

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 CHANGE OF DOMESTIC AUDITOR

This announcement is made by the board of directors (the “**Board**”) of COSCO SHIPPING Development Co., Ltd. (the “**Company**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Pursuant to relevant requirements of the State-owned Assets Supervision and Administration Commission of the State Council of the People’s Republic of China and the Ministry of Finance of the People’s Republic of China, if an external auditor continuously undertakes financial auditing work for a central state-owned enterprise for a period exceeding the prescribed time limit, the enterprise should change the auditor pursuant to the relevant requirements.

In view of the above-mentioned requirements, the Board has resolved, with the recommendation from the audit committee of the Company, to appoint ShineWing Certified Public Accountants as the domestic auditor of the Company for the year ending 31 December 2018 (the “**Proposed Appointment**”). The Proposed Appointment is subject to the approval of the shareholders of the Company (the “**Shareholders**”) at a general meeting of the Company. The ordinary resolution in relation to the Proposed Appointment will be proposed at an extraordinary general meeting of the Company to be convened in due course (the “**EGM**”).

Baker Tilly China (Special General Partnership) (“**Baker Tilly**”), the current domestic auditor of the Company, has been providing audit services to the Company for a period which has reached the abovementioned prescribed time limit. Baker Tilly has confirmed that there are no matters that need to be brought to the attention of the Shareholders. The Board has confirmed that there are no disagreements between the Company and Baker Tilly, and there are no other matters in respect of the proposed change of domestic auditor that need to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to express its sincere gratitude to Baker Tilly for its professional services provided to the Company in the past years.

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

Shanghai, the People's Republic of China
25 July 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. Liang Yanfeng, being non-executive Directors, and Mr. Cai Hongping, Ms. Hai Chi Yuet, Mr. Graeme Jack, Mr. Lu Jianzhong, Mr. Gu Xu and Ms. Zhang Weihua, 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."*