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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)

**MAJOR TRANSACTION
EXERCISE OF OPTION TO PURCHASE A VESSEL**

Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as defined in the “Definitions” section of this circular.

A letter from the Board is set out on pages 4 to 9 of this circular.

The Company has obtained irrevocable and unconditional written approval for the exercise of Purchase Option from the Closely Allied Group. Accordingly, in accordance with Rule 14.44 of the Listing Rules, the Shareholders’ approval requirement in respect of the exercise of Purchase Option has been satisfied in lieu of a Shareholders’ general meeting of the Company. This circular is being despatched to the Shareholders for information only.

28 February 2025

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 29 October 2024
“AVIC”	AVIC Industry-Finance Holdings Co., Ltd., a company incorporated in the PRC with limited liability and listed on the Shanghai Stock Exchange (stock code: 600705)
“Bareboat Charter”	the bareboat charter dated 4 January 2022 in relation to the charter of the Vessel by the Charterer from the Owner
“Board”	the board of Directors
“Charterer”	GOLDEN BRIDGE SHIPS LIMITED, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Closely Allied Group”	a closely allied group of the Shareholders comprising Jin Qiu Holding Ltd., Jin Chun Holding Ltd. and Jovial Alliance Limited which together held 288,750,000 Shares (representing 57.75% of the issued share capital of the Company as at the Latest Practicable Date)
“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)
“Cost Balance”	approximately USD14.9 million, as reduced by the payment of fixed hire in accordance with the terms of the Bareboat Charter as at the date specified in the notice for the exercise of the Purchase Option by the Charterer
“Deed”	the deed of termination, release and reassignment dated 12 December 2024 entered into among the Owner, the Charterer, the Company and the Manager, pursuant to which the Owner agreed to release the Charterer, the Company and the Manager from their respective obligations under the Security Documents, namely the Charterer’s assignment and the Manager’s undertaking in favour of the Owner in relation to the Vessel
“Directors”	the director(s) of the Company
“Disposal”	the disposal of the Vessel by the Charterer as disclosed in the Announcement
“Group”	the Company and its subsidiaries

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	27 February 2025
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange on 29 March 2023
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Manager”	Seacon Ships Management Pte. Ltd., a private company limited by shares incorporated in Singapore and an indirect wholly-owned subsidiary of the Company
“Owner”	Bright Dictador Shipping Limited, the owner of the Vessel until the exercise of the Purchase Option
“PRC”	the People’s Republic of China
“Previous Purchase Options”	<p>(1) the purchase option granted by Bright Flora Shipping Limited to Golden River Ships Limited to purchase a vessel as disclosed in the announcement of the Company dated 27 November 2024;</p> <p>(2) the purchase option granted by Bright Rizhao Shipping Limited to Seacon Rizhao Limited to purchase a vessel, which was exercised on 15 October 2024 at a purchase option price of approximately USD3 million; and</p> <p>(3) the purchase option granted by Bright Flax Shipping Limited to Golden Lavender Limited to purchase a vessel as disclosed in the announcement of the Company dated 3 June 2024</p>
“Prospectus”	the prospectus of the Company dated 14 March 2023
“Purchase Option”	the purchase option granted by the Owner to the Charterer to purchase the Vessel under the Bareboat Charter
“Purchase Option Fee”	1.5% of the Cost Balance as at the date specified in the notice for the exercise of the Purchase Option by the Charterer
“Purchase Option Price”	approximately USD15 million
“Shareholders”	holders of the Shares

DEFINITIONS

“Shares”	ordinary shares with a nominal or par value of HK\$0.01 each in the share capital of the Company
“Singapore”	the Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United States”	the United States of America
“USD”	United States dollars, the lawful currency of the United States
“Vessel”	SEACON FUZHOU, a 36,357 gross tonnage bulk carrier built in 2019
“%”	per cent



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)

Executive Directors:

Mr. Guo Jinkui (*Chairman*)

Mr. Chen Zekai

Mr. He Gang

Mr. Zhao Yong

Registered office in the Cayman Islands:

P.O. Box 31119 Grand Pavilion

Hibiscus Way, 802 West Bay Road

Grand Cayman

KY1-1205

Cayman Islands

Independent Non-executive Directors:

Mr. Fu Junyuan

Ms. Zhang Xuemei

Mr. Zhuang Wei

Principal place of business in the PRC:

23/F, Block B, Building 3

No. 20 Zhuzhou Road

Laoshan District, Qingdao City

Shandong Province

the PRC

28 February 2025

To the Shareholders

Dear Sir/Madam,

**MAJOR TRANSACTION
EXERCISE OF OPTION TO PURCHASE A VESSEL**

I. INTRODUCTION

Reference is made to the announcement of the Company dated 12 December 2024 in relation to the exercise of Purchase Option. On 12 December 2024 (after trading hours of the Stock Exchange), the Charterer exercised the Purchase Option under the Bareboat Charter to purchase the Vessel from the Owner for a Purchase Option Price of approximately USD15 million. On the same day, the Owner, the Charterer, the Company and the Manager entered into the Deed, pursuant to which the Owner agreed to release the Charterer, the Company and the Manager from their respective obligations under the security documents, namely the Charterer's assignment of rights, earnings, insurance, compensation and the Manager's undertaking in favour of the Owner in relation to the Vessel, relating to the Bareboat Charter upon the receipt of the Purchase Option Price.

The Vessel acquired by the Charterer by exercising the Purchase Option was further delivered to the buyer in the Disposal as disclosed in the Company's Announcement.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information in relation to the exercise of the Purchase Option.

II. EXERCISE OF THE PURCHASE OPTION

The principal terms of the exercise of the Purchase Option are as follows:

Date : 12 December 2024

Parties : The Owner and the Charterer

Subject matter : The Vessel, a 36,357 gross tonnage bulk carrier built in 2019.

Set out below are the net profits (both before and after taxation) attributable to the Vessel for the years ended 31 December 2022 and 2023:

Year ended 31 December
2022 2023
*(USD in thousands,
audited)*

Net profits before and after taxation	69	182
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According to the audited consolidated financial statement of the Group for the year ended 31 December 2023, the audited book value of the Vessel as at 31 December 2023 was approximately USD22.8 million.

Consideration : The Purchase Option Price of approximately USD15 million, which was paid by the Charterer to the Owner after the Owner's delivery of the Vessel to the Charterer on the date specified in the notice for the exercise of the Purchase Option by the Charterer.

The Purchase Option Price was calculated based on the terms of the Bareboat Charter, being the aggregate of, among others, the Cost Balance, the applicable Purchase Option Fee, all unpaid sums due and payable under the existing sale and lease-back arrangement, and other costs and expenses.

LETTER FROM THE BOARD

Pursuant to the Deed, upon the Owner's receipt of the full payment of the Purchase Option Price, the chartering of the Vessel under the Bareboat Charter shall terminate, and the Owner releases the Charterer, Company and Manager from their respective obligations under the security documents, namely the Charterer's assignment and the Manager's undertaking in favour of the Owner with respect to the Vessel, in relation to the Bareboat Charter.

The Company was of the view that it is not necessary to negotiate for any adjustment regarding the Purchase Option Price as determined based on the terms in relation to the calculation of the Purchase Option Price in the Bareboat Charter taking into account (1) the purchase price of USD31,830,000 offered by the relevant buyer for the Vessel in the Disposal, (2) the price of recently reported sale of second hand bulk carriers with similar size and year of build conducted in the market, by reference to market intelligence the Company has gathered from shipbrokers and its own analysis of recently concluded sale and purchase transactions of vessels of comparable size and year of built in the market with prices in the range of approximately USD30,500,000 to USD31,000,000.

III. REASONS FOR AND BENEFITS OF THE EXERCISE OF PURCHASE OPTION

As disclosed in the Announcement, the Charterer intended to dispose of the Vessel to the relevant buyer in the Disposal. The Vessel acquired by the Charterer by exercising the Purchase Option was further delivered to the buyer in the Disposal.

The Disposal of the Vessel is in line with the ongoing strategy of the Group to optimize its vessel fleet by maintaining a well-balanced portfolio of the vessel fleet. The Directors consider that the Disposal represents an opportunity to dispose of the Vessel at a reasonable price, which will enable the Group to enhance its working capital position, further strengthen its liquidity, and provide funding for the acquisition of new vessels to optimize the Group's fleet portfolio. The Company will continuously review the prevailing market conditions of the shipping industry and monitor and adjust the Group's fleet profile as appropriate.

In light of the above, the Directors believe that the terms of the exercise of the Purchase Option and the transaction contemplated under the Deed are fair and reasonable and in the interests of the Shareholders as a whole.

IV. INFORMATION ON THE PARTIES

The Company, the Group and the Charterer

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.

The Charterer is a company incorporated in Hong Kong, which is an indirect wholly-owned subsidiary of the Company. It is principally engaged in vessel holding and the provision of chartering services.

The Owner

The Owner is a company incorporated according to the laws of the Republic of Marshall Islands, which is principally engaged in leasing business. It is a wholly owned subsidiary of AVIC, a company listed on the Shanghai Stock Exchange (stock code: 600705) whose largest shareholder is a state-owned enterprise.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Owner and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

V. FINANCIAL EFFECT OF THE EXERCISE OF PURCHASE OPTION

The Group purchased the Vessel in 2021 and recognized it as property, plant, and equipment in the Group's consolidated balance sheet. The Group had subsequently entered into a memorandum of agreement and the Bareboat Charter with the Owner and put the Vessel under a sale and lease-back arrangement with the Group's entitlement to the Purchase Option. Under the sale and lease-back arrangement, the Vessel had not been derecognised while the consideration received from the Owner was recognised as a borrowing in the consolidated balance sheet of the Group.

The Vessel acquired by the Charterer by exercising the Purchase Option was further delivered to the buyer in the Disposal as disclosed in the Announcement.

When the Group exercised the Purchase Option as stipulated under the Bareboat Charter but before the Vessel was further delivered to the buyer in the Disposal, as permitted under the Bareboat Charter, it was a transaction to the Group repaying the borrowing and obtaining back the legal title of the Vessel. The overall financial effect on the Group's consolidated balance sheet immediately before the Disposal would result in a decrease in borrowings and decrease in cash and cash equivalents, representing the repayment of the outstanding balance of the borrowing and Purchase Option Fee in cash.

For the illustrative pro forma effects to the statement of assets and liabilities of the Group in relation to the exercise of the Purchase Option and the Disposal, please refer to Appendix III for details.

LETTER FROM THE BOARD

VI. LISTING RULES IMPLICATIONS

Since the exercises of the Purchase Option and the Previous Purchase Options involved the acquisition of vessels from the respective owners, which are all wholly owned subsidiaries of AVIC, the acquisition of the vessels pursuant to the exercises of the Purchase Option and the Previous Purchase Options shall be aggregated pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio in respect of the exercise of Purchase Option calculated with reference to Rule 14.07 of the Listing Rules, when aggregated with the exercise of the Previous Purchase Options, exceeds 25% but is less than 100%, the exercise of the Purchase Option constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, no Shareholder has a material interest in the exercise of Purchase Option. As such, no Shareholder is required to abstain from voting if a general meeting of the Company is to be convened for the approval of the exercise of Purchase Option. The Company has obtained an irrevocable and unconditional written approval for the exercise of Purchase Option from the Closely Allied Group who together held 288,750,000 Shares (representing 57.75% of the issued share capital of the Company as at the Latest Practicable Date). The Closely Allied Group comprises the following Shareholders:

Name of the Shareholders	Number of Shares interested	Percentage of shareholding
Jin Qiu Holding Ltd. ^(Note 1)	247,500,000	49.5%
Jin Chun Holding Ltd. ^(Note 2)	11,250,000	2.25%
Jovial Alliance Limited ^(Note 2)	30,000,000	6.0%

Notes:

1. The entire share capital of Jin Qiu Holding Ltd. is held by Shining Friends Limited, which is wholly-owned by Tricor Equity Trustee Limited, the trustee of The J&Y Trust, which was established by Mr. Guo Jinkui (as the settlor and protector) as a discretionary trust for the benefit of himself and his family members.
2. Both Jin Chun Holding Ltd. and Jovial Alliance Limited are directly wholly-owned by Mr. Guo Jinkui.

Accordingly, in accordance with Rule 14.44 of the Listing Rules, the Shareholders' approval requirement in respect of the exercise of Purchase Option has been satisfied in lieu of a Shareholders' general meeting of the Company.

LETTER FROM THE BOARD

VII. RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the view that the terms of the exercise of Purchase Option are fair and reasonable and in the interests of the Shareholders as a whole.

The Company has obtained irrevocable and unconditional written approval for the exercise of Purchase Option from the Closely Allied Group. Accordingly, in accordance with Rule 14.44 of the Listing Rules, the Shareholders' approval requirement in respect of the exercise of Purchase Option has been satisfied in lieu of a Shareholders' general meeting of the Company.

Nonetheless, the Directors would recommend the Shareholders to vote in favour of the resolutions approving the exercise of Purchase Option if a general meeting were to be convened by the Company.

VIII. GENERAL

Your attention is drawn to the information set out in the appendices to this circular.

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

1. FINANCIAL SUMMARY

Details of the financial information of the Group for each of the three years ended 31 December 2021, 2022 and 2023 were disclosed in the following documents which have been published on both the website of the Company (www.seacon.com) and the website of the Stock Exchange (www.hkexnews.hk) as follows:

- the accountant's report of the Group for the year ended 31 December 2021 as set out in Appendix I to the Prospectus (pages I-4 to I-104)
(available on <https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0314/2023031400009.pdf>)
- the annual report of the Group for the year ended 31 December 2022 published on 28 April 2023 (pages 70 to 163)
(available on <https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0428/2023042800027.pdf>)
- the annual report of the Group for the year ended 31 December 2023 published on 26 April 2024 (pages 70 to 165)
(available on <https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0426/2024042603651.pdf>)

2. STATEMENT OF INDEBTEDNESS OF THE GROUP

As at the close of business on 31 December 2024, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this circular, the Group had the following indebtedness:

	<i>Notes</i>	<i>USD'000</i> <i>(Unaudited)</i>
Short-term borrowings	1	
— Unsecured		<u>10,018</u>
Non-current portion of long-term borrowings	1	
— Secured		238,165
— Unsecured		<u>46</u>
<i>Sub-total</i>		<u>238,211</u>
Current portion of long-term borrowings	1	
— Secured		20,517
— Unsecured		<u>10</u>
<i>Sub-total</i>		<u>20,527</u>
Lease liabilities	2	
— Current		14,399
— Non-current		<u>34,954</u>
<i>Sub-total</i>		<u>49,353</u>

	<i>Notes</i>	<i>USD'000</i> <i>(Unaudited)</i>
Guarantees	3	
Joint venture and associates		<u>363,876</u>
Total		<u>681,985</u>

Notes:

1. As at 31 December 2024, the Group had an aggregate outstanding borrowing of approximately USD268,756,000 comprising (a) outstanding borrowings of approximately USD258,682,000 which are secured by vessels; and (b) outstanding borrowings of approximately USD10,074,000 which are unsecured.
2. As at 31 December 2024, the Group had lease liabilities of approximately USD46,052,000 and USD3,301,000 in respect of vessels and buildings.
3. As at 31 December 2024, the Group had an aggregate counter security of approximately USD140,239,000 on the guarantees. The remaining indebtedness above was unguaranteed as at 31 December 2024.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables, the Group did not have at the close of business on 31 December 2024 any other debt securities issued and outstanding, authorised or otherwise created but unissued, bank overdrafts and liabilities under acceptances or acceptance credits, mortgages, charges, hire purchase commitments, contingent liabilities or guarantees.

3. MATERIAL ADVERSE CHANGE

The Directors confirm that, as at the Latest Practicable Date, there was no material adverse change in the financial or trading position of the Group since 31 December 2023, being the date to which the latest published audited consolidated accounts of the Group were made up.

4. SUFFICIENCY OF WORKING CAPITAL

As at the Latest Practicable Date, the Group has commenced negotiations with finance lease companies for entering into finance lease arrangements for nine other vessels for an estimated total consideration of USD58,030,400 (the “**Ongoing Arrangements**”). The Directors are of the opinion that the Group will be able to obtain such financing from the relevant finance lease companies and generate sufficient cash inflow from the sale of the nine other vessels to the finance lease companies under the said finance lease arrangements.

Taking into account the exercise of Purchase Option, the abovementioned Ongoing Arrangements and the financial resources available to the Group, including cash flow from operating activities, cash and cash equivalents, bank borrowings and finance lease

arrangements normally available to the Group's vessels, the Directors, after due and careful consideration, are of the opinion that the working capital available to the Group is sufficient for the Group's requirements for at least 12 months from the date of this circular.

The Company has obtained the relevant letter as required under Rule 14.66(12) of the Listing Rules.

5. FINANCIAL AND TRADING PROSPECT OF THE GROUP FOLLOWING THE EXERCISE OF PURCHASE OPTION

In 2023, the Group has achieved a new milestone with the successful Listing. In the future, the Group will leverage its access to the capital market to actively expand and optimize its vessel fleet, set up new offices in strategic locations and expand its current ship management operations, adopting digital technologies and implementing advanced information technology in its business operations, with a view to creating long-term value for the Shareholders.

As disclosed in the Announcement, the Charterer intended to dispose of the Vessel to the relevant buyer in the Disposal. The Vessel acquired by the Charterer by exercising the Purchase Option was further delivered to the buyer in the Disposal. As detailed in the section headed "III. Reasons for and benefits of the exercise of Purchase Option" in the letter from the Board contained in this circular, the Board considers that the Disposal of the Vessel is in line with the ongoing strategy of the Group to optimize its vessel fleet by maintaining a well-balanced portfolio of the vessel fleet. The Directors consider that the Disposal represents an opportunity to dispose of the Vessel at a reasonable price, which will enable the Group to enhance its working capital position, further strengthen its liquidity, and provide funding for the acquisition of new vessels to optimize the Group's fleet portfolio. The Company will continuously review the prevailing market conditions of the shipping industry and monitor and adjust the Group's fleet profile as appropriate.

In light of the above, the Directors believe that the terms of the exercise of the Purchase Option and the transaction contemplated under the Deed are fair and reasonable and in the interests of the Shareholders as a whole.

As disclosed in the interim report of the Company for the six months ended 30 June 2024, following the Listing, the Group has been actively harnessing the international capital to expand controlled vessel fleet and chartered-in vessel fleet with light and heavy assets. During the six months ended 30 June 2024, the Group has launched two new vessels, together with the joint acquisition of two chemical tanker with a combined weight carrying capacity of 11,650 dwt during the period and one chemical tanker with 7,474 dwt acquired under a bareboat, the combined weight carrying capacity reached 1.45 million dwt, an increase of 9.8% of weight carrying capacity as compared with that as of 30 June 2023. Meanwhile, the Group has been also actively expanding its fleet coverage. As at 30 June 2024, the Group expected to add 26 vessels successively from the second half of 2024 to 2027, including 11 bulk carriers, 11 chemical tankers, and 4 MR product oil tankers, which were expected to increase the combined weight carrying capacity by an additional 940,000 dwt. With the overall enhancement of the Group's shipping service capacity, the Group expects its financial results to remain solid growth in the short term.

Meanwhile, the operation of new vessels will bring more opportunities for replacing old vessels. The Group has been dedicated to capturing the cyclical nature of the industry and release capital values at market highs to lift its asset return. Following the successful disposal of three vessels, the Group has recorded sales proceeds (after tax and expenses) of approximately USD16.0 million during the six months ended 30 June 2024. Subsequent to the six months ended 30 June 2024, the Group also continued to implement its vessel replacement plan to optimize its fleet size and improve working capital liquidity. Through its regular vessel investment activities, the Group will continue to seize opportunities to generate additional financial gains on the basis of stable businesses. As the Group streamlines and upgrades its vessel fleet, the Group will capture larger market share with vessels that meet the updated international standard and have greater advantages in oil consumption and carbon tax expenses.

Following the exercise of the Purchase Option, the Group will continue its principal business of the provision of shipping services and ship management services. The Directors expect that the Group's financial position remains strong and the Group's steady growth will be maintained.

UNAUDITED PROFIT AND LOSS STATEMENTS OF THE VESSEL

In accordance with Rule 14.69(4)(b)(i) of the Listing Rules, the Company is required to include in this Circular a profit and loss statement on the identifiable net income stream (the “**Identifiable Net Income Stream**”) in relation to the Vessel for the three preceding financial years, referring to the years ended 31 December 2022, 2023 and 2024, which are compiled and derived from the accounting records of the Vessel which are prepared using accounting policies consistent with those of the Group. In the opinion of the Directors, the Identifiable Net Income Stream of the Vessel set out below has been properly compiled and derived from the underlying books and records of the Vessel and prepared in accordance with the accounting policies consistent with those of the Group.

The unaudited profit and loss statements (the “**Unaudited Profit and Loss Statements**”) on the Identifiable Net Income Stream of the Vessel for the years ended 31 December 2022, 2023 and 2024 prepared by the Directors based on the information provided by the Group are set out below:

	2024	2023	2022
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
Revenue	4,268	4,564	4,281
Cost of sales	(2,538)	(2,664)	(3,037)
Selling, general and administrative expenses	(144)	(153)	(119)
Finance costs	<u>(1,558)</u>	<u>(1,565)</u>	<u>(1,056)</u>
Profit for the year	<u>28</u>	<u>182</u>	<u>69</u>

In accordance with paragraph 14.69(4)(b)(i) of the Listing Rules, the Directors engaged PricewaterhouseCoopers, the auditor of the Company, to perform certain agreed upon procedures on the compilation of the Unaudited Profit and Loss Statements on the Identifiable Net Income Stream of the Vessel for the years ended 31 December 2022, 2023 and 2024 as shown above in accordance with Hong Kong Standard on Related Services 4400 (Revised) “Agreed-Upon Procedures Engagements” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has compared the amounts shown on the Unaudited Profit and Loss Statements to the corresponding amounts in the underlying books and records of the Vessel and reported its findings based on the agreed-upon procedures to the Directors of the Company.

The work performed by the auditor in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the auditor on the Unaudited Profit and Loss Statements.

Pursuant to the terms of the relevant engagement letter between the Company and the auditor, the reported factual findings should not be used or relied upon by any other parties for any purposes. In the opinion of the Directors, the Unaudited Profit and Loss Statements has been properly compiled and derived from the underlying books and records of the Vessel.

I. UNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE GROUP**Introduction**

The following is the unaudited pro forma financial information of the Company and its subsidiaries (collectively the “**Group**”), comprising the unaudited pro forma consolidated statement of assets and liabilities as at 30 June 2024 and related notes (collectively, the “Unaudited Pro Forma Financial Information”) in connection with the Group exercising the Purchase Option under the Bareboat Charter via the Charterer, to acquire the Vessel from the Owner (the “**Acquisition**”) which was further delivered to the buyer in the disposal of the Vessel (the “**Disposal**”) as disclosed in the Company’s Announcement.

The Unaudited Pro Forma Financial Information is prepared based on the unaudited condensed consolidated balance sheet of the Group as at 30 June 2024, which was extracted from the published interim report of the Group for the six months ended 30 June 2024, after making pro forma adjustments as summarised in the accompanying notes attributable to the Acquisition and the Disposal, as if they had been completed on 30 June 2024.

The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company in accordance with paragraph 4.29(7) of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited for illustrative purposes only, and is based on a number of assumptions, estimates, uncertainties and currently available information. Accordingly, the Unaudited Pro Forma Financial Information does not purport to describe the actual financial position of the Group that would have been attained had the Acquisition and the Disposal been completed on 30 June 2024 nor purport to predict the Group’s future financial position.

The Unaudited Pro Forma Financial Information of the Group should be read in conjunction with the interim financial information of the Group as set out in the published interim report of the Company for the six months ended 30 June 2024 and other financial information included elsewhere in this circular.

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF ASSETS AND
LIABILITIES OF THE GROUP AS AT 30 JUNE 2024

	Unaudited consolidated statement of assets and liabilities of the Group as at 30 June 2024 US\$'000 (Note i)	Pro forma adjustments			Pro forma consolidated statement of assets and liabilities of the Group total US\$'000
		US\$'000 (Note ii)	US\$'000 (Note iii)		
Assets					
Non-current assets					
Property, plant and equipment	328,459	—	(22,246)		306,213
Right-of-use assets	51,545	—	—		51,545
Intangible assets	216	—	—		216
Interests in associates and joint ventures	12,172	—	—		12,172
Other non-current assets	<u>70,656</u>	—	—		<u>70,656</u>
	<u>463,048</u>	—	(22,246)		<u>440,802</u>
Current assets					
Financial assets at fair value through profit or loss	500	—	—		500
Inventories	5,983	—	—		5,983
Prepayment and other current assets	4,676	—	—		4,676
Trade and other receivables	34,554	—	—		34,554
Restricted bank deposits	249	—	—		249
Cash and cash equivalents	<u>44,090</u>	(15,814)	31,696		<u>59,972</u>
	<u>90,052</u>	(15,814)	31,696		<u>105,934</u>
Assets classified as held for sale	<u>36,610</u>	—	—		<u>36,610</u>
	<u>126,662</u>	(15,814)	31,696		<u>142,544</u>
Total assets	<u>589,710</u>	(15,814)	9,450		<u>583,346</u>
Liabilities					
Non-current liabilities					
Borrowings	239,545	(13,548)	—		225,997
Lease liabilities	35,709	—	—		35,709
Other non-current liabilities	<u>640</u>	—	—		<u>640</u>
	<u>275,894</u>	(13,548)	—		<u>262,346</u>

	Unaudited consolidated statement of assets and liabilities of the Group as at 30 June 2024 US\$'000 (Note i)	Pro forma adjustments US\$'000 (Note ii) US\$'000 (Note iii)		Pro forma consolidated statement of assets and liabilities of the Group total US\$'000
Current liabilities				
Advances and contract liabilities	3,187	—	—	3,187
Trade and other payables	48,559	—	—	48,559
Current tax liabilities	1,891	—	—	1,891
Borrowings	34,597	(2,032)	—	32,565
Lease liabilities	13,159	—	—	13,159
Derivative liabilities	<u>194</u>	—	—	<u>194</u>
	<u>101,587</u>	(2,032)	—	<u>99,555</u>
Liabilities directly associated with assets classified as held for sale	<u>22,869</u>	—	—	<u>22,869</u>
	<u>124,456</u>	(2,032)	—	<u>122,424</u>
Total liabilities	<u>400,350</u>	(15,580)	—	<u>384,770</u>
Net assets	<u>189,360</u>	(234)	9,450	<u>198,576</u>

Notes:

- (i) The unaudited consolidated statement of assets and liabilities of the Group as at 30 June 2024 were extracted from the unaudited condensed consolidated balance sheet included in the published interim report of the Group for the six months ended 30 June 2024.
- (ii) The adjustment reflects the proforma adjustments for the Acquisition.

The Group purchased the Vessel in 2021 and recognized it as property, plant, and equipment in the Group's consolidated balance sheet. The Group had subsequently entered into a memorandum of agreement and the Bareboat Charter with the owner and put the Vessel under a sale and lease-back arrangement with the Group entitled the Purchase Option. Under the sale and lease-back arrangement, the Vessel had not been derecognised while the consideration received from the lease company was recognised as a borrowing in the consolidated balance sheet of the Group.

In relation to the Acquisition, the Group had issued the purchase option notice to exercise the Purchase Option. The Purchase Option Price is the aggregate of the applicable Purchase Option Fee and all unpaid sums due and payable as at the date specified in the notice for the exercise of the Purchase Option by the Group. The decrease in borrowings of US\$15,580,000 (including current portion of US\$2,032,000 and non-current portion of US\$13,548,000)

represents the repayment of unpaid borrowing outstanding balances under the sales and lease-back arrangement. The decrease in cash and cash equivalents of US\$15,814,000 represents the payment of agreed the Purchase Option Price, which includes the repayment of unpaid borrowing outstanding balances as aforementioned and the Purchase Option Fee of US\$234,000.

- (iii) This adjustment reflects the pro forma adjustments for the Disposal.

As disclosed in the Announcement, the Group entered into a memorandum of agreement dated 29 October 2024 with the buyer in relation to the Disposal, pursuant to which the Group agreed to sell the Vessel to the buyer for a consideration of US\$31,830,000. The Vessel subject to the Acquisition had been further delivered to the buyer on 10 December 2024.

The decrease in property, plant and equipment of US\$22,246,000 represents derecognition of the carrying amount of the Vessel by the Group upon the completion of the Disposal. The increase in cash and cash equivalents of US\$31,696,000 represents the cash consideration received from the third party buyer amounting to US\$31,830,000 net of transaction costs of US\$134,000.

- (iv) Apart from the above, other adjustments has not been made to reflect any operating results or other transactions of the Group entered into subsequent to 30 June 2024, including but not limited to the acquisitions of vessels announced on 27 November 2024, 16 January 2025, 27 January 2025 and 7 February 2025, and the provision of financial guarantee to joint venture and major disposal of another vessel of which the circular will be published on the same date of this Circular. The above pro forma adjustments are not expected to have a continuing effect on financial performance of the Group.

The following is the text of a report on the unaudited pro forma financial information of the Group received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this circular.



羅兵咸永道

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of Seacon Shipping Group Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Seacon Shipping Group Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”), and a vessel (the “**Vessel**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of assets and liabilities as at 30 June 2024 and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages III-1 to III-4 of the Company’s circular dated 28 February 2025, in connection with the exercise of purchase option of the Vessel (the “**Acquisition**”) which was further delivered to the buyer in the disposal of the Vessel (the “**Disposal**”, together with the Acquisition, the “**Transaction**”) by the Company. The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages III-1 to page III-4 of the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Transaction on the Group’s financial position as at 30 June 2024 as if the Transaction had taken place at 30 June 2024. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s unaudited condensed consolidated balance sheet as at 30 June 2024 set out in the interim report, on which no audit or review report has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7, *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management (“HKSQM”) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant’s Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Transaction at 30 June 2024 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong
28 February 2025

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests and short positions of the Directors and chief executives of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests or short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the “SFO”)) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) in the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Interest in the Company

Name	Capacity/Nature of interest	Number of Shares held ^(Note 1)	Percentage of shareholding ^(Note 1)
Mr. Guo Jinkui (“ Mr. Guo ”) ^(Note 2)	Founder of a discretionary trust; Interest in controlled corporations	288,750,000	57.75%
Mr. Chen Zekai (“ Mr. Chen ”) ^(Note 3)	Founder of a discretionary trust; Interest in a controlled corporation	75,000,000	15.0%
Mr. Zhao Yong (“ Mr. Zhao ”) ^(Note 4)	Interest in a controlled corporation	7,500,000	1.5%
Mr. He Gang (“ Mr. He ”) ^(Note 5)	Interest in a controlled corporation	3,750,000	0.75%

Notes:

- All interests stated are long positions.
- The entire share capital of Jin Qiu Holding Ltd. (“**Jin Qiu**”) is wholly-owned by Shining Friends Limited (“**Shining Friends**”), which is wholly-owned by Tricor Equity Trustee Limited (“**Tricor Equity Trustee**”), the trustee of The J&Y Trust (“**The J&Y Trust**”), which was

established by Mr. Guo (as the settlor and protector) as a discretionary trust for the benefit of himself and his family members. Mr. Guo (as founder of The J&Y Trust) and Shining Friends are taken to be interested in 247,500,000 Shares held by Jin Qiu pursuant to Part XV of the SFO.

Jin Chun Holding Ltd. (“**Jin Chun**”) and Jovial Alliance Limited (“**Jovial Alliance**”) are both 100% beneficially owned by Mr. Guo. Accordingly, Mr. Guo is deemed to be interested in the 11,250,000 Shares held by Jin Chun and the 30,000,000 Shares held by Jovial Alliance under the SFO.

By virtue of the SFO, Mr. Guo is deemed to be interested in all the Shares held by Jin Qiu, Jin Chun and Jovial Alliance.

Mr. Guo, an executive Director, is also the director of each of Jin Qiu, Jin Chun and Jovial Alliance.

3. The entire share capital of Kaimei Holding Ltd. (“**Kaimei Holding**”) is wholly-owned by Oceanic Flame Limited (“**Oceanic Flame**”), which is wholly-owned by Tricor Equity Trustee, the trustee of The CZK Trust (“**The CZK Trust**”), which was established by Mr. Chen (as the settlor and protector) as a discretionary trust for the benefit of himself and his family members. Mr. Chen (as founder of The CZK Trust) and Oceanic Flame are taken to be interested in 71,250,000 Shares held by Kaimei Holding pursuant to Part XV of the SFO.

CZK Holding Ltd. (“**CZK Holding**”) is 100% beneficially owned by Mr. Chen. Accordingly, Mr. Chen is deemed to be interested in the 3,750,000 Shares held by CZK Holding under the SFO.

By virtue of the SFO, Mr. Chen is deemed to be interested in all the Shares held by Kaimei Holding and CZK Holding.

Mr. Chen, an executive Director, is also the director of each of Kaimei Holding and CZK Holding.

4. Ruigao Holding Ltd. (“**Ruigao Holding**”) is 100% beneficially owned by Mr. Zhao. Accordingly, Mr. Zhao is deemed to be interested in the 7,500,000 Shares held by Ruigao Holding under the SFO.

Mr. Zhao, an executive Director, is also the director of Ruigao Holding.

5. Passion Wealth Ltd. (“**Passion Wealth**”) is 100% beneficially owned by Mr. He. Accordingly, Mr. He is deemed to be interested in the 3,750,000 Shares held by Passion Wealth under the SFO.

Mr. He, an executive Director, is also the director of Passion Wealth.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests and short positions in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the

SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code in the Listing Rules, to be notified to the Company and the Stock Exchange.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors is a director or employee of a company which had, or was deemed to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(b) Substantial Shareholders and other persons' interests in Shares and underlying Shares

So far as is known to the Directors or the chief executive of the Company, as at the Latest Practicable Date, the following persons (other than the Directors and chief executive of the Company) had interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO:

Interests in the Company

Name	Capacity/Nature of interest	Number of Shares held ^(Note 1)	Percentage of shareholding ^(Note 1)
Tricor Equity Trustee ^(Note 2)	Trustee of trusts	318,750,000	63.75%
Shining Friends ^(Note 3)	Interest in a controlled corporation	247,500,000	49.5%
Jin Qiu ^(Note 3)	Beneficial owner	247,500,000	49.5%
Jovial Alliance ^(Note 3)	Beneficial owner	30,000,000	6.0%
Oceanic Flame ^(Note 4)	Interest in a controlled corporation	71,250,000	14.25%
Kaimei Holding ^(Note 4)	Beneficial owner	71,250,000	14.25%
Ms. Li Xuyue ("Ms. Li") ^(Note 5)	Interest of spouse	288,750,000	57.75%
Ms. Chen Meimei ("Ms. Chen") ^(Note 6)	Interest of spouse	75,000,000	15.0%

Notes:

1. All interests stated are long positions.
2. Tricor Equity Trustee is the trustee of The J&Y Trust and The CZK Trust, two trusts in total.
3. The entire share capital of Jin Qiu is wholly-owned by Shining Friends, which is wholly-owned by Tricor Equity Trustee, the trustee of The J&Y Trust, which was established by Mr. Guo (as the settlor and protector) as a discretionary trust for the benefit of himself and his family members. Mr. Guo (as founder of The J&Y Trust) and Shining Friends are taken to be interested in 247,500,000 Shares held by Jin Qiu pursuant to Part XV of the SFO.

Jin Chun and Jovial Alliance are both 100% beneficially owned by Mr. Guo. Accordingly, Mr. Guo is deemed to be interested in the 11,250,000 Shares held by Jin Chun and the 30,000,000 Shares held by Jovial Alliance under the SFO.

By virtue of the SFO, Mr. Guo is deemed to be interested in the 288,750,000 Shares held by Jin Qiu, Jin Chun and Jovial Alliance in aggregate.

4. The entire share capital of Kaimei Holding is wholly-owned by Oceanic Flame, which is wholly-owned by Tricor Equity Trustee, the trustee of The CZK Trust, which was established by Mr. Chen (as the settlor and protector) as a discretionary trust for the benefit of himself and his family members. Mr. Chen (as founder of The CZK Trust) and Oceanic Flame are taken to be interested in 71,250,000 Shares held by Kaimei Holding pursuant to Part XV of the SFO.

CZK Holding is 100% beneficially owned by Mr. Chen. Accordingly, Mr. Chen is deemed to be interested in the 3,750,000 Shares held by CZK Holding under the SFO.

By virtue of the SFO, Mr. Chen is deemed to be interested in the 75,000,000 Shares held by Kaimei Holding and CZK Holding in aggregate.

5. Ms. Li is the spouse of Mr. Guo and is deemed, or taken to be, interested in all Shares in which Mr. Guo has interest in under the SFO.
6. Ms. Chen is the spouse of Mr. Chen and is deemed, or taken to be, interested in all Shares in which Mr. Chen has interest in under the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Company was not notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

3. DIRECTORS' INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date, none of the Directors or their respective associates had any interest, direct or indirect, in any assets which have been, since 31 December 2023 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any subsisting contract or arrangement which was significant in relation to the businesses of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which was not determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. COMPETING INTERESTS OF DIRECTORS AND CLOSE ASSOCIATES

As at the Latest Practicable Date, to the best knowledge and belief of the Directors after having made all reasonable enquiries, none of the Directors or their respective close associates (as defined under the Listing Rules) had any interests in businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group that need to be disclosed pursuant to Rule 8.10 of the Listing Rules.

6. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business of the Group) had been entered into by members of the Group within the two years immediately preceding the date of this circular and are, or may be, material:

- (a) a framework agreement and the supplemental agreements thereto dated 11 August 2023 entered into between the Company and Shanghai Lingang Xinpianqu Jingang Shengyuan Real Estate Co., Ltd.* (上海臨港新片區金港盛元置業有限公司) in respect of the sale and purchase of office buildings and parking slots for an aggregate consideration of RMB239,834,400;
- (b) a share transfer agreement dated 29 June 2023 entered into between Seacon Marine Pte. Ltd., Wealth & Glory Marine Pte. Ltd. and Seacon Enterprise Pte. Ltd. (“**Seacon Enterprise**”) in respect of the acquisition of 40% shareholding interest in Seacon Enterprise for the consideration of USD730,000;
- (c) a cornerstone investment agreement dated 9 March 2023 entered into among the Company, Huzhou Wuxing Tourism Development Co., Ltd.* (湖州吳興旅遊建設發展有限公司) (“**Huzhou Wuxing**”), Zhongtai International Capital Limited (“**Zhongtai Capital**”) and Zhongtai International Securities Limited (“**Zhongtai Securities**”), pursuant to which Huzhou Wuxing (through Orient Fund Management Co., Ltd.* (東方基金管理股份有限公司)) shall subscribe for such number of Shares which shall be equal to Hong Kong dollar equivalent of USD12,000,000 divided by the offer price, as further described in the Prospectus;
- (d) a cornerstone investment agreement dated 9 March 2023 entered into among the Company, Guodian Shipping (Hong Kong) Company Limited (國電海運(香港)有限公司) (“**Guodian Shipping**”), Zhongtai Capital and Zhongtai Securities, pursuant to which Guodian Shipping shall subscribe for such number of Shares which shall be equal to Hong Kong dollar equivalent of RMB20,000,000 divided by the offer price, as further described in the Prospectus;
- (e) a cornerstone investment agreement dated 9 March 2023 entered into among the Company, Danube Bridge Shipping Limited (“**Danube Bridge**”), Zhongtai Capital and Zhongtai Securities, pursuant to which Danube Bridge shall subscribe for such number of Shares which shall be equal to Hong Kong dollar equivalent of USD1,500,000 divided by the offer price, as further described in the Prospectus;

- (f) a deed of non-competition dated 2 March 2023 and executed by each of the controlling shareholders of the Company in favour of the Company regarding certain non-competition undertakings, as further described in the Prospectus;
- (g) a deed of indemnity dated 2 March 2023 and executed by each of the controlling shareholders of the Company in favour of the Company regarding certain indemnities, as further described in the Prospectus;
- (h) a Hong Kong underwriting agreement dated 13 March 2023 entered into by the Company, the controlling shareholders of the Company, Zhongtai Capital, Zhongtai Securities and the underwriters relating to the Hong Kong public offering involving underwriting commissions of 3% of the aggregate offer price of HK\$40,875,000 and a discretionary fee of up to 3% of the aggregate offer price of HK\$40,875,000 under the Hong Kong public offering, as further described in the Prospectus; and
- (i) an international underwriting agreement dated 18 March 2023 entered into by the Company, the controlling shareholders of the Company, Zhongtai Capital, Zhongtai Securities and the underwriters relating to the international placing involving underwriting commissions of 3% of the aggregate offer price of HK\$367,875,000 and a discretionary fee of up to 3% of the aggregate offer price of HK\$367,875,000 under the international placing, as further described in the Prospectus.

7. LITIGATION

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group that would have a material adverse effect on the results of operations or financial conditions of the Group.

8. EXPERT'S QUALIFICATIONS AND CONSENT

The following are the qualifications of the expert who has given its opinions or advice which are included in this circular:

Name	Qualifications
PricewaterhouseCoopers	Certified Public Accountants under the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong)
	Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)

As at the Latest Practicable Date, the expert did not have any shareholding, direct or indirect, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the expert had given and had not withdrawn its written consent to the issue of this circular, with the inclusion herein and the references to its name and/or its opinion or statements in the form and context in which they respectively appear.

As at the Latest Practicable Date, the expert did not have any direct or indirect interest in any assets which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2023, the date to which the latest published audited financial statements of the Group were made up.

9. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the website of the Company (www.seacon.com) and the website of the Stock Exchange (www.hkexnews.hk) for a period of 14 days from the date of this circular:

- (a) the Deed;
- (b) the Bareboat Charter;
- (c) the report on the unaudited pro forma financial information of the Group from PricewaterhouseCoopers as set out in Appendix III to this circular; and
- (d) the written consent referred to in the paragraph headed “8. EXPERT'S QUALIFICATIONS AND CONSENT” in this Appendix.

10. MISCELLANEOUS

- (a) The Company's principal share registrar, transfer office and registered office in the Cayman Islands are at P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.
- (b) The headquarters and principal place of business of the Company in the PRC is at 23/F, Block B, Building 3, No. 20 Zhuzhou Road, Laoshan District, Qingdao City, Shandong Province, the PRC.
- (c) The principal place of business of the Company in Hong Kong is at Unit No. 3513, 35/F, The Center, 99 Queen's Road Central, Hong Kong.
- (d) The branch share registrar of the Company in Hong Kong is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (e) The joint company secretaries of the Company are Ms. Sun Yufeng and Ms. Chan Sze Ting. Ms. Chan Sze Ting is a Chartered Secretary (CS), a Chartered Governance Professional (CGP) and an Associate of both The Hong Kong Chartered Governance Institute (HKCGI) and The Chartered Governance Institute (CGI) in the United Kingdom.
- (f) In case of any inconsistency between English and Chinese versions of this circular, the English version shall prevail.