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**中國外運**

**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: 00598)**

**DISCLOSEABLE TRANSACTION**  
**DISPOSAL OF 25% EQUITY INTERESTS OF LOSCAM INTERNATIONAL**

**THE DISPOSAL**

The Board hereby announces that on 26 June 2025, China Merchants Shipping (an indirect wholly-owned subsidiary of the Company), CITIC Capital Maneuver, FV Pallet, the Purchaser and Loscam International entered into the Share Purchase Agreement, pursuant to which the Purchaser conditionally agreed to acquire, and China Merchants Shipping, CITIC Capital Maneuver and FV Pallet conditionally agreed to sell 25%, 3% and 2% equity interests in Loscam International held by them, respectively. In particular, the consideration for the 25% equity interests sold by China Merchants Shipping is US\$472.1625 million (approximately RMB3,381.6278 million). As at the date of this announcement, the Company indirectly holds 45% equity interests in Loscam International through China Merchants Shipping, which is an associate of the Company; upon completion of the Disposal, the Company will indirectly hold 20% equity interests in Loscam International through China Merchants Shipping, which will continue to be an associate of the Company.

**IMPLICATIONS UNDER THE HONG KONG LISTING RULES**

As the highest of the applicable percentage ratios in respect of the Disposal is more than 5% but less than 25%, the Disposal is subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

None of the Directors has any material interest in the Disposal, and accordingly, none of them was required to and did abstain from voting in respect of the relevant Board resolutions in accordance with the Hong Kong Listing Rules.

## BACKGROUND

The Board hereby announces that on 26 June 2025, China Merchants Shipping (an indirect wholly-owned subsidiary of the Company), CITIC Capital Maneuver, FV Pallet, the Purchaser and Loscam International entered into the Share Purchase Agreement, pursuant to which the Purchaser conditionally agreed to acquire, and China Merchants Shipping, CITIC Capital Maneuver and FV Pallet conditionally agreed to sell 25%, 3% and 2% equity interests in Loscam International held by them, respectively. In particular, the consideration for the 25% equity interests sold by China Merchants Shipping is US\$472.1625 million (approximately RMB3,381.6278 million). As at the date of this announcement, the Company indirectly holds 45% equity interests in Loscam International through China Merchants Shipping, which is an associate of the Company; upon completion of the Disposal, the Company will indirectly hold 20% equity interests in Loscam International through China Merchants Shipping, which will continue to be an associate of the Company.

## THE SHARE PURCHASE AGREEMENT

The principal terms of the Share Purchase Agreement are set out below:

<b>Date:</b>	26 June 2025
<b>Parties:</b>	<ul style="list-style-type: none"><li>(1) China Merchants Shipping (holds 45% equity interests in Loscam International as at the date of this announcement);</li><li>(2) CITIC Capital Maneuver (holds 33% equity interests in Loscam International as at the date of this announcement);</li><li>(3) FV Pallet (holds 22% equity interests in Loscam International as at the date of this announcement);</li><li>(4) The Purchaser; and</li><li>(5) Loscam International.</li></ul>
<b>Subject matter:</b>	Pursuant to the Share Purchase Agreement, the Purchaser conditionally agreed to acquire, and China Merchants Shipping, CITIC Capital Maneuver and FV Pallet conditionally agreed to sell 25%, 3% and 2% equity interests in Loscam International held by them, respectively.

**Consideration, basis of determination and payment:**

The total consideration for the Sale Shares is US\$566.5950 million (approximately RMB4,057.9534 million) (the “**Total Consideration**”). In accordance with the respective proportion of each of the Vendors in the Sale Shares, the consideration for the Sale Shares of China Merchants Shipping, CITIC Capital Maneuver and FV Pallet is US\$472.1625 million (approximately RMB3,381.6278 million), US\$56.6595 million (approximately RMB405.7953 million) and US\$37.7730 million (approximately RMB270.5302 million), respectively.

The consideration for the Sale Shares under the Share Purchase Agreement was determined after arm’s-length negotiation by the parties, with reference to the appraised value of the entire shareholders’ equity interests of Loscam International as at 31 December 2024 (the “**Valuation Benchmark Date**”) (i.e., approximately RMB11.8 billion) as set out in the valuation report (the “**Valuation Report**”) issued using the market approach by an independent and qualified valuer, Vocation (Beijing) International Asset Appraisal Co., Ltd. (the “**Valuer**”), and taking into account, among other things, a number of factors including the overall financial and business performance, business quality and expected growth of Loscam International.

The aforesaid appraised value shall be subject to the final filed valuation report. The Company will fulfill its obligations for further disclosure in accordance with the applicable requirements under the Hong Kong Listing Rules (if necessary).

The Purchaser shall pay the Total Consideration at the time of Completion. If any Leakage occurs during the period from 31 March 2025 (exclusive) to the Completion Date (as defined below) (inclusive), subject to the relevant Vendors and the Purchaser agreeing in writing prior to the Completion that such Leakage has occurred and the amount of such Leakage, the consideration payable by the Purchaser to the relevant Vendor at Completion shall be correspondingly reduced by 30% of the amount of such Leakage. If the amount of Leakage is not deducted at Completion, the relevant Vendor shall pay 30% of the amount of such Leakage to the Purchaser on demand after Completion.

**Effectiveness:**

The Share Purchase Agreement shall take effect upon the later of:

- (1) the execution of the Share Purchase Agreement by all of the parties;
- (2) the completion of all necessary evaluation and registration procedures by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC (or its competent counterpart) in respect of the consideration of the Sale Shares by China Merchants Shipping; and
- (3) the requisite internal approval of the Company having been obtained.

**Conditions precedent:**

Under the Share Purchase Agreement, Completion shall be subject to the satisfaction of the following conditions precedent:

- (1) all relevant time limits or waiting periods under all relevant national merger control rules or antitrust, competition or similar legislation have expired without any decision having been made to investigate the Disposal further, or confirmation having been received in writing from the competent competition authorities (including the Australian Competition and Consumer Commission, the European Commission of the European Union and the State Administration for Market Regulation of the PRC), that:
  - (i) the Disposal does not qualify for notification or investigation under any relevant merger control rules or antitrust, competition or similar legislation; or
  - (ii) the competition authorities do not intend to conduct a public review of the Disposal, or have no objection to, and do not intend to take any action to prevent or oppose the Disposal; or
  - (iii) the Disposal has been cleared under all relevant merger control rules or antitrust, competition or similar legislation, with clearance being either unconditional or subject only to conditions which are reasonably acceptable to the Purchaser,

and antitrust clearances required from the competition authorities for the lawful completion of the Disposal remain valid and effective as at Completion;

- (2) the Treasurer of the Commonwealth of Australia (or its delegate) has either:
- (i) provided written notice that there is no objection under the Foreign Acquisitions and Takeovers Act 1975 (Cth) to the proposed acquisition by the Purchaser of the Sale Shares, with the notice of no objection being either unconditional or subject only to conditions which are reasonably acceptable to the Purchaser; or
  - (ii) become precluded from exercising any power to make an order under Division 2 of Part 3 of the Foreign Acquisitions and Takeovers Act 1975 (Cth) in relation to the proposed acquisition by the Purchaser of the Sale Shares and the relevant period referred to in section 82(2)(a) or section 82(2)(b) (as applicable) of the Foreign Acquisitions and Takeovers Act 1975 (Cth) has ended;

((1) and (2) together, the “**Regulatory Conditions**”)

- (3) no authority having enacted, issued, promulgated or enforced and formally published any new law after the date of the Share Purchase Agreement which has the effect of making the Disposal illegal or prohibiting the consummation of the Disposal;
- (4) each of the fundamental warranties made by the Vendors under the Share Purchase Agreement shall be true and accurate as at the date of the Share Purchase Agreement and when repeated as at the Completion Date;
- (5) the Debt Financing having been consummated, and a total amount of not less than US\$740 million having been deposited by Loscam International or its subsidiary into the designated account (the “**Financing Condition**”), which will be used for a dividend distribution to all shareholders of Loscam International with the total amount of US\$740 million upon completion of the Disposal, and China Merchants Shipping will receive a dividend of US\$148 million (approximately RMB1.06 billion) through the 20% equity interests held by it after Completion;
- (6) Completion of the sale and purchase of each Vendor’s Sale Shares having taken place concurrently.

The conditions precedent set out in (4) and (5) above may be waived in whole or in part by the Purchaser at any time by written notice to the Vendors; other conditions precedent may not be waived in whole or in part without the prior written consent of each Vendor and the Purchaser.

If the conditions precedent are not satisfied by 5:00 p.m. on the Long Stop Date or such later time and date as may be agreed in writing by the Vendors and the Purchaser, any party (other than a party whose breach of any of its representations, warranties, agreements or covenants under the Share Purchase Agreement and such breach is the primary cause of the failure of any of the conditions precedent to be satisfied by the Long Stop Date) may terminate the Share Purchase Agreement by written notice to the other parties.

**Completion:**

Completion shall take place on the following date (the “**Completion Date**”): (1) the tenth business day after the date on which all Regulatory Conditions have been satisfied (or waived in accordance with the Share Purchase Agreement); or (2) any other date agreed in writing by the Vendors and the Purchaser, subject to the other conditions precedent being or remaining satisfied or waived at Completion.

On the same date, the Purchaser, China Merchants Shipping, CITIC Capital Maneuver, FV Pallet and Loscam International entered into a shareholders’ agreement, pursuant to which, upon completion of the Disposal, the board of directors of Loscam International will comprise five directors, among them, each of the Purchaser, China Merchants Shipping, CITIC Capital Maneuver and FV Pallet shall have the right to appoint one (1) director, and the Purchaser and CITIC Capital Maneuver shall have the right to jointly appoint one (1) director. The senior management of Loscam International shall be appointed and removed by its board of directors.

## **FURTHER DESCRIPTION OF THE VALUATION REPORT**

### **(1) Reason for adoption of the market approach**

Given that the purpose of this valuation is for the transfer of equity interests, and the data obtained from the market approach is based on intuitive market data, which is more objective and comprehensive in reflecting the investment value of the valued unit, the Valuer has selected the valuation results using the market approach as the valuation conclusion of the Valuation Report. As at the Valuation Benchmark Date, the value of total shareholders' equity interests of Loscam International adopting the market approach amounted to approximately RMB11.8 billion. The valuation conclusion is valid for one year from the Valuation Benchmark Date to 30 December 2025.

### **(2) Assumptions adopted in the market approach valuation**

#### ***Basic assumptions***

#### **(i) Transaction assumption**

The transaction assumption is based on the premise that the valuation subject and the assets and liabilities within the scope of the valuation are already involved in a transaction. The Valuer will carry out the valuation in a simulated market based on the transaction conditions. The transaction assumption is the most fundamental prerequisite for the valuation to take place.

#### **(ii) Open market assumption**

The open market assumption is based on the premise that assets currently traded or intended for trade in the market involve parties that are in an equal position. Both parties have the opportunity and time to access sufficient market information, allowing them to make informed judgments regarding the assets' functions, uses and transaction prices. The open market assumption is based on the assumption that assets are publicly tradable in the market.

(iii) Continuous use of assets assumption

The continuous use of assets assumption refers to that the valuation method, parameters and basis should be determined according to the current use, mode of use, scale, frequency, environment and other conditions of the assets to be appraised, or on the basis of changes.

(iv) Going concern assumption

The going concern assumption refers to the premise that the valued unit will continue its operations and that its methods of operation will remain consistent with the current practices.

***General assumptions***

- (i) It is assumed that after the Valuation Benchmark Date, there will be no significant changes in the political, economic, social and other macro environments that could affect Loscam International and its operating environment;
- (ii) Except for the laws and regulations that have been promulgated by the government as at the Valuation Benchmark Date and have not yet been implemented and affect Loscam International's operations, it is assumed that there will be no significant changes in laws and regulations relevant to the operations of Loscam International during the income period;
- (iii) It is assumed that changes in exchange rates, interest rates, taxes, inflation and other factors related to Loscam International's operations as at the Valuation Benchmark Date will not significantly affect its operational performance during the income period;
- (iv) It is assumed that no force majeure or unforeseeable events that could affect the operations of Loscam International will occur after the Valuation Benchmark Date;
- (v) It is assumed that Loscam International and its assets will continue to be operated and utilized in the future income period;
- (vi) It is assumed that the accounting policies adopted by Loscam International in the future income period will be consistent, continuous and comparable in material respects as at the Valuation Benchmark Date;
- (vii) It is assumed that the operations of Loscam International are in compliance with all applicable national laws and regulations and are not unlawful in the future income period;



- (viii) It is assumed that the operators of Loscam International are responsible and the management team is capable of fulfilling its duties; there will be no significant changes affecting operations among the key management and technical personnel of Loscam International in the future income period based on the conditions as at the Valuation Benchmark Date; the management team remains stable; and there are no significant changes in the management system that could affect its operations;
- (ix) It is assumed that the materials provided by the client and Loscam International are true, complete and reliable, and there are no other defects or contingencies that may affect the valuation conclusion that should have been provided but have not been provided, and that the Valuer has performed the necessary valuation procedures but is still unable to know;
- (x) It is assumed that there will be no lawsuits, mortgages, guarantees or other issues that could significantly affect the operating performance of Loscam International in the future income period.

***Specific assumptions***

- (i) Except for the fixed assets investments for which there is definite evidence as at the Valuation Benchmark Date showing that the production capacity will change subsequently, it is assumed that Loscam International will not make significant investment activities on fixed assets that will affect its operations in the future income period;
- (ii) The impact on its value of the external equity investments made by Loscam International following the Valuation Benchmark Date is not considered for this valuation;
- (iii) It is assumed that the amount of the taxable income of Loscam International will be generally consistent with the amount of its profits in the future income period and that there are no adjustment events based on material perpetual difference or time difference;
- (iv) It is assumed that the turnover status of accounts receivable and accounts payable of Loscam International in the future income period will remain similar to that in the historical years and that there will be no defaults on payment for goods that are materially different from the historical years;
- (v) It is assumed that Loscam International will have steady cash inflows and cash outflows in the future income period and there will not be a concentration of income recognition at one point in the year.

### **(3) Specific process of market approach valuation**

#### ***Selection of comparable companies and value ratios***

Taking into account the logistics and packaging industry in which Loscam International operates, its business structure, business model, enterprise scale, asset allocation and utilization, operating stage, growth, operating risks, financial risks and other factors, the Valuer determined the following criteria for the selection of comparable listed companies:

- (i) Listed for more than three years up to the Valuation Benchmark Date;
- (ii) No recent suspension of trading, major asset restructuring, and unusual stock price fluctuations;
- (iii) Revenue and profit structure similar to that of Loscam International's products;
- (iv) Comparable enterprise scale: Loscam International is comparable in terms of enterprise scale to comparable companies;
- (v) Comparable growth: Loscam International is comparable in terms of future growth to comparable companies;
- (vi) Comparable financial risks;
- (vii) Similar business model;
- (viii) Similar resource allocation and utilization;
- (ix) Similar operating stage (start-up, growth, mature and decline stages); and
- (x) Similar operating risks.

Based on the above selection criteria, the Valuer has obtained an exhaustive list of comparable companies that meet the above criteria on a best effort basis, and identified three comparable companies. In view of the differences in the main business, operating regions and asset structure between these comparable companies and Loscam International, and the need to exclude the impact of external borrowings, depreciation and amortization, and taxes, etc., the Valuer has selected the EV/EBITDA ratio as the comparable value ratio, which has been modified accordingly based on the indicators of profitability, solvency, operating capabilities, scale, and growth capabilities of comparable companies. Details of the modified EV/EBITDA ratios of the comparable companies as at the Valuation Benchmark Date are as follows:

*Unit: US\$'000*

<b>Items</b>	<b>Brambles Limited (Stock Code: BXB.ASX)</b>	<b>RB Global, Inc. (Stock Code: RBA.NYSE)</b>	<b>Packaging Corporation of America (Stock Code: PKG.NYSE)</b>
120-day average share prices (US\$)	11.88	85.87	218.21
Total share capital	1,392,669,735	184,748,861	89,165,540
Market value of equity	16,545,951.43	15,864,430.88	19,456,827.47
Less: Non-operating net assets <sup>(Note)</sup>	-436,000.00	-131,083.33	-334,133.33
Value of total shareholders' equity interests (adjusted)	16,981,951.43	15,995,514.21	19,790,960.80
Add: Interest-paying liabilities	1,957,900.00	2,968,600.00	2,556,800.00
Carrying value of minority interests	0.00	10,400.00	0.00
EV	18,939,851.43	18,974,514.21	22,347,760.80
EV/EBITDA	9.09	15.10	13.48
Correction coefficient	0.8919	0.8753	0.8614
Modified EV/EBITDA ratio	8.11	13.21	11.61

*Note:* Non-operating net assets = Non-operating assets (surplus currency funds, long-term equity investments, deferred income tax assets, etc.) – Non-operating liabilities (deferred income tax liabilities, deferred income, etc.)

## **Valuation calculation**

Value of Loscam International's total equity interests = (equity value ratio x Loscam International's corresponding parameter – interest-bearing liability) x (1 – liquidity discount ratio) + non-operating, surplus assets and liabilities, net – value of minority interests

*Unit: RMB0'000*

<b>Parameters</b>	<b>Amount<sup>(Note 3)</sup></b>
EV/EBITDA ratio taken for Loscam International <sup>(Note 1)</sup>	10.98
EBITDA of Loscam International	149,531.70
EV of Loscam International	1,641,686.45
Interest-bearing liability of Loscam International	248,620.10
Liquidity discount ratio <sup>(Note 2)</sup>	11.33%
Non-operating net assets	136,402.38
Value of minority interests	189,432.90
Value of Loscam International's total shareholders' equity interests	1,182,251.92

### *Notes:*

1. EV/EBITDA ratio taken for Loscam International is the average of the modified EV/EBITDA ratios of the above three comparable companies.
2. Liquidity discount ratio represents the value discount ratio with reference to the trading price of the outstanding shares of the listed companies. In view of the fact that Loscam International is not a listed company, the Valuer has adopted the Asian Option Pricing Model to calculate the liquidity discount ratio. Upon calculation, the liquidity discount ratio for this valuation is 11.33%.
3. Any discrepancies in the amounts set out in the table herein are due to rounding.

## **(4) Opinions from the Board**

The Board has discussed with the Valuer and reviewed the Valuation Report, and has fully considered the appropriateness of the valuation method adopted by the Valuer as well as the selection criteria of the aforesaid comparable companies and the valuation assumptions. The Board is of the opinion that the valuation results are fair and reasonable.

## INFORMATION ON LOSCAM INTERNATIONAL AND FINANCIAL EFFECT OF THE DISPOSAL

Loscam International is principally engaged in the business of leasing, maintenance, cleaning, disposal of residual value, wholesale, commission agency and exports and imports services with respect to pallets, pallet cages/racks, baskets/boxes for fresh or raw goods, containers for less-than-container-load goods and accessory equipment, and the provision of consulting and technical services with respect to the pooling, sharing and returnable packaging solutions of such goods in Australia, New Zealand, Southeast Asia and Greater China regions. As at the date of this announcement, Loscam International is held as to 45% by the Company through China Merchants Shipping, an indirect wholly-owned subsidiary, and as to 33% and 22% by CITIC Capital Maneuver and FV Pallet, respectively.

According to the audited consolidated financial statements of Loscam International prepared in accordance with the International Accounting Standards, as at 31 December 2024, the audited consolidated total assets of Loscam International amounted to RMB9,860.619 million and the audited consolidated net assets amounted to RMB5,661.149 million. Set out below are the audited consolidated profits before tax and after tax of Loscam International for the two financial years ended 31 December 2024:

	<b>For the year ended 31 December 2023 RMB0'000</b>	<b>For the year ended 31 December 2024 RMB0'000</b>
Profit before tax	68,767.8	66,571.3
Profit after tax	45,830.4	47,702.7

Based on the consideration for the Disposal and the carrying value of Loscam International in the financial statements of Sinotrans as at 31 December 2024, the Group is expected to record, after deducting the associated transaction expenses, a gain of approximately RMB1.793 billion (excluding the tax effect) from the Disposal, with expected cash inflows of approximately RMB4.442 billion (including cash inflows from equity transfer of approximately RMB3.382 billion and cash inflows from dividends of approximately RMB1.06 billion). The Company intends to use the proceeds to replenish the working capital of the Group and others. The financial impact of the Disposal shall be ultimately subject to the audited financial statements of the Company.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

As at the date of this announcement, the Company indirectly holds 45% equity interests in Loscam International through China Merchants Shipping, which is an associate of the Company; upon completion of the Disposal, the Company will indirectly hold 20% equity interests in Loscam International through China Merchants Shipping, which will continue to be an associate of the Company. Through the Disposal, the Company will optimize its asset structure, revitalize and release the potential value of equity assets, and use the recovered funds for the development of the Company's core business, which will effectively promote the Company's transformation and upgrading towards its main responsibilities and business, and is in line with the long-term interests of the Company and its shareholders. In addition, the Disposal will enrich the shareholder background of Loscam International and facilitate the business stability of Loscam International.

In view of the above reasons, the Directors (including the independent non-executive Directors) consider that the terms of the Share Purchase Agreement are fair and reasonable and are on normal commercial terms or better terms. Although the Disposal, by reason of the nature, is not in the usual or ordinary course of business of the Group, it is in the interest of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE HONG KONG LISTING RULES**

As the highest of the applicable percentage ratios in respect of the Disposal is more than 5% but less than 25%, the Disposal is subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

None of the Directors has any material interest in the Disposal, and accordingly, none of them was required to and did abstain from voting in respect of the relevant Board resolutions in accordance with the Hong Kong Listing Rules.

## GENERAL

### **(1) *The Group***

The principal businesses of the Group include logistics, forwarding and related business and e-commerce business. China Merchants Group Limited (招商局集團有限公司) is the ultimate controlling Shareholder of the Company, and a wholly state-owned enterprise established under the laws of the PRC and under direct control of the State-owned Assets Supervision and Administration Commission of the State Council, which directly and indirectly holds approximately 59.20% of the issued share capital of the Company as at the date of this announcement. China Merchants Group Limited (招商局集團有限公司) is an integrated enterprise with diversified businesses. Currently, China Merchants' principal businesses are focused on transportation and logistics, comprehensive finance, real estate and industrial parks, technology and innovation industry, etc.

### **(2) *China Merchants Shipping***

China Merchants Shipping is a company incorporated in Hong Kong with limited liabilities, an indirect wholly-owned subsidiary of the Company. It is principally engaged in freight, passenger transport, warehousing, shipping agency and business investment.

### **(3) *CITIC Capital Maneuver***

CITIC Capital Maneuver is an investment holding company owned by CITIC Capital China (2018B), L.P. (a Cayman Islands exempted limited partnership) and Loscam Equity Partners Limited. CITIC Capital China (2018B), L.P. holds 98.2% of the equity interests in CITIC Capital Maneuver and Loscam Equity Partners Limited holds 1.8% of the equity interests in CITIC Capital Maneuver. For CITIC Capital China (2018B), L.P., there is not any ultimate beneficial owner holding more than 10% of its interest and CITIC Capital China (2018B), L.P. is managed by Trustar Capital Partners Limited and its affiliates (collectively, the “**Trustar Capital**”). Trustar Capital is a private equity investment company, with offices in China, Japan, and the U.S. Trustar Capital has built a global track record of investing in companies which demonstrate the potential to capitalize on the growth and productivity of the Chinese economy. Since 2002, Trustar Capital has completed over 100 investments and is currently managing approximately US\$10 billion of capital.

**(4) FV Pallet**

FV Pallet is a company incorporated under the laws of the Cayman Islands with limited liabilities, and an investment holding company held as to 98.18% and 1.82% by FV Pallet Partners, L.P. and Loscam Equity Partners Limited, respectively. The sole general partner of FV Pallet Partners, L.P. is FV Pallet Partners GP Ltd. (a subsidiary wholly owned by FountainVest China Capital Partners GP3 Ltd.). FV Pallet Partners, L.P. is held as to 86.36% by FountainVest Fund III and as to 13.64% by CPP Investment Board Private Holdings (3) Inc. FountainVest Fund III consists of FountainVest China Capital Partners Fund III, L.P. (to the best of the Directors' knowledge, CPP Investment Board (USRE IV) Inc. is the sole limited partner with over 30% interest in the partnership) and FountainVest China Capital Parallel-A Fund III, L.P. (to the best of the Directors' knowledge, Ardisia Limited is the sole limited partner with over 30% interest in the partnership), and the sole general partner of these funds is FountainVest China Capital Partners GP3 Ltd (collectively referred to as "**FountainVest**"). FountainVest is a private equity investment company founded in 2008, and has offices in Hong Kong, Shanghai, Beijing, Singapore and Frankfurt, with employees and senior advisors across Europe, Asia and North America.

**(5) Purchaser**

The Purchaser is a special purpose vehicle incorporated in Abu Dhabi Global Market, and is wholly owned by Mubadala Investment Company PJSC, a sovereign wealth fund owned by the Government of the Emirate of Abu Dhabi, through its wholly-owned subsidiary, Mamoura Diversified Global Holdings PJSC. It is principally engaged in equity investments.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, CITIC Capital Maneuver, FV Pallet and the Purchaser and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

**Completion of the transactions contemplated under the Share Purchase Agreement is conditional upon the satisfaction or, if applicable, waiver of the conditions precedent set out in such agreement. Accordingly, the transactions contemplated under the Share Purchase Agreement may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**



## DEFINITIONS

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

“Board”	the board of Directors of the Company
“China Merchants Shipping”	China Merchants Shipping and Enterprises Company Limited, a company incorporated in Hong Kong with limited liability, and an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“CITIC Capital Maneuver”	CITIC Capital Maneuver Holdings Limited, an exempted company incorporated in the Cayman Islands
“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
“Completion”	the completion of the sale and purchase of the Sale Shares contemplated under the Share Purchase Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Debt Financing”	the debt financing (excluding any revolving loan or revolving credit facility) incurred or to be incurred by Loscam International and/or one or more subsidiaries of Loscam International
“Director(s)”	the director(s) of the Company
“Disposal”	the sale and purchase of the Sale Shares contemplated under the Share Purchase Agreement
“EBITDA”	Earnings before interest, taxes, depreciation and amortization
“EV”	Enterprise value
“FV Pallet”	FV Pallet Leasing Holding Ltd. an exempted company incorporated in the Cayman Islands
“Group”	the Company and its subsidiaries

“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Leakage”	has the meaning given to it in the Share Purchase Agreement and includes, without limitation, certain payments, distributions, transfers of assets (other than at fair market value), assumption or indemnification of liabilities, forgiveness or waiver of debts, or other transfers of economic value made by Loscam International or its subsidiaries to or for the benefit of the Vendor Group, except for those expressly designated as “Permitted Leakage” under the terms of the Share Purchase Agreement
“Long Stop Date”	30 November 2025, or such other date as may be agreed in writing by the Vendors and the Purchaser, provided that if the Regulatory Conditions have been satisfied but the Financing Condition has not been satisfied by 30 November 2025, the Vendors (acting collectively) may, by written notice to the Purchaser, extend the Longstop Date to a date no later than 15 December 2025
“Loscam International”	Loscam International Holdings Co., Limited, a business company incorporated in the British Virgin Islands with limited liability
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong Special Administrative Region, Macao Special Administrative Region and Taiwan
“Purchaser”	MIC Industrial Investments 4 RSC LTD., a company incorporated in Abu Dhabi Global Market
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	comprising (i) the 25% equity interests in Loscam International held by China Merchants Shipping; (ii) the 3% equity interests in Loscam International held by CITIC Capital Maneuver; and (iii) the 2% equity interests in Loscam International held by FV Pallet

“Share Purchase Agreement”	the share purchase agreement dated 26 June 2025 entered into among China Merchants Shipping, CITIC Capital Maneuver, FV Pallet, the Purchaser and Loscam International, pursuant to which the Purchaser conditionally agreed to acquire, and China Merchants Shipping, CITIC Capital Maneuver and FV Pallet conditionally agreed to sell 25%, 3% and 2% equity interests in Loscam International held by them, respectively
“Shareholder(s)”	the shareholder(s) of the Company
“US\$”	United States dollars, the lawful currency of the United States of America
“Vendors Group”	with respect to a Vendor, such Vendor and its related parties (to the extent as agreed in the Share Purchase Agreement)
“Vendors”	collectively, China Merchants Shipping, CITIC Capital Maneuver and FV Pallet, and individually, a “Vendor”
“%”	per cent

*For the purpose of this announcement, unless otherwise indicated, conversion of US\$ into RMB is based on the exchange rate of the RMB central parity of US\$1.00 to RMB7.1620 published by the People’s Bank of China as at the date of this announcement. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at such rate or any other rate or at all on the date or dates in question or any other date.*

By Order of the Board  
**Sinotrans Limited**  
**Li Shichu**  
*Company Secretary*

Beijing, 26 June 2025

*As at the date of this announcement, the board of directors of the Company comprises Zhang Yi (Chairman), Yang Guofeng, Luo Li, Yu Zhiliang, Huang Chuanjing, Jerry Hsu, and four independent non-executive directors, namely Wang Xiaoli, Ning Yaping, Cui Xinjian and Cui Fan.*