

## DISCLOSURE UNDER RULE 13.22 OF CHAPTER 13 OF THE LISTING RULES

In relation to the financial assistance granted by the Group to certain affiliated companies, a proforma combined balance sheet of the affiliated companies as at 30th June 2007 required to be disclosed under Rule 13.22 of Chapter 13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") is set out below:

	US\$'000
Non-current assets	1,692,514
Current assets	275,115
Current liabilities	(685,072)
Non-current liabilities	(797,384)
Net assets	485,173
Share capital	325,710
Reserves	159,463
Capital and reserves	485,173

As at 30th June 2007, the Group's consolidated attributable interest in these affiliated companies amounted to US\$216,888,000.

## CODE ON CORPORATE GOVERNANCE PRACTICES

The Company continues to achieve high standards of corporate governance so as to ensure better transparency and protection of shareholders' interest as a whole. The Company has complied with the provisions of the Code on Corporate Governance Practices set out in Appendix 14 of the Listing Rules throughout the six months ended 30th June 2007.

## BOARD COMMITTEES

### Audit Committee

The Audit Committee of the Company comprises four independent non-executive directors. The Audit Committee has reviewed, in the presence of the internal and external auditors, the Group's principal accounting policies and the 2007 interim report.

### Remuneration Committee

The Remuneration Committee comprises five members, a majority of whom are independent non-executive directors. The Committee formulates the Group's remuneration policy of directors and senior management, reviews and determines their remuneration packages and makes recommendations to the Board on the remuneration of directors.

### Other Board Committees

In addition to the above committees, the Board has also established various committees which include Executive Committee, Investment and Strategic Planning Committee, Corporate Governance Committee, Risk Management Committee and Nomination Committee. Each committee has its defined scope of duties and terms of reference. The terms of reference of the above committees have been posted on the Company's website: [www.coscopac.com.hk](http://www.coscopac.com.hk).