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CSSC (Hong Kong) Shipping Company Limited

中國船舶集團(香港)航運租賃有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 3877)

RESTRUCTURING OF OPERATING LEASE CONTRACT – DISCLOSEABLE TRANSACTIONS IN RELATION TO THE DISPOSAL OF VESSELS AND THE PROVISION OF FINANCING

Pursuant to bareboat charters dated 4 July 2022 and 30 September 2022 (the “**Bareboat Charters**”), the Group agreed to let and the Charterers agreed to bareboat charter the Vessels according to the terms and conditions set out in the Bareboat Charters. Taking into account reasons set out in the section headed “reasons for and benefits of the transactions”, the Group and the Charterers agreed to restructure the Bareboat Charters on 15 April 2026 through the execution of the MOA, Termination Deed and the Loan Agreement.

The Board is pleased to announce that, on 15 April 2026 (after trading hours), the Company’s wholly-owned SPVs (as the Sellers, being the Owners under the Bareboat Charters) have entered into the MOA with the Buyers (being the Charterers under the Bareboat Charters) , pursuant to which the Sellers have agreed to sell the Vessels to the Buyers at an aggregate consideration of US\$264,000,000 (the “**Disposal**”). As at the date of the MOA, the Vessels were chartered by the Owners to the Charterers under the terms and conditions of the Bareboat Charterers. As a prerequisite condition of the MOA and taking into account reasons set out in the section headed “reasons for and benefits of the transactions” in this announcement, the Group and the Charterers agreed to early terminate the Bareboat Charters on 15 April 2026 by executing the termination deed to the Bareboat Charters (the “**Termination Deed**”).

As a prerequisite condition of the MOA, part of the consideration of the Disposal shall be settled through the financing arrangement provided by the Group to the Borrowers, being the Buyers under the MOA. Accordingly, on the same date of the MOA, the Lender, has entered into the Loan Agreement with the Buyers (acting as the Borrowers) (the “**Borrower**”) as part of the settlement arrangement regarding the consideration of the Disposal. Pursuant to the Loan Agreement, the Lender has agreed to provide financing to the Borrowers in an aggregate principal amount of up to US\$258,600,000 to partially settle consideration of Vessels under the MOA.

Pursuant to Chapter 14 of the Listing Rules, as the highest applicable percentage ratios in respect of the Disposal and transactions contemplated under the Loan Agreement are each more than 5% but less than 25%, the aforesaid transactions constitute discloseable transactions of the Company and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules but are exempt from the shareholders’ approval requirement.

1. INTRODUCTION

Pursuant to the Bareboat Charters, the Group agreed to let and the Charterers agreed to bareboat charter the Vessels according to the terms and conditions set out in the Bareboat Charters. Taking into account reasons set out in the section headed “reasons for and benefits of the transactions” in this announcement, the Group and the Charterers agreed to restructure the Bareboat Charters on 15 April 2026 through the execution of the MOA, Termination Deed and the Loan Agreement.

The Board is pleased to announce that, on 15 April 2026 (after trading hours), the Sellers, being the Owners under the Bareboat Charters, have entered into the MOA with the Buyers, being the Charterers under the Bareboat Charters, pursuant to which the Sellers have agreed to sell the Vessels to the Buyers at an aggregate consideration of US\$264,000,000. As at the date of the MOA, the Vessels were chartered by the Owners to the Charterers under the terms and conditions of the Bareboat Charters. As a prerequisite condition of the MOA and taking into account reasons set out in the section headed “reasons for and benefits of the transactions” in this announcement, the Group and the Charterers agreed to early terminate the Bareboat Charters on 15 April 2026 by executing the termination deed to the Bareboat Charters (the “**Termination Deed**”).

As a prerequisite condition of the MOA, part of the consideration of the Disposal shall be settled through the financing arrangement provided by the Lender to the Borrowers, being the Buyers under the MOA. Accordingly, on the same date of the MOA, the Lender has entered into the Loan Agreement with the Buyers (acting as the Borrowers) as part of the settlement arrangement regarding the consideration of the Disposal. Pursuant to the Loan Agreement, the Lender has agreed to provide financing to the Borrowers in an aggregate principal amount of up to US\$258,600,000 to partially settle the consideration of Vessels under the MOA.

2. DETAILS OF THE TRANSACTIONS

Disposal of Vessels

Date: 15 April 2026

Parties

Sellers: Elsa Shipping, Falcon HLMPP, Focus HLMPP, Fortune HLMPP, Future 13KMPPF900HL, Fame HLMPP, Fusion HLMPP, Frontier HLMPP and Dongming Maritime, being the Company's wholly owned SPVs

Buyers: UHL FLASH, UHL FALCON, UHL FOCUS, UHL FORTUNE, UHL FUTURE, UHL FAME, UHL FUSION, UHL FRONTIER, and UHL FAST, which are companies incorporated under the laws of Germany and are ultimately owned by Mr. Andreas Rolner

Vessels to be sold: nine 13K heavy-lift vessels. The net profit both before and after taxation (excluding extraordinary items) attributable to the Sellers for the financial year ended 31 December 2025 was approximately US\$17.5 million and approximately US\$16.6 million, respectively, whereas the net profit both before and after taxation (excluding extraordinary items) attributable to the Sellers for the financial year ended 31 December 2024 was approximately US\$14.7 million and approximately US\$13.9 million, respectively.

Consideration: US\$264,000,000

Net asset value of the Vessels: US\$214,028,000

Payment terms: (a) US\$5,400,000 shall be deemed to have been paid by way of set-off against the advance amount under the Termination Deed.

(b) the remainder of the consideration shall be deemed to have been paid by the Lender's funding under the Loan Agreements, and the utilisation of such financing under the Loan Agreements shall be treated as payment of the consideration.

Gain on disposal: US\$49,972,000

Basis for determination of consideration for the Disposal

The consideration for the Disposal was determined after arm's length negotiation between the Buyers and Sellers with reference to the valuation of the Vessels as at 31 December 2025 as assessed by an independent vessel appraiser using the market method. In valuing the Vessels, the appraiser has assumed that the Vessels is free of charter commitment and is to be freely transferable. The Directors believe that such consideration, which was determined after arm's length negotiations, on normal commercial terms, and based on the appraised value of the Vessels, is fair and reasonable so far as the Company and the Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole.

Use of proceeds

The net sale proceeds from the Disposal (if any) will be applied toward general working capital purposes.

Loan Agreement

Date: 15 April 2026

Lender: Fortune Neptune, being the Company's wholly owned SPV

Borrowers: Same as the Buyers under the MOA

Effective interest rate: 8.24%

Drawdown date: The loan will be drawn down in nine tranches commencing from the date of signing to 31 December 2027

Maturity date: The maturity dates will fall during the period from 2 November 2035 to 22 July 2036

Repayment term: The loan shall be repaid by the Borrowers by instalments and repayments during the term of the loan, including certain repayments in the initial period after drawdown and further repayments with reference to the charter income of the relevant Vessels, with the outstanding balance to be settled by a balloon payment on the respective maturity dates.

Securities and guarantees provided under the Loan:

- First-ranking mortgage right over the nine Vessels;
- Unconditional and irrevocable corporate performance guarantee provided by the Parent Guarantor;
- Pledge of 100% equity interests of each Borrower to the Lender;
- Technical Manager Undertakings subordinating the managers' rights to the Lender's rights;

- Assignment of insurance rights and interests in respect of the Vessels to the Lender;
- Cross-default and cross-guarantee clauses among the Borrowers.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Buyers/Borrowers, the Guarantor, the Parent Guarantor and their ultimate beneficial owners are Independent Third Parties within the meaning of the Listing Rules.

3. FUNDING OF THE LOAN

The Group will finance the loan to be provided under the Loan Agreements with the Company's general working capital.

4. REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Group is a shipyard-affiliated leasing company principally engaged in operating lease and financing services business.

The Board considers that the Termination Deed, the MOA and the Loan Agreement form part of a single integrated commercial arrangement and should be considered together as reflecting the strategic optimisation of the existing operating leasing structure between the Group and the Buyers/Charterers. In substance, the arrangement under the Loan Agreements constitutes deferred payment of consideration for the Disposal, being a mechanism for the Buyers to settle part of the consideration by instalments over time, rather than the provision of a standalone financing facility by the Group.

Under the initial Bareboat Charters arrangements, the conditions for disposal of the Vessels were relatively restrictive, the charter period were relatively long, and the Charterers were not under any obligation to repurchase the Vessels upon expiry of the Bareboat Charters. By entering into the MOA with the existing Charterers, the Group is able to realise the value of the operating lease Vessels at a favourable point in the market cycle and eliminate the residual value risk associated with any potential bulk disposal of the Vessels at the end of the charter period.

The Board also notes that second-hand vessel prices of the Vessels are currently at a relatively high point in the cycle. The Board considers that the consideration for the Disposal is fair and reasonable and reflects recent market transaction levels, thereby enabling the Group to lock up gains before any future softening in market conditions.

In addition, although the early termination of the Bareboat Charters results in the reduction of income previously generated under Bareboat Charters, such impact will be offset by the interest income to be generated under the financing arrangement contemplated under the Loan Agreements.

Accordingly, the Directors (including the independent non-executive Directors) consider that the terms of the MOA and the Loan Agreements are fair and reasonable, on normal commercial terms and in the interests of the Company and Shareholders as a whole.

5. INFORMATION OF THE RELEVANT PARTIES

Information of the Company

The Company is a shipyard-affiliated leasing company principally engaged in the provision of ship leasing business

Information of the Sellers

Elsa Shipping, Falcon HLMPP, Focus HLMPP, Fortune HLMPP, Future 13KMPPF900HL, Fame HLMPP, Fusion HLMPP, Frontier HLMPP and Dongming Maritime are wholly-owned SPVs of the Company and are principally engaged in ship leasing business.

Information of Fortune Neptune

Fortune Neptune, which was incorporated under the laws of the British Virgin Islands, is wholly owned SPV of the Company and is principally engaged in ship financing business.

Information of the Buyers and the Borrowers

UHL FLASH, UHL FALCON, UHL FOCUS, UHL FORTUNE, UHL FUTURE, UHL FAME, UHL FUSION, UHL FRONTIER and UHL FAST, which are companies incorporated under the laws of Germany and are ultimately owned by Mr. Andreas Rolner.

6. LISTING RULES IMPLICATIONS

Pursuant to Chapter 14 of the Listing Rules, as the highest applicable percentage ratios in respect of the Disposal and transactions contemplated under the Loan Agreements are each more than 5% but less than 25%, the aforesaid transactions constitute discloseable transactions of the Company and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules but are exempt from the shareholders' approval requirement.

7. DEFINITIONS

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

“Board”	The board of Directors of the Company
“Borrowers/Buyers/ Charters”	UHL FLASH, UHL FALCON, UHL FOCUS, UHL FORTUNE, UHL FUTURE, UHL FAME, UHL FUSION, UHL FRONTIER and UHL FAST
“Company”	CSSC (Hong Kong) Shipping Company Limited (中國船舶集團(香港)航運租賃有限公司), incorporated in Hong Kong with limited liability, stock code: 3877
“Dongming Maritime”	Dongming Maritime Ltd., a company incorporated under the laws of Malta with limited liability and a wholly-owned SPV of the Company

“Elsa Shipping”	Elsa Shipping Ltd., a company incorporated under the laws of Malta with limited liability and a wholly-owned SPV of the Company
“Falcon HLMPP”	Falcon HLMPP Maritime Ltd., a company incorporated under the laws of Malta with limited liability and a wholly-owned SPV of the Company
“Focus HLMPP”	Focus HLMPP Shipping Ltd., a company incorporated under the laws of Malta with limited liability and a wholly-owned SPV of the Company
“Fortune HLMPP”	Fortune HLMPP Shipping Ltd., a company incorporated under the laws of Malta with limited liability and a wholly-owned SPV of the Company
“Fortune Neptune”	Fortune Neptune Holding Company Limited, a company incorporated under the laws of British Virgin Islands with limited liability and a wholly-owned SPV of the Company
“Fusion HLMPP”	Fusion HLMPP Shipping Ltd., a company incorporated under the laws of Malta with limited liability and a wholly-owned SPV of the Company
“Future 13KMPPF900HL”	Future 13KMPPF900HL Maritime Ltd., a company incorporated under the laws of Malta with limited liability and a wholly-owned SPV of the Company
“Fame HLMPP”	Fame HLMPP Shipping Ltd., a company incorporated under the laws of Malta with limited liability and a wholly-owned SPV of the Company

“Frontier HLMPP”	Frontier HLMPP Maritime Ltd., a company incorporated under the laws of Malta with limited liability and a wholly-owned SPV of the Company
“Guarantor”	UNITED HEAVY LIFT GMBH & CO. KG, a company incorporated under the laws of Germany
“Independent Third Party(ies)”	Any entity or person who, as far as the Directors are aware after having made all reasonable enquiries, is not a connected person of the Company within the meaning under the Listing Rules
“Lender”	Fortune Neptune Holding Company Limited, the Company’s wholly-owned SPV incorporated under the laws of the British Virgin Islands
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Loan Agreements”	The term loan facility agreements entered into between the Lender and the Borrowers on 15 April 2026 in relation to the Vessels
“MOA”	The Memorandums of Agreement entered into between the Sellers and the Buyers on 15 April 2026 in relation to the sale of the Vessels
“Parent Guarantor”	UNITED HEAVY LIFT GmbH & Co. KG a company incorporated under the laws of Germany

“Sellers/Owners”	The Company’s wholly-owned SPV (Elsa Shipping, Falcon HLMPP, Focus HLMPP, Fortune HLMPP, Future 13KMPPF900HL, Fame HLMPP, Fusion HLMPP, Frontier HLMPP, and Dongming Maritime)
“SPV(s)”	Special purpose vehicle(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“UHL FLASH”	UHL FLASH GMBH & CO. KG, a company incorporated under the laws of Germany
“UHL FALCON”	UHL FALCON GMBH & CO. KG, a company incorporated under the laws of Germany
“UHL FOCUS”	UHL FOCUS GMBH & CO. KG, a company incorporated under the laws of Germany
“UHL FORTUNE”	UHL FORTUNE GMBH & CO. KG, a company incorporated under the laws of Germany
“UHL FUTURE”	UHL FUTURE GMBH & CO. KG, a company incorporated under the laws of Germany
“UHL FAME”	UHL FAME GMBH & CO. KG, a company incorporated under the laws of Germany
“UHL FUSION”	UHL FUSION GMBH & CO. KG, a company incorporated under the laws of Germany
“UHL FRONTIER”	UHL FRONTIER GMBH & CO. KG, a company incorporated under the laws of Germany

“UHL FAST”	UHL FAST GMBH & CO. KG, a company incorporated under the laws of Germany
“Vessels”	The nine 13K heavy-lift vessels
“US\$”	United States dollars, the lawful currency of the United States of America

By order of the Board
CSSC (Hong Kong) Shipping Company Limited
Li Hongtao
Chairman

Hong Kong, 15 April 2026

As at the date of this announcement, the Board comprises Mr. Li Hongtao and Mr. Liu Hui as executive Directors, Mr. Xie Weizhong and Mr. Chi Benbin as non-executive Directors, and Mr. Wang Dennis, Mdm. Shing Mo Han Yvonne, BBS, JP and Mr. Li Hongji as independent non-executive Directors.