

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Seacon Shipping Group Holdings Limited

洲際船務集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2409)

DISCLOSEABLE TRANSACTION FORMATION OF JOINT VENTURE

FORMATION OF JOINT VENTURE

The Board announces that on 19 June 2024 (after trading hours of the Stock Exchange), Shanghai Seacon, an indirect wholly-owned subsidiary of the Company, entered into an Agreement in relation to the JV Formation with Tianjin COSCO and DFTP-PICI, of which both are independent third parties.

Pursuant to the terms of the Agreement, the registered capital of the Joint Venture shall be RMB220 million, of which Shanghai Seacon, Tianjin COSCO and DFTP-PICI shall contribute RMB99 million, RMB99 million, and RMB22 million, respectively, accounting for 45%, 45% and 10% of the registered capital respectively. Accordingly, the Joint Venture shall be owned as to 45% by Shanghai Seacon, 45% by Tianjin COSCO and 10% by DFTP-PICI upon its establishment.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the JV Formation calculated with reference to Rule 14.07 of the Listing Rules exceeds 5% but is less than 25%, the JV Formation constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

FORMATION OF JOINT VENTURE

On 19 June 2024, Shanghai Seacon entered into an Agreement in relation to the JV Formation with Tianjin COSCO and DFTP-PICI, of which both are independent third parties. The principal terms of the Agreement are as follows:

Date

19 June 2024 (after trading hours of the Stock Exchange)

Parties

- (1) Shanghai Seacon;
- (2) Tianjin COSCO; and
- (3) DFTP-PICI

Joint Venture

Tianjin Tianhui Shipping Co., Ltd.* (天津天惠船務有限公司), subject to final approval of registration

Principal scope of business

Ship operation and management

Registered capital and Capital Contribution

The Parties shall make a total capital contribution of RMB220 million, of which (i) Shanghai Seacon shall contribute in cash RMB99 million, accounting for 45% of the registered capital of the Joint Venture; (ii) Tianjin COSCO shall contribute in cash RMB99 million, accounting for 45% of the registered capital of the Joint Venture; and (iii) DFTP-PICI shall contribute in cash RMB22 million, accounting for 10% of the registered capital of the Joint Venture (the “**Capital Contribution**”). The Parties’ equity percentages in the Joint Venture shall be proportional to their respective Capital Contribution.

The Parties shall make their respective Capital Contribution within one year after the registration of the Joint Venture, subject to further negotiation and agreement among the Parties, in the following manner:

- (1) Shanghai Seacon, Tianjin COSCO and DFTP-PICI shall make initial capital contribution in the amount of RMB19.8 million, RMB19.8 million and RMB4.4 million, respectively, within 20 working days after the registration of the Joint Venture; and

- (2) the remaining Capital Contribution shall be paid in a timely manner based on the Joint Venture's business development needs in proportion to the Parties' equity interest in the Joint Venture.

The amount of Capital Contribution was determined after arm's length negotiations between the Parties with reference to the expected capital requirements and the preliminary business plan of the Joint Venture. The Capital Contribution to be made by Shanghai Seacon will be funded by internal resources of the Group.

Shareholders' meetings

Resolutions on major matters of the Joint Venture as specified shall be passed unanimously by the shareholders of the Joint Venture. Resolutions on other specified matters of the Joint Venture shall be passed by shareholders representing more than two-thirds of the voting rights of all the shareholders of the Joint Venture.

Board of directors

The board of directors shall consist of seven directors, with three directors to be nominated by Shanghai Seacon, three directors to be nominated by Tianjin COSCO, and one director to be nominated by DFTP-PICI, who shall be appointed upon election at general meeting. Each director of the Joint Venture shall have one vote.

Resolutions of the board of directors in relation to major matters of the Joint Venture as specified shall be approved unanimously by the directors of the Joint Venture. Resolutions on other specified matters shall be passed by more than two-thirds of the directors of the Joint Venture.

Supervisors

The Joint Venture shall have two supervisors. Each of Shanghai Seacon and Tianjin COSCO shall nominate one supervisor, who shall be appointed upon election at general meeting.

Distribution of profits

The Parties shall be entitled to the distributable profits of the Joint Venture according to their respective proportion of paid-up Capital Contribution.

REASONS FOR AND BENEFITS OF THE JV FORMATION

The Group is principally engaged in the provision of shipping services and ship management services.

The JV Formation, which consolidated the resources and experience of Tianjin COSCO and DFTP-PICI, plays a constructive role in scaling up the shipping and ship management services capacity, strengthening the foundation of shipping services and improving capital usage efficiency, thereby enhancing the Company's competitiveness. The Joint Venture will be principally engaged in ship operation and management. The JV Formation is expected to generate additional economic benefits to the Group and is in line with the Group's overall business strategy and interest in the long run.

Having considered the above reasons for and benefits of the JV Formation and that the Capital Commitment is in proportion to the Group's interest in the Joint Venture, the Directors believe that the JV Formation and the terms of the Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

INFORMATION ON THE PARTIES

The Company, the Group and Shanghai Seacon

The Company is an exempted company incorporated under the laws of the Cayman Islands and its Shares are listed on the Main Board of the Stock Exchange (stock code: 2409). The Group is principally engaged in the provision of shipping services and ship management services.

Shanghai Seacon, an indirect wholly-owned subsidiary of the Company, is a limited liability company incorporated in the PRC. Shanghai Seacon is principally engaged in general cargo vessel transportation.

Tianjin COSCO

Tianjin COSCO is a direct wholly-owned subsidiary of China COSCO SHIPPING Corporation Limited* (中國遠洋海運集團有限公司), which is wholly owned by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC. Tianjin COSCO is principally engaged in shipping services, ship management, investment management, hotel property management, Internet of Things technology services, new energy technology research and development and services, etc.

DFTP-PICI

DFTP-PICI is ultimately owned by the Administrative Commission of Tianjin Dongjiang Free Trade Port Zone and the State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government of the PRC. DFTP-PICI is principally engaged in finance leasing business, the provision of supply chain trade services, aviation financial services, shipping industry services, China-Europe Railway Express transportation services, physical asset management operations and equity investment business.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, both Tianjin COSCO and DFTP-PICI, and their ultimate beneficial owners are independent third parties.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the JV Formation calculated with reference to Rule 14.07 of the Listing Rules exceeds 5% but is less than 25%, the JV Formation constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Agreement”	the Agreement dated 19 June 2024 entered into between the Parties in relation to the JV Formation
“Board”	the board of Directors
“Capital Contribution”	has the meaning ascribed to it in the paragraph headed “FORMATION OF JOINT VENTURE — Registered capital and Capital Contribution”
“Company”	Seacon Shipping Group Holdings Limited (洲際船務集團控股有限公司), an exempted company incorporated under the laws of the Cayman Islands and its Shares are listed on the Main Board of the Stock Exchange (stock code: 2409)
“DFTP-PICI”	Tianjin Dongjiang Port-Industry-City Investment Group Co., Ltd.* (天津東疆港產城投資集團有限公司), a company incorporated in the PRC with limited liability
“Directors”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Joint Venture”	Tianjin Tianhui Shipping Co., Ltd.* (天津天惠船務有限公司), the company to be established pursuant to the terms of the Agreement
“JV Formation”	the formation of the Joint Venture and the relevant transactions contemplated under the Agreement

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	collectively, Shanghai Seacon, Tianjin COSCO and DFTP-PICI
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Seacon”	SHANGHAI SEACON SHIPPING CO. LTD* (上海洲際之星航運有限公司), a company incorporated in the PRC with limited liability
“Shareholders”	holders of the Shares
“Shares”	ordinary shares with a nominal or par value of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin COSCO”	COSCO Shipping (Tianjin) Co., Ltd.* (中遠海運(天津)有限公司), a company incorporated in the PRC with limited liability
“%”	per cent

By order of the Board
Seacon Shipping Group Holdings Limited
Guo Jinkui
Chairman

Hong Kong, 19 June 2024

As at the date of this announcement, the Board comprises executive Directors of Mr. Guo Jinkui, Mr. Chen Zekai, Mr. He Gang, and Mr. Zhao Yong; and independent non-executive Directors of Mr. Fu Junyuan, Ms. Zhang Xuemei, and Mr. Zhuang Wei.

* *for identification purposes only*