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COSCO Pacific Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1199)

ANNOUNCEMENT

Reference is made to the circular of COSCO Pacific Limited dated 17 November 2005 (the “Circular”). Terms used herein have the same meanings as in the Circular. The proposed amendments to the Share Option Scheme as set out in the Appendix to the Circular (the “Modifications”) are subject to approval by the shareholders of the Company as well as the shareholders of China COSCO Holdings Company Limited (“China COSCO”).

The Board would like shareholders and investors of the Company to note that pending the approval by shareholders of China COSCO of the Modifications, options (if any) that may be granted under the Revised Share Option Scheme to any member of the management of China COSCO will not be exercisable until at least after the shareholders of China COSCO shall have duly approved the Modifications, and if such approval is not forthcoming such options so granted will lapse automatically (this being made a term of the letter of grant). Options will continue to be granted to other participants within the Share Option Scheme under such conditions and terms as the Board may deem fit. It should further be noted that it is intended that the Directors will suspend the coming into effect of the proposed amendments to paragraph 8(e) of the Share Option Scheme until shareholders at a general meeting of China COSCO (yet to be convened) duly approve it.

Since the decision by the Company’s shareholders to approve the Modifications should be based on the nature and substance of the Modifications, the requirement on the Modifications being approved by the shareholders of China COSCO should not be material to the Company’s shareholders. Furthermore, the imposition of a condition that the options cannot be exercised by members of the management of China COSCO before approval of China COSCO’s shareholders when granting options to management of China COSCO and the suspension of the amendments to paragraph 8(e) of the Share Option Scheme are within the terms of the Share Option Scheme and, therefore, such arrangement does not constitute material information.

The SGM will be held as scheduled on 5 December 2005 at the time and venue specified in the SGM Notice dated 17 November 2005.

By Order of the Board
COSCO Pacific Limited
SUN Jiakang

Vice Chairman & Managing Director

Hong Kong, 29 November 2005

As at the date of this announcement, the Board comprises Mr. WEI Jiafu² (Chairman), Mr. CHEN Hongsheng¹, Mr. LI Jianhong¹, Ms. SUN Yueying¹, Mr. SUN Jiakang¹ (Vice Chairman & Managing Director), Mr. XU Lirong², Mr. WONG Tin Yau, Kelvin¹, Mr. WANG Zhi¹, Mr. QIN Fuyan¹, Dr. LI Kwok Po, David³, Mr. LIU Lit Man³, Mr. CHOW Kwong Fai, Edward³, Mr. Timothy George FRESHWATER³ and Mr. KWONG Che Keung, Gordon².

¹ Executive Director

² Non-executive Director

³ Independent Non-executive Director

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