



# **COSCO Pacific Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1199)**

## **PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY**

The board of directors (the “Board”) of COSCO Pacific Limited (the “Company”) announces that a Special General Meeting of the Company (“SGM”) will be held at 49th Floor, COSCO Tower, 183 Queen’s Road Central, Hong Kong on Friday, 21st May 2004 at 2:45 p.m. (or so soon thereafter as the Annual General Meeting of the Company convened for the same place and date at 2:30 p.m. shall have been concluded or adjourned) whereby amongst other things, a special resolution for the amendments to the Bye-laws of the Company (the “Bye-laws”) (the “Special Resolution”) will be proposed to the shareholders of the Company (the “Shareholder(s)”) for their approval at the SGM in order to align the Bye-laws with the amended provisions of the Appendix 3 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), which have become effective since 31st March 2004, as well as to keep the Bye-laws more in line with the current practice of the Company. The brief description of the background of the proposed amendments to the Bye-laws are as follows:

### **Proposed changes**

- (i) Where the Company has actual knowledge, any Shareholder who is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any vote casts by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted.
- (ii) A minimum of 7 days’ period is required for lodgment by Shareholder of a notice to nominate a director (other than the retiring director) and for the lodgment by the nominated person of a notice to indicate his willingness to be elected and such notice shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days before the date of such meeting.
- (iii) Any matter in which a director or his associates has material interest, such director shall abstain from voting at the board meeting for the purpose of approving such matter and such director shall not be counted in the quorum of the relevant board meeting.

The Special Resolution setting out details of the proposed amendments to the Bye-laws is contained in the notice of the SGM which is published below together with this announcement. A circular containing, amongst other things, particulars of the proposed amendments to the Bye-laws and notice of the SGM will be despatched to the Shareholders on 22nd April 2004.

As at the date of this announcement, the Board comprises 20 executive directors, namely, Mr. WEI Jiafu (Chairman), Mr. LIU Guoyuan (Vice Chairman), Mr. ZHANG Fusheng, Mr. WANG Futian, Mr. GAO Weijie, Mr. CHEN Hongsheng, Mr. LI Jianhong, Mr. MA Zehua, Mr. MA Guichuan, Ms. SUN Yueying, Mr. LI Yunpeng, Mr. ZHOU Liancheng, Mr. SUN Jiakang (Managing Director), Mr. XU Lirong, Mr. HE Jiale, Mr. LIANG Yanfeng, Mr. WONG Tin Yau, Kelvin, Mr. MENG Qinghui, Mr. LU Chenggang and Mr. QIN Fuyan; 4 independent non-executive directors, namely, Dr. LI Kwok Po, David, Mr. LIU Lit Man, Mr. Alexander Reid HAMILTON and Mr. LEE Yip Wah, Peter and 1 non-executive director, namely, Mr. KWONG Che Keung, Gordon.

By order of the Board  
**SUN Jiakang**  
*Managing Director*

Hong Kong, 22nd April 2004

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## NOTICE OF SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a Special General Meeting of COSCO Pacific Limited (the “Company”) will be held at 49th Floor, COSCO Tower, 183 Queen’s Road Central, Hong Kong on Friday, 21st May 2004 at 2:45 p.m. (or so soon thereafter as the Annual General Meeting of the Company convened for the same date and place at 2:30 p.m. shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolutions, with or without modifications, as ordinary resolutions and special resolution of the Company (as the case may be):

### ORDINARY RESOLUTIONS

1. **“THAT:**

- (A) subject to paragraph (C) of this Resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company (“Shares”) and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares to be allotted be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) above shall authorize the Directors during the Relevant Period (as hereinafter defined) to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares to be allotted after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (A) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of Shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantee as specified in such scheme or similar arrangement of Shares or rights to acquire the Shares; or (iii) an issue of Shares pursuant

to any scrip dividends or similar arrangement providing for allotment of Shares in lieu of the whole or part of the dividend on Shares in accordance with the Bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the issued Share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

- (D) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company; or
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company and the applicable laws of Bermuda to be held; or
  - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting; and

“Rights Issue” means an offer of Shares or issue of option, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to the holders of Shares, or any class of Shares, whose name appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such Shares (or, where appropriate, such other securities) as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

2. **“THAT:**

- (A) subject to paragraph (B) of this Resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company (“Shares”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by The Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (B) the aggregate nominal amount of the Shares to be repurchased by the Company pursuant to the approval in paragraph (A) of this Resolution shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution and the said approval shall be limited accordingly; and
- (C) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company; or

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company and the applicable laws of Bermuda to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

3. “**THAT** subject to the passing of Ordinary Resolutions Nos. 1 and 2 set out in the notice convening this meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the Company (“Shares”) pursuant to the Ordinary Resolution No. 1 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of Shares in the capital of the Company repurchased by the Company under the authority granted pursuant to the Ordinary Resolution No. 2 set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the Ordinary Resolution No. 2.”

### **SPECIAL RESOLUTION**

“**THAT** the existing Bye-laws of the Company be and are hereby amended in the following manner:

(A) By inserting the following new definition of “associate” in Bye-law 1:

“associate(s)” the meaning attributed to it in the rules of the Designated Stock Exchange.

(B) By deleting the definition “clearing house” in Bye-law 1 and substituting therefor the following new definition:

“clearing house” a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.

(C) By inserting the words “, save for the use of share premium as expressly permitted by the Act,” after the words “issued share capital or” in the second line of Bye-law 6 and by deleting the words “in any manner permitted by law” from the last sentence of Bye-law 6;

(D) By inserting the following words at the end of Bye-law 9:

“Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.”

(E) By deleting Bye-law 19 in its entirety and substituting the following therefor:

“19. Share certificates shall be issued in the case of an issue of shares within such period as prescribed by the Designated Stock Exchange (or such longer period as the terms of the issue provide) after allotment or in the case of a transfer of fully or partly paid shares within such period as prescribed by the Designated Stock Exchange after lodgment of a transfer with the Company, not being a transfer which the Company is for the time being entitled to refuse to register and does not register.”

(F) By inserting the words “, in respect of any shares that are not fully paid,” after the words “held by him” in Bye-law 43(1)(a);

(G) By deleting the words “and may be under hand only” from Bye-law 46 and replacing therewith the following words:

“or in a form prescribed by the Designated Stock Exchange and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time”

(H) By deleting the sentence “There shall be no requirement for the chairman to disclose the voting figures on a poll.” from Bye-law 68;

(I) By inserting the following new Bye-law 77A immediately following Bye-law 77:

“77A. Where the Company has actual knowledge that any member is, under the rules of any Designated Stock Exchange, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.”

(J) By deleting the last two sentences from Bye-law 78 and replacing therewith the following words:

“A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.”

(K) By deleting the existing Bye-law 84(2) in its entirety and replacing therewith the following new Bye-law 84(2):

“(2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives or proxies at any meeting of the Company or at any meeting of any class of Members provided that the authorisation or instrument of proxy shall specify the number and class of shares in respect of which each such person is so authorised or appointed. Each person so authorised or appointed under the provisions of this Bye-law shall be deemed to have been duly authorised or appointed without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation or instrument of proxy including the right to vote individually on a show of hands.”

(L) By deleting Bye-law 88 in its entirety and substituting the following therefor:

“88. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless not less than seven (7) days before the date appointed for the meeting there shall have been lodged at the Office or at the head office notice in writing signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected provided that the period for

lodgment of the aforesaid notice shall commence not earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”

(M) By deleting the words “whereupon the Board resolves to accept such resignation” from Bye-law 89(1);

(N) By deleting Bye-law 103 in its entirety and substituting the following therefor:

“103. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement for the giving to such Director or his associate(s) any guarantee, security or indemnity in respect of money lent by him or any of his associate(s) or obligations incurred or undertaken by him or any of his associate(s) at the request of or for the benefit of the Company or any of its subsidiaries (as defined by the rules, where applicable, of any Designated Stock Exchange);
- (ii) any contract or arrangement for the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries (as defined by the rules, where applicable, of any Designated Stock Exchange) for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;
- (v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director and any of his associates is/are in aggregate beneficially interested in five (5)% or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest or that of his associate(s) is derived); or
- (vi) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associate(s) and employees of the Company or of any of its subsidiaries (as defined by the rules, where applicable, of any Designated Stock Exchange) and does not provide in respect of any Director or his associate(s) as such any privilege or advantage not accorded to the employees to which such scheme or fund relates.

(2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent. or more if and so long as (but only if and so long as) he and/or his associates, (either directly or indirectly) are the holders of or beneficially interested in five (5)

per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his/their interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder.

(3) Where a company in which a Director and/or his associate(s) holds five (5) per cent. or more is/are materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.

(4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.”

- (O) By inserting the words “and Bye-law 153A” after the words “Subject to Section 88 of the Act” in the first sentence of Bye-law 153; and
- (P) By inserting the word “or electronic” after the word “facsimile” in the first sentence of Bye-law 163.

By Order of the Board  
**HUNG Man**  
*Company Secretary*

Hong Kong, 22nd April 2004

*Principal Place of Business:*

49th Floor, COSCO Tower  
183 Queen’s Road Central  
Hong Kong

**Notes:**

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company but must be present in person to represent the member.

2. To be valid, the proxy form together with any power of attorney or other authority under which it is signed or a certified copy of such power or authority must be deposited at the principal place of business of the Company at 49th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. Where there are joint holders of any shares in the Company, any one of such joint holders may vote at the meeting, either in person or by proxy, in respect of such shares as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

*Please also refer to the published version of this announcement in the (South China Morning Post)*