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CHINA OCEAN INDUSTRY GROUP LIMITED

中海重工集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00651)

CHANGE OF EXECUTIVE DIRECTOR

The Board announces that, with effect from 21 November 2017:

1. Mr. Wang San Long has resigned as an executive Director; and
2. Dr. Zhang Weibing has been appointed as an executive Director.

RESIGNATION OF EXECUTIVE DIRECTOR

The board (“**Board**”) of directors (“**Directors**” and each a “**Director**”) of China Ocean Industry Group Limited (the “**Company**”, together with its subsidiaries the “**Group**”) announces Mr. Wang San Long (“**Mr. Wang**”) has tendered his resignation as an executive Director with effect from on 21 November 2017, as he plans to devote more attention and dedication to his other business engagement.

Mr. Wang confirmed that he has no claim against the Company whatsoever nor disagreement with the Board and there is no matter in respect of his resignation which ought to be brought to the attention of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) and the shareholders of the Company (“**Shareholders**”).

The Board would like to express its sincere appreciation to Mr. Wang for his valuable contribution to the Company during the tenure of his service as an executive Director.

APPOINTMENT OF EXECUTIVE DIRECTOR

The Board is pleased to announce that, with effect from 21 November 2017, Dr. Zhang Weibing (“**Dr. Zhang**”) has been appointed as an executive Director.

Dr. Zhang, aged 51, holds a bachelor degree in economics, a master degree in finance from Peking University and a doctoral degree in finance from Sichuan University. He has over 26 years of working experience in financial securities industry. Dr. Zhang is the chairman and an executive director of Titan Petrochemicals Group Limited, a company listed on the main board of the Stock Exchange (stock code: 1192).

Dr. Zhang was the responsible person of Securities Business of China Agriculture Development Trust and Investment Corporation* (中國農村發展信託投資公司). He was also the general manager of China Life Insurance Trust East China (Group) Company* (中國人保信託華東(集團)公司), the deputy general manager of Qing Hai Securities Company Limited* (青海證券有限責任公司) and the general manager of Shanghai Jinhui Information System Company Limited* (上海金匯信息系統有限公司). Dr. Zhang was a director of Shanghai Lingyun Industries Development Co. Ltd.* (上海凌雲實業發展股份有限公司), which was approved to issue foreign currency stocks listed in the domestic stock markets (B shares)* (境內上市外資股(B股)) and listed on the Shanghai Stock Exchange, an executive director of West Australia Resources Pty. Co., and the chairman of the board of directors of Haton Polymer & Fibre Corp. Dr. Zhang has extensive experience in corporate governance, initial public offering, mergers and acquisitions, equity bond financing and investment.

Save as disclosed above, Dr. Zhang does not at present, and did not in the past three years, hold any directorship in any other listed public companies or any other position with the Company or any other member of the Group.

As at the date of this announcement, Dr. Zhang has personal interest in 30,000,000 shares of the Company. Save as disclosed above, Dr. Zhang does not have any interest in the shares of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance and does not have any relationship with any other Director, senior management or any substantial or controlling shareholder of the Company.

Dr. Zhang will enter into a service contract with the Company, for a term which will continue thereafter until terminated by either party by giving the other party not less than three months' written notice, subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the bye-laws of the Company and the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”). Dr. Zhang is entitled to a monthly emolument of HK\$100,000 and a discretionary bonus at the sole determination of the Board. His emolument is determined by reference to his duties and responsibilities in the Company and the prevailing market rate for the position.

Save as disclosed above, there is no other information which is discloseable nor is/was Dr. Zhang involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(w) of the Listing Rules. The Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

The Board would like to extend a warm welcome to Dr. Zhang to join the Board.

By order of the Board
China Ocean Industry Group Limited
LI Ming
Chairman

Hong Kong, 21 November 2017

The English translation of Chinese names or words in this announcement, where indicated by “”, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

As at the date of this announcement, the Board of the Company comprises four executive directors, namely, Mr. Li Ming, Mr. Zhang Shi Hong, Mr. Liu Jin and Dr. Zhang Weibing, one non-executive director, namely, Mr. Chau On Ta Yuen; and three independent non-executive directors, namely, Ms. Xiang Siying, Mr. Hu Bai He and Ms. Xiang Ying.