

COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD.

(Incorporated in the Republic of Singapore)

(Company Registration Number: 196100159G)

PROPOSED FURTHER ACQUISITION OF SHARES OF:

- (1) GUPER INTEGRATED LOGISTICS SDN. BHD. (“GIL”);**
 - (2) GEMS LOGISTICS SDN. BHD. (“GEMS”);**
 - (3) DOLPHIN SHIPPING AGENCY SDN. BHD. (“DSA”); AND**
 - (4) EAST WEST FREIGHT SERVICES SDN. BHD. (“EWF”)**
(COLLECTIVELY, THE “TARGET COMPANIES”)
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The Board of Directors (the “**Board**”) of COSCO SHIPPING International (Singapore) Co., Ltd. (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) wishes to announce that the Company’s subsidiary, SH Cogent Logistics Pte Ltd (“**SH Cogent**”), has today issued the following buy-out notices:

1. buy-out notice issued to Hextar Technologies Solutions Berhad (formerly known as Complete Logistic Services Berhad) (“**HexTech**”) to require HexTech to sell to SH Cogent the following shares (collectively, the “**CLS Exit Shares**”):
 - (a) 526,800 issued and paid-up ordinary shares in GIL, representing 17.56% of the entire issued and paid-up share capital of GIL;
 - (b) 20,000 issued and paid-up ordinary shares in Gems, representing 20% of the entire issued and paid-up share capital of Gems; and
 - (c) 200 issued and paid-up ordinary shares in DSA, representing 20% of the entire issued and paid-up share capital of DSA, and
2. buy-out notice issued to Dolphin Assets Sdn Bhd and Chandra Sekaran A/L Subrayan (collectively, the “**EWF Vendors**”) to require the EWF Vendors to sell to SH Cogent 200,000 issued and paid-up ordinary shares in EWF, representing 20% of the entire issued and paid-up share capital of EWF (the “**EWF Exit Shares**”),

(the CLS Exit Shares and the EWF Exit Shares collectively, the “**Exit Shares**”).

As announced by the Company on 14 February 2020, SH Cogent completed the acquisition of 80% of the issued and paid-up share capital of each of the Target Companies. The proposed acquisition of the Exit Shares is made pursuant to the terms of the shareholders’ agreements all dated 13 August 2019 entered into between SH Cogent and HexTech (with respect to the CLS Exit Shares) and between SH Cogent and the EWF Vendors (with respect to the EWF Exit Shares) which govern the parties’ shareholdings in the Target Companies respectively.

The Exit Shares shall be acquired by SH Cogent at the exit price to be determined in accordance with the formula set out in the shareholders' agreements (the "**Exit Price**"). A special audit ("**Special Audit**") will be conducted on each of the Target Companies' statement of financial position as at 30 June 2022, statement of comprehensive income and statement of changes in equity and statement of cash flows (hereinafter referred to as the "**Special Audit financial statements**") for the period commencing from 1 January 2022 to 30 June 2022. As applicable, the cumulative net profit after tax or cumulative net loss after tax figure for the purposes of determining the Exit Price for each of the Target Companies' Exit Shares will be based on the information derived from their respective information as follows:

- (a) the audited financial statements for the period from 1 April 2019 to 31 December 2021 of each Target Company; and
- (b) the Special Audit report on each Target Companies' Special Audit financial statements prepared for the period from 1 January 2022 to 30 June 2022.

The Company will make an announcement when the Exit Price is determined.

The Exit Shares shall be acquired with good title and free from all claims or encumbrances and with all attached or accrued rights and entitlements as at the completion of the sale and purchase of the Exit Shares.

Completion of the sale and purchase of the Exit Shares shall take place on a day falling the 30th business day after the date of the buy-out notice or such other day as may be mutually agreed between the parties.

The Company will make further announcement(s) as and when there are material developments in relation to the proposed acquisition of the Exit Shares.

By Order of the Board

COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD.

Zhu Jiandong
Chairman and President
29 July 2022