



## **COSCO Pacific Limited**

(Incorporated in Bermuda with limited liability)

### **COSCO PACIFIC EXPANDING INTO CHINA'S RAPIDLY GROWING LOGISTICS SECTOR**

- 1) COSCO Pacific Limited ("COSCO Pacific"), through its wholly owned subsidiary COSCO Pacific Logistics Company Limited ("CPLCL"), has entered into agreements with its ultimate controlling shareholder, China Ocean Shipping (Group) Company ("COSCO"), on 22 September 2003.
- 2) Pursuant to the agreements and subject to the fulfillment of certain conditions, COSCO Pacific will through CPLCL acquire 49% of the equity interest of COSCO Logistics Company Limited ("COSCO LOGISTICS"), the wholly owned subsidiary of COSCO, for a total consideration of RMB1,180.41 million (approximately HK\$1,113.6 million), by a combination of:
  - a. contribution to the registered capital of COSCO LOGISTICS for a cash amount of RMB734.0 million, and
  - b. acquisition of existing equity interests in COSCO LOGISTICS from COSCO for a cash amount of RMB446.41 million.

The total consideration represents an implied price earnings multiple of approximately 9.1 time (pre-money) or 13.1 times (post-money) of the Pro Forma combined net profit for the year ended 31 December 2002.

- 3) CPLCL has further agreed to pay COSCO an additional amount equivalent to RMB50 million (approximately HK\$47.2 million), if the pro forma net profit of COSCO LOGISTICS for the year ending 31 December 2003 exceeds RMB200 million (the "Transactions").

- 4) As a leading logistics service provider in China, COSCO LOGISTICS provides shipping agency, freight forwarding, third party logistics and supporting services that spans the major coastal and economic areas in China mainland, including Dalian, Beijing, Qingdao, Shanghai, Ningbo, Xiamen, Guangzhou and Wuhan regions.
- 5) COSCO LOGISTICS has well established brand names including “PENAVICO”, a large existing customer base consisting of domestic and multinational companies, and enjoys strong support from its parent COSCO in its development into a leading logistics service provider in China.
- 6) COSCO LOGISTICS has been undergoing a reorganization to streamline its businesses and operations. For the year ended 31 December 2002, the pro forma combined turnover and net profit of the reorganized COSCO LOGISTICS and its subsidiaries, jointly controlled entities and associated companies, prepared on the basis as if the reorganization had been completed prior to 1 January 2002, were approximately RMB4,607.7 million and RMB183.8 million, respectively.
- 7) COSCO Pacific is one of the world's leading shipping-related conglomerates, with an increasingly integrated range of activities spanning container leasing, container terminal and related businesses. COSCO Pacific’s mission is to be the global leader in container leasing, the regional leader in container terminal operations, and the leading logistics service provider in China mainland and Hong Kong. The investment in COSCO LOGISTICS will allow COSCO Pacific immediate access to the rapidly growing logistics service industry in China via an already well-established platform, thus providing an additional growth engine for the future earnings of COSCO Pacific.
- 8) COSCO Pacific believes the Transactions should create synergies that benefit COSCO LOGISTICS and itself. Given that COSCO Pacific already holds significant equity interests in container terminals located at major coastal areas in China mainland, COSCO LOGISTICS could enhance its competitive advantage by partnering with these container terminals to provide better logistics services. On the other hand, through investing in COSCO LOGISTICS, COSCO Pacific can enhance the attractiveness of its container terminals by offering integrated sea freight logistics service to its shipping customers.
- 9) Capt. WEI Jiafu, President of COSCO and Chairman of COSCO Pacific said: “We are confident that COSCO Pacific could further enhance shareholders value through this win-win investment into COSCO LOGISTICS. We are excited about the potential of the logistics service business in China and are confident that our investment in COSCO LOGISTICS will help us achieve our mission of becoming the leading logistics service provider in China mainland and Hong Kong.”.

- 10) The Transactions constitute connected transactions for COSCO Pacific within the meaning of The Rules Governing the Listing and Securities on the Stock Exchange of Hong Kong Limited, and are subject to approval by the independent shareholders of COSCO Pacific. COSCO Pacific has appointed The Hong Kong and Shanghai Banking Corporation Limited as its financial adviser in connection with the Transactions. An independent board committee comprising Dr. David LI Kwok Po and Mr. Alexander Reid HAMILTON (the “Independent Board Committee”) has been appointed by the Board of COSCO Pacific to advise its independent shareholders as to the fairness and reasonableness of the Transactions. N M Rothschild & Sons (Hong Kong) Limited has been appointed as the independent financial advisor to provide opinions to the Independent Board Committee in connection with the Transactions. A special general meeting of COSCO Pacific for the purposes of considering and, if thought fit, passing resolution to approve the Transactions will be convened as soon as practicable.

Details of the announcement on the Transactions will be available on our website (<http://www.coscopac.com.hk>) and will be published in the South China Morning Post and Hong Kong Economic Times on 23 September 2003. For further inquiry, please contact Mr. Raymond Yuan, General Manager of the Public Relations and Communications Department at 2809 8188 (telephone), 2907 6088 (fax), or e-mail: [yuanqing@coscopac.com.hk](mailto:yuanqing@coscopac.com.hk).



## COSCO Pacific Limited

### 中遠太平洋有限公司

(於百慕達註冊成立之有限公司)

#### 中遠太平洋進軍中國內地迅猛發展的物流業

- (1) 2003年9月22日，中遠太平洋有限公司(“中遠太平洋”)通過其全資附屬公司中遠太平洋物流有限公司(“中遠太平洋物流”)與其最終控股公司中國遠洋運輸(集團)總公司(“中遠集團總公司”)簽訂合作協議。
- (2) 根據協議規定以及在滿足若干先決條件的情況下，中遠太平洋將通過旗下的中遠太平洋物流向中遠集團總公司全資附屬公司中國遠洋物流有限公司(“中遠物流”):-
  - a. 注資現金人民幣 7.34 億元;
  - b. 及向中遠集團總公司以現金人民幣 4.4641 億元購買部分中遠物流股權的方式;最終以人民幣 11.8041 億元的總代價(約 11.136 億港元)收購中遠物流 49%的股權。這總代價表示相對於截至 2002 年 12 月 31 日止年度備考合併純利之計入代價前後的隱含市盈率分別約為 9.1 倍或 13.1 倍。
- (3) 中遠太平洋物流進一步同意，倘若中遠物流截至 2003 年 12 月 31 日止年度的備考純利超過人民幣 2 億元，則會向中遠集團總公司額外支付人民幣 5,000 萬元(約 4,720 萬港元)。
- (4) 作為中國領先的物流服務供應商，中遠物流及其附屬公司、共同控制實體和聯營公司為中國內地各大經濟重鎮及沿海地區包括大連、北京、青島、上海、寧波、廈門、廣州和武漢提供船舶代理、貨運代理、第三方物流和支援服務等方面的完善的物流服務。

- (5) 中遠物流不僅擁有包括“PENAVICO”等聲譽卓著的品牌，而且亦已建立起龐大的現有客戶基礎，包括多家本地及跨國公司，更重要的是其母公司中遠集團總公司一直給予鼎力支持，竭力輔助其發展成為中國內地頂尖的物流服務供應商。
- (6) 中遠物流及其附屬公司、共同控制實體和聯營公司正在進行重組以整合強化其業務及運作。截至2002年12月31日止之年度，經重組之中遠物流及其附屬公司、共同控制實體和聯營公司的備考合併營業額及純利，在假設重組在2002年1月1日前完成的基礎上，分別為人民幣46.077億元及人民幣1.838億元。
- (7) 中遠太平洋是全球從事航運相關業務的領先企業之一，其綜合性業務包括集裝箱租賃、集裝箱碼頭及相關業務。本公司以躋身成為全球集裝箱租賃的領先企業、亞洲區內經營集裝箱碼頭的領先企業和中港兩地物流業的領先企業為目標。對中遠物流的投資將使中遠太平洋透過已有良好基礎的平臺，分享中國內地物流業的迅速增長，為中遠太平洋的盈利提供額外的增長動力。
- (8) 中遠太平洋認為此交易將能為中遠物流和其本身帶來協力效應。由於中遠太平洋已在中國主要沿海地區的集裝箱碼頭持有相當多的權益，中遠物流可以通過與這些集裝箱碼頭的合作提供更好的物流服務以增強競爭力。通過投資中遠物流，中遠太平洋可以提供綜合海運物流服務來增強其集裝箱碼頭對航運客戶的吸引力。
- (9) 中遠太平洋主席魏家福先生表示：“我們十分高興獲得本次對中遠物流投資的機會。我們為中國內地極具潛力的物流服務市場感到振奮，也堅信這次投資能為我們的股東帶來效益並有助我們實現成為中港兩地領先的物流服務供應商的目標。”
- (10) 根據香港聯合交易所證券上市規則，本項交易構成中遠太平洋的關連交易，須經由中遠太平洋的獨立股東批准。中遠太平洋已經委任香港上海滙豐銀行有限公司為是項交易的財務顧問。中遠太平洋董事會已委任由李國寶博士與韓武敦先生組成的獨立董事委員會（“獨立董事委員會”），負責就該項交易是否公平合理向獨立股東提供意見。中遠太平洋亦已委任洛希爾父子（香港）有限公司為此交易的獨立財務顧問，負責向獨立董事委員會提供有關本項交易的意見。中遠太平洋將切實盡速召開特別股東大會以考慮及，如合適者，通過本項交易。

有關本項交易的公告的具體內容，請瀏覽本公司網站  
<http://www.coscopac.com.hk>，及查詢 2003 年 9 月 23 日的南華早報及經濟  
日報。如有任何查詢，請聯絡本公司公關資訊部總經理袁清先生（電話：  
2809 8188；傳真：2907 6088；電郵：[yuanqing@coscopac.com.hk](mailto:yuanqing@coscopac.com.hk)）。