



# COSCO Pacific Limited

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1199)**

## **CHANGE AND RE-DESIGNATION OF DIRECTORSHIPS**

The Board of Directors (the “Board”) of COSCO Pacific Limited (the “Company”) announces that with effect from 9th June, 2005, Mr. SUN Jiakang was elected as the Vice Chairman of the Board of the Company, Mr. CHOW Kwong Fai, Edward was appointed as independent non-executive director and the Chairman of the audit committee of the Company and Mr. Timothy George FRESHWATER was appointed as independent non-executive director of the Company. Mr. WEI Jiafu and Mr. XU Lirong were re-designated from executive directors to non-executive directors of the Company and Mr. WEI Jiafu remains as the Chairman of the Board of the Company.

The Board further announces that with effect from 9th June, 2005, Mr. LIU Guoyuan resigned as executive director and the Vice Chairman of the Board of the Company, Mr. ZHANG Fusheng, Mr. WANG Futian, Mr. MA Zehua, Mr. MA Guichuan, Mr. LI Yunpeng and Mr. HE Jiale resigned as executive directors of the Company and Mr. Alexander Reid HAMILTON resigned as independent non-executive director and the Chairman of the audit committee of the Company.

The reasons for the above change of directorships were to simplify the structure of the Board and to increase the ratio of the number of independent non-executive directors and non-executive directors on the Board. The above resigned and re-designated directors confirmed that they have no disagreement with the Board and there is no matter relating to their resignation and re-designation that will need to be brought to the attention of the shareholders of the Company.

**Mr. SUN Jiakang**, aged 45, joined the Company since September 2002 and is the Vice Chairman of the Board & Managing Director of the Company and the Chairman of the Investment and Strategic Planning Committee and members of the Remuneration and Assessment Committee and Nomination Committee. He is also a Vice President of COSCO (Hong Kong) Group Limited, a Non-executive Director of Liu Chong Hing Bank Limited, a public listed company in Hong Kong, a director of China International Marine Containers (Group) Co., Ltd., a public listed company in Shenzhen, a fellow member of the Hong Kong Institute of Directors, a member of International WHO’S WHO of Professionals and a visiting professor at Dalian Maritime University. Mr. SUN is currently a director of COSCO Pacific Investment Holdings Limited, a controlling shareholder of the Company, and directors of a number of subsidiaries of the Company. Mr. SUN graduated from the Faculty of Navigation of Dalian Maritime Transportation Institute with a bachelor degree in shipping management in 1982 and obtained a bachelor degree in economic management of industrial enterprises from the People’s University of China in 1987, a master degree in management from Dalian Maritime University in 2001 and a doctor of philosophy (PhD) degree in management from Preston University, USA in 2005. For the past 23 years, Mr. SUN has committed to shipping management and has accumulated rich experiences in international shipping and logistics operations and has demonstrated excellent management skills.

Save as disclosed above, Mr. SUN has not held any directorships in other listed public companies in the past three years, does not hold any other position with the Company and other members of the group of the Company and does not have any other relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. SUN has entered into a service agreement with COSCO Pacific Management Company Limited, a wholly owned subsidiary of the Company, on 16th September, 2002 for a term of three years commencing from 16th September, 2002. The service agreement provides for an annual salary of HK\$2,400,000 to Mr. SUN plus an annual bonus as determined by the Board. Such remuneration was determined based on his senior management position in the Company, his level of responsibilities and the remuneration policy of the Group. The agreement is renewable automatically for successive terms of three years subject to termination by either party giving not less than three months' notice in writing to the other party terminating at the end of the initial term or any renewed term of the service agreement.

As at the date hereof, Mr. SUN beneficially owns share options granted by the Company to subscribe for 200,000 and 1,000,000 shares of the Company at exercise prices of HK\$9.54 and HK\$13.75 each respectively and share options granted by COSCO International Holdings Limited, an associated corporation of the Company, to subscribe for 900,000 and 800,000 shares of COSCO International Holdings Limited at exercise prices of HK\$0.57 and HK\$1.37 each respectively.

**Mr. CHOW Kwong Fai, Edward**, aged 52, is a Fellow Member of The Institute of Chartered Accountants in England and Wales and president of Hong Kong Institute of Certified Public Accountants (HKICPA). Before elected president, he chaired the HKICPA's Corporate Governance Committee and Professional Accountants in Business (PAIB) Committee. He also represents HKICPA on the PAIB Committee of the International Federation of Accountants (IFAC). He is a core member of the OECD/World Bank Asian Corporate Governance Roundtable and a Deputy Chairman of both the Hong Kong Institute of Directors and the Business and Professionals Federation of Hong Kong. He is also a member of The Chinese People's Political Consultative Conference — Zhejiang Province and The Election Committee of Hong Kong SAR.

Mr. CHOW is now the Chairman of China Infrastructure Group which invests and operates ports and logistics centres in the PRC. Between 1988 and 1996, he was the Managing Director of a conglomerate which had companies listed on the stock exchanges of Hong Kong and Thailand. Prior to entering the commercial sector, Mr. CHOW spent 11 years working for two major accounting firms, Deloitte Haskins & Sells and Price Waterhouse (as they were then known), respectively in London and Hong Kong.

Mr. CHOW has not held any directorships in other listed public companies in the past three years. Save as disclosed above, Mr. CHOW does not hold any other position with the Company and other members of the group of the Company. He does not have any relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company.

Pursuant to the letter of appointment entered into between the Company and Mr. CHOW, the Company appointed Mr. CHOW for a term of 3 years and his appointment will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-laws. The director's fee of Mr. CHOW, which is not fixed in the letter of appointment, will be determined by reference to his duties and responsibilities and prevailing market conditions and subject to the approval of the shareholders of the Company at the annual general meeting.

As at the date hereof, Mr. CHOW does not have any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

**Mr. Timothy George FRESHWATER**, aged 60, is a Vice Chairman of Goldman Sachs (Asia) L.L.C. Before joining Goldman Sachs in 2001, he was the Chairman of Jardine Fleming. Mr. FRESHWATER is admitted as a solicitor in England & Wales and Hong Kong. After graduating from the University of Cambridge, he joined the international law firm Slaughter and May in 1967 and remained with them for 29

years before joining the Jardine Fleming group in 1996. He became a partner of Slaughter and May in 1975 and worked in their Hong Kong office for seven years between 1978 and 1985. He was head of Slaughter and May's worldwide corporate practice from 1993 until 1996 and is an ex-President of the Hong Kong Law Society. Mr. FRESHWATER is currently an independent non-executive director of Hong Kong Exchanges & Clearing Limited and Pacific Century Insurance Holdings Limited, both of which are public listed companies in Hong Kong, a non-executive director of Liu Chong Hing Bank Limited, a public listed company in Hong Kong.

Save as disclosed above, Mr. FRESHWATER has not held any other directorships in any listed public companies in the past three years and does not hold any other position with the Company and other members of the group of the Company. He does not have any relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company.

Pursuant to the letter of appointment entered into between the Company and Mr. FRESHWATER, the Company appointed Mr. FRESHWATER for a term of 3 years and his appointment will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-laws. The director's fee of Mr. FRESHWATER, which is not fixed in the letter of appointment, will be determined by reference to his duties and responsibilities and prevailing market conditions and subject to the approval of the shareholders of the Company at the annual general meeting.

As at the date hereof, Mr. FRESHWATER beneficially owns 30,000 shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

**Mr. WEI Jiafu**, aged 55, has been the Chairman of the Board of the Company since June 2000. He is also the President & CEO of China Ocean Shipping (Group) Company ("COSCO", the ultimate controlling shareholder of the Company) and the Chairman of COSCO (Hong Kong) Group Limited, COSCO International Holdings Limited, a public listed company in Hong Kong, COSCO Corporation (Singapore) Limited, a public listed company in Singapore and COSCO Container Lines Company Limited. He was the Chairman of COSCO Shipping Co., Ltd., a public listed company in Shanghai, until January, 2003. He was elected into the CPC Central Committee for Discipline Inspection in November, 2002. Mr. WEI is currently a director of certain subsidiaries of COSCO through which COSCO holds its interest in the Company. As a former marine captain who served for more than a decade on COSCO's ocean-going ships, he is richly experienced in international shipping business. Mr. WEI is also the Vice Chairman of China Merchants Bank Co., Limited, a public listed company in Shanghai, the Chairman of China Shipowners' Association, Chairman of China Shipowners' Mutual Assurance Association, Chairman of China Federation of Industrial Economics, Director of the Board of Bo'ao Forum for Asia, a member of Harvard Business School Asia-Pacific Advisory Board and advisor of Panama Canal Authority. Mr. WEI obtained his Master of Shipping Management and Engineering degree from Dalian Maritime University and his Doctoral degree from Tianjin University.

Save as disclosed above, Mr. WEI has not held any directorships in other listed public companies in the past three years, does not hold any other position with the Company and other members of the group of the Company and does not have any other relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company.

Pursuant to the letter of appointment entered into between the Company and Mr. WEI, the Company appointed Mr. WEI for a term of 3 years and his appointment will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-laws. The director's fee of Mr. WEI, which is not fixed in the letter of appointment, will be determined by reference to his duties and responsibilities and prevailing market conditions and subject to the approval of the shareholders of the Company at the annual general meeting.

As at the date hereof, Mr. WEI beneficially owns share options granted by the Company to subscribe for 1,000,000 and 1,000,000 shares of the Company at exercise prices of HK\$9.54 and HK\$13.75 each respectively and share options granted by COSCO International Holdings Limited, an associated corporation of the Company, to subscribe for 1,800,000 and 1,200,000 shares of COSCO International Holdings Limited at exercise prices of HK\$0.57 and HK\$1.37 each respectively.

**Mr. XU Lirong**, aged 47, has been a director of the Company since March 2000. He is also the Managing Director of COSCO Container Lines Company Limited. Mr. XU graduated from Marine Navigation Department of the Adult Education College in Dalian Maritime University and obtained his Master of Business Administration degree from Shanghai Maritime University thereafter. Mr. XU had been Second Chief Officer, Chief Officer and Captain on board of vessels of Shanghai Ocean Shipping Company. He had also been the Deputy Managing Director of Shanghai Ocean Shipping Company and the President of Shanghai Shipping Exchange. He has extensive experience in shipping and corporate management.

Save as disclosed above, Mr. XU has not held any directorships in other listed public companies in the past three years, does not hold any other position with the Company and other members of the group of the Company and does not have any other relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company.

Pursuant to the letter of appointment entered into between the Company and Mr. XU, the Company appointed Mr. XU for a term of 3 years and his appointment will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-laws. The director's fee of Mr. XU, which is not fixed in the letter of appointment, will be determined by the Board by reference to his duties and responsibilities and prevailing market conditions and subject to the approval of the shareholders of the Company at the annual general meeting.

As at the date hereof, Mr. XU beneficially owns share options granted by the Company to subscribe for 800,000 and 1,000,000 shares of the Company at exercise prices of HK\$9.54 and HK\$13.75 each respectively.

In respect of the aforesaid change and re-designation of directorships, the Board confirms that there is no other matter that needs to be brought to the attention of the shareholders of the Company. The Board would like to welcome Mr. CHOW and Mr. FRESHWATER to the Board and thank all of the above resigned directors for their valuable contribution to the Company during their services with the Company.

After the change of directors and as at the date of this announcement, the Board comprises the following directors:-

Mr. WEI Jiafu<sup>2</sup> (Chairman), Mr. CHEN Hongsheng<sup>1</sup>, Mr. LI Jianhong<sup>1</sup>, Ms. SUN Yueying<sup>1</sup>, Mr. SUN Jiakang<sup>1</sup> (Vice Chairman & Managing Director), Mr. XU Lirong<sup>2</sup>, Mr. WONG Tin Yau, Kelvin<sup>1</sup>, Mr. LU Chenggang<sup>1</sup>, Mr. QIN Fuyan<sup>1</sup>, Dr. LI Kwok Po, David<sup>3</sup>, Mr. LIU Lit Man<sup>3</sup>, Mr. CHOW Kwong Fai, Edward<sup>3</sup>, Mr. Timothy George FRESHWATER<sup>3</sup> and Mr. KWONG Che Keung, Gordon<sup>2</sup>

<sup>1</sup> Executive Director

<sup>2</sup> Non-executive Director

<sup>3</sup> Independent Non-executive Director

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

*Vice Chairman & Managing Director*

Hong Kong, 9th June, 2005.

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