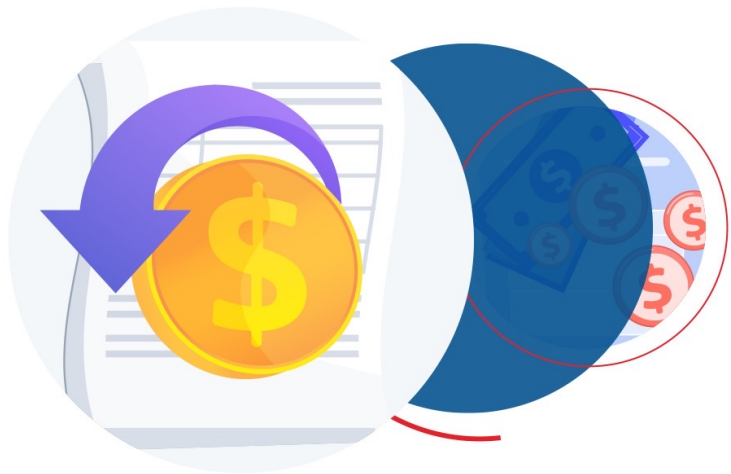
PROPOSED DISPOSAL OF 60% SHARE INTEREST IN COSCO SHIPPING (SINGAPORE) PTE. LTD.

8 December 2021



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Transaction Overview

Summary of Proposed Transaction

Transaction Overview

- Purchaser: COSCO (H.K.) Shipping Co., Limited, wholly owned subsidiary of COSCO SHIPPING Bulk Co., Ltd. ("**COSCO SHIPPING Bulk**")
- Purchaser to acquire 60% share capital of COSCO SHIPPING (Singapore) Pte. Ltd. (the "**Sale Company**"), a wholly owned subsidiary of COSCO SHIPPING International (Singapore) Co., Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**")

About the Sale Company

- Incorporated in Singapore with an issued and paid-up share capital of S\$87,664,105
- Primarily engaged in the business of dry bulk shipping, with the main focus on owning and chartering of vessels
- Owns 3 vessels (Supramax) with an average age of 16 years

Valuation

- Market value range derived by an independent valuer for 60% share capital is US\$39.4 million to US\$45.5 million, as of 30 June 2021. The mid-point of the market value range is US\$42.4 million

Consideration

- US\$42,391,000 (equivalent to approximately S\$57.01 million¹) for 60% share capital of the Sale Company
- Consideration to be paid in cash on Completion

Note:

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

About COSCO SHIPPING Bulk

One of the Largest Bulk Shipping Corporations in the World

COSCO SHIPPING Bulk



Bulk Carriers

> 400 of various types



Total Tonnage

Approximately 40 million tonnes



Shipping Routes

PRC coastal areas and world-wide major ports, with worldwide shipping service networks



Staff Strength

>1,700 management staff

>12,500 seafarers

Purchaser



Wholly owned subsidiary of COSCO SHIPPING Bulk



27 Years of History

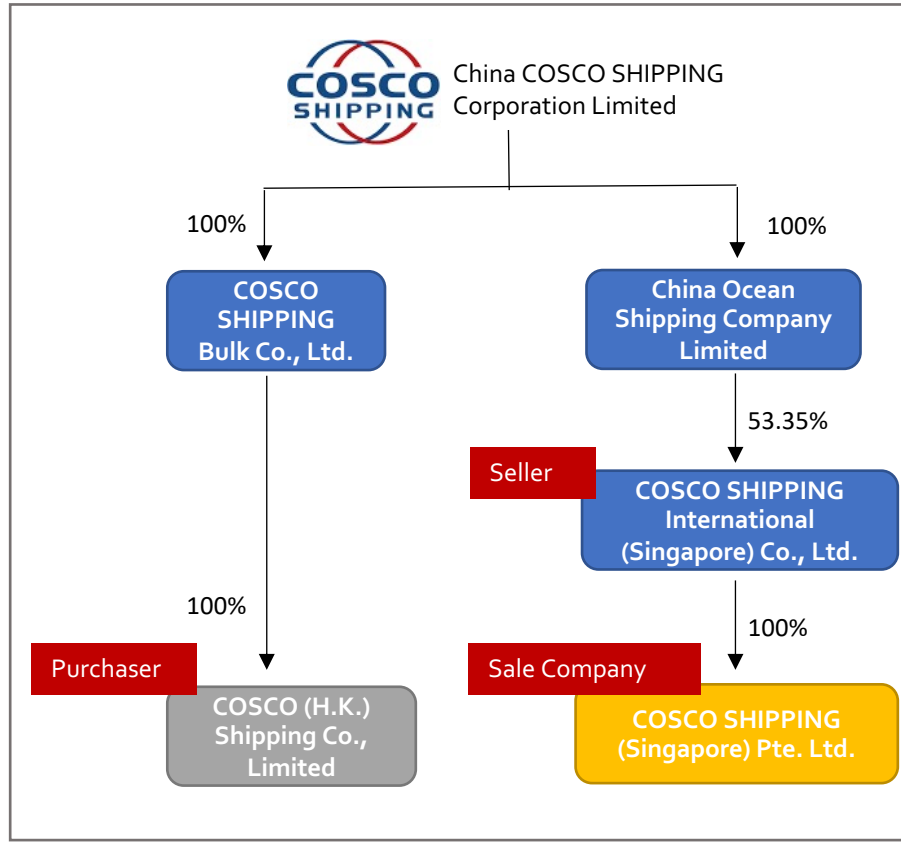
Established in 1994



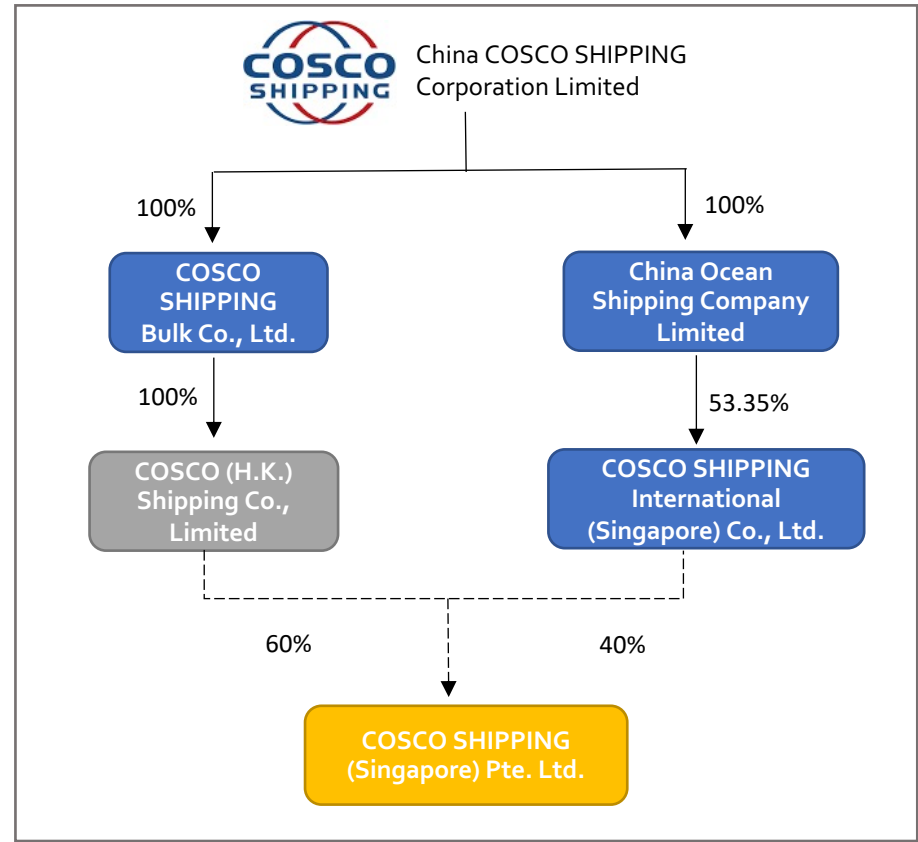
Fleet Size

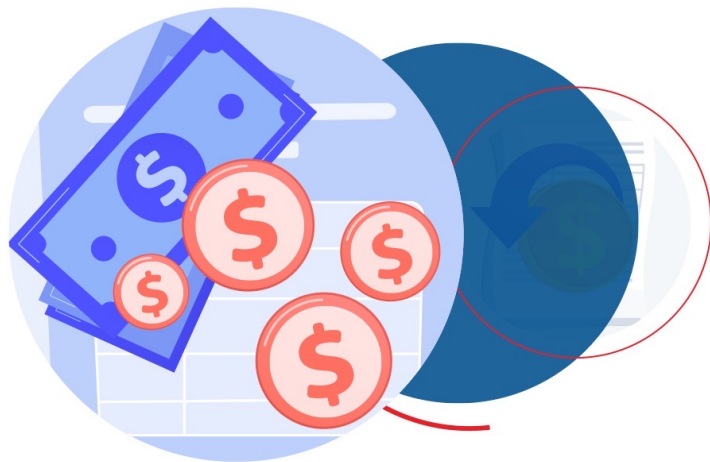
98 vessels, with approximately 11.32 million DWT

Before Proposed Transaction



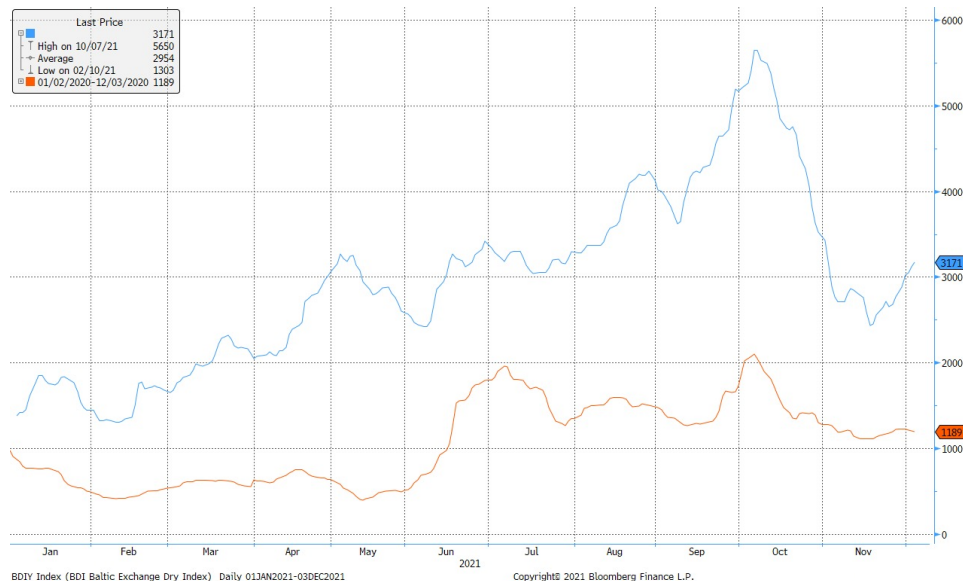
After Proposed Transaction





Industry Outlook

Dry Bulk Shipping Industry Outlook



- As at 30 September 2021, after a strong performance in 1H2021, dry bulk charter rates moved steadily higher in second half of 2021, reaching its **highest level in thirteen years**, driven partly by an improvement in conventional supply and demand fundamentals, and partly by a drop in fleet productivity, as port delays have soared to an all-time high
- Dry bulk rates and prices are expected to remain firm over the next few months, and then falling back and remaining relatively flat over the coming years, on assumptions that port delays will fall back significantly over the next 12 months, as they return to more normal levels, helped by improved infrastructure, fewer weather-related disruptions, and other factors



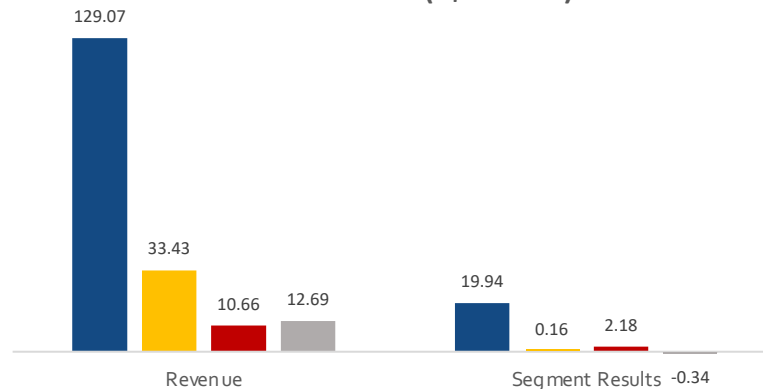
4 Main Business Segments of the Group

4 Main Business Segments of the Group

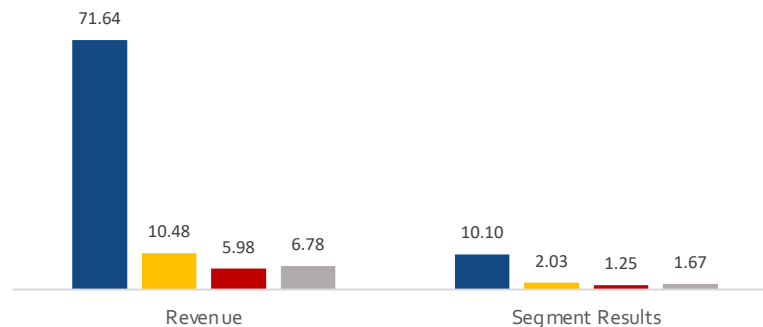


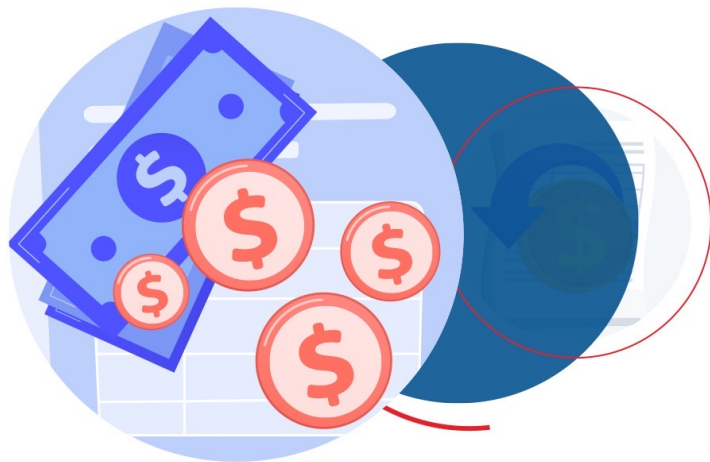
- Group's logistics segment is presently the largest business segment of the Group
- In the Company's latest audited financial statements for FY2020, the logistics segment contributed 69.5% to the Group's total revenue and most of the profit of the Group for FY2020
- Group's shipping segment contributed 18.0% to the Group's total revenue and a small profit to the Group for FY2020

FY2020 (\$\$ million)



1H2021 (\$\$ million)





Transaction Rationale

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



Tapping on necessary resources and scale for further expansion

- The Sale Company currently has limited marketing capabilities and lacks market competitiveness due to a small fleet size of 3 vessels of the same ship type, with an average age of 16 years
- Dry bulk shipping business is complementary to the Group's core logistics business and ship repair and marine engineering services
- Allows Group to tap on the necessary resources and scale to develop and expand further



Achieve sustainable development and growth

- Cooperation with the Purchaser through the joint interest in the Sale Company will enable the Sale Company to achieve sustainable development and growth
- The Company will benefit from retaining its 40% interest in the Sale Company



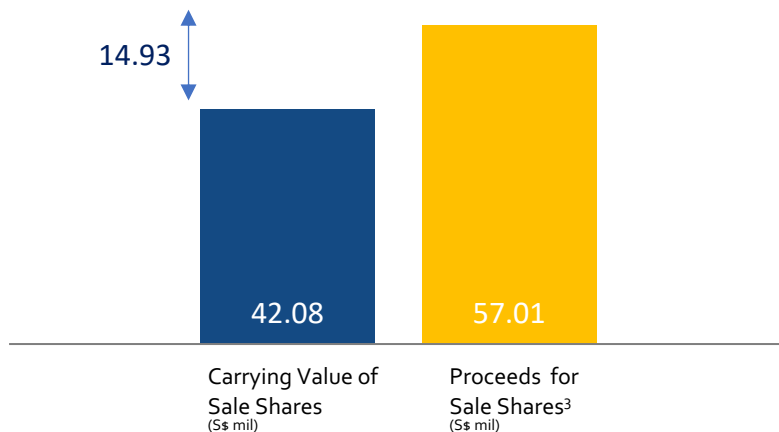
Leveraging on the network and management of the Purchaser

- The Sale Company will benefit by leveraging on COSCO SHIPPING Bulk's fleet of vessels and its global presence
- COSCO SHIPPING Bulk has shipping services in the PRC as well as internationally and has the intention to establish a base office in Singapore through the Sale Company
- The Sale Company will be able to leverage on COSCO SHIPPING Bulk's marketing capabilities, global network of customers, specialties, expertise, resources and management skills



Illustrative Financial Effects

Illustrative Financial Effects



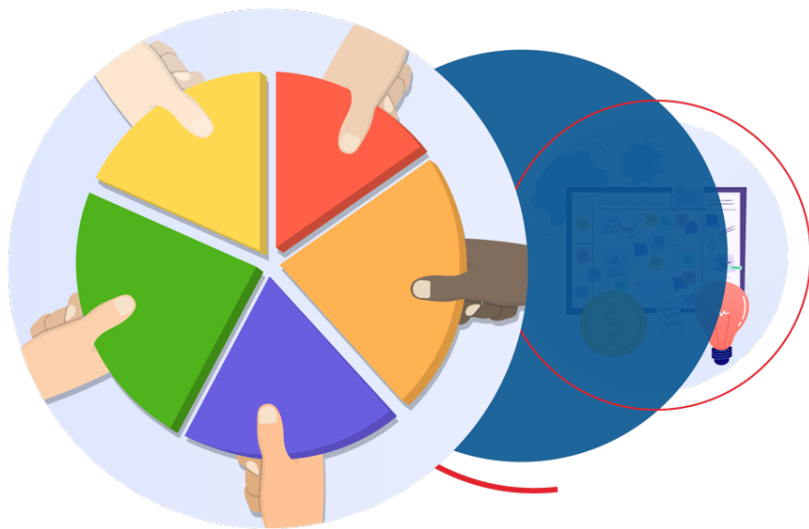
Assuming Completion on 30 June 2021

**Excess of proceeds over carrying value^{1,2}:
S\$14.93 mil**

**Gain on Proposed Partial Disposal^{1,2}:
S\$15.59 mil**

Notes:

1. Based on the latest announced consolidated financial statements of the Group for the financial period ended 30 June 2021, the carrying value of the Sale Company and the Sale Shares amount to S\$70.13 million and S\$42.08 million respectively.
2. For illustrative purposes, assuming that the Proposed Partial Disposal is completed on 30 June 2021, the excess of the proceeds over the carrying value of the Sale Shares is approximately S\$14.93 million and the gain on the Proposed Partial Disposal (being the net effect of (i) the proceeds of S\$57.01 million; add (ii) the fair value of the remaining 40% interests retained in the Sale Company of S\$38.00 million; less (iii) the carrying value of the Sale Company of S\$70.13 million; and less (iv) the reclassification of translation reserves as at 30 June 2021 of S\$9.29 million) is approximately S\$15.59 million.
3. For illustrative purposes, the foreign exchange rate of US\$1 : S\$1.3448 is used to show the S\$ equivalent of the Consideration



Independent Directors' Recommendation

Independent Directors' Recommendation

Independent Directors recommended shareholders to approve the Proposed Transaction

- Based on the rationale for and the terms of the Proposed Transaction
- Independent Directors are of the opinion that the Proposed Transaction is in the best interests of the Company and the shareholders
- Concur with the advice of the Independent Financial Advisor that the Proposed Transaction is on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders
- Recommend shareholders to vote at the Extraordinary General Meeting ("**EGM**") in favour of the ordinary resolution to approve the Proposed Transaction



EGM Timeline

Indicative Timeline

20 December 2021, 2.00 p.m.	<p>Cut off for submission of proxy form and submission of questions in advance of the EGM.</p> <p>*Please see slide 19 and 20 for further instructions on submission of proxy forms</p>
23 December 2021, 2.00 p.m.	<p>EGM</p> <p>All shareholders who wish to follow the proceedings of the EGM through the Live EGM Webcast must pre-register online to create an account at the URL: https://conveneagm.sg/coscoshippingegm ("Pre-registration") to enable the Company to verify their status as shareholders.</p> <p>The website will be open for Pre-registration from 2.00 p.m. on 8 December 2021 and will close at 2.00 p.m. on 20 December 2021.</p> <p>Investors who hold shares through depository agents must approach their respective depository agents to pre-register by 5.00 p.m. on 13 December 2021 in order to allow sufficient time for their respective depository agents to in turn pre-register their interest with the Company.</p> <p>Following the verification, authenticated shareholders will receive an email on their authentication status by 12.00 p.m. on 22 December 2021 and will be able to access the Live EGM Webcast using the account created.</p>
End-Dec 2021	<p>Completion of Disposal including signing of Shareholders' Agreement (assuming all conditions precedent are satisfied).</p>

Submission of Proxy Forms

Methods to submit Proxy Form

The duly completed and signed proxy form must be deposited via any 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).

A Shareholder who wishes to submit a proxy form through any of the means stated above must complete and sign the proxy form before submitting it to the relevant address provided.

Shareholders are strongly encouraged to submit completed proxy forms electronically, through email or electronic submission.

Submission of Proxy Form through the Pre-registration site

Step 1	Visit https://conveneagm.sg/coscoshippingegm and log in with your pre registered account.
Step 2	<p>Select "Fill Out Proxy Form"</p> <div> Proxy Form</div> <p>Fill out and submit your proxy form online by 20 Dec 2021 2:00 PM SGT.</p> <div>Fill Out Proxy Form</div>
Step 3	<p>Select "Fill Out Proxy Form"</p> <div> Submit your proxy form online.</div> <p>Shareholders who wish to vote on resolutions to be tabled at the EGM may submit their proxy form online.</p> <p>All proxy forms must be submitted by 20 December 2021, 2:00 pm SGT</p> <p>Non CDP and/or Scrip-based Holders would need to contact their respective nominees / intermediaries if they wish to submit a proxy form for the meeting</p> <div>Go Back Fill Out Proxy Form</div>
Step 4	Fill in the digitised version of the Proxy Form and submit.



Virtual Sharing by the Company

Virtual Sharing by the Company

Details

Date: 9 December 2021

Time: 5.00 p.m.

Mode of Meeting: Virtual Sharing through Zoom

All shareholders who wish to find out more on the Proposed Transaction, please register your interest here:

https://coscoshipping.listedcompany.com/proposed_partial_disposal_of_cosco_shipping_singapore_pte_ltd.html

Thank You

Investor Relations Point-of-Contact:

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Email: coscoshipping@financialpr.com.sg



Disclaimer

This presentation was prepared for informational purposes only and must be viewed in conjunction with the Company's Circular to shareholders dated 8 December 2021 in relation to the Proposed Transaction and oral presentation provided by us. It does not have any regard to the specific investment objectives, financial situation or individual needs of any particular person receiving this presentation. Investors should seek advice from a professional adviser regarding their investment decisions.

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