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## **COSCO Pacific Limited**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 1199)**

### **ANNOUNCEMENT**

The Board has been notified by COSCO that its wholly-owned subsidiary, COSCO Holdings, submitted to the Stock Exchange an advanced booking form for the Proposed Listing on 7 March 2005.

**The Proposed Listing is subject to, among others, regulatory approvals and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares. Whether the Proposed Listing is proceeded with or not, the Company's businesses will not be affected.**

The Board has been notified by COSCO that its wholly-owned subsidiary, COSCO Holdings, which was incorporated on 3 March 2005 in the People's Republic of China, submitted to the Stock Exchange an advanced booking form for the Proposed Listing on 7 March 2005 and that application will be made to the Stock Exchange for the listing of, and permission to deal in the H-shares of COSCO Holdings.

The Board has also been informed by COSCO that as part of an internal reorganization of COSCO's core businesses and in preparation for the Proposed Listing, COSCO will inject its entire interests in its container shipping and related businesses and its entire interest in the Company into COSCO Holdings. After completion of the reorganization, the Company will become a member of the COSCO Holdings group of companies, and COSCO will, through COSCO Holdings, continue to be the Company's ultimate controlling shareholder, although its effective interest in the Company will be diluted in the event that COSCO Holdings is successfully listed, such dilution will be corresponding to the reduction of COSCO's interest in COSCO Holdings.

No change to the businesses of the Company will be made as a result of the Proposed Listing, and the listing status of the Company will also remain unchanged. After the reorganization and even after COSCO Holdings is listed, the positioning of the current businesses of the Company, including container leasing, container terminals, logistics and container manufacturing will remain unchanged. The Company will continue to be the only vehicle in the COSCO group for carrying on

container leasing and container terminal investment businesses. The Company will continue to enjoy the right of first refusal granted by COSCO to the Company when the Company was listed in respect of filling the demand for container leasing of the companies in the COSCO group, and the connected transaction waiver related to container leasing granted by the Stock Exchange will continue to be effective. The container shipping fleets of COSCO can be expected to be further strengthened after COSCO Holdings is listed. As a result, the Company would benefit directly in respect of its provision of container leasing and terminal services to COSCON. COSCO will continue to fully support the Company in developing and expanding its core businesses as before.

If COSCO Holdings is successfully listed on the Stock Exchange, there may be situations where transactions of the Group will also require the approval of shareholders of COSCO Holdings under the Listing Rules. Such requirement could mean that in the future, transactions of the Group may be required to undergo additional procedure and require additional time before they can be undertaken. Nevertheless, the Board believes that the Proposed Listing should be positive and synergistic to the core businesses of the Company.

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As at the date of this announcement, the Board comprises 18 executive directors, namely, Capt. WEI Jiafu (Chairman), Mr. LIU Guoyuan (Vice Chairman), Mr. ZHANG Fusheng, Mr. WANG Futian, Mr. CHEN Hongsheng, Mr. LI Jianhong, Mr. MA Zehua, Mr. MA Guichuan, Mr. LI Yunpeng, Ms. SUN Yueying, Mr. ZHOU Liancheng, Mr. SUN Jiakang (Managing Director), Mr. XU Lirong, Mr. HE Jiale, Mr. WONG Tin Yau, Kelvin, Mr. MENG Qinghui, Mr. LU Chenggang, Mr. QIN Fuyan; three independent non-executive directors, namely, Dr. LI Kwok Po, David, Mr. LIU Lit Man, Mr. Alexander Reid HAMILTON; and one non-executive director, namely, Mr. KWONG Che Keung, Gordon.

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

<b>Expression</b>	<b>Meaning</b>
“Board”	the board of directors of the Company
“Company”	COSCO Pacific Limited
“COSCO”	China Ocean Shipping (Group) Company (中國遠洋運輸(集團)總公司), a company established in the People's Republic of China and the ultimate controlling shareholder of the Company
“COSCO Holdings”	China COSCO Holdings Company Limited, a joint stock limited company established in the People's Republic of China and, as at the date of this announcement, a wholly-owned subsidiary of COSCO
“COSCON”	COSCO Container Lines Company Limited, a company established in the People's Republic of China and a subsidiary of COSCO
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Proposed Listing”	the proposed listing of the H-shares of COSCO Holdings on the main board of the Stock Exchange

“Shares” the ordinary shares of HK\$0.10 each in the capital of the Company  
“Stock Exchange” The Stock Exchange of Hong Kong Limited

By Order of the Board  
**COSCO Pacific Limited**  
**SUN Jiakang**  
*Managing Director*

Hong Kong, 10 March 2005

*Please also refer to the published version of this announcement in the (**The Standard**)*