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中遠海運發展股份有限公司

COSCO SHIPPING Development Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02866)

PROPOSED APPOINTMENT OF DIRECTORS

The board of directors (the “**Board**”) of COSCO SHIPPING Development Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that the Board has proposed to appoint (i) Mr. Liang Yanfeng (“**Mr. Liang**”) as a non-executive director of the Company; and (ii) each of Mr. Gu Xu (“**Mr. Gu**”) and Ms. Zhang Weihua (“**Ms. Zhang**”) as an independent non-executive director of the Company (the “**Independent Non-executive Director**”) (collectively, the “**Proposed Appointments**”). According to the articles of association of the Company, the Proposed Appointments are subject to the approval by the shareholders of the Company (the “**Shareholders**”) at a general meeting of the Company. The ordinary resolutions in relation to the Proposed Appointments will be proposed at the extraordinary general meeting of the Company to be convened in due course (the “**EGM**”).

The biographical details of Mr. Liang, Mr. Gu and Ms. Zhang are set out as follows:

(1) Mr. Liang

Mr. Liang, aged 52, received his master’s degree in law and an executive master of business administration (EMBA) degree at Tsinghua University. He is a senior economist and a member of the Senior Professional and Technical Qualification Examination Committee for Economics of the Ministry of Transport of the People’s Republic of China (中華人民共和國交通運輸部經濟系列高級專業技術職務任職資格評審委員會).

Mr. Liang previously served as the general manager of the human resources department and the general manager of capital operations division of China Ocean Shipping (Group) Company[#] (中國遠洋運輸(集團)總公司). He also served as the general manager of COSCO SHIPPING International (Hong Kong) Co., Ltd. (formerly known as COSCO International Holdings Limited), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (Stock Code: 517), the vice president and a member of Party Committee of COSCO (Hong Kong) Group Limited[#] (中遠(香港)集團有限公司), the deputy general manager and secretary of Party Committee of Dalian Ocean Shipping Company Limited[#] (大連遠洋運輸有限公司), and the general manager and vice secretary of Party Committee of COSCO Shipyard Group Co., Ltd.[#] (中遠船務工程集團有限公司). Mr. Liang was also the standing committee member of Luzhou Municipal Committee of the Communist Party of China and the deputy mayor (temporary) of Luzhou Municipal Government, Sichuan Province. Mr. Liang is currently the general manager and the vice secretary of Party Committee of COSCO SHIPPING Heavy Industry Company Limited[#] (中遠海運重工有限公司).

Subject to the approval by the Shareholders of the Proposed Appointment of Mr. Liang at the EGM, Mr. Liang will enter into a service contract with the Company for a term of service commencing from the date of his appointment until the end of the term of the current session of the Board. Mr. Liang will not receive any remuneration from the Company.

Save as disclosed above, as at the date of this announcement, Mr. Liang (i) does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; (ii) does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong); (iii) does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) does not hold any other positions with other members of the Group.

(2) Mr. Gu

Mr. Gu, aged 53, has been an independent supervisor of the Company (an “**Independent Supervisor**”) since June 2016. Mr. Gu completed a bachelor’s degree and a master’s degree in economics from Shanghai University of Finance and Economics (上海財經大學) in 1986 and 1989 respectively. He further obtained a master’s degree in business administration awarded jointly by Fudan University (復旦大學) and The University of Hong Kong in 2003.

Mr. Gu has over 20 years of experience in the financial and securities industry as well as extensive experience in corporate financial management. He led and participated in the restructuring, issue and listing of a number of companies listed on the Shanghai Stock Exchange, and succeeded in leading several corporate mergers and acquisitions and reorganizations. He has accumulated theoretical and practical experience in respect of corporate financial and accounting management, assets management, investment management, disposal of distressed assets and management of financial information systems.

Mr. Gu currently serves as the chairman of Shanghai Dongsheng Investment Management Co., Ltd.# (上海東晟投資管理有限公司), the general manager of Henan Zhong Yuan Lian Chuang Investment Funds Management Company# (河南中原聯創投資基金管理公司) and an independent director of Suzhou Financial Leasing Co., Ltd.# (蘇州金融租賃股份有限公司). Mr. Gu is also the chairman and chief executive officer of China New Economy Fund Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 80).

Subject to the approval by the Shareholders of the Proposed Appointment of Mr. Gu at the EGM, Mr. Gu will enter into a service contract with the Company for a term of service commencing from the date of his appointment until the end of the term of the current session of the Board. The remuneration of Mr. Gu will be determined in accordance with the remuneration standards for the onshore Independent Non-executive Directors.

Save as disclosed above, as at the date of this announcement, Mr. Gu (i) does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; (ii) does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong); (iii) does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) does not hold any other positions with other members of the Group.

(3) Ms. Zhang

Ms. Zhang, aged 56, has been an Independent Supervisor since June 2016. Ms. Zhang graduated from the Faculty of Business of University of Southern Queensland with a master's degree in business administration. Ms. Zhang previously served as the chief auditor, assistant to the president, the general manager of the audit department and the compliance director of China Merchants Securities Co., Ltd.# (招商證券股份有限公司), a joint stock limited company incorporated in the People's Republic of China, the H Shares and A Shares of which are listed on the Stock Exchange (Stock Code: 6099) and the Shanghai Stock Exchange (Stock Code: 600999) respectively, and was the chairman of the supervisory committee of China Merchants Fund Management Co., Ltd.# (招商基金管理有限公司). Ms. Zhang also served as an assistant to the general manager of the securities department in the head office of China Merchants Bank Co., Ltd., a joint stock limited company incorporated in the People's Republic of China, the H Shares and A Shares of which are listed on the Stock Exchange (Stock Code: 3968) and the Shanghai Stock Exchange (Stock Code: 600036) respectively.

Subject to the approval by the Shareholders of the Proposed Appointment of Ms. Zhang at the EGM, Ms. Zhang will enter into a service contract with the Company for a term of service commencing from the date of her appointment until the end of the term of the current session of the Board. The remuneration of Ms. Zhang will be determined in accordance with the remuneration standards for the onshore Independent Non-executive Directors.

Save as disclosed above, as at the date of this announcement, Ms. Zhang (i) does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; (ii) does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong); (iii) does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) does not hold any other positions with other members of the Group.

Save as disclosed in this announcement, there are no other matters that need to be brought to the attention of the Shareholders in connection with the Proposed Appointments and there is no other information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited.

Subject to the approval by the Shareholders of the respective Proposed Appointment, each of Mr. Gu and Ms. Zhang will resign as an Independent Supervisor with effect from the date of the EGM.

Each of Mr. Gu and Ms. Zhang has confirmed that he or she has no disagreement with the Board and there are no matters relating to his or her resignation that need to be brought to the attention of the Shareholders and the Stock Exchange.

A circular containing, among other things, further details of the Proposed Appointments and a notice convening the EGM will be despatched to the Shareholders in due course.

By order of the Board
COSCO SHIPPING Development Co., Ltd.
Yu Zhen
Company Secretary

Shanghai, the People's Republic of China

12 January 2018

As at the date of this announcement, the Board comprises Ms. Sun Yueying, Mr. Wang Daxiong, Mr. Liu Chong and Mr. Xu Hui, being executive directors, Mr. Feng Boming, Mr. Huang Jian and Mr. Chen Dong, being non-executive directors, and Mr. Cai Hongping, Ms. Hai Chi Yuet, Mr. Graeme Jack and Mr. Lu Jianzhong, being independent non-executive directors.

* *The Company is a registered non-Hong Kong company as defined under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name “COSCO SHIPPING Development Co., Ltd.”.*

For identification purposes only.