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CHINA SHIPPING DEVELOPMENT COMPANY LIMITED **中海發展股份有限公司**

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1138)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting (the “**EGM**”) of China Shipping Development Company Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) will be held at 700 Dong Da Ming Road, Shanghai, the People's Republic of China on Monday, 16 January 2012 at 2:00 p.m. to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. “**THAT** the appointment of Mr. Xu Lirong as an executive director of China Shipping Development Company Limited (the “**Company**”) be and is hereby approved and the terms of the service contract of Mr. Xu Lirong be and is hereby approved and any director of the Company be and is hereby authorised to make any further amendments to such service contract as he sees fit or desirable and execute the same on behalf the Company.”
2. “**THAT** the appointment of Mr. Wang Wusheng as an independent non-executive director of China Shipping Development Company Limited (the “**Company**”) be and is hereby approved and the terms of the service contract of Mr. Wang Wusheng be and is hereby approved and any director of the Company be and is hereby authorised to make any further amendments to such service contract as he sees fit or desirable and execute the same on behalf the Company.”

The following are the particulars of the Directors proposed to be elected at the EGM:

(1) **Mr. Xu Lirong** (許立榮) (“**Mr. Xu**”)

Mr. Xu Lirong, aged 54, currently is the senior engineer, director, executive president and a member of the Party Committee of China Shipping (Group) Company. He is also the chairman of a number of companies including China Shipping (Hong Kong) Holdings Co., Ltd., China Shipping (Europe) Holding GmbH, China Shipping (North America) Holding Co., Ltd., China Shipping (South Eastern Asia) Holding Co., Ltd. and China Shipping (Western Asia) Holdings Co., Ltd.. Mr. Xu is currently the chairman and a non-executive director of COSCO Pacific Limited, a company listed on the main board of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) (stock code 1199). Mr. Xu had been the marine captain of COSCO Shanghai Company, the general manager of COSCO Shanghai International Freight Forwarding Company, the deputy managing director of COSCO

Shanghai Company, the president of the Shanghai Shipping Exchange, the managing director of COSCO Container Lines Company Limited, the executive vice president and the non-executive director of China COSCO Holdings Company Limited (where its A shares are listed on the Shanghai Stock Exchange (stock code 601919) and its H shares are listed on the main board of the Stock Exchange (stock code 1919)) from 2007 to 2011, the chairman of COSCO Shipping Co., Ltd. (a company listed on the Shanghai Stock Exchange (stock code 600428)) from 2007 to 2011 and the executive vice president, a member of the Party Committee and the chairman of the Labor Union of China Ocean Shipping (Group) Company. Mr. Xu has over 30 years of experience in ocean shipping business management and extensive experience in corporate management. Mr. Xu obtained his Master of Business Administration degree from the Shanghai Maritime University and the Maastricht School of Management in the Netherlands.

It is proposed that subject to the Company's shareholders ("**Shareholders**") approval, Mr. Xu will enter into a service contract with the Company for his appointment as an executive director of the Company for a term from the date of obtaining the Shareholders' approval on his appointment up to the date of the Company's annual general meeting in 2012. Pursuant to such proposed service contract, Mr. Xu will not receive any remuneration from the Group. Such service contract shall be terminated by either party giving at least three months' prior notice in writing.

Save as disclosed above, Mr. Xu does not hold any other position with the Company or other members of the Group. Save as disclosed above, Mr. Xu does not and has not, in the past three years, held any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas. Save as disclosed herein, Mr. Xu does not have any relationships with any directors, members of senior management or substantial or controlling shareholders of the Company. As at the date of this notice, Mr. Xu does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, there is no other information relating to Mr. Xu to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules. There is also no other matter which needs to be brought to the attention of the Shareholders in respect of Mr. Xu's appointment as an executive director of the Company.

(2) **Mr. Wang Wusheng (王武生) ("Mr. Wang")**

Mr. Wang Wusheng, born in March 1951 and aged 60, is currently a lawyer and a senior partner of Jin Mao P.R.C. Lawyers. Mr. Wang had been a law consultant of Legal Affairs Center of Transportation of the Ministry of Transport of the PRC, and from April 2005 to May 2010, an independent director of Shuangliang Eco-Energy Systems Co., Ltd. (where its A shares are listed on the Shanghai Stock Exchange (stock code 600481)).

It is proposed that subject to the Shareholders' approval, Mr. Wang will enter into a service contract with the Company for his appointment as an independent non-executive director of the Company for a term commencing from the date of the Shareholders' approval on his appointment up to the date of the Company's annual general meeting in 2012. Pursuant to such proposed service contract, Mr. Wang will be entitled to a director's fee of RMB100,000 per year as provided in the service contract and will not be entitled to any other remunerations or bonuses as a Director. Such service contract shall be terminated by either party giving at least three months' prior notice in writing.

Mr. Wang does not hold any other position with the Company or other members of the Group as at the date of this notice. Save as disclosed above, Mr. Wang does not and has not, in the past three years, held any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas. Save for his proposed appointment, Mr. Wang does not have any relationships with any directors, members of the senior management or substantial or controlling shareholders of the Company. As at the date of this notice, Mr. Wang does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, there is no other information relating to Mr. Wang to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed herein, there is also no other matter which needs to be brought to the attention of the Shareholders in respect of Mr. Wang's appointment as an independent non-executive director of the Company.

By Order of the Board
China Shipping Development Company Limited
Yao Qiaohong
Company Secretary

1 December 2011
Shanghai
The People's Republic of China

Notes:

- (A) The H share register of the Company will be closed from Saturday, 17 December 2011 to Monday, 16 January 2012 (both days inclusive), during which no transfer of H shares will be affected. Any holders of H shares of the Company, whose names appear on the Company's register of members at the close of business on Friday, 16 December 2011, are entitled to attend and vote at the EGM after completing the registration procedures for attending the meeting. In order to be entitled to attend and vote at the EGM, share transfer documents should be lodged with the Company's H share registrar not later than 4:30 p.m. on Friday, 16 December 2011.

The address of the share registrar (for share transfer) for the Company's H Shares is as follows:

Hong Kong Registrars Limited
Rooms 1712-1716
17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

- (B) Holders of H Shares, who intend to attend the EGM, must complete and return the reply slip to the Office of the Secretary to the Board of Directors of the Company not later than 20 days before the date of the EGM, i.e. no later than Tuesday, 27 December 2011.

Details of the Office of the Secretary to the Board of Directors of the Company are as follows:

7th floor, 670 Dong Da Ming Road, Shanghai,
People's Republic of China
Postal Code: 200080
Tel: 86(21) 6596 6666
Fax: 86(21) 6596 6160

- (C) Each holder of H Shares who has the right to attend and vote at the EGM is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the EGM.
- (D) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarially certified.
- (E) To be valid, for the holders of H Shares, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Company's H Shares share registrar, Hong Kong Registrars Limited, at 17M Floor Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the EGM or any adjournment thereof in order for such documents to be valid.
- (F) Each holder of A Shares is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on its behalf at the EGM. Notes (C) to (D) also apply to holders of A Shares, except that the proxy form or other documents of authority must be delivered to the Office of the Secretary to the Board of Directors, the address of which is set out in Note (B) above, not less than 24 hours before the time for holding the EGM or any adjournment thereof in order for such documents to be valid.
- (G) If a proxy attends the EGM on behalf of a shareholder, he should produce his identity card and the instrument signed by the proxy or his legal representative, which specifies the date of its issuance. If the legal representative of a shareholder which shareholder is a legal person attends the EGM, such legal representative should produce his identity card and valid documents evidencing his capacity as such legal representative. If a shareholder, which is a legal person, appoints a Company representative of a company other than its legal representative to attend the EGM, such representative should produce his identity card and an authorization instrument affixed with the seal of the shareholder (which is a legal person) and duly signed by its legal representative.
- (H) The EGM is expected to last for half an hour. Shareholders attending the EGM are responsible for their own transportation and accommodation expenses.
- (I) As at the date of this notice, the board of directors of the Company is comprised of Mr. Li Shaode, Mr. Lin Jianqing, Mr. Wang Daxiong, Mr. Zhang Guofa, Mr. Yan Zhichong and Mr. Qiu Guoxuan as executive Directors, and Mr. Zhu Yongguang, Mr. Zhang Jun and Mr. Lu Wenbin as independent non-executive Directors.