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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in COSCO International Holdings Limited, you should at once hand this circular and accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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COSCO International Holdings Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 0517)

**PROPOSALS FOR RE-ELECTION OF DIRECTORS
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at 47th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong on 29th May, 2007 at 10:00 a.m. is set out on pages 24 to 28 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the office of the Company's branch share registrar in Hong Kong, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof (as the case may be) should you so wish.

27th April 2007

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“2006 Annual Report”	the annual report of the Company for the year ended 31st December 2006
“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at 47th Floor, COSCO Tower, 183 Queen’s Road Central, Hong Kong on 29th May, 2007 at 10:00 a.m., the notice of which is enclosed with this circular
“AGM Notice”	the notice convening the AGM as set out on pages 24 to 28 of this circular
“associates”	has the meaning as ascribed under the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company as may be amended from time to time
“Company”	COSCO International Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“COSCO”	中國遠洋運輸(集團)總公司(China Ocean Shipping (Group) Company), a company incorporated in the PRC and the ultimate beneficial owner holding approximately 57.07% equity interest in the Company
“Directors”	the directors of the Company for the time being
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	24th April 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“PRC”	the People’s Republic of China which for the purpose of this circular, exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan Province
“Repurchase Mandate”	a general mandate to the Directors to exercise the power of the Company to repurchase Shares up to 10% of the issued share capital of the Company as at the date of passing ordinary resolution thereof
“SGD”	Singapore dollars, the lawful currency of Singapore
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Shareholder(s)”	the holder(s) of Shares
“Share Issue Mandate”	a general mandate to the Directors to exercise the power of the Company to allot and issue Shares up to 20% of the issued share capital of the Company as at the date of passing ordinary resolution thereof
“Share Option Scheme”	the existing share option scheme adopted by the Company on 17th May 2002 (as amended on 5th May 2005)
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing of their own securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Repurchases
“%”	per cent

LETTER FROM THE BOARD



COSCO International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 0517)

Executive Directors:

Mr. Wei Jiafu (*Chairman*)
Mr. Liu Guoyuan (*Vice Chairman*)
Mr. Li Jianhong
Mr. Wang Futian
Mr. Jia Lianjun
Mr. Wang Xiaoming
Mr. Liang Yanfeng (*Managing Director*)
Mr. Meng Qinghui
Mr. Chen Xuewen
Mr. Lin Libing
Mr. Wang Xiaodong
Mr. Lin Wenjin

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office and Principal

Place of Business:
47th Floor
COSCO Tower
183 Queen's Road Central
Hong Kong

Independent Non-executive Directors:

Mr. Chan Cheong Foon, Andrew
Mr. Kwong Che Keung, Gordon
Mr. Tsui Yiu Wa, Alec
Mr. Jiang, Simon X.

27th April 2007

To the Shareholder(s)

Dear Sir or Madam,

PROPOSALS FOR RE-ELECTION OF DIRECTORS GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM to be held on 29th May, 2007 at 10:00 a.m.. These include ordinary resolutions (i) to re-elect Directors who are due to retire from the Board at the AGM, and (ii) to grant the Board general mandates to issue and repurchase the Shares.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

In relation to the ordinary resolution no. 3 as set out in the AGM Notice regarding re-election of Directors, Mr. Wei Jiafu, Mr. Liu Guoyuan, Mr. Li Jianhong, Mr. Wang Futian, Mr. Jia Lianjun, Mr. Wang Xiaoming, Mr. Liang Yanfeng, Mr. Meng Qinghui, Mr. Chen Xuewen, Mr. Lin Libing, Mr. Wang Xiaodong, Mr. Lin Wenjin, Mr. Chan Cheong Foon, Andrew, Mr. Kwong Che Keung, Gordon, Mr. Tsui Yiu Wa, Alec and Mr. Jiang, Simon X. being the Directors will retire as Directors from the Board and being eligible, offer themselves for re-election as Directors in accordance with the Bye-laws of 99 and 102(B) except that Mr. Chan Cheong Foon, Andrew, who will not offer himself for re-election due to personal reasons. Mr. Chan has confirmed that there are no disagreement with the Board and there are no matters that need to be brought to the attention of the Shareholders in connection with his retirement.

Particulars of Mr. Wei Jiafu, Mr. Liu Guoyuan, Mr. Li Jianhong, Mr. Wang Futian, Mr. Jia Lianjun, Mr. Wang Xiaoming, Mr. Liang Yanfeng, Mr. Meng Qinghui, Mr. Chen Xuewen, Mr. Lin Libing, Mr. Wang Xiaodong, Mr. Lin Wenjin, Mr. Kwong Che Keung, Gordon, Mr. Tsui Yiu Wa, Alec and Mr. Jiang, Simon X. are set out in the Appendix I to this circular.

Each of Mr. Chan Cheong Foon, Andrew, Mr. Kwong Che Keung, Gordon and Mr. Tsui Yiu Wa, Alec, all being Independent Non-executive Directors eligible for re-election as Directors at the AGM, has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. And Mr. Jiang, Simon X., being Independent Non-executive Director eligible for re-election as Director at the AGM, has made the confirmation of independence upon his appointment on 12th April 2007 pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that Mr. Chan Cheong Foon, Andrew, Mr. Kwong Che Keung, Gordon, Mr. Tsui Yiu Wa, Alec and Mr. Jiang, Simon X. meet the independence guidelines.

3. GENERAL MANDATE TO ISSUE SHARES

At the AGM, ordinary resolution no. 5B will be proposed to grant to the Directors the Share Issue Mandate. In addition, it will be proposed that a further resolution no. 5C be passed to authorise an extension of the Share Issue Mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Share Issue Mandate and the number of Shares repurchased under the Repurchase Mandate, if granted.

As at the Latest Practicable Date, the aggregate issued share capital of the Company comprised 1,453,277,291 Shares. Subject to the passing of the ordinary resolution no. 5B in the AGM Notice and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed to allot, issue and deal with a maximum of 290,655,458 Shares, representing not more than 20% of the issued share capital of the Company at the Latest Practicable Date.

LETTER FROM THE BOARD

The Share Issue Mandate shall be exercisable during the period from the passing of the ordinary resolutions until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; or
- (iii) the date on which the authority set out in ordinary resolution is revoked or varied by an ordinary resolution or ordinary resolutions of the Shareholders in general meeting.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in the AGM Notice.

4. GENERAL MANDATE TO REPURCHASE SHARES

Ordinary resolution no. 5A will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in the AGM Notice. The Shares which may be repurchased pursuant to the Repurchase Mandate is up to 10% of the issued share capital of the Company at the date of passing the resolution approving the Repurchase Mandate. The Repurchase Mandate will expire at the conclusion of the next annual general meeting of the Company unless renewed at such meeting. In the meantime, the Repurchase Mandate may be revoked or varied by ordinary resolution of the Shareholders at a general meeting prior to the next annual general meeting of the Company.

An explanatory statement as required under the Share Repurchase Rules, containing all relevant information relating to the Repurchase Mandate, is set out in Appendix II to this circular. The information in the explanatory statement provides information reasonably necessary to enable Shareholders to make an informed decision in relation to the ordinary resolution no. 5A.

5. ANNUAL GENERAL MEETING

A notice convening the AGM to be held at 47th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong on 29th May, 2007 at 10:00 a.m. is set out on pages 24 to 28 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the office of the Company's branch share register in Hong Kong, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof (as the case may be) should you so wish.

LETTER FROM THE BOARD

6. PROCEDURE TO DEMAND A POLL

Pursuant to the Bye-laws, a poll may be demanded at the AGM by:

- (i) the Chairman of the meeting; or
- (ii) at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised corporate representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised corporate representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (iv) any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised corporate representative) or by proxy and holding the Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

7. RECOMMENDATION

The Directors consider that the proposed re-election of Directors, the granting of the Repurchase Mandate, the Share Issue Mandate and its extension are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders to vote in favour of the relevant ordinary resolutions at the AGM.

8. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

By Order of the Board
COSCO International Holdings Limited
Liang Yanfeng
Managing Director

This appendix serves as an explanatory statement giving particulars of retiring Directors subject to re-election at the AGM are set out below:

1. Mr. WEI Jiafu

aged 57, has been the Executive Director and Chairman of the Board of the Company since June 2000. He is also the president and CEO of COSCO and the chairman of China COSCO Holdings Company Limited (listed in Hong Kong), COSCO Pacific Limited (listed in Hong Kong), COSCO (Hong Kong) Group Limited, COSCO Corporation (Singapore) Limited (listed in Singapore), COSCO Container Lines Company Limited and COSCO Bulk Carrier Company Limited and vice chairman of China Merchants Bank Co., Ltd (listed in Hong Kong). He was elected into the 16th CPC Central Committee for Discipline Inspection in November 2002. He is also the chairman of China Shipowners' Association, China Shipowner's Mutual Assurance Association, China Group Companies Promotion Association and China Federation of Industrial Economics; vice chairman of China Enterprise Confederation and China Enterprise Directors Association, director of the Board of Bo'ao Forum for Asia, advisor of Panama Canal Authority, member of executive committee of Baltic and International Maritime Conference, committee member of International Committee of American Bureau of Shipping, member of International Advisory Council of PSA Corporation and advisor of Harvard Business School. Mr. Wei joined the COSCO Group in 1967 and had been a marine captain, general manager of Sino-Tanzania Joint Shipping Company, Tianjin Ocean Shipping Company and COSCO Bulk Carrier Company Limited as well as president of COSCO Holdings (Singapore) Pte Ltd. He obtained his Doctoral degree from Tianjin University and Master of Transportation Planning and Management degree from Dalian Maritime University. He is a senior engineer. He has extensive experience in international shipping management and capital operation. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Wei has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Mr. Wei has not received any director's emoluments from the Company for the financial year ended 31st December 2006.

As at the Latest Practicable Date, Mr. Wei beneficially owns share options granted by the Company to subscribe for 1,800,000 and 1,200,000 Shares at exercise prices of HK\$0.57 and HK\$1.37 each respectively, share options granted by COSCO Pacific Limited, an associated corporation of the Company, to subscribe for 1,000,000 shares of COSCO Pacific Limited at exercise price of HK\$13.75 each, share options granted by COSCO Corporation (Singapore) Limited, an associated corporation of the Company, to subscribe for 1,100,000 shares of COSCO Corporation (Singapore) Limited at exercise price of SGD\$1.23 each, share appreciation rights in respect of 900,000 and 900,000 units granted by China COSCO Holdings Company Limited, an associated corporation of the Company, at exercise prices of HK\$3.195 and HK\$3.588 respectively and 1,900,000 shares of COSCO Corporation (Singapore) Limited within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Wei does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Wei has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

2. Mr. LIU Guoyuan

aged 55, has been the Executive Director and Vice Chairman of the Board of the Company since November 2000. Mr. Liu is also the executive Vice Chairman and president of COSCO (Hong Kong) Group Limited, the chairman of COSCO (HK) Shipping Company Limited, COSCO (Hong Kong) Industry & Trade Holdings Limited, COSCO (HK) Property Development Limited, COSCO Network Limited and COSCO H.K. (Beijing) Investment Co., Limited. He joined the COSCO Group in 1975 after graduated from Beijing Foreign Studies University and obtained Master's degree (LL. M) from the law school of the University of Washington, United States in 1982. Since 1984, Mr. Liu had been the department head of the Law and Policy Research Department, head of the Executive Division, manager of the Planning and Project Division in COSCO. In 1990, Mr. Liu was awarded the qualification of senior economist by the Ministry of Communications of the PRC. In 1991, he was promoted as the senior commercial director of COSCO. Afterwards, Mr. Liu had been the deputy general manager of Tianjin Ocean Shipping Company and vice chairman and president of COSCO Europe GmbH. Mr. Liu has extensive experience in corporate management, shipping operation management and investment management. Currently, he is also a council member of the Hong Kong Port Development Council, the Hong Kong Maritime Industry Council and the Hong Kong Logistics Development Council, the vice chairman of The Hong Kong Chinese Enterprises Association and Hong Kong Shipowners' Association, as well as a council member of The Hong Kong Management Association and the General Committee member of the Hong Kong General Chamber of Commerce. He previously served as executive director and non-executive director of COSCO Pacific Limited and China COSCO Holdings Company Limited (both listed in Hong Kong) until his resignation in June 2005 and September 2006 respectively. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Liu has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

The director's emoluments received by Mr. Liu from the Company was his salary of HK\$5,000,000 for the financial year ended 31st December 2006. The level of his emoluments was determined on the basis of his experience, qualifications, responsibilities involved in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Liu beneficially owns share options granted by the Company to subscribe for 1,800,000, 1,200,000 and 1,100,000 Shares at exercise prices of HK\$0.57, HK\$1.37 and HK\$3.666 each respectively within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Liu does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Liu has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

3. Mr. LI Jianhong

aged 50, has been the Executive Director of the Board of the Company since March 2002. He is also the vice president of COSCO, the chairman of China International Marine Containers (Group) Limited, COSCO Shipyard Group Co., Ltd., and Sino-Tanzania Joint Shipping Company; a director of China COSCO Holdings Company Limited (listed in Hong Kong), COSCO Pacific Limited (listed in Hong Kong) and COSCO Corporation (Singapore) Limited (listed in Singapore). Mr. Li is the vice chairman of Chinese Society of Naval Architects and Marine Engineers and China Association of National Shipbuilding Industry. Mr. Li joined COSCO Group in 1989. He had been general manager of Nantong COSCO Shipyard, general managers of COSCO Industry Company and Sino Ocean Real Estate Development Co., Ltd, assistant to the president of COSCO. Mr. Li has Master's degrees in business administration from University of East London, United Kingdom and in economics and management from Jilin University. He is a senior economist. He has extensive experience in corporate management and capital operations. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Li has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Mr. Li has not received any director's emoluments from the Company for the financial year ended 31st December 2006.

As at the Latest Practicable Date, Mr. Li beneficially owns share options granted by the Company to subscribe for 1,800,000 and 1,200,000 Shares at exercise prices of HK\$0.57 and HK\$1.37 each respectively, share options granted by COSCO Pacific Limited, an associated corporation of the Company, to subscribe for 1,000,000 shares of COSCO Pacific Limited at exercise price of HK\$13.75 each, share options granted by COSCO Corporation (Singapore) Limited, an associated corporation of the Company, to subscribe for 700,000 shares of COSCO Corporation (Singapore) Limited at exercise price of SDG\$1.23 each, share appreciation rights in respect of 600,000 and 600,000 units granted by China COSCO

Holdings Company Limited, an associated corporation of the Company, at exercise prices of HK\$3.195 and HK\$3.588 respectively and beneficially owns 1,300,000 shares of COSCO Corporation (Singapore) Limited within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Li does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Li has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

4. Mr. WANG Futian

aged 57, has been the Executive Director of the Board of the Company since March 2007. He is also the vice president of COSCO (Hong Kong) Group Limited. Mr. Wang graduated from Dalian Maritime University, the PRC, in navigation and Capital University of Economics and Business in postgraduate studies in business administration. He has the senior engineer qualification awarded by Ministry of Communications of the PRC. He had been the vice president and chief legal counsel of COSCO; the chairman of the supervisory committee and director of COSCO Container Lines Company Limited and a member of senior management of Dalian Ocean Shipping Company. Mr. Wang was a marine captain with rich experience in the operation and management of large-scale shipping enterprises. He previously served as executive director and non-executive director of COSCO Pacific Limited and China COSCO Holdings Company Limited (both listed in Hong Kong) until his resignation in June 2005 and January 2007 respectively. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Wang has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Mr. Wang is not entitled to any director's emoluments from the Company.

As at the Latest Practicable Date, Mr. Wang beneficially owns share options granted by the Company to subscribe for 800,000 Shares at exercise price of HK\$3.666 each and share appreciation rights in respect of 600,000 and 600,000 units granted by China COSCO Holdings Company Limited, an associated corporation of the Company, at exercise prices of HK\$3.195 and HK\$3.588 respectively within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Wang does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Wang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

5. Mr. JIA Lianjun

aged 46, has been the Executive Director of the Board of the Company since January 2006. He is also the deputy general manager of Strategic Planning Division (General Counsel Office) of COSCO, director of COSCO (Hong Kong) Group Limited and Chinese-Tanzania Joint Shipping Company. Mr. Jia graduated from Dalian Maritime University, the PRC, in marine engineering management and has senior engineer qualification awarded by the Ministry of Communications of the PRC. He had been the department officer, deputy department head, department head and manager of Corporate Management Office of Corporate Management Department of COSCO. He has extensive experience in corporate management. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Jia has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Mr. Jia has not received any director's emoluments from the Company for the financial year ended 31st December 2006.

As at the Latest Practicable Date, Mr. Jia beneficially owns share options granted by the Company to subscribe for 800,000 Shares at exercise price of HK\$3.666 each and share appreciation rights in respect of 75,000 and 65,000 units granted by China COSCO Holdings Company Limited, an associated corporation of the Company, at exercise prices of HK\$3.195 and HK\$3.588 respectively within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Jia does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Jia has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

6. Mr. WANG Xiaoming

aged 51, has been the Executive Director of the Board of the Company since January 2006. Mr. Wang is also the director of COSCO (Hong Kong) Group Limited and financial controller. Mr. Wang graduated from Shanghai Maritime University, the PRC, in accounting and has senior accountant qualification awarded by Ministry of Communications of the PRC. Mr. Wang had been the deputy manager of the Audit Department of COSCO, finance manager of COSCO Bulk Carrier Co. Limited, deputy general manager of Finance Division of COSCO and general manager of COSCO Finance Co. Limited. He has extensive experience in corporate financial management. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Wang has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Mr. Wang has not received any director's emoluments from the Company for the financial year ended 31st December 2006.

As at the Latest Practicable Date, Mr. Wang beneficially owns share options granted by the Company to subscribe for 800,000 Shares at exercise price of HK\$3.666 each within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Wang does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Wang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

7. Mr. LIANG Yanfeng

aged 41, has been the Executive Director and Managing Director of the Board of the Company since August 2006. He is also the non-executive director and non-executive vice chairman of Soundwill Holdings Limited (listed in Hong Kong). Mr. Liang has a Master's degree in laws and an Executive Master of Business Administration from the Department of Social Science and the School of Economics and Management of Tsinghua University and the Senior Economist qualification awarded by the Ministry of Communications of the PRC. Mr. Liang had been the general manager of Capital Operations Division and the deputy general manager of Human Resources Division of COSCO, general manager of COSCO Human Resources Development Company and director of COSCO (Hong Kong) Group Limited. While serving temporarily to a local government, he had been the deputy mayor of Luzhou municipal government, Sichuan Province. He had served as director of

various listed companies. He had participated in acquisitions and financing of listed companies and has extensive experience in corporate management and capital market operation. He previously served as executive director of COSCO Pacific Limited (listed in Hong Kong) until his resignation in October 2004. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Liang has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

The director's emoluments received by Mr. Liang from the Company was his salary of HK\$1,250,000 for the financial year ended 31st December 2006. The level of his emoluments was determined on the basis of his experience, qualifications, responsibilities involved in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Liang beneficially owns share options granted by the Company to subscribe for 1,200,000 and 1,100,000 Shares at exercise prices of HK\$0.57 and HK\$3.666 each respectively and 60,000 shares of China COSCO Holdings Company Limited, an associated corporation of the Company within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Liang does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Liang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

8. Mr. MENG Qinghui

aged 51, has been the Executive Director of the Board of the Company since March 2002. He is also the general manager of Finance Division of COSCO (Hong Kong) Group Limited and the non-executive director of Soundwill Holdings Limited (listed in Hong Kong). Mr. Meng graduated from Central South University and has the PRC accountant qualification. He has extensive experience in corporate financial management and accounting and is also familiar with corporate financial planning. He previously served as executive director of COSCO Pacific Limited (listed in Hong Kong) until his retirement in May 2005. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Meng has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Mr. Meng has not received any director's emoluments from the Company for the financial year ended 31st December 2006.

As at the Latest Practicable Date, Mr. Meng beneficially owns share options granted by the Company to subscribe for 1,200,000, 800,000 and 800,000 Shares at exercise prices of HK\$0.57, HK\$1.37 and HK\$3.666 each respectively and share options granted by COSCO Pacific Limited, an associated corporation of the Company, to subscribe for 700,000 shares of COSCO Pacific Limited at exercise price of HK\$13.75 each within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Meng does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Meng has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

9. Mr. CHEN Xuewen

aged 42, has been the Executive Director of the Board of the Company since August 2006. He is also the general manager of the Strategic Planning Division of COSCO (Hong Kong) Group Limited. He graduated from the University of Peking in economics and management. He had been the department head of the Planning Department of Strategic Planning Division of COSCO, general manager of Beijing Ocean Plaza Co., Ltd. and deputy general manager of COSCO HK (Beijing) Investment Co., Limited. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Chen has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Mr. Chen has not received any director's emoluments from the Company for the financial year ended 31st December 2006.

As at the Latest Practicable Date, Mr. Chen beneficially owns share options granted by the Company to subscribe for 800,000 Shares at exercise price of HK\$3.666 each within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Chen does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Chen has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

10. Mr. LIN Libing

aged 44, has been the Executive Director of the Board of the Company since February 2004. He also serves as the Deputy Managing Director of the Company. Mr. Lin is in charge of the company secretarial, legal as well as investor relations of the Company. He has the PRC accountant qualification. Mr. Lin had been the general manager of Finance Division of COSCO (Hong Kong) Shipping Co., Limited and the general manager of Finance Division of COSCO. Mr. Lin has extensive experience in the PRC and the international market operations. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Lin has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

The director's emoluments received by Mr. Lin from the Company was his salary of HK\$1,080,000 for the financial year ended 31st December 2006. The level of his emoluments was determined on the basis of his experience, qualifications, responsibilities involved in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Lin beneficially owns share options granted by the Company to subscribe for 1,200,000, 800,000 and 800,000 Shares at exercise prices of HK\$0.57, HK\$1.37 and HK\$3.666 each respectively within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Lin does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Lin has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

11. Mr. WANG Xiaodong

aged 48, has been the Executive Director of the Board of the Company since January 2006. He also serves as the Deputy Managing Director of the Company. Mr. Wang is in charge of the management of the subsidiaries and projects investment of the Company. He has a Bachelor's degree in marine mechanical management from Dalian Maritime University, the PRC, a Master's degree in business administration from China Europe International Business School and a senior engineer qualification awarded by the Ministry of Communications of the PRC. He had been the general manager of China Marine Bunker Supply Company, deputy general manager of the Trade Division and head of the Consolidated Trade Department of COSCO, deputy general manager of COSCO International Trading Company and general manager of COSCO Industry Company. Mr. Wang has extensive experience in the technical management and operation in the business

of marine vessel fuel, marine industry and coating industry. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Wang has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

The director's emoluments received by Mr. Wang from the Company was his salary of HK\$1,080,000 for the financial year ended 31st December 2006. The level of his emoluments was determined on the basis of his experience, qualifications, responsibilities involved in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Wang beneficially owns share options granted by the Company to subscribe for 900,000, 800,000 and 800,000 Shares at exercise prices of HK\$0.57, HK\$1.37 and HK\$3.666 each respectively within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Wang does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Wang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

12. Mr. LIN Wenjin

aged 47, has been the Executive Director of the Board of the Company since August 2006. He also serves as the Deputy Managing Director of the Company. Mr. Lin has a Bachelor's degree in engineering from Shanghai Maritime University of China, marine chief engineer certificate and senior engineer qualification awarded by the Ministry of Communications of China. He had worked in the Chartering Department and Technical Department of COSCO. He had been the assistant manager of the Technical Department, the chief of New Building Section in Japan and manager of the Development Department of Ocean Tramping Co., and had been the deputy general manager of Development Division and Strategic Planning Division, managing director of the Executive Division of COSCO (Hong Kong) Group Limited. He had participated in the acquisitions and financing of listed companies. Mr. Lin has extensive experience in shipping management, new ships building, corporate management and planning and capital market operations. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Lin has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

The director's emoluments received by Mr. Lin from the Company was his salary of HK\$810,000 for the financial year ended 31st December 2006. The level of his emoluments was determined on the basis of his experience, qualifications, responsibilities involved in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Lin beneficially owns share options granted by the Company to subscribe for 800,000, 500,000 and 800,000 Shares at exercise prices of HK\$0.57, HK\$1.37 and HK\$3.666 each respectively within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Lin does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Lin has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

13. Mr. KWONG Che Keung, Gordon

aged 57, has been the Independent Non-executive Director of the Board of the Company since September 2004. Mr. Kwong is also Independent Non-executive Director for a number of companies listed on the Stock Exchange, namely Tianjin Development Holdings Limited, Beijing Capital International Airport Company Limited, Frasers Property (China) Limited, NWS Holdings Limited, China Oilfield Services Limited, Concepta Investments Limited, China Chengtong Development Group Limited, Global Digital Creations Holdings Limited, Ping An Insurance (Group) Company of China, Limited, Quam Limited, Tom Online Inc., China Power International Development Limited, Henderson Land Development Company Limited, Henderson Investment Limited and Agile Property Holdings Limited. He has a Bachelor of Social Science degree from the University of Hong Kong and is a fellow member of the Institute of Chartered Accountants in England and Wales. From 1984 to 1998, Mr. Kwong was a partner of PricewaterhouseCoopers and was a council member of the Stock Exchange from 1992 to 1997. He previously served as a non-executive director of COSCO Pacific Limited (listed in Hong Kong) until his resignation in January 2006, an independent non-executive director of Henderson China Holdings Limited (previously listed in Hong Kong) which was privatized in July 2005 and an independent non-executive director of New World Mobile Holdings Limited (listed in Hong Kong) until his resignation in February 2007. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Kwong has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

There is no agreement as to the director's fee of Mr. Kwong and his director's fee will be determined by the Board with reference to the prevailing market conditions and subject to the Shareholders' approval at the general meeting. The total emoluments received by Mr. Kwong from the Company for the financial year ended 31st December 2006 was his director's fee of HK\$190,000. The level of his emoluments was determined on the basis of his experience, qualifications, responsibilities involved in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Kwong beneficially owns 250,000 shares of COSCO Pacific Limited, an associated corporation of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Kwong has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Kwong has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

14. Mr. TSUI Yiu Wa, Alec

aged 57, has been an Independent Non-executive Director of the Board of the Company since February 2004. Mr. Tsui is also the chairman of WAG Worldsec Corporate Finance Limited, the vice chairman of China Mergers and Acquisitions Association; Hong Kong Professional Consultants Association Limited and AIG Huatai Fund Management Company Limited. He is also an independent non-executive director of a number of listed companies, namely Industrial and Commercial Bank of China (Asia) Limited, Vertex Communications & Technology Group Limited, China Power International Development Limited, China Chengtong Development Group Limited, Synergis Holdings Limited, China BlueChemical Ltd., Greentown China Holdings Limited, China Huiyuan Juice Group Limited and Melco PBL Entertainment (Macau) Limited. Mr. Tsui graduated from the University of Tennessee, United States and was awarded a Bachelor of Science degree and a Master of Engineering degree and had completed a Program for Senior Managers in Government at the John F. Kennedy School of Government of Harvard University, United States. He was the chairman of the Hong Kong Securities Institute from 2001 to 2004 and the chief operating officer of Hong Kong Exchanges and Clearing Limited in 2000. He has numerous years of experience in finance and administration, corporate and strategic planning, information technology as well as human resources management. He previously served as independent non-executive director of Techpacific Capital Limited, Value Convergence Holdings Limited, Stockmartnet Holdings Limited (now known as International Financial Network Holdings Ltd.) and Citic 21 CN Company Limited (all listed in Hong Kong) until his resignation in June 2004, July 2004, June 2005 and November 2005 respectively. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Tsui has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

There is no agreement as to the director's fee of Mr. Tsui and his director's fee will be determined by the Board with reference to the prevailing market conditions and subject to the Shareholders' approval at the general meeting. The total emoluments received by Mr. Tsui from the Company for the financial year ended 31st December 2006 was his director's fee of HK\$190,000. The level of his emoluments was determined on the basis of his experience, qualifications, responsibilities involved in the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Tsui does not have any interest in the shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Tsui has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Tsui has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

15. Mr. JIANG, Simon X.

aged 53, has been the Independent Non-executive Director of the Board of the Company since April 2007. He is also the chairman of CyberCity International Limited, an independent non-executive director of BOC International Investment Managers, China Oilfield Services Limited (listed in Hong Kong) and SPG Land (Holdings) Limited (listed in Hong Kong). Mr. Jiang is also a director of China Foundation for Disabled Persons, a trustee of Cambridge China Development Trust and a senior associate at the Judge Business School of Cambridge University. Mr. Jiang received his bachelor's degree from Beijing Foreign Studies University, master's degree from Australian National University and doctorate's degree from Cambridge University. Mr. Jiang was the deputy chief of United Nations Joint Staff Pension Fund Investment Management Service, chairman and executive director of Vision Century Corporation Limited (now known as Frasers Property (China) Limited) (listed in Hong Kong), a director of Zi Corporation (listed in United States) and an advisory board member of Capital International Inc., and Rothschild Investment Bank. He has experience in fund management. Save as disclosed above, he has not held any directorship in other listed companies in the past three years preceding the Latest Practicable Date.

Mr. Jiang has not entered into any service contract with the Company and there is no designated length of service for his appointment. He is subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

There is no agreement as to the director's fee of Mr. Jiang and his director's fee will be determined by the Board with reference to the prevailing market conditions and subject to the Shareholders' approval at the general meeting. The amount of director's fees entitled by Mr. Jiang will be determined by the Board, with reference to his duties and responsibilities towards the Company and the prevailing market condition. His director's fees will be otherwise disclosed after determination by the Board.

As at the Latest Practicable Date, Mr. Jiang does not have any interest in the shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Jiang has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Jiang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

This appendix serves as an explanatory statement, as required by the Listing Rules and the Share Repurchase Rules to provide the requisite information to Shareholders for their consideration of the granting of the Repurchase Mandate. For the purpose of this appendix, the term “shares” shall be as defined in the Takeovers Code to mean shares of all classes and securities which carry a right to subscribe or purchase shares.

1. SHARE REPURCHASE RULES

The Share Repurchase Rules permit companies whose primary listing are on the Stock Exchange to repurchase their fully paid up shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders' approval

All on-market share repurchases by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a specific approval in relation to specific transactions or by a general mandate to the directors of the company to make such repurchase.

(b) Source of funds

Repurchases must be made out of funds which are legally available for the purpose and in accordance with the laws of Bermuda and the memorandum of association and bye-laws of the Company.

2. REASONS FOR SHARE REPURCHASE

Although the Directors have no present intention of repurchasing any Shares, they believe the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and its Shareholders. Trading conditions on the Stock Exchange have sometimes been volatile in recent years. At any time in the future when the Shares are trading at a discount to their underlying value, the ability of the Company to repurchase Shares will be beneficial to those Shareholders who retain their investment in the Company since their interest in the assets of the Company would increase in proportion to the number of Shares repurchased by the Company, thereby resulting in an increase in new assets and/or earnings per Share of the Company. Such repurchases will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

3. SHARE CAPITAL

As at the Latest Practicable Date, the aggregate issued share capital of the Company comprised 1,453,277,291 Shares.

Subject to the passing of the ordinary resolutions to approve the Repurchase Mandate and Share Issue Mandate, and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the AGM, the Company would be allowed (i) under the Repurchase Mandate to repurchase a maximum of 145,327,729 Shares representing not more than 10% of the issued share capital of the Company at the Latest Practicable Date; and (ii) under the Share Issue Mandate to allot and issue a maximum of 290,655,458 Shares.

4. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association and the Bye-laws and the laws of Bermuda. In repurchasing securities, the Directors will only apply funds out of the capital paid up on the relevant Shares or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose in accordance with Bermuda laws. Regarding the amount of premium (if any) payable on a repurchase, the Directors will only apply funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the Shares are repurchased.

There might be an adverse material impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have an adverse material effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

5. SHARE PRICES

The highest and lowest traded prices at which the Shares have been traded on the Stock Exchange during each of the previous 12 months before the Latest Practicable Date were as follows:

	Shares	
	Highest HK\$	Lowest HK\$
2006		
April	1.96	1.47
May	1.89	1.43
June	1.76	1.47
July	1.92	1.72
August	2.29	1.86
September	2.48	1.99
October	2.96	2.39
November	3.08	2.71
December	3.08	2.65
2007		
January	3.45	2.75
February	4.50	2.92
March	4.49	3.33

6. SHARE PURCHASE MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

7. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda and in accordance with the Bye-laws.

8. EFFECT OF THE TAKEOVERS CODE

If, as a result of share repurchases made pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, COSCO held 829,360,511 Shares, representing 57.07% of the issued share capital of the Company. In the event that the Repurchase Mandate is exercised in full and on basis that no further shares are issued, the number of Shares held by COSCO would be increased to approximately 63.41% of the total number of Shares in issue.

The Directors are not presently aware of any consequences which may arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate. The Directors will take all reasonable steps to ensure compliance with the prescribed minimum percentage requirement of 25% of the issued share capital of the Company to be held in public hands pursuant to the Listing Rules.

9. DIRECTORS' DEALINGS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

10. CONNECTED PERSONS

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



COSCO International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 0517)

NOTICE IS HEREBY GIVEN that the annual general meeting of COSCO International Holdings Limited (the "Company") will be held at 47th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong on Tuesday, 29th May 2007 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements for the year ended 31st December 2006 together with the directors' report and the auditor's report thereon.
2. To declare final dividend for the year ended 31st December 2006.
3. To re-elect the retiring directors and to authorise the directors of the Company to fix their remuneration.
4. To re-appoint auditor of the Company and to authorise the directors of the Company to fix the remuneration of the auditor.
5. As special business, to consider and, if thought fit, to pass with or without amendments, the following resolutions as ordinary resolutions of the Company:
 - A. "THAT:
 - (i) subject to paragraph (ii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of HK\$0.1 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (i) of this resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (iii) for the purposes of this resolution,

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the by-laws of the Company or any applicable laws to be held; or
- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Company in general meeting.”

B. “THAT:

- (i) subject to paragraph (iii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares to be allotted be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this resolution shall authorise the directors of the Company during the Relevant Period to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares to be allotted after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (i) of this resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); or (b) an issue of shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the Grantees as specified in such scheme or similar arrangement of shares or rights to acquire shares of the Company; or (c) any issue of shares pursuant to the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes and other securities of the Company which carry rights to subscribe for or are convertible into shares of the Company; or (d) an issue of shares pursuant to any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the dividend on shares of the Company in accordance with the Bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution and the said approval shall be limited accordingly; and

(iv) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; or
- (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the Company in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares of the Company or issue of option, warrants or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the directors of the Company to holders of shares, or any class of shares, whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their holdings of such shares (or, where appropriate, such other securities) as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

- C. “**THAT** subject to the passing of ordinary resolution nos. 5A and 5B as set out in the notice of annual general meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with any additional shares of the Company pursuant to ordinary resolution no. 5B set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution no. 5A set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution.”

By Order of the Board
COSCO International Holdings Limited
Chiu Shui Suet
Company Secretary

Hong Kong, 27th April 2007

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares in the capital of the Company may appoint more than one proxy. A proxy need not be a member of the Company.
2. To be valid, the form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited with the Company’s branch share registrar in Hong Kong, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before time fixed for holding the meeting and adjourned meeting.

NOTICE OF ANNUAL GENERAL MEETING

3. The register of members of the Company will be closed from 23rd May 2007 to 29th May 2007, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers must be lodged with the Company's branch share registrar in Hong Kong, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:00 p.m. on 22nd May 2007.
4. Where there are joint holders of any share in the company, any one of such joint holders may vote at the meeting, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person by proxy, shall be accepted to the exclusion of the votes of other holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. A circular containing the particulars in connection with the profiles of all retiring directors be re-elected under resolution No. 3 and an explanatory statement in connection with the proposed repurchase mandate under resolution No. 5A as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, have been dispatched to members together with the 2006 Annual Report of the Company.
6. As at the date of this notice, the Board comprises sixteen directors of which Mr. Wei Jiafu (Chairman), Mr. Liu Guoyuan (Vice Chairman), Mr. Li Jianhong, Mr. Wang Futian, Mr. Jia Lianjun. Mr. Wang Xiaoming, Mr. Liang Yanfeng (Managing Director), Mr. Meng Qinghui, Mr. Chen Xuewen, Mr. Lin Libing, Mr. Wang Xiaodong and Mr. Lin Wenjin as executive Directors; Mr. Chan Cheong Foon, Andrew, Mr. Kwong Che Keung, Gordon, Mr. Tsui Yiu Wa, Alec and Mr. Jiang, Simon X. as Independent Non-executive Directors.