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SINOTRANS SHIPPING LIMITED

中外運航運有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 368)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Sinotrans Shipping Limited (the “Company”) will be held at Harcourt Room, Lower Lobby, Conrad Hong Kong, Pacific Place, 8 Queensway, Hong Kong on Thursday, the 17th day of May 2012 at 10:30 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and consider the audited Financial Statements, the Report of the Directors and the Independent Auditor’s Report for the year ended 31 December 2011.
2. To declare a final dividend.
3. (1) To re-elect Mr. Tian Zhongshan as Executive Director;
(2) To re-elect Mr. Li Hua as Executive Director;
(3) To re-elect Ms. Feng Guoying as Executive Director; and
(4) To authorise the Board to fix the Directors’ remuneration.
4. To re-appoint Auditor and to authorise the Board to fix their remuneration.

AS SPECIAL BUSINESS

ORDINARY RESOLUTIONS

5. To consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions of the Company:–

(1) **“THAT:**

(a) a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time provided however that the aggregate nominal amount of the shares to be repurchased pursuant to this Resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution; and

(b) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or

(iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

(2) **“THAT:**

(a) subject to paragraph (c) of this resolution and pursuant to Section 57B of the Companies Ordinance, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares to be allotted be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorize the directors of the Company during the Relevant Period to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares to be allotted after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities issued by the Company which carry rights to subscribe for or are convertible into shares of the Company or (iii) the exercise of options under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantees as specified in such scheme or similar arrangement of shares or rights to acquire shares of the Company or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution; and

“Rights Issue” means an offer of shares or issue of options, warrants or other securities giving the right to subscribe for shares of the Company open for a period fixed by the directors of the Company to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate such other securities) (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

(3) “**THAT** subject to the passing of resolution Nos. 5(1) and 5(2) set out in the notice convening this meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with additional shares in the Company pursuant to resolution No. 5(2) set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution No. 5(1) set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution.”

6. “**THAT**

- (a) the conditional agreement (the “**Renewed Master Services Agreement**”) dated 26 March 2012 entered into between 中國外運長航集團有限公司 (SINOTRANS & CSC Holdings Co., Ltd.)* (“**Sinotrans & CSC Group Company**”, together with its subsidiaries and associates (but excluding the Company and its subsidiaries), the “**Sinotrans & CSC Group**”) and the Company, a copy of which is tabled at the meeting and marked “A” and initialed by the chairman of the meeting for identification purpose, pursuant to which, the Company, its subsidiaries and jointly controlled entities (together the “**Group**”) will provide certain services to the Sinotrans & CSC Group and the Sinotrans & CSC Group will provide certain services to the Group (the “**Services**”), be and is hereby approved, ratified and confirmed;
- (b) the cap amounts in relation to the Services as set out in the Renewed Master Services Agreement for each of the three financial years ending 31 December 2015 be and are hereby approved; and
- (c) any one Director, or any two Directors if the affixation of the common seal is necessary, be and is/are hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters contemplated in the Renewed Master Services Agreement.”

7. “**THAT**

- (a) the conditional agreement (the “**Renewed Master Chartering Agreement**”) dated 26 March 2012 entered into between Sinotrans & CSC Group Company and the Company, a copy of which is tabled at the meeting and marked “B” and initialed by the chairman of the meeting for identification purpose, pursuant to which, Sinotrans & CSC Group will charter in vessels from the Group and the Group will charter in vessels from Sinotrans & CSC Group (the “**Chartering Services**”), be and is hereby approved, ratified and confirmed;
- (b) the cap amounts in relation to the Chartering Services as set out in the Renewed Master Chartering Agreement for each of the three financial years ending 31 December 2015 be and are hereby approved; and

(c) any one Director, or any two Directors if the affixation of the common seal is necessary, be and is/are hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters contemplated in the Renewed Master Chartering Agreement.”

By Order of the Board
HUEN Po Wah
Company Secretary

Hong Kong, 17 April 2012

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the registered office of the Company at 21st Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting.
3. To ascertain shareholders' eligibility to attend and vote at the meeting, the register of members of the Company will be closed from Monday, 14 May 2012 to Thursday, 17 May, both dates inclusive, during which period no share transfers will be effected. In order to qualify to attend and vote at the meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 11 May 2012.

The Board has proposed a final dividend for the year ended 31 December 2011 of HK4 cents per share and, if such dividend is approved by the shareholders at the meeting, it is expected to be paid on or before 8 June 2012 to those shareholders whose names appear on the Company's register of members after the close of business at 4:30 p.m. on Wednesday, 23 May 2012.

In order to qualify for the proposed final dividend, all share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 23 May 2012 for registration.

4. With regard to item 3 of this notice, biographical details of the retiring Directors proposed for re-election, namely, Mr. Tian Zhongshan, Mr. Li Hua and Ms. Feng Guoying are set out in appendix II to the circular to shareholders dated 17 April 2012.
5. As at the date of this notice, the executive Directors are Mr. Tian Zhongshan, Mr. Li Hua and Ms. Feng Guoying; the non-executive Directors are Mr. Zhao Huxiang (Chairman) and Mr. Pan Deyuan; and the independent non-executive Directors are Mr. Hu Hanxiang, Mr. Tsang Hing Lun, Mr. Lee Yip Wah, Peter and Mr. Zhou Qifang.