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COSCO Pacific Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1199)

ANNOUNCEMENT

CONTINUING CONNECTED TRANSACTIONS

The Group has been carrying on transactions pursuant to the Existing Master Agreements which constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. At the special general meeting of the Company held on 17th May 2007, the then Independent Shareholders approved the Existing Master Agreements and the annual caps for transactions under each of the Existing Master Agreements for the three years ending 31st December 2009. Details of the transactions under the Existing Master Agreements were disclosed in the announcement and circular of the Company dated 23rd March 2007 and 16th April 2007 respectively. The Existing Master Agreements will expire on 31st December 2009, and it is expected that the Group will continue to enter into transactions of a nature similar to the transactions under the Existing Master Agreements from time to time thereafter.

The Group has also been carrying on transactions in relation to the provision of terminal related services, the purchase of diesel oil, the leasing and sales of containers, the purchase of containers and container related materials and the provision of container related services from time to time which constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules, and separate agreements have been entered into in respect of such transactions. It is expected that the Group will continue to enter into transactions of a similar nature from time to time.

Therefore, on 30th November 2009, the relevant members of the Group entered into the following master agreements each for a term from 1st January 2010 to 31st December 2012 constituting continuing connected transactions of the Company which are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules:

- (1) the COSCON Shipping Services Master Agreement between COSCO Ports, PCT, COSCO and COSCON;
- (2) the APM Shipping Services Master Agreement between COSCO Ports, PCT and the Line;
- (3) the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement between Florens, COSCO and COSCON;
- (4) the Florens-APM Container Purchasing and Related Services Master Agreement between Florens and the Line;
- (5) the Nansha Container Terminal Services Master Agreement between COSCO Ports, GZ South China and GZ Port Holding; and

- (6) the Yangzhou Terminal Services Master Agreement between COSCO Ports, Yangzhou Yuanyang and Yangzhou Port Holding.

The Company expects to obtain the Written Approval for the transactions under the APM Shipping Services Master Agreement, the Florens-APM Container Purchasing and Related Services Master Agreement, the Nansha Container Terminal Services Master Agreement and the Yangzhou Terminal Services Master Agreement from COSCO Pacific Investment Holdings Limited and COSCO Investments Limited (both being subsidiaries of COSCO), which together are interested in an aggregate of 51.20% of the total issued share capital of the Company as at the date of this announcement. As no Shareholder has any material interest in any of the master agreements mentioned in this paragraph and the transactions contemplated thereunder, no Shareholder is required to abstain from voting if a general meeting of the Company were convened to approve them. Accordingly, pursuant to Rules 14A.43 and 14A.53 of the Listing Rules, the Company will apply to the Stock Exchange for a waiver of the requirement to hold a shareholders' meeting and the permission for the independent shareholders' approval to be given in the form of the Written Approval in respect of such transactions.

A circular containing, amongst other things, further details of the transactions contemplated under the COSCON Shipping Services Master Agreement, the APM Shipping Services Master Agreement, the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement, the Florens-APM Container Purchasing and Related Services Master Agreement, the Nansha Container Terminal Services Master Agreement and the Yangzhou Terminal Services Master Agreement, a letter from the Independent Board Committee to the Independent Shareholders and a letter from the independent financial adviser to the Independent Board Committee and the Independent Shareholders, together with a notice of the SGM will be despatched to the Shareholders as soon as practicable.

Moreover, on 30th November 2009, the relevant members of the Group entered into the following master agreements each for a term from 1st January 2010 to 31st December 2012 constituting continuing connected transactions of the Company which are subject to the reporting and announcement requirements, but are exempt from the independent shareholders' approval requirement, under Chapter 14A of the Listing Rules:

- (1) the COSCON Container Services Master Agreement between Plangreat, COSCO and COSCON;
- (2) the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement between Florens, COSCO and COSCON;
- (3) the Florens-APM Container Leasing, Sales and Related Services Master Agreement between Florens and the Line;
- (4) the Diesel Oil Purchase Master Agreement between COSCO Ports, GZ South China and CM Supply;
- (5) the Zhangjiagang Container Terminal Services Master Agreement between COSCO Ports, Zhangjiagang Win Hanverky and Zhangjiagang Port Holding; and
- (6) the Xiamen Container Terminal Services Master Agreement between COSCO Ports, Xiamen Ocean Gate and Xiamen Haicang Holding.

BACKGROUND

The Group has been carrying on transactions pursuant to the Existing Master Agreements which constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. At the special general meeting of the Company held on 17th May 2007, the then Independent Shareholders approved the Existing Master Agreements and the annual caps for transactions under each of the Existing Master Agreements for the three years ending 31st December 2009. Details of the transactions under the Existing Master Agreements were disclosed in the announcement and circular of the Company dated 23rd March 2007 and 16th April 2007 respectively. The Existing Master Agreements will expire on 31st December

2009, and it is expected that the Group will continue to enter into transactions of a nature similar to the transactions under the Existing Master Agreements from time to time thereafter.

The Group has also been carrying on transactions in relation to the provision of container terminal related services, the purchase of diesel oil, the leasing and sales of containers, the purchase of containers and container related materials and the provision of containers and related services from time to time which constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules, and separate agreements have been entered into in respect of such transactions. It is expected that the Group will continue to enter into transactions of a similar nature from time to time.

THE CONTINUING CONNECTED TRANSACTIONS

A. Transactions subject to independent shareholders' approval requirement

On 30th November 2009, the relevant members of the Group entered into the following agreements which constitute continuing connected transactions of the Company subject to independent shareholders' approval requirement, the principal terms of which are summarized as follows:

(1) COSCON Shipping Services Master Agreement

Date: 30th November 2009

Parties: COSCO Ports
PCT
COSCO
COSCON

Duration: 1st January 2010 to 31st December 2012

Condition: Conditional upon the approval of the Independent Shareholders

If the above condition is not fulfilled on or before 31st December 2009 (or such later date as COSCO Ports and PCT may notify COSCO and COSCON which shall be no later than 31st January 2010), then unless the parties agree in writing to extend the period for the fulfillment of such condition, the COSCON Shipping Services Master Agreement shall lapse.

Nature of transaction: Provision of shipping related services by members of the COSCO Ports Group or PCT to members of the COSCO Group (including COSCON), including without limitation, the handling, storage, stevedoring, transshipment and maintenance of cargoes

The above services are mainly provided by the subsidiaries of COSCO Ports (not being Plangreat and its subsidiaries) in the PRC and by PCT in Greece; and are of different nature than those pursuant to the COSCON Container Services Master Agreement.

Terms and fees: The transactions shall be conducted on normal commercial terms and the service fees shall be at rates no less favourable to the relevant members of the COSCO Ports Group or to PCT than that at which the relevant members of the COSCO Ports Group or PCT charges independent third party customers for the relevant services.

Historical amounts:

The aggregate amounts received by the COSCO Ports Group from the COSCO Group for transactions of a nature similar to the transactions under the COSCON Shipping Services Master

Agreement in respect of each of the years ended 31st December 2007 and 31st December 2008 and the nine months ended 30th September 2009 were RMB94,622,000 (approximately HKD108,537,000), RMB231,894,000 (approximately HKD265,995,000) and RMB165,298,000 (approximately HKD189,606,000) respectively. Since the container terminal situated at the Piraeus Port of Greece had just been taken over by PCT on 1st October 2009, there had been no historical transaction between PCT and the COSCO Group which is of a nature similar to the transactions under the COSCON Shipping Services Master Agreement in respect of each of the years ended 31st December 2007 and 31st December 2008 and the nine months ended 30th September 2009.

Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the COSCON Shipping Services Master Agreement and the basis of determination of such annual cap amounts are set out as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
Aggregate amount receivable by the COSCO Ports Group and PCT from the COSCO Group	RMB815,402,000 (approximately HKD935,309,000); including RMB110,000,000 (approximately HKD126,176,000) receivable from the COSCO Group (excluding China COSCO and its subsidiaries)	RMB1,097,176,000 (approximately HKD1,258,519,000); including RMB120,000,000 (approximately HKD137,647,000) receivable from the COSCO Group (excluding China COSCO and its subsidiaries)	RMB1,310,131,000 (approximately HKD1,502,789,000); including RMB130,000,000 (approximately HKD149,117,000) receivable from the COSCO Group (excluding China COSCO and its subsidiaries)	Based on the existing scale and operations of the businesses of the COSCO Ports Group and PCT, the anticipated growth and development of such businesses and the anticipated demand for such services

Connected relationship:

COSCO is the ultimate controlling shareholder of the Company. COSCON is a subsidiary of COSCO. Accordingly, members of the COSCO Group (including COSCO and COSCON) are connected persons of the Company.

Listing Rules implication:

Since not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be receivable by the COSCO Ports Group and PCT pursuant to the transactions under the COSCON Shipping Services Master Agreement are less than 2.5% on an annual basis and the annual amount receivable is not less than HKD10 million, such transactions are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

(2) ***APM Shipping Services Master Agreement***

Date: 30th November 2009

Parties: COSCO Ports
PCT
the Line

Duration: 1st January 2010 to 31st December 2012

Condition: Conditional upon the approval of the Independent Shareholders

If the above condition is not fulfilled on or before 31st December 2009 (or such later date as COSCO Ports and PCT may notify the Line which shall be no later than 31st January 2010), then unless the parties agree in writing to extend the period for the fulfillment of such condition, the APM Shipping Services Master Agreement shall lapse.

Nature of transaction: Provision of shipping related services by members of the COSCO Ports Group or PCT to the Line, including without limitation, the handling, storage, stevedoring, transshipment and maintenance of cargoes.

Terms: The transactions shall be conducted on normal commercial terms.

Historical amounts:

The aggregate amounts paid by the Line to the COSCO Ports Group for transactions of a nature similar to the transactions under the APM Shipping Services Master Agreement in respect of each of the years ended 31st December 2007 and 31st December 2008 and the nine months ended 30th September 2009 were RMB34,055,000 (approximately HKD39,063,000), RMB63,113,000 (approximately HKD72,394,000) and RMB51,414,000 (approximately HKD58,975,000) respectively. Since the container terminal situated at the Piraeus Port of Greece had just been taken over by PCT on 1st October 2009, there had been no historical transaction between PCT and the Line which is of a nature similar to the transactions under the APM Shipping Services Master Agreement in respect of each of the years ended 31st December 2007 and 31st December 2008 and the nine months ended 30th September 2009.

Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the APM Shipping Services Master Agreement and the basis of determination for such annual cap amounts are set out as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
Aggregate amount receivable by the COSCO Ports Group and PCT from the Line	RMB334,504,000 (approximately HKD383,694,000)	RMB443,599,000 (approximately HKD508,832,000)	RMB527,878,000 (approximately HKD605,504,000)	Based on the existing scale and operations of the businesses of the COSCO Ports Group and PCT, the anticipated growth and development of such businesses and the anticipated demand for such services

Connected relationship:

APM Terminals Invest Company Limited, which is a subsidiary of APM, is a substantial shareholder of a subsidiary of the Company. The Line are majority-owned by APM and are therefore associates of APM Terminals Invest Company Limited. Accordingly, the Line are connected persons of the Company.

Listing Rules implication:

Since not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be receivable by the COSCO Ports Group and PCT pursuant to the transactions under the APM Shipping Services Master Agreement are less than 2.5% on an annual basis and the annual amount receivable is not less than HKD10 million, such transactions are

subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

(3) ***Florens-COSCON Container Related Services and Purchase of Materials Master Agreement***

Date: 30th November 2009

Parties: Florens
COSCO
COSCON

Duration: 1st January 2010 to 31st December 2012

Condition: Conditional upon the approval of the Independent Shareholders

If the above condition is not fulfilled on or before 31st December 2009 (or such later date as Florens may notify COSCO and COSCON which shall be no later than 31st January 2010), then unless the parties agree in writing to extend the period for the fulfillment of such condition, the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement shall lapse.

Nature of transaction:

- (a) Purchase of container related materials by members of the Florens Group from members of the COSCO Group (including COSCON), including without limitation, materials and accessories for use on and in connection with containers (including without limitation, the Container Equipment), including decals
- (b) Provision of container related services by members of the COSCO Group (including COSCON) to members of the Florens Group, including without limitation, interchanging, storing, handling, repairing, maintenance, inspection, repositioning, painting and coating services with respect to containers (including without limitation, the Container Equipment and containers leased and sold by the Florens Group to the COSCO Group) and container related materials purchased by the Florens Group from the COSCO Group, the agency services in relation to the leasing and sales of containers by members of the Florens Group to third party lessees or purchasers, and all ancillary and related services

Terms and fees: The transactions shall be conducted on normal commercial terms.

The consideration for the purchase of materials by the Florens Group and the provision of services by the COSCO Group (including COSCON) shall be at rates no less favourable to the relevant members of the Florens Group (as purchaser or service receiving party, as the case may be) than that at which the relevant members of the COSCO Group (including COSCON) charge independent third parties for the relevant transactions.

Historical amounts:

The historical amounts for transactions of a nature similar to the transactions under the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement are as follows:

Historical transaction amounts

	For the year ended 31st December 2007	For the year ended 31st December 2008	For the nine months ended 30th September 2009
(a) Aggregate amount paid by the Florens Group to the COSCO Group for the purchase of container related materials by the Florens Group	Nil	Nil	Nil
(b) Aggregate amount paid by the Florens Group to the COSCO Group for the provision of container related services by the COSCO Group	USD1,301,000 (approximately HKD10,148,000)	USD994,000 (approximately HKD7,754,000)	USD662,000 (approximately HKD5,164,000)

Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement and the basis of determination of such annual cap amounts are set out as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
(a) Aggregate amount payable by the Florens Group to the COSCO Group for the purchase of container related materials by the Florens Group	USD300,000 (approximately HKD2,340,000)	USD400,000 (approximately HKD3,120,000)	USD500,000 (approximately HKD3,900,000)	Based on the expected market trends and changes, the estimated selling prices, and the scope of transactions covered by the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement
(b) Aggregate amount payable by the Florens Group to the COSCO Group for the provision of container related services by the COSCO Group	USD6,307,000 (approximately HKD49,195,000) <i>(Note)</i>	USD8,032,000 (approximately HKD62,650,000) <i>(Note)</i>	USD8,912,000 (approximately HKD69,514,000)	Based on the historical transaction amounts for the period from 1st January 2007 to 30th September 2009, the expected market trends and changes, the estimated rates of service fee, and the scope of transactions covered by the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement

Note : Such annual cap amounts shall include the transaction amounts payable by the Florens Group to the COSCO Group under the Previous Depot Services Agreements and therefore, the respective annual cap amounts for transactions under the Previous Depot Services Agreements for the two years ending 31st December 2011 as announced in the announcement of the Company dated 14th September 2009 shall, upon the approval of the transactions under the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement by the Independent Shareholders, no longer be applicable.

Connected relationship:

Please refer to the sub-paragraph headed “COSCON Shipping Services Master Agreement – Connected relationship” above.

Listing Rules implication:

Since not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be payable by the Florens Group pursuant to the transactions under the Florens-COSCON Container Related Services and Purchase of Materials Master

Agreement are less than 2.5% on an annual basis, and the annual amount payable is not less than HKD10 million, the transactions under the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

(4) Florens-APM Container Purchasing and Related Services Master Agreement

Date: 30th November 2009

Parties: Florens
the Line

Duration: 1st January 2010 to 31st December 2012

Condition: Conditional upon the approval of the Independent Shareholders

If the above condition is not fulfilled on or before 31st December 2009 (or such later date as Florens may notify the Line which shall be no later than 31st January 2010), then unless the parties agree in writing to extend the period for the fulfillment of such condition, the Florens-APM Container Purchasing and Related Services Master Agreement shall lapse.

Nature of transaction: (a) Purchase of containers and container related materials by members of the Florens Group from the Line, namely, materials and accessories for use on and in connection with containers (including without limitation, the Container Equipment), including without limitation, decals

(b) Provision of container related services by the Line to members of the Florens Group, including without limitation, repositioning and handling services with respect to containers (including without limitation, the Container Equipment, containers leased or sold by the Florens Group to the Line and containers and container related materials purchased by the Florens Group from the Line), transportation services, the agency services in relation to the leasing and sales of containers by members of the Florens Group to third party lessees or purchasers, and all ancillary and related services

Terms and fees: The transactions shall be conducted on normal commercial terms.

The consideration for the purchase of containers and materials by the Florens Group and the provision of services by the Line shall be at rates no less favourable to the Florens Group (as purchaser or service receiving party, as the case may be) than that at which the Line charge independent third parties for the relevant transactions.

Historical amounts:

The historical amounts for transactions of a nature similar to the transactions under the Florens-APM Container Purchasing and Related Services Master Agreement are as follows:

	Historical transaction amounts		
	For the year ended 31st December 2007	For the year ended 31st December 2008	For the nine months ended 30th September 2009
(a) Aggregate amount paid by the Florens Group to the Line for the purchase of containers and container related materials by the Florens Group	Nil	USD1,976,000 (approximately HKD15,413,000)	USD19,000 (approximately HKD149,000)

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|--|-----|-----|-----|
| (b) Aggregate amount paid by the Florens Group to the Line for the provision of container related services by the Line | Nil | Nil | Nil |
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Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the Florens-APM Container Purchasing and Related Services Master Agreement and the basis of determination of such annual cap amounts are set out as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
(a) Aggregate amount payable by the Florens Group to the Line for the purchase of containers and container related materials by the Florens Group	USD15,000,000 (approximately HKD117,000,000)	USD15,000,000 (approximately HKD117,000,000)	USD15,000,000 (approximately HKD117,000,000)	Based on the historical transaction amounts for the period from 1st January 2007 to 30th September 2009, the expected market trends and changes, the estimated selling prices, and the scope of transactions covered by the Florens-APM Container Purchasing and Related Services Master Agreement
(b) Aggregate amount payable by the Florens Group to the Line for the provision of container related services by the Line	USD100,000 (approximately HKD780,000)	USD100,000 (approximately HKD780,000)	USD100,000 (approximately HKD780,000)	Based on the expected market trends and changes, the estimated rates of service fee, and the scope of transactions covered by the Florens-APM Container Purchasing and Related Services Master Agreement

Connected relationship:

Please refer to the sub-paragraph headed “APM Shipping Services Master Agreement – Connected relationship” above.

Listing Rules implication:

Since not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be payable by the Florens Group pursuant to the transactions under the Florens-APM Container Purchasing and Related Services Master Agreement are less than 2.5% on an annual basis, and the annual amount payable is not less than HKD10 million, the transactions under the Florens-APM Container Purchasing and Related Services Master Agreement are subject to the reporting, announcement and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

(5) *Nansha Container Terminal Services Master Agreement*

Date: 30th November 2009

Parties: COSCO Ports
GZ South China
GZ Port Holding

Duration: 1st January 2010 to 31st December 2012

Condition: Conditional upon the approval of the Independent Shareholders

If the above condition is not fulfilled on or before 31st December 2009 (or such later date as may be notified by COSCO Ports which shall be no later than 31st January 2010), then unless the parties agree in writing to extend the period for the fulfillment of such condition, the Nansha Container Terminal Services Master Agreement shall lapse.

Nature of transaction:

- (a) Provision of container terminal related services by GZ South China to members of the GZ Port Group, namely, cargo inspection related services, “shuttle bus” services (which are in the nature of transportation connection services operated between terminals), leasing of frontloaders, port related services (including without limitation, provision of berths, operation and management of loading and unloading, transshipment, transportation, shifting, boxing and unboxing of containers, transshipment of passenger liners, and provision of container storage space), repairing services to pontoon, leasing of terminal areas and provision of machinery, and all other ancillary and related services.
- (b) Provision of container terminal related services by members of the GZ Port Group to GZ South China, namely, cargo handling services, pest control and property cleaning services, “shuttle bus” services (which are in the nature of transportation connection services operated between terminals), provision of fuel oil supply, port related services (including without limitation, provision of berths, operation and management of loading and unloading, transshipment and transportation of containers, and provision of container storage space), commercial centre services (which are in the principal nature of market expansion, sales and promotion and external coordination), cargo inspection centre services, security services, training services, construction and supervision services for projects, surveying services, travel agency services, manpower services by the appointment of management officials, leasing of pontoon, repairing services to pontoon, logistics services, customs declaration and inspection declaration services, and all other ancillary and related services.
- (c) The appointment of GZ South China by GZ Port Holding to charge on behalf of GZ Port Holding the port construction fee (港口建設費) in respect of cargoes entering and departing from the phase 2 terminal at the Nansha Port in accordance with the applicable laws and regulations and/or as required by the relevant government or supervisory authorities from time to time. GZ South China shall pay the port construction fee (港口建設費) received by it to GZ Port Holding, which shall then pay the same fee to the relevant government authority, and GZ Port Holding shall pay GZ South China handling fee in respect of the charging of such fee at a rate as prescribed by the applicable laws and regulations and/or the relevant government or supervisory authorities from time to time. GZ South China shall appoint GZ Port Holding to apply to the relevant government or supervisory authorities for the refund of a portion of the above port construction fee (港口建設費) to be used by GZ South China in connection with the construction and maintenance of the phase 2 terminal at the Nansha Port; and GZ Port Holding shall pay the entire amount of such refund received by it from the relevant government or supervisory authorities (which amount shall be determined by the relevant authorities in their absolute discretion after considering, among others, the amount of the port construction fee received by the authorities and the amount of the refund applied for) to GZ

South China and shall not charge GZ South China any fee for such refund arrangement.

- (d) The appointment of GZ South China by GZ Port Holding to charge on behalf of GZ Port Holding the vessels which use the high-frequency wireless communication services (甚高頻無線電通訊服務) at the Guangzhou port, or the agents of such vessels, the high-frequency communication fee (甚高頻通訊費) at a rate as prescribed by GZ Port Holding from time to time. GZ South China may retain a portion of the high-frequency communication fee (甚高頻通訊費) received by it at a rate as prescribed by GZ Port Holding from time to time as handling fee, and GZ South China shall pay the high-frequency communication fee (甚高頻通訊費) received by it to GZ Port Holding after deducting the handling fee.

Terms and fees: The transactions shall be conducted on normal commercial terms and terms that are fair and reasonable.

The terms (including without limitation, the fees) for the provision of services by GZ South China shall be no less favourable to GZ South China (as service providing party) than terms available to GZ South China from independent third parties for the relevant services.

The terms (including without limitation, the fees) for the provision of services by the GZ Port Group shall be no less favourable to GZ South China (as service receiving party) than terms available to independent third parties from the GZ Port Group for the relevant services.

Historical amounts:

The historical amounts for transactions of a nature similar to the transactions under the Nansha Container Terminal Services Master Agreement are as follows:

		Historical transaction amount		
		For the year ended 31st December 2007	For the year ended 31st December 2008	For the nine months ended 30th September 2009
(a)	Aggregate amount received by GZ South China from the GZ Port Group for the provision of container terminal related services by GZ South China	RMB310,000 (approximately HKD356,000)	RMB7,330,000 (approximately HKD8,408,000)	RMB1,823,400 (approximately HKD2,092,000)
(b)	Aggregate amount paid by GZ South China to the GZ Port Group for the provision of container terminal related services by GZ Port Group	RMB43,890,000 (approximately HKD50,345,000)	RMB33,660,000 (approximately HKD38,610,000)	RMB19,620,400 (approximately HKD22,506,000)
(c)	(i) Aggregate amount of the port construction fee (港口建設費) paid by GZ South China to GZ Port Holding	RMB5,490,000 (approximately HKD6,298,000)	RMB13,130,000 (approximately HKD15,061,000)	RMB12,106,720 (approximately HKD13,888,000)
	(ii) Aggregate amount of the handling fee received by GZ South China from GZ Port Holding in respect of the charging of the port construction fee (港口建設費)	RMB15,000 (approximately HKD18,000)	Nil	RMB43,886 (approximately HKD51,000)

(iii)	Aggregate amount of the refunded fee received by GZ South China from GZ Port Holding in respect of the charging of the port construction fee (港口建設費)	Nil	Nil	RMB2,190,000 (approximately HKD2,513,000)	
(d)	(i)	Aggregate amount of the high-frequency communication fee (甚高頻通訊費) paid by GZ South China to GZ Port Holding	RMB70,000 (approximately HKD81,000)	RMB190,000 (approximately HKD218,000)	RMB144,500 (approximately HKD166,000)
	(ii)	Aggregate amount of the handling fee received by GZ South China in respect of the charging of the high-frequency communication fee (甚高頻通訊費)	RMB1,200 (approximately HKD1,400)	Nil	RMB3,873 (approximately HKD4,500)

Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the Nansha Container Terminal Services Master Agreement and the basis of determination for such annual cap amounts are set out as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
(a) Aggregate amount receivable by GZ South China from the GZ Port Group for the provision of container terminal related services by GZ South China	RMB14,900,000 (approximately HKD17,092,000) (Note 1)	RMB20,500,000 (approximately HKD23,515,000)	RMB26,400,000 (approximately HKD30,283,000)	Based on the historical transaction amounts for the recent few years, the expected increase in the business volume of GZ South China as a result of the expected recovery of the overall economic condition, the terms of the individual contract(s) to be covered by the Nansha Container Terminal Services Master Agreement, the expected increase in the terminal areas leased by GZ South China to the GZ Port Group and increase in the relevant fee rates as a result of the expected recovery of the overall economic condition and growth of business of the relevant member of the GZ Port Group being lessee of the terminal areas
(b) Aggregate amount payable by GZ South China to the GZ Port	RMB73,050,000 (approximately HKD83,793,000) (Note 2)	RMB87,120,000 (approximately HKD99,932,000) (Note 2)	RMB104,970,000 (approximately HKD120,407,000) (Note 2)	Based on the historical transaction amounts for the recent few years or the transaction amounts for the

Note 1: Such annual cap amount shall include the transaction amounts receivable by GZ South China from the GZ Port Group under the Previous Nansha Lease Agreement and therefore, the annual cap amount for transactions under the Previous Nansha Lease Agreement for the year ending 31st December 2010 as announced in the announcement of the Company dated 4th November 2009 shall, upon the approval of the transactions under the Nansha Container Terminal Services Master Agreement by the Independent Shareholders, no longer be applicable.

Group for the provision of container terminal related services by the GZ Port Group

present year, the expected increase in the demand of GZ South China for services from the GZ Port Group and increase in the relevant fee rates as a result of the expected recovery of the overall economic condition, and the expected increase in the business volume of GZ South China and thus an increase in the consumption of fuel oil as a result of the expected recovery of the overall economic condition

Note 2: Such annual cap amounts shall include the transaction amounts payable by GZ South China to the GZ Port Group under the Previous Nansha Services Agreements and therefore, the respective annual cap amounts for transactions under the Previous Nansha Services Agreements for the three years ending 31st December 2012 as announced in the announcement of the Company dated 4th November 2009 shall, upon the approval of the transactions under the Nansha Container Terminal Services Master Agreement by the Independent Shareholders, no longer be applicable.

(c) (i) Aggregate amount of the port construction fee (港口建設費) payable by GZ South China to GZ Port Holding	RMB30,000,000 (approximately HKD34,412,000)	RMB36,500,000 (approximately HKD41,868,000)	RMB40,500,000 (approximately HKD46,456,000)	Based on the historical amounts for the recent few years, the expected increase in the business volume of GZ South China as a result of the expected recovery of the overall economic condition and the existing rates of the port construction fee pursuant to the applicable laws and regulations
(ii) Aggregate amount of the handling fee receivable by GZ South China from GZ Port Holding in respect of the charging of the port construction fee (港口建設費)	RMB100,000 (approximately HKD115,000)	RMB150,000 (approximately HKD173,000)	RMB180,000 (approximately HKD207,000)	Based on the above annual cap amounts for the port construction fee payable by GZ South China to GZ Port Holding and the existing rate of the handling fee pursuant to the applicable laws and regulations
(iii) Aggregate amount of the refunded fee receivable by GZ South China from GZ Port Holding in respect of the charging of the port construction fee (港口建設費)	RMB7,700,000 (approximately HKD8,833,000)	RMB11,850,000 (approximately HKD13,593,000)	RMB14,420,000 (approximately HKD16,541,000)	Based on the above annual cap amounts for the port construction fee payable by GZ South China to GZ Port Holding and the estimated amounts of refunded fee receivable by GZ Port Holding from the relevant government or supervisory authorities

(d) (i)	Aggregate amount of the high-frequency communication fee (甚高頻通訊費) payable by GZ South China to GZ Port Holding	RMB1,000,000 (approximately HKD1,148,000)	RMB2,200,000 (approximately HKD2,524,000)	RMB3,000,000 (approximately HKD3,442,000)	Based on the historical amounts for the recent few years, the expected increase in the business volume of GZ South China and thus an increase in the number of vessels entering and departing from the Guangzhou port as a result of the expected recovery of the overall economic condition and the existing rates of the high-frequency communication fee pursuant to the relevant document issued by GZ Port Holding
(ii)	Aggregate amount of the handling fee receivable by GZ South China in respect of the charging of the high-frequency communication fee (甚高頻通訊費)	RMB30,000 (approximately HKD35,000)	RMB70,000 (approximately HKD81,000)	RMB90,000 (approximately HKD104,000)	Based on the above annual cap amounts for high-frequency communication fee payable by GZ South China to GZ Port Holding and the existing rate of the handling fee pursuant to the relevant document issued by GZ Port Holding

Connected relationship:

As GZ Port Holding indirectly holds a 41% equity interest in GZ South China, which is a subsidiary of the Company, members of GZ Port Group (including GZ Port Holding) are connected persons of the Company.

Listing Rules implication:

Not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be receivable by GZ South China pursuant to the transactions under the Nansha Container Terminal Services Master Agreement are less than 0.1%, but all of them are less than 2.5%, on an annual basis, and the annual amount receivable is not less than HKD1 million. Not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be payable by GZ South China pursuant to the transactions under the Nansha Container Terminal Services Master Agreement are less than 2.5% on an annual basis and the annual amount payable is not less than HKD10 million. Accordingly, the transactions under the Nansha Container Terminal Services Master Agreement are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

(6) Yangzhou Terminal Services Master Agreement

Date: 30th November 2009

Parties: COSCO Ports
Yangzhou Yuanyang
Yangzhou Port Holding

Duration: 1st January 2010 to 31st December 2012

Condition: Conditional upon the approval of the Independent Shareholders

If the above condition is not fulfilled on or before 31st December 2009 (or such later date as may be notified by COSCO Ports which shall be no later than 31st January 2010), then unless the parties agree in writing to extend the period for the fulfillment of such condition, the Yangzhou Terminal Services Master Agreement shall lapse.

- Nature of transaction:**
- (a) Provision of terminal related services by members of the Yangzhou Port Group to Yangzhou Yuanyang, including without limitation, port related services (including without limitation, provision of berths, operation and management of loading and unloading, terminal transshipment and transportation, and provision of cargo storage space), manpower services by the appointment of management officials, and all other ancillary and related services.
 - (b) The appointment of Yangzhou Yuanyang by Yangzhou Port Holding to charge on behalf of Yangzhou Port Holding the port construction fee (港口建設費) in respect of cargoes entering and departing from the terminals of Yangzhou Yuanyang in accordance with the applicable laws and regulations and/or as required by the relevant government or supervisory authorities from time to time. Yangzhou Yuanyang shall pay the port construction fee (港口建設費) received by it to Yangzhou Port Holding, which will then pay the same fee to the relevant government authority. With regard to the arrangement concerning the application to the relevant government or supervisory authorities for the refund of a portion of the above port construction fee (港口建設費) to be used by Yangzhou Yuanyang in connection with the construction and maintenance of its own terminal and the related facilities, Yangzhou Port Holding has agreed to share such refunded fees receivable by it from the relevant government or supervisory authorities (which amount shall be determined by the relevant authorities in their absolute discretion after considering, among others, the amount of the port construction fee received by the authorities) with Yangzhou Yuanyang in such proportion as Yangzhou Port Holding and Yangzhou Yuanyang shall agree from time to time (the existing sharing ratio agreed by Yangzhou Port Holding and Yangzhou Yuanyang is 50% to 50%). Yangzhou Port Holding has no obligation to pay any amount to Yangzhou Yuanyang if Yangzhou Port Holding does not receive any refunded fee from the relevant authorities.
 - (c) The appointment of Yangzhou Yuanyang by Yangzhou Port Holding to receive on behalf of the relevant members of the Yangzhou Port Group the service fees which are payable by independent third party terminal users to such members of the Yangzhou Port Group in accordance with tripartite agreements between the relevant member of the Yangzhou Port Group, Yangzhou Yuanyang and such independent third party terminal users and are paid by such independent third party terminal users to Yangzhou Yuanyang. Yangzhou Yuanyang shall pay such service fees which are receivable by members of the Yangzhou Port Group and received by Yangzhou Yuanyang to the relevant members of the Yangzhou Port Group and Yangzhou Yuanyang shall not receive any fee from the Yangzhou Port Group for such payment arrangement. Yangzhou Yuanyang shall not be liable for any default of the independent third party terminal users in the payment of such service fees to the relevant members of the Yangzhou Port Group.

Terms and fees: The transactions shall be conducted on normal commercial terms and terms that are fair and reasonable.

The terms (including without limitation, the fees) for the provision of services by the Yangzhou Port Group shall be no less favourable to Yangzhou Yuanyang (as service receiving party) than terms available to independent third parties from the Yangzhou Port Group for the relevant services.

Historical amounts:

The historical amounts for transactions of a nature similar to the transactions under the Yangzhou Terminal Services Master Agreement are as follows:

		Historical transaction amount		
		For the year ended 31st December 2007	For the year ended 31st December 2008	For the nine months ended 30th September 2009
(a)	Aggregate amount paid by Yangzhou Yuanyang to the Yangzhou Port Group for the provision of terminal related services by Yangzhou Port Group	RMB18,070,600 (approximately HKD20,728,000)	RMB25,035,200 (approximately HKD28,717,000)	RMB15,066,300 (approximately HKD17,282,000)
(b)	(i) Aggregate amount of the port construction fee (港口建設費) paid by Yangzhou Yuanyang to Yangzhou Port Holding	RMB588,000 (approximately HKD675,000)	RMB1,178,000 (approximately HKD1,352,000)	RMB335,700 (approximately HKD386,000)
	(ii) Aggregate amount of the refunded fee received by Yangzhou Yuanyang from Yangzhou Port Holding in respect of the charging of the port construction fee (港口建設費)	Nil	RMB900,000 (approximately HKD1,033,000)	Nil

As regards the services fees received by Yangzhou Yuanyang from independent third party terminal users on behalf of the Yangzhou Port Group, Yangzhou Yuanyang paid the entire amount of such fees to the relevant member of the Yangzhou Port Group and did not receive any fee from the Yangzhou Port Group in respect of such payment arrangement in respect of the period from 1st January 2007 to 30th September 2009.

Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the Yangzhou Terminal Services Master Agreement and the basis of determination of such annual cap amounts are set out as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
(a) Aggregate amount payable by Yangzhou Yuanyang to the Yangzhou Port Group for the provision of terminal related services by Yangzhou Port	RMB68,985,000 (approximately HKD79,130,000)	RMB92,080,000 (approximately HKD105,621,000)	RMB136,188,000 (approximately HKD156,215,000)	Based on the historical transaction amounts for the period from 1st January 2007 to 30th September 2009, the planned construction of new berths to be operated by Yangzhou Yuanyang (including one new berth at the Yangzhou port to be constructed in 2009 and two

Group					
				new berths at the Jiangdu port to be constructed in 2010), the expected volumes of businesses of Yangzhou Yuanyang, the expected trend of the structural change in the types of cargoes to be handled by Yangzhou Yuanyang, the expected rates of loading and unloading service fees and the scope of transactions covered by the Yangzhou Terminal Services Master Agreement	
(b) (i)	Aggregate amount of the port construction fee (港口建設費) payable by Yangzhou Yuanyang to Yangzhou Port Holding	RMB1,700,000 (approximately HKD1,950,000)	RMB2,035,000 (approximately HKD2,335,000)	RMB2,442,000 (approximately HKD2,802,000)	Based on the historical transaction amounts for the period from 1st January 2007 to 30th September 2009, the planned construction of new berths to be operated by Yangzhou Yuanyang (including one new berth at the Yangzhou port to be constructed in 2009 and two new berths at the Jiangdu port to be constructed in 2010), the expected volumes of businesses of Yangzhou Yuanyang, the expected trend of the structural change in the types of cargoes to be handled by Yangzhou Yuanyang, the existing rates of port construction fee pursuant to the applicable laws and regulations and the scope of transactions covered by the Yangzhou Terminal Services Master Agreement
(ii)	Aggregate amount of the refunded fee receivable by Yangzhou Yuanyang from Yangzhou Port Holding in respect of the charging of the port construction fee (港口建設費)	RMB424,000 (approximately HKD487,000)	RMB509,000 (approximately HKD584,000)	RMB611,000 (approximately HKD701,000)	Based on the above annual cap amounts for the port construction fee (港口建設費) payable by Yangzhou Yuanyang to Yangzhou Port Holding and the existing ratio for the sharing of the refunded fee between Yangzhou Yuanyang and Yangzhou Port Holding at 50% to 50%

As regards the payment arrangement mentioned in the sub-paragraph (c) under the paragraph headed “Yangzhou Terminal Services Master Agreement – Nature of transaction” above, as it is expected that (i) Yangzhou Yuanyang will pay the entire amount of the service fees mentioned in that sub-paragraph to the relevant members of the Yangzhou Port Group, and Yangzhou Yuanyang is not liable to pay any of such service fees to the relevant members of the Yangzhou Port Group if the relevant independent third party terminal users fail to pay such fees to the Yangzhou Port Group; and (ii) no amount is receivable by Yangzhou Yuanyang in respect of the receipt of service fees from independent third party terminal users on behalf of the Yangzhou Port Group, the Company is not required to set any annual cap amount in respect of such payment arrangement.

Connected relationship:

As Yangzhou Port Holding indirectly holds a 40% equity interest in Yangzhou Yuanyang, which is a subsidiary of the Company, members of Yangzhou Port Group (including Yangzhou Port Holding) are connected persons of the Company.

Listing Rules implication:

Since not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be payable by Yangzhou Yuanyang pursuant to the transactions under the Yangzhou Terminal Services Master Agreement are less than 2.5%, on an annual basis, and the annual amount payable is not less than HKD10 million, such transactions are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company expects to obtain the Written Approval for the transactions under the APM Shipping Services Master Agreement, the Florens-APM Container Purchasing and Related Services Master Agreement the Nansha Container Terminal Services Master Agreement and the Yangzhou Terminal Services Master Agreement from COSCO Pacific Investment Holdings Limited and COSCO Investments Limited (both being subsidiaries of COSCO), which together are interested in an aggregate of 51.20% of the total issued share capital of the Company as at the date of this announcement. As no Shareholder has any material interest in any of the master agreements mentioned in this paragraph and the transactions contemplated thereunder, no Shareholder is required to abstain from voting if a general meeting of the Company were convened to approve them. Accordingly, pursuant to Rules 14A.43 and 14A.53 of the Listing Rules, the Company will apply to the Stock Exchange for a waiver of the requirement to hold a shareholders' meeting and the permission for the independent shareholders' approval to be given in the form of the Written Approval in respect of such transactions.

B. Transactions exempt from independent shareholders' approval requirement

On 30th November 2009, the relevant members of the Group entered into the following agreements which constitute continuing connected transactions of the Company exempt from independent shareholders' approval requirement, the principal terms of which are summarized as follows:

(1) COSCON Container Services Master Agreement

Date: 30th November 2009

Parties: Plangreat
COSCO
COSCON

Duration: 1st January 2010 to 31st December 2012

Nature of transaction: Provision of container related services by Plangreat and its subsidiaries to members of the COSCO Group (including COSCON), including without limitation, maintenance, handling, stevedoring, repair, import, export, loading, discharging, transshipment, collection, delivery, storage, shifting, restowage and disposal of containers, lighter berthing, midstream operation and trailers' transportation.

The above services are provided by Plangreat and its subsidiaries in Hong Kong; and are of different nature than those pursuant to the COSCON Shipping Services Master Agreement.

Terms and fees: The transactions shall be conducted on normal commercial terms and the service fees shall be at rates no less favourable to Plangreat and its subsidiaries than that at which Plangreat and its subsidiaries charge independent third parties for the relevant services.

Historical amounts:

The aggregate amounts received by Plangreat and its subsidiaries from the COSCO Group for transactions of a nature similar to the transactions under the COSCON Container Services Master Agreement in respect of each of the years ended 31st December 2007 and 31st December 2008 and the nine months ended 30th September 2009 were USD6,625,000 (approximately HKD51,675,000), USD5,253,000 (approximately HKD40,974,000) and USD2,398,000 (approximately HKD18,705,000) respectively.

Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the COSCON Container Services Master Agreement and the basis of determination for such annual cap amounts are set out as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
Aggregate amount receivable by Plangreat and its subsidiaries from the COSCO Group	USD3,372,000 (approximately HKD26,302,000)	USD3,372,000 (approximately HKD26,302,000)	USD3,372,000 (approximately HKD26,302,000)	Based on the anticipated volumes of the relevant businesses with reference to the existing scale and operation of the business of Plangreat and its subsidiaries and the anticipated volumes of containers to be handled

Connected relationship:

Please refer to the sub-paragraph headed “COSCON Shipping Services Master Agreement – Connected relationship” above.

Listing Rules implication:

Since not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be receivable by Plangreat and its subsidiaries pursuant to the transactions under the COSCON Container Services Master Agreement are less than 0.1%, but all of them are less than 2.5%, on an annual basis, and the annual amount receivable is not less than HKD1 million, such transactions are subject to the reporting and announcement requirements, but are exempt from the independent shareholders’ approval requirement, under Chapter 14A of the Listing Rules.

(2) *Florens-COSCON Container Leasing, Sales and Related Services Master Agreement*

Date: 30th November 2009

Parties: Florens
COSCO
COSCON

Duration: 1st January 2010 to 31st December 2012

- Nature of transaction:**
- (a) Grant of leases of containers (being containers which have been used for at least 10 years) for a term of not more than 3 years by members of the Florens Group to members of the COSCO Group
 - (b) Sales of old containers by members of the Florens Group to members of the COSCO Group (including COSCON)
 - (c) Provision of container related services by members of the Florens Group to members of the COSCO Group (including COSCON), including without limitation, container handling services in relation to the containers leased out under the above short-term leases, the referral services in connection with the purchase of containers and materials by the Florens Group, and all ancillary and related services

Terms and fees: The transactions shall be conducted on normal commercial terms.

The consideration for the leasing and sales of containers and the provision of services by the Florens Group shall be at rates no less favourable to the relevant members of the Florens Group (as lessor, seller or service providing party, as the case may be) than that at which the relevant members of the Florens Group charge independent third parties for the relevant transactions.

Historical amounts:

The historical amounts for transactions of a nature similar to the transactions under the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement are as follows:

	Historical transaction amounts		
	For the year ended 31st December 2007	For the year ended 31st December 2008	For the nine months ended 30th September 2009
(a) Aggregate amount received by the Florens Group from the COSCO Group for the leasing of containers	USD19,000 (approximately HKD149,000)	USD46,000 (approximately HKD359,000)	USD7,000 (approximately HKD55,000)
(b) Aggregate amount received by the Florens Group from the COSCO Group for the sales of old containers	USD36,000 (approximately HKD281,000)	USD22,000 (approximately HKD172,000)	USD255,000 (approximately HKD1,989,000)
(c) Aggregate amount received by the Florens Group from the COSCO Group for the provision of container related services by the Florens Group	USD12,000 (approximately HKD94,000)	USD137,000 (approximately HKD1,069,000)	USD4,000 (approximately HKD32,000)

Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement and the basis of determination of such annual cap amounts are set out as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
(a) Aggregate amount receivable by	USD468,000 (approximately HKD3,651,000)	USD985,000 (approximately HKD7,683,000)	USD1,358,000 (approximately HKD10,593,000)	Based on the historical transaction amounts for the period from 1st January 2007 to

	the Florens Group from the COSCO Group for the leasing of containers				30th September 2009, the expected market trends and changes, the estimated rental rates, and the scope of transactions covered by the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement
(b)	Aggregate amount receivable by the Florens Group from the COSCO Group for the sales of old containers	USD2,500,000 (approximately HKD19,500,000)	USD3,000,000 (approximately HKD23,400,000)	USD3,300,000 (approximately HKD25,740,000)	Based on the historical transaction amounts for the period from 1st January 2007 to 30th September 2009, the expected market trends and changes, the estimated selling prices, and the scope of transactions covered by the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement
(c)	Aggregate amount receivable by the Florens Group from the COSCO Group for the provision of container related services by the Florens Group	USD1,000,000 (approximately HKD7,800,000)	USD1,500,000 (approximately HKD11,700,000)	USD1,800,000 (approximately HKD14,040,000)	Based on the historical transaction amounts for the period from 1st January 2007 to 30th September 2009, the expected market trends and changes, the estimated rates of service fee, and the scope of transactions covered by the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement

Connected relationship:

Please refer to the sub-paragraph headed “COSCON Shipping Services Master Agreement – Connected relationship” above.

Listing Rules implication:

Since not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be receivable by the Florens Group pursuant to the transactions under the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement are less than 0.1%, but all of them are less than 2.5%, on an annual basis, and the annual amount receivable is not less than HKD1 million, the transactions under the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement are subject to the reporting and announcement requirements, but are exempt from independent shareholders’ approval requirement, under Chapter 14A of the Listing Rules.

(3) Florens-APM Container Leasing, Sales and Related Services Master Agreement

Date: 30th November 2009

Parties: Florens
the Line

Duration: 1st January 2010 to 31st December 2012

Nature of transaction: (a) Grant of leases of containers for a term of not more than 3 years by members of the Florens Group to the Line

- (b) Sales of old containers by members of the Florens Group to the Line
- (c) Provision of container related services by members of the Florens Group to the Line, including without limitation, container handling services in relation to the containers leased out under the above short-term leases, the referral services in relation to the purchase of containers and materials by the Florens Group, and all ancillary and related services

Terms and fees: The transactions shall be conducted on normal commercial terms.

The consideration for the leasing and sales of containers and the provision of services by the Florens Group shall be at rates no less favourable to the Florens Group (as lessor, vendor or service providing party, as the case may be) than that at which the relevant members of the Florens Group charge independent third parties for the relevant transactions.

Historical amounts:

The historical amounts for transactions of a nature similar to the transactions under the Florens-APM Container Leasing, Sales and Related Services Master Agreement are as follows:

	Historical transaction amounts		
	For the year ended 31st December 2007	For the year ended 31st December 2008	For the nine months ended 30th September 2009
(a) Aggregate amount received by the Florens Group from the Line for the leasing of containers	USD42,000 (approximately HKD328,000)	USD14,000 (approximately HKD110,000)	USD3,000 (approximately HKD24,000)
(b) Aggregate amount received by the Florens Group from the Line for the sales of old containers	USD19,000 (approximately HKD149,000)	USD84,000 (approximately HKD656,000)	USD8,000 (approximately HKD63,000)
(c) Aggregate amount received by the Florens Group from the Line for the provision of container related services by the Florens Group	Nil	Nil	USD54,000 (approximately HKD422,000)

Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the Florens-APM Container Leasing, Sales and Related Services Master Agreement and the basis of determination of such annual cap amounts are set out as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
(a) Aggregate amount receivable by the Florens Group from the Line for the leasing of containers	USD55,000 (approximately HKD429,000)	USD65,000 (approximately HKD507,000)	USD80,000 (approximately HKD624,000)	Based on the historical transaction amounts for the period from 1st January 2007 to 30th September 2009, the expected market trends and changes, the estimated rental rates, and the scope of transactions covered by the Florens-APM Container Leasing, Sales and Related Services Master Agreement

(b)	Aggregate amount receivable by the Florens Group from the Line for the sales of old containers	USD300,000 (approximately HKD2,340,000)	USD350,000 (approximately HKD2,730,000)	USD400,000 (approximately HKD3,120,000)	Based on the historical transaction amounts for the period from 1st January 2007 to 30th September 2009, the expected market trends and changes, the estimated selling prices, and the scope of transactions covered by the Florens-APM Container Leasing, Sales and Related Services Master Agreement
(c)	Aggregate amount receivable by the Florens Group from the Line for the provision of container related services by the Florens Group	USD20,000 (approximately HKD156,000)	USD20,000 (approximately HKD156,000)	USD20,000 (approximately HKD156,000)	Based on the historical transaction amounts for the period from 1st January 2007 to 30th September 2009, the expected market trends and changes, the estimated rates of service fee, and the scope of transactions covered by the Florens-APM Container Leasing, Sales and Related Services Master Agreement

Connected relationship:

Please refer to the sub-paragraph headed “APM Shipping Services Master Agreement – Connected relationship” above.

Listing Rules implication:

Since not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be receivable by the Florens Group pursuant to the transactions under the Florens-APM Container Leasing, Sales and Related Services Master Agreement are less than 0.1%, but all of them are less than 2.5%, on an annual basis, and the annual amount receivable is not less than HKD1 million, the transactions under the Florens-APM Container Leasing, Sales and Related Services Master Agreement are subject to the reporting and announcement requirements, but are exempt from the independent shareholders’ approval requirement, under Chapter 14A of the Listing Rules.

(4) Diesel Oil Purchase Master Agreement

Date: 30th November 2009

Parties: COSCO Ports
GZ South China
CM Supply

Duration: 1st January 2010 to 31st December 2012

Nature of transaction: Purchase of diesel oil by GZ South China from CM Supply

Terms and fees: The transactions shall be conducted on normal commercial terms and terms that are fair and reasonable.

The terms (including without limitation, the prices) for the supply of diesel oil by CM Supply shall be no less favourable to GZ South China (as purchaser) than terms available to independent third parties from CM Supply for the relevant transactions.

Historical amounts:

The aggregate amounts paid by GZ South China to CM Supply for transactions of a nature similar to the transactions under the Diesel Oil Purchase Master Agreement in respect of each of the years ended 31st December 2007 and 31st December 2008 and the nine months ended 30th September 2009 were nil, RMB11,890,000 (approximately HKD13,639,000) and RMB4,147,159 (approximately HKD4,758,000) respectively.

Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the Diesel Oil Purchase Master Agreement and the basis of determination for such annual cap amounts are set out as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
Aggregate amount payable by GZ South China to CM Supply	RMB35,000,000 (approximately HKD40,147,000)	RMB40,000,000 (approximately HKD45,883,000)	RMB50,000,000 (approximately HKD57,353,000)	Based on the recent business volume of GZ South China and the expected increase in business volume of GZ South China for the period from 1st January 2010 to 31st December 2012 and thus an expected increase in the consumption of diesel oil by GZ South China

Connected relationship:

CM Supply is owned as to 50% by COSCO, which is the ultimate controlling shareholder of the Company. Accordingly, CM Supply is a connected person of the Company.

Listing Rules implication:

Since not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be payable by GZ South China pursuant to the transactions under the Diesel Oil Purchase Master Agreement are less than 0.1%, but all of them are less than 2.5%, on an annual basis, and the annual amount payable is not less than HKD1 million, the transactions are subject to the reporting and announcement requirements, but are exempt from the independent shareholders' approval requirement, under Chapter 14A of the Listing Rules.

(5) Zhangjiagang Container Terminal Services Master Agreement

Date: 30th November 2009

Parties: COSCO Ports
Zhangjiagang Win Hanverky
Zhangjiagang Port Holding

Duration: 1st January 2010 to 31st December 2012

Nature of transaction: (a) Provision of container terminal related services by Zhangjiagang Win Hanverky to members of the Zhangjiagang Port Group, namely, port related services (including without limitation, provision of berths, loading and unloading, transportation, shifting, boxing and unboxing, transshipment of passenger liners, operation and management of transshipment of cargoes, and provision of container storage space), manpower services, supply of electricity and supply of old steel ropes, and all other ancillary and related services

- (b) Provision of container terminal related services by members of the Zhangjiagang Port Group to Zhangjiagang Win Hanverky, namely, port related services (including without limitation, loading and unloading, unboxing, cargo handling and lashing services), electricity and fuel supply services, repairing services, manpower services by the appointment of senior management officials, property cleaning and greening and pot gardening services, repairing services and modification regarding terminal areas, processing of steel rope equipment and management services regarding power substation, and all other ancillary and related services
- (c) The appointment of Zhangjiagang Win Hanverky by Zhangjiagang Port Holding to charge on behalf of Zhangjiagang Port Holding the port construction fee (港口建設費) in respect of cargoes entering and departing from the terminal of Zhangjiagang Win Hanverky in accordance with the applicable laws and regulations and/or as required by the relevant government or supervisory authorities from time to time. Zhangjiagang Win Hanverky shall pay the port construction fee (港口建設費) received by it to Zhangjiagang Port Holding, which will then pay the same fee to the relevant government authority, and Zhangjiagang Port Holding shall pay Zhangjiagang Win Hanverky handling fee in respect of the charging of such fee at a rate as prescribed by the applicable laws and regulations and/or the relevant government or supervisory authorities from time to time.

Terms and fees:

The transactions shall be conducted on normal commercial terms and terms that are fair and reasonable.

The terms (including without limitation, the fees) for the provision of services by Zhangjiagang Win Hanverky shall be no less favourable to Zhangjiagang Win Hanverky (as service providing party) than terms available to Zhangjiagang Win Hanverky from independent third parties for the relevant services; and shall also be no less favourable to the relevant member of the Zhangjiagang Port Group (as service receiving party) than terms available to independent third parties from Zhangjiagang Win Hanverky for the relevant services.

The terms (including without limitation, the fees) for the provision of services by the Zhangjiagang Port Group shall be no less favourable to Zhangjiagang Win Hanverky (as service receiving party) than terms available to independent third parties from the Zhangjiagang Port Group for the relevant services.

Historical amounts:

The historical amounts for transactions of a nature similar to the transactions under the Zhangjiagang Container Terminal Services Master Agreement are as follows:

		Historical transaction amount		
		For the year ended 31st December 2007	For the year ended 31st December 2008	For the nine months ended 30th September 2009
(a)	Aggregate amount received by Zhangjiagang Win Hanverky from the Zhangjiagang Port Group for the provision of container terminal related services by Zhangjiagang Win Hanverky	RMB317,378 (approximately HKD365,000)	RMB363,349 (approximately HKD417,000)	RMB30,000 (approximately HKD35,000)

(b)	Aggregate amount paid by Zhangjiagang Win Hanverky to the Zhangjiagang Port Group for the provision of container terminal related services by Zhangjiagang Port Group	RMB12,700,691 (approximately HKD14,569,000)	RMB14,195,507 (approximately HKD16,283,000)	RMB7,371,859 (approximately HKD8,456,000)
(c)	(i) Aggregate amount of the port construction fee (港口建設費) paid by Zhangjiagang Win Hanverky to Zhangjiagang Port Holding	RMB15,600,972 (approximately HKD17,896,000)	RMB15,151,879 (approximately HKD17,380,000)	RMB10,720,244 (approximately HKD12,297,000)
	(ii) Aggregate amount of the handling fee received by Zhangjiagang Win Hanverky from Zhangjiagang Port Holding in respect of the charging of the port construction fee (港口建設費)	Nil	RMB20,000 (approximately HKD23,000)	Nil

Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the Zhangjiagang Container Terminal Services Master Agreement and the basis of determination for such annual cap amounts are set out as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
(a) Aggregate amount receivable by Zhangjiagang Win Hanverky from the Zhangjiagang Port Group for the provision of container terminal related services by Zhangjiagang Win Hanverky	RMB8,450,000 (approximately HKD9,693,000)	RMB9,970,000 (approximately HKD11,437,000)	RMB12,490,000 (approximately HKD14,327,000)	Based on the expected increase in the relevant business volume of Zhangjiagang Win Hanverky at 15% to 20% for each of the three years ending 31st December 2012 and the operation by Zhangjiagang Win Hanverky of the domestic trade shipping routes which have been operated by the Surun terminal after the commencement of the operation of the bonded zone in Zhangjiagang
(b) Aggregate amount payable by Zhangjiagang Win Hanverky to the Zhangjiagang Port Group for the provision of container terminal related services by Zhangjiagang Port Group	RMB18,990,000 (approximately HKD21,783,000) (Note)	RMB23,980,000 (approximately HKD27,507,000) (Note)	RMB29,390,000 (approximately HKD33,712,000)	Based on the expected increase in the business volume of Zhangjiagang Win Hanverky at 15% to 20% for each of the three years ending 31st December 2012 and the expected commencement of the provision of port related services for imported old automobiles by Zhangjiagang Win Hanverky
<p><i>Note: Such annual cap amounts shall include the transaction amounts payable by Zhangjiagang Win Hanverky to the Zhangjiagang Port Group under the Previous Zhangjiagang Agreements and therefore, the annual cap amounts for transactions under the Previous Zhangjiagang Agreements for the two years ending 31st December 2011 as announced in the announcement of the Company dated 3rd September 2009 shall no longer be applicable.</i></p>				
(c) (i) Aggregate amount of the port construction fee (港口建設費) payable by	RMB18,260,000 (approximately HKD20,946,000)	RMB21,910,000 (approximately HKD25,132,000)	RMB26,290,000 (approximately HKD30,156,000)	Based on the expected increase in the business volume of Zhangjiagang Win Hanverky at 15% to 20% for each of the three years ending 31st December 2012, the

Zhangjiagang Win Hanverky to Zhangjiagang Port Holding				expected commencement of the provision of port related services for imported old automobiles by Zhangjiagang Win Hanverky and the existing rates of the port construction fee pursuant to the applicable laws and regulations
(ii) Aggregate amount of the handling fee receivable by Zhangjiagang Win Hanverky from Zhangjiagang Port Holding in respect of the charging of the port construction fee (港口建設 費)	RMB92,000 (approximately HKD106,000)	RMB110,000 (approximately HKD127,000)	RMB132,000 (approximately HKD152,000)	Based on the above annual cap amounts for the port construction fee (港口建設 費) payable by Zhangjiagang Win Hanverky to Zhangjiagang Port Holding and the existing rate of the handling fee pursuant to the applicable laws and regulations

Connected relationship:

As Zhangjiagang Port Holding holds a 49% equity interest in Zhangjiagang Win Hanverky, which is a subsidiary of the Company, members of Zhangjiagang Port Group (including Zhangjiagang Port Holding) are connected persons of the Company.

Listing Rules implication:

Not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be receivable by Zhangjiagang Win Hanverky pursuant to the transactions under the Zhangjiagang Container Terminal Services Master Agreement are less than 0.1%, but all of them are less than 2.5%, on an annual basis, and the annual amount receivable is not less than HKD1 million. Not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be payable by Zhangjiagang Win Hanverky pursuant to the transactions under the Zhangjiagang Container Terminal Services Master Agreement are less than 0.1%, but all of them are less than 2.5%, on an annual basis, and the annual amount payable is not less than HKD1 million. Accordingly, the transactions under the Zhangjiagang Container Terminal Services Master Agreement are subject to the reporting and announcement requirements, but are exempt from the independent shareholders' approval requirement, under Chapter 14A of the Listing Rules.

(6) Xiamen Container Terminal Services Master Agreement

Date: 30th November 2009

Parties: COSCO Ports
Xiamen Ocean Gate
Xiamen Haicang Holding

Duration: 1st January 2010 to 31st December 2012

Nature of transaction: Provision of container terminal related services by members of the Xiamen Haicang Group to Xiamen Ocean Gate, namely, project management services, manpower

services by the appointment of management officials, cargo transportation services and inspection services, and all other ancillary and related services

Terms and fees: The transactions shall be conducted on normal commercial terms and terms that are fair and reasonable.

The terms (including without limitation, the fees) for the provision of services by the Xiamen Haicang Group shall be no less favourable to Xiamen Ocean Gate (as service receiving party) than terms available to independent third parties from the Xiamen Haicang Group for the relevant services.

Historical amounts:

Since the container terminal owned by Xiamen Ocean Gate which is situated at the Haicang port, Xiamen, Fujian province, the PRC has not yet come into operation, there is no historical transaction between Xiamen Ocean Gate and the Xiamen Haicang Group which is of a nature similar to the transactions under the Xiamen Container Terminal Services Master Agreement.

Proposed annual caps and basis of determination for annual caps:

The annual cap amounts for the transactions under the Xiamen Container Terminal Services Master Agreement shall be as follows:

	Annual cap for the year ending 31st December			Basis of determination for the annual cap
	2010	2011	2012	
Aggregate amount payable by Xiamen Ocean Gate to the Xiamen Haicang Group for the provision of container terminal related services by Xiamen Haicang Group	RMB3,200,000 (approximately HKD3,671,000)	RMB19,700,000 (approximately HKD22,597,000)	RMB22,200,000 (approximately HKD25,465,000)	Based on the expected business volume of the terminal of Xiamen Ocean Gate situated at the Haicang port during the trial production period in 2010 and the expected increase in the future business volume of such terminal after the commencement of its operation and the market prices for similar services in Xiamen port

Connected relationship:

As Xiamen Haicang Holding indirectly holds a 30% equity interest in Xiamen Ocean Gate, which is a subsidiary of the Company, members of Xiamen Haicang Group (including Xiamen Haicang Holding) are connected persons of the Company.

Listing Rules implication:

As not all of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the amount expected to be payable by Xiamen Ocean Gate pursuant to the transactions under the Xiamen Container Terminal Services Master Agreement are less than 0.1%, but all of them are less than 2.5%, on an annual basis, and the annual amount payable is not less than HKD1 million, the transactions under the Xiamen Container Terminal Services Master Agreement are subject to the reporting and announcement requirements, but are exempt from the independent shareholders' approval requirement, under Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The Group has entered into and will continue to enter into the Continuing Connected Transactions because they are part of the principal business activities of the Group or are relevant or related to such principal business activities and are consistent with the businesses and commercial objectives of the Group. The Group

has contracted with the relevant connected persons in the Continuing Connected Transactions because both the Group and the relevant connected persons are assured of the quality of the relevant services or products of each other, and such continuing relationships are expected to either increase the revenue of the Group, bring synergies to the parties and/or provide the Group with overall business and operational convenience.

The Board, including the independent non-executive Directors, considers that the transactions under the COSCON Container Services Master Agreement, the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement, the Florens-APM Container Leasing, Sales and Related Services Master Agreement, the Diesel Oil Purchase Master Agreement, the Zhangjiagang Container Terminal Services Master Agreement and the Xiamen Container Terminal Services Master Agreement are and will be entered into in the ordinary and usual course of business of the Group and are and will be on normal commercial terms and that the terms thereof are fair and reasonable and in the interests of the Shareholders as a whole.

The Board, excluding the independent non-executive Directors who will render their views after considering the advice to be given by the independent financial adviser to the Independent Board Committee and the Independent Shareholders, considers that the transactions under the COSCON Shipping Services Master Agreement, the APM Shipping Services Master Agreement, the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement and the Florens-APM Container Purchasing and Related Services Master Agreement, the Nansha Container Terminal Services Master Agreement and the Yangzhou Terminal Services Master Agreement are and will be entered into in the ordinary and usual course of business of the Group and are and will be on normal commercial terms and that the terms thereof are fair and reasonable and in the interests of the Shareholders as a whole.

THE SPECIAL GENERAL MEETING

An Independent Board Committee comprising all four independent non-executive Directors has been formed to advise the Independent Shareholders as to whether the terms of the COSCON Shipping Services Master Agreement, the APM Shipping Services Master Agreement, the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement, the Florens-APM Container Purchasing and Related Services Master Agreement, the Nansha Container Terminal Services Master Agreement and the Yangzhou Terminal Services Master Agreement and the transactions thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole and to advise the Independent Shareholders on how to vote, taking into account the recommendation of the independent financial adviser. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, amongst other things, further details of the transactions under the COSCON Shipping Services Master Agreement, the APM Shipping Services Master Agreement, the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement, the Florens-APM Container Purchasing and Related Services Master Agreement, the Nansha Container Terminal Services Master Agreement and the Yangzhou Terminal Services Master Agreement, a letter from the Independent Board Committee to the Independent Shareholders and a letter from the independent financial adviser to the Independent Board Committee and the Independent Shareholders, together with a notice of the SGM will be despatched to the Shareholders as soon as practicable. In view of COSCO's interests in the COSCON Shipping Services Master Agreement and the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement, COSCO Pacific Investment Holdings Limited and COSCO Investments Limited (both being subsidiaries of COSCO), which together are interested in an aggregate of 51.20% of the total issued share capital of the Company as at the date of this announcement, and the other associates of COSCO are required to abstain from voting on the resolution to be proposed at the SGM to approve the COSCON Shipping Services Master Agreement and the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement and the transactions thereunder.

GENERAL INFORMATION

The Group is principally engaged in the businesses of managing and operating container terminals, container

leasing, management and sale, container manufacturing, logistics and related businesses.

The COSCO Group is a diversified group focusing mainly on shipping and modern logistics businesses. They also serve as shipping agencies and provide services in freight forwarding, ship building, ship repairing, terminal operation, container paint manufacturing, trade, financing, real estate, information technology, business consulting and contract employment. COSCON is principally engaged in container shipping businesses.

The Line's principal business activities are to carry out activities in respect of vessels owned or operated by APM, including soliciting cargo, issuing bills of lading, settling freight charges and entering into service contracts.

The GZ Port Group is principally engaged in the businesses of loading and unloading, and storage of petroleum, coal, foodstuff, chemical fertilizers, steels, ores, containers and automobiles etc, bonded goods business, local and foreign goods agency and shipping agency, handling of transshipment on behalf of carriers, passenger transportation agency, pilotage of ships for entry into and departure from ports, water transportation of goods and passengers, logistics services and port related services.

The Yangzhou Port Group is principally engaged in the businesses of transportation of ordinary cargoes, large-sized cargoes and containers, operation of depot for repairing of large-sized trucks, loading and unloading of cargoes, cargo transportation agency, cargo warehousing, joint transportation by water and road, information services for water transportation, provision of freighters, manufacturing and repairing of port machinery, wholesaling and retailing of vehicle parts and accessories, hardware and electronics, non-dangerous chemical products, general merchandise, metals, construction materials, timber, water heating equipment, decoration materials, port machinery and spare parts, manufacturing and installation of steel structures, installation of port machinery, annual examination of vehicles and agency for licensing of vehicle depot operation.

CM Supply is principally engaged in the business of offshore supply of oil and water.

The Zhangjiagang Port Group is principally engaged in loading and unloading, storage, transshipment, lterage and handling of cargos, towing of vessels, manufacture and maintenance of port machinery, installation and maintenance of electrical equipment, shipping agency, freight forwarding, harbour dredging, supply of vessels, property management, domestic trading, port development and construction, making of concrete, control of vehicles parking at ports, port services and port information services and leasing.

The Xiamen Haicang Group is principally engaged in the businesses of investment, construction and operation of the bonded port area (including the terminal) in Haicang, Xiamen, trading, logistics, development of industrial zone and ancillary services, construction of government infrastructures and construction of projects, development and construction of real estate, development of tourism and management services, investment in the tertiary and other industries, and other investment holding.

DEFINITIONS

“Agreements”

the COSCON Shipping Services Master Agreement, the APM Shipping Services Master Agreement, the Florens-COSCON Container Related Services and Purchase of Materials Master Agreement, the Florens-APM Container Purchasing and Related Services Master Agreement, the Nansha Container Terminal Services Master Agreement, the Yangzhou Terminal Services Master Agreement, the COSCON Container Services Master Agreement, the Florens-COSCON Container Leasing, Sales and Related Services Master Agreement, the Florens-APM Container Leasing, Sales and Related Services Master Agreement, the Diesel Oil Purchase Master Agreement, the Zhangjiagang Container Terminal Services Master Agreement and the Xiamen Container Terminal Services Master Agreement

“APM”	A.P. Moller – Maersk A/S, a company incorporated in Denmark with limited liability
“APM Shipping Services Master Agreement”	the agreement dated 30th November 2009 between COSCO Ports, PCT and the Line in relation to the provision of shipping related services for a term from 1st January 2010 to 31st December 2012
“associate(s)”	has the meaning ascribed thereto in the Listing Rules, except that in respect of the definition of the “COSCO Group” below, the words “or holding company or a fellow subsidiary of any such holding company” at the end of paragraph (b)(iv) of the definition of “associate” under Rule 1.01 of the Listing Rules are deemed to be deleted for the purpose of this announcement
“Board”	the board of Directors
“China COSCO”	China COSCO Holdings Company Limited (中國遠洋控股股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Main board of the Stock Exchange and the A shares of which are listed on the Shanghai Stock Exchange in the PRC, and the intermediate controlling Shareholder of the Company
“CM Supply”	China Marine Bunker Supply Guangzhou Company (中國船舶燃料供應廣州公司), a company established in the PRC and owned as to 50% by COSCO
“Company”	COSCO Pacific Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange
“connected persons(s)”	has the meaning ascribed thereto in the Listing Rules
“Container Equipment”	the containers of which Florens or one of its subsidiaries and/or affiliates is the owner, lessee or manager
“Continuing Connected Transactions”	transactions under the Agreements
“COSCO”	China Ocean Shipping (Group) Company (中國遠洋運輸(集團)總公司), a company established in the PRC and the ultimate controlling Shareholder of the Company
“COSCO Group”	COSCO and COSCON and their respective associates (excluding the Group)
“COSCO Ports”	COSCO Ports (Holdings) Limited (中遠碼頭控股有限公司), a company established in the British Virgin Islands and a wholly-owned subsidiary of the Company
“COSCO Ports Group”	COSCO Ports and its subsidiaries
“COSCON”	COSCO Container Lines Company Limited (中遠集裝箱運輸有限公司), a limited liability company established in the PRC and a subsidiary of COSCO

“COSCON Container Services Master Agreement”	the agreement dated 30th November 2009 between Plangreat, COSCO and COSCON in relation to the provision of container related services for a term from 1st January 2010 to 31st December 2012
“COSCON Shipping Services Master Agreement”	the agreement dated 30th November 2009 between COSCO Ports, PCT, COSCO and COSCON in relation to the provision of shipping related services for a term from 1st January 2010 to 31st December 2012
“Diesel Oil Purchase Master Agreement”	the agreement dated 30th November 2009 between COSCO Ports, GZ South China and CM Supply in relation to the purchase of diesel oil for a term from 1st January 2010 to 31st December 2012
“Director(s)”	the director(s) of the Company
“Existing Master Agreements”	the agreement dated 23rd March 2007 between COSCO Ports, COSCO and COSCON in relation to the provision of shipping related services for a term from 1st January 2007 to 31st December 2009; the agreement dated 23rd March 2007 between COSCO Ports and the Line in relation to the provision of shipping related services for a term from 1st January 2007 to 31st December 2009; and the agreement dated 3rd June 2005 (as amended by the agreement dated 23rd March 2007) between Plangreat, COSCO and COSCON in relation to the provision of container related services for a term expiring on 31st December 2009
“Florens”	Florens Container Holdings Limited, a limited liability company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
“Florens-APM Container Leasing, Sales and Related Services Master Agreement”	the agreement dated 30th November 2009 between Florens and the Line in relation to the leasing and sales of containers and the provision of container related services for a term from 1st January 2010 to 31st December 2012
“Florens-APM Container Purchasing and Related Services Master Agreement”	the agreement dated 30th November 2009 between Florens and the Line in relation to the purchase of containers and container related materials and the provision of container related services for a term from 1st January 2010 to 31st December 2012
“Florens-COSCON Container Leasing, Sales and Related Services Master Agreement”	the agreement dated 30th November 2009 between Florens, COSCO and COSCON in relation to the leasing and sales of containers and the provision of container related services for a term from 1st January 2010 to 31st December 2012
“Florens-COSCON Container Related Services and Purchase of Materials Master Agreement”	the agreement dated 30th November 2009 between Florens, COSCO and COSCON in relation to the purchase of container related materials and the provision of container related services for a term from 1st January 2010 to 31st December 2012
“Florens Group”	Florens and its subsidiaries
“Group”	the Company and its subsidiaries
“GZ Port Group”	GZ Port Holding and its subsidiaries, branches and associates

“GZ Port Holding”	Guangzhou Port Holding Company Limited* (廣州港集團有限公司), a company established in the PRC
“GZ South China”	Guangzhou South China Oceangate Container Terminal Company Limited (廣州南沙海港集裝箱碼頭有限公司), a company established in the PRC and a non wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising Dr. LI Kwok Po, David, Mr. CHOW Kwong Fai, Edward, Mr. Timothy George FRESHWATER and Dr. FAN HSU Lai Tai, Rita, all being independent non-executive Directors
“Independent Shareholders”	the Shareholders who are not prohibited from voting under the Listing Rules to approve the relevant transaction at a general meeting of the Company
“Line”	entities trading under the names of Maersk Line, Safmarine, MCC or any other future names with majority ownership by APM
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nansha Container Terminal Services Master Agreement”	the agreement dated 30th November 2009 between COSCO Ports, GZ South China and GZ Port Holding in relation to the provision of container terminal related services for a term from 1st January 2010 to 31st December 2012
“PCT”	Piraeus Container Terminal S.A., a company established in Greece and a wholly-owned subsidiary of the Company
“Plangreat”	Plangreat Limited, a company established in the British Virgin Islands and a wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China, which for the purpose of this announcement and unless the context suggests otherwise, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan
“Previous Depot Services Agreements”	the Depot Services Agreements (as described and defined in the announcement of the Company dated 14th September 2009) between Florens Container Services Company Limited, a wholly-owned subsidiary of Florens, and various subsidiaries of COSCO in relation to the provision of interchanging, storing, handling and repairing services with respect to the Container Equipment for the term of three years from 1st January 2009
“Previous Nansha Lease Agreement”	the Terminal Areas Lease Agreement (as described and defined in the announcement of the Company dated 4th November 2009) dated 4th November 2009 between GZ South China and a member of the GZ Port Group in relation to the provision of berths, leasing of terminal areas and provision of machinery and manpower services for a term from 12th September 2009 to 31st March 2010
“Previous Nansha Services Agreements”	the Surveying Services Agreement, the Pontoon Lease Agreement, the Cleaning Services Agreements, the Cargo Handling Services Agreement and the Manpower Services Agreement (all as defined and defined in the announcement of the Company dated 4th November 2009) between GZ South China and certain members of the GZ Port Group in relation to the

	provision of surveying services, cleaning services, cargo handling and manpower services and the leasing of pontoon for a term of not more than 3 years
“Previous Zhangjiagang Agreements”	the Electricity Usage Agreement, the Fuel Supply Agreement, the Repairing Services Agreement, the Manpower Services Agreement and the Cleaning Services Agreement (all as described and defined in the announcement of the Company dated 3rd September 2009) between Zhangjiagang Win Hanverky and certain members of the Zhangjiagang Port Group in relation to the supply of electricity and fuel and provision of repairing services, manpower services and cleaning services for a term from 1st January 2009 to 31st December 2011
“SGM”	the special general meeting of the Company to be held for considering and approving, if appropriate, the COSCON Shipping Services Master Agreement and Florens-COSCON Container Related Services and Purchase of Materials Master Agreement and the transactions thereunder
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules
“Written Approval”	the written approval of the APM Shipping Services Master Agreement, the Florens-APM Container Purchasing and Related Services Master Agreement, the Nansha Container Terminal Services Master Agreement and the Yangzhou Terminal Services Master Agreement and the transactions contemplated thereunder by COSCO Pacific Investment Holdings Limited and COSCO Investments Limited
“Xiamen Container Terminal Services Master Agreement”	the agreement dated 30th November 2009 between COSCO Ports, Xiamen Ocean Gate and Xiamen Haicang Holding in relation to the provision of container terminal related services for a term from 1st January 2010 to 31st December 2012
“Xiamen Haicang Group”	Xiamen Haicang Holding and its subsidiaries, branches and associates
“Xiamen Haicang Holding”	Xiamen Haicang Investment Group Co., Ltd.* (廈門海滄投資集團有限公司), a company established in the PRC
“Xiamen Ocean Gate”	Xiamen Ocean Gate Container Terminal Co., Ltd. (廈門遠海集裝箱碼頭有限公司), a company established in the PRC and a non wholly-owned subsidiary of the Company
“Yangzhou Terminal Services Master Agreement”	the agreement dated 30th November 2009 between COSCO Ports, Yangzhou Yuanyang and Yangzhou Port Holding in relation to the provision of terminal related services for a term from 1st January 2010 to 31st December 2012
“Yangzhou Port Group”	Yangzhou Port Holding and its subsidiaries, branches and associates
“Yangzhou Port Holding”	Jiangsu Province Yangzhou Port Group Co., Ltd.* (江蘇省揚州港務集團有限公司), a company established in the PRC

“Yangzhou Yuanyang”	Yangzhou Yuanyang International Ports Co. Ltd. (揚州遠揚國際碼頭有限公司), a company established in the PRC and a non wholly-owned subsidiary of the Company
“Zhangjiagang Container Terminal Services Master Agreement”	the agreement dated 30th November 2009 between COSCO Ports, Zhangjiagang Win Hanverky and Zhangjiagang Port Holding in relation to the provision of container terminal related services for a term from 1st January 2010 to 31st December 2012
“Zhangjiagang Port Group”	Zhangjiagang Port Holding and its subsidiaries, branches and associates
“Zhangjiagang Port Holding”	Zhangjiagang Port Group Co., Ltd.* (張家港港務集團有限公司), a company established in the PRC
“Zhangjiagang Win Hanverky”	Zhangjiagang Win Hanverky Container Terminal Co., Ltd. (張家港永嘉集裝箱碼頭有限公司), a company established in the PRC and a non wholly-owned subsidiary of the Company
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“USD”	U.S. dollars, the lawful currency of the United States of America

For the purposes of this announcement, the exchange rates of HKD1 = RMB0.8718 and USD1 = HKD7.8 have been used, where applicable, for purpose of illustration only and do not constitute a representation that any amount has been, could have been or may be exchanged at any particular rate on the date or dates in question or any other date.

For the purposes of this announcement, the English name with an asterisk () is an unofficial English transliteration or translation and is for identification purposes only.*

By Order of the Board
COSCO Pacific Limited
XU Minjie
Vice Chairman & Managing Director

Hong Kong, 30th November 2009

As at the date of this announcement, the Board comprises Mr. CHEN Hongsheng² (Chairman), Mr. LI Jianhong¹, Mr. XU Lirong², Ms. SUN Yueying¹, Mr. XU Minjie¹ (Vice Chairman & Managing Director), Dr. SUN Jiakang², Mr. HE Jiale¹, Dr. WONG Tin Yau, Kelvin¹, Mr. YIN Weiyu¹, Dr. LI Kwok Po, David³, Mr. CHOW Kwong Fai, Edward³, Mr. Timothy George FRESHWATER³ and Dr. FAN HSU Lai Tai, Rita³.

¹ Executive Director

² Non-executive Director

³ Independent Non-executive Director