中 遠 海 運 發 展 股 份 有 限 公 司
COSCO SHIPPING Development Co., Ltd.*

(Formerly known as 中海集裝箱運輸股份有限公司 China Shipping Container Lines Company Limited)
(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02866)

APPROVAL OF THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES AND THE CS SUBSCRIPTION BY SASAC

Reference is made to (1) the announcement of the COSCO SHIPPING Development Co., Ltd. (the "**Company**") dated 11 October 2016; (2) the circular of the Company dated 1 December 2016 (the "**Circular**"); and (3) the announcement of the Company dated 13 December 2016 in relation to, among other things, (i) the Proposed Non-public Issuance of A Shares, (ii) the CS Subscription, (iii) the Specific Mandate, (iv) the Whitewash Waiver, (v) the Special Deal, (vi) the Proposed Amendments to the Articles of Association and (vii) the Shareholders' Return Plan. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

On 19 December 2016, the Company was notified by COSCO Shipping, the controlling shareholder of the Company that it has received the approval from the SASAC dated 15 December 2016 for the Proposed Non-public Issuance of A Shares and the CS Subscription. As such, one of the conditions precedent for the Proposed Non-public Issuance of A Shares and the CS Subscription has been fulfilled.

The Proposed Non-public Issuance of A Shares and the CS Subscription remain subject to (i) the obtaining of the approval from the Shareholders at the EGM and the Class Meetings, (ii) the obtaining of the approval from the CSRC and (iii) the obtaining of the Whitewash Waiver and the consent to the Special Deal from the Executive.

The completion of the Proposed Non-public Issuance of A Shares and the CS Subscription remains subject to the satisfaction of the other conditions. Accordingly, the Proposed Non-public Issuance of A Shares and the CS Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Shanghai, the People's Republic of China
19 December 2016

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, Mr. Tsang Hing Lun, Ms. Hai Chi Yuet and Mr. Graeme Jack, being independent non-executive Directors.

All the Directors jointly and severally accept full responsibility for the accuracy of the information in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any of the statements in this announcement misleading.

* *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.".*