



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)

Resolutions Passed at the Ninth Meeting of the 2005 Board of Directors

The Board is pleased to announce that the ninth meeting of the 2005 Board was duly convened on 10 August 2005, during which the resolutions set out below were duly passed.

This announcement is made in compliance with the simultaneous dissemination of information requirement under Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Company’s A shares are listed on the Shanghai Stock Exchange.

The board (the “**Board**”) of directors (each, a “**Director**”) of China Shipping Development Company Limited (the “**Company**”) is pleased to announce that the ninth meeting (the “**Meeting**”) of the 2005 Board was held on 10 August 2005 at 700 Dong Da Ming Road, Shanghai, the People’s Republic of China (the “**PRC**”) at 10:00 a.m..

A quorum of Directors was present at the Meeting. The Meeting was chaired by Mr. Li Shaode, the chairman of the Company. The Meeting was duly convened in accordance with the relevant provisions of the PRC Company Law and the articles of association of the Company. Resolutions relating to approval of the following matters which were considered and duly passed at the Meeting, include, inter alia:

1. the interim report of the Company for the six months ended 30 June 2005;
2. the expiry of the approval in relation to the issue by the Company of the convertible bonds (the “**Convertible Bonds**”)

At an extraordinary general meeting of the Company held on 17 August 2004, the issue of the Convertible Bonds was approved, conditional upon such approvals or consents being granted by the relevant PRC governmental/regulatory authorities. Such approval shall expire twelve months after the aforementioned extraordinary general meeting (i.e. on 16 August 2005). After taking into account all factors including the current state of the market and the approval requirements of the relevant PRC governmental/regulatory authorities, the Board has decided not to proceed with the issue of the Convertible Bonds. The Board considers that there would be no material adverse effect on the fund raising plan of the Company because such plan can be financed by way of, among others, internal resources of the Group or bank borrowings; .

3. the approval of the resignation of Mr. Sun Zhitang (“**Mr. Sun**”) as an executive Director with immediate effect

Due to the change of work position, Mr. Sun has resigned as an executive Director. Mr. Sun has confirmed that there has been no dispute between Mr. Sun and the Board. There are no matters that need to be brought to the attention of the holders of securities of the Company in relation to his resignation; and

4. the approval of the nomination of Mr. Zhang Guofa (“**Mr. Zhang**”) for appointment as an executive Director, subject to the approval of the shareholders of the Company at a general meeting.

In compliance with the notes to Rule 13.51(2) of the Listing Rules, the relevant details of Mr. Zhang will be set out in the relevant notice of extraordinary general meeting of the Company.

By order of the Board
China Shipping Development Company Limited
Li Shaode
Chairman

10 August 2005
Shanghai, the PRC

** As at the date of this announcement, the Board is comprised of Mr. Li Shaode, Mr. Wang Daxiong, Mr. Mao Shijia, Mr. Yao Zuozhi and Mr. Wang Kunhe as executive Directors; and Mr. Xie Rong, Mr. Hu Honggao and Mr. Zhou Zhanqun as independent non-executive Directors.*

Please also refer to the published version of this announcement in The Standard.