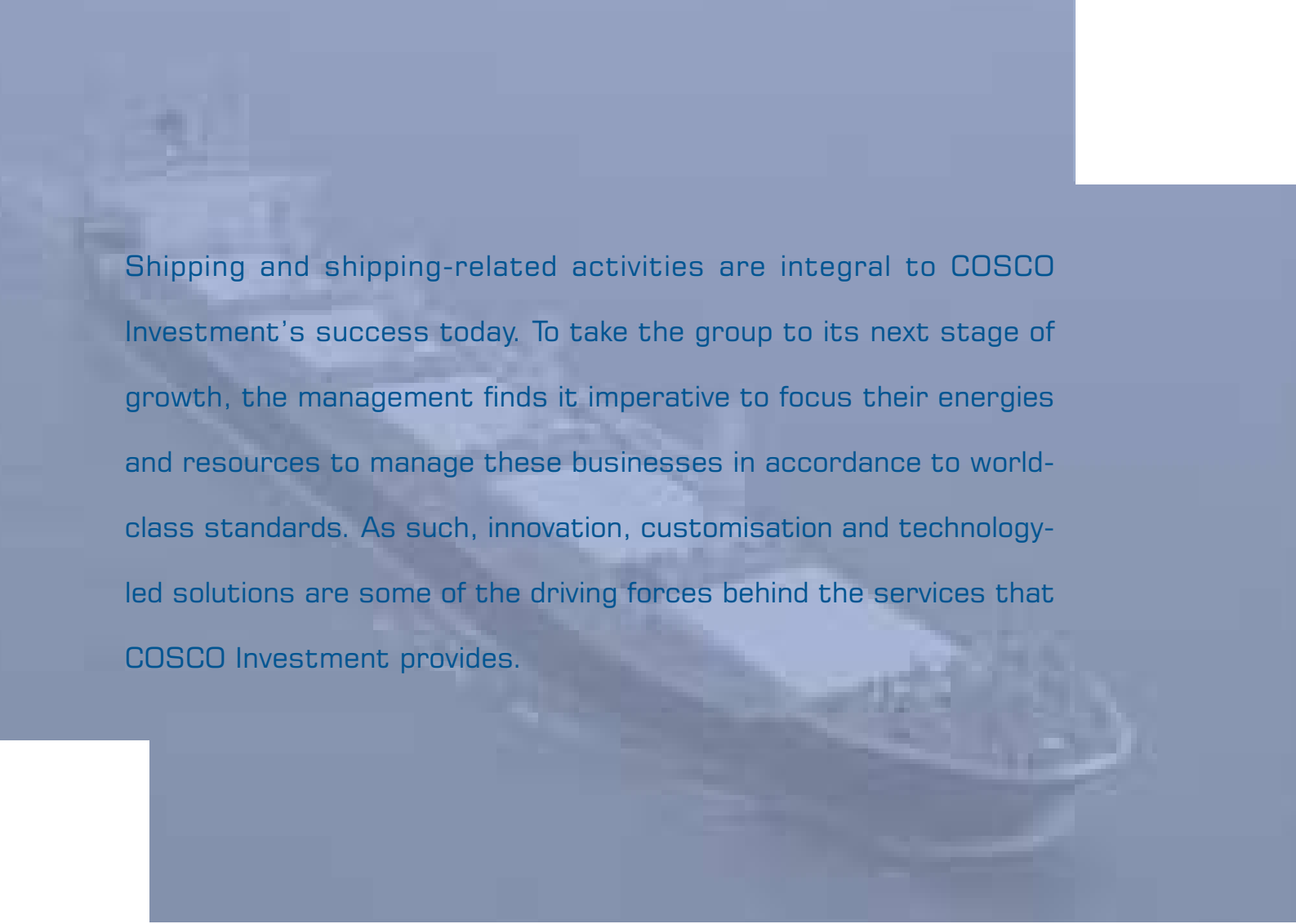
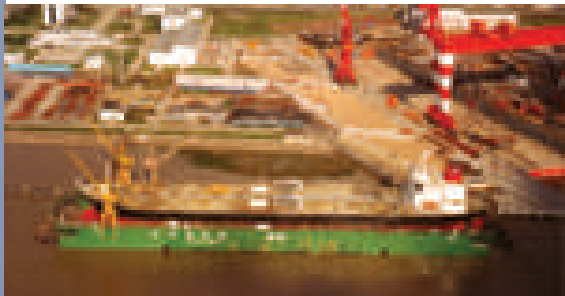


COSCO INVESTMENT GROUP'S BUSINESS



Shipping and shipping-related activities are integral to COSCO Investment's success today. To take the group to its next stage of growth, the management finds it imperative to focus their energies and resources to manage these businesses in accordance to world-class standards. As such, innovation, customisation and technology-led solutions are some of the driving forces behind the services that COSCO Investment provides.



SHIPPING

Shipping remains one of the key profit generators for COSCO Investment. COSCO (Singapore) Pte Ltd is the wholly-owned subsidiary set up by the group to spearhead its shipping activities. Dry-bulk shipping is the mainstay of COSCO Singapore's service. As of 31 December 2002, the ISO 9002 certified company, steered by Managing Director Liu De Tian, owns an impressive fleet of 13 dry bulk carriers with a combined deadweight tonne of more than 650,000 dwt. These vessels sail along international shipping routes to serve major global trading centres in Southeast Asia, the Pacific and the Atlantic.

M.V. Sea Phoenix, (40,473 dwt)

M.V. Sea Swan, (42,310 dwt)

M.V. Sea Crane (46,040 dwt)

M.V. Jurong Sea (69,203 dwt)

M.V. Cos Angel (65,029 dwt)

M.V. Cos Bonny (46,864 dwt)

M.V. Cos Cherry (46,840 dwt)

M.V. Cos Fair (46,689 dwt)

M.V. Cos Glory (46,680 dwt)

M.V. Cos Hero (45,547 dwt)

M.V. Cos Intrepid (74,061 dwt)

M.V. Cos Joy (74,073 dwt)

M.V. Cos Knight (52,341dwt)

M.V. Cos Lucky (52,341 dwt) (delivered on 3 April 2003)

The second key profit generator for COSCO Investment is its shipping-related activities. The group is committed to provide an extensive range of innovative and customised services that includes marine agency, ship repair and engineering, and container depot and freight handling.



Shipping remains one of the key profit generators for COSCO Investment, and COSCO (Singapore) Pte Ltd is the wholly-owned subsidiary set up by the group to spearhead its shipping activities. Dry-bulk shipping is the mainstay of COSCO Singapore's service.

SHIPPING RELATED BUSINESS



SHIPPING AGENCIES

As the general agent in Singapore, Costar Shipping Pte Ltd, (Costar) represents the fleet of the entire COSCO Group in Singapore. This includes all vessels operated by the various COSCO Group subsidiaries.

Costar provides agency services for full container and break-bulk liner services. In addition, Costar also handles marketing and canvassing, issuance of bills of lading and delivery orders, collection of freight, vessel husbanding, customs declaration, port authority co-ordination, administration and settlement of cargo claims, and container logistic control.

Costar is helmed by Managing Director, Liu Hong Hai.

In this region, Costar effectively links COSCO Group's worldwide network with the major industrial areas of southern Malaysia through its two subsidiaries in Pasir Gudang, Malaysia.

Providing the same range of services as Costar in Singapore, Coslink (M) Sdn. Bhd. functions as the general shipping agent in Malaysia for COSCO Group's entire fleet. This also includes all vessels operated by the various COSCO Group subsidiaries.





SHIP REPAIR AND ENGINEERING

COSCO Investment has initiated a successful foray into the ship-repair business with its subsidiary, COSCO Marine Engineering Singapore Pte Ltd. To further cement its reputation as a leading ship repair service provider, COSCO Investment acquired a 50% registered capital of COSCO Nantong Co. Ltd (COSCO Nantong) the largest ship repair facility in China in February 2002.

To ensure quality and timely service standards at reasonable prices, the ISO 9002 certified COSCO Nantong continually invests in state-of-the-art equipment, as well as a team of highly skilled management and technicians. Its infrastructure includes two floating docks – one cape size and the other panamax size - and repair berths, allowing the facility to accommodate up to 12 vessels at any one time.

Stringent multi-level quality control checks and a slew of comprehensive safety procedures are also paramount to COSCO Nantong's quest to become a first class ship repair enterprise in the world. With its excellent infrastructure and service standards, COSCO Nantong has won many international accolades and lucrative contracts with international shipping companies like Maersk and Wallenius Wilhelmsen Lines.

Going forward, COSCO Investment is pushing to expand its ship-repair business by embarking on fruitful joint ventures and strategic alliances with other companies in the region.

SHIPPING RELATED BUSINESS

MARINE ENGINEERING

COSCO Investment has a strong presence in the marine engineering industry through its subsidiary COSCO Marine Engineering (Singapore) Pte Ltd (COSCO Marine).

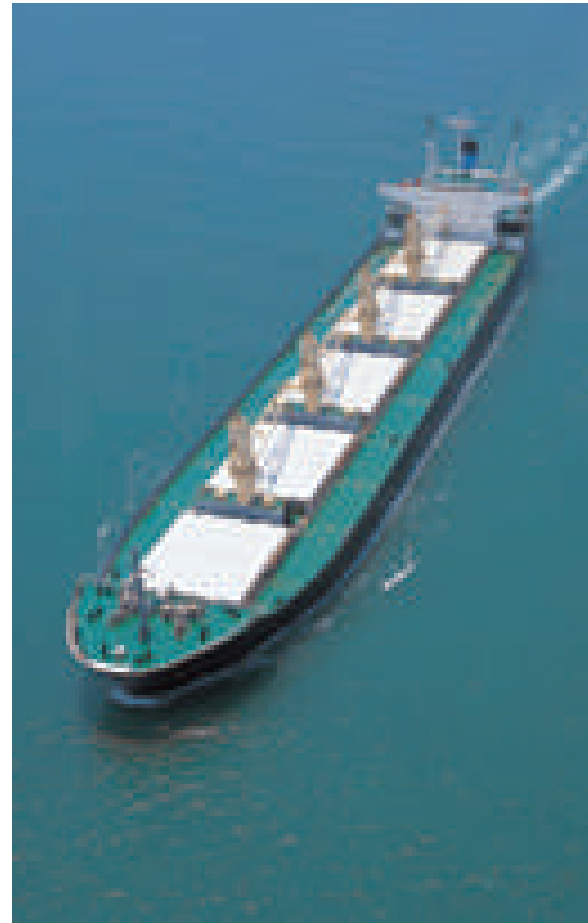
Under the helm of Managing Director, Wang Jun, COSCO Marine provides 24-hour marine engineering and ship repair services from its 6,571 square metre waterfront site in Jurong. These services also extend on board ships as well.

Services undertaken by COSCO Marine include engine-room work, steel work, repair of automation and hydraulic systems, air-conditioning and refrigeration work, electrical work, workshop machining, precision engineering work, and the supply of spare parts.

CONTAINER DEPOT AND FREIGHT HANDLING

COSEM Pte Ltd was born out of the exigent need to develop the shipping, port and maritime-related opportunities in the Asia Pacific. COSEM is a result of a 50:50 joint venture between COSCO Investment and long-time business partner, Sembawang Marine and Logistics Limited.

Through its 80% owned subsidiary, COSCO Container Pte Ltd, COSEM also manages and operates a 4,000 TEU capacity container depot in Jurong.



ON SHORE BUSINESS



PROPERTY

Harington Property Pte Ltd is the principal subsidiary through which COSCO Investment carries out its property-related activities. Harington Property's portfolio include commercial and residential units in Singapore and the region.

COSCO Investment also established Cosland (SR) Development Pte Ltd, a subsidiary of Harington Property, to carry out property development activities in Singapore. Cosland currently owns a 35 of the 48 units of freehold condominium property located at 10 Shanghai Road, Singapore.

COSCO Investment's property businesses in Shanghai, China were disposed in the last quarter 2002. The businesses own both residential and commercial property assets in Shanghai, China.

CORPORATE INFORMATION

COSCO VS STI INDEX



BOARD OF DIRECTORS

Executive Directors

Mr Ji Hai Sheng
Mdm Yao Hong

Non-executive Directors

Mr Wei Jia Fu
(Alternate: Gu Qi Chang)
Mdm Sun Yue Ying
(Alternate: Ye Bin Lin)
Mr Li Jian Hong
(Alternate: Li Jian Xiong)
Mr Zhou Lian Cheng
(Alternate: Xin Guang Wan)

Independent Directors

Mr Tom Yee Lat Shing
Dr Wang Kai Yuen
Mr Er Kwong Wah

AUDIT COMMITTEE

Chairman
Mr Tom Yee Lat Shing

Dr Wang Kai Yuen
Mr Er Kwong Wah
Mdm Sun Yue Ying
(Alternate: Ye Bin Lin)

REMUNERATION COMMITTEE

Chairman
Mr Er Kwong Wah

Mr Ji Hai Sheng
Dr Wang Kai Yuen
Mr Tom Yee Lat Shing

NOMINATING COMMITTEE

Chairman
Dr Wang Kai Yuen

Mr Ji Hai Sheng
Mr Er Kwong Wah
Mr Tom Yee Lat Shing

REGISTERED OFFICE

9 Temasek Boulevard
#07-00 Suntec City Tower II
Singapore 038989

AUDITORS

PricewaterhouseCoopers
8 Cross Street #17-00
PWC Building
Singapore 048424

Partner-in-charge
since financial year
ended 31 Dec 1998
Mr Chey Chor Wai

COMPANY SECRETARY

Mr Lawrence Kwan

REGISTRAR AND SHARE TRANSFER OFFICE

Kon Choon Kooi Pte Ltd
47 Hill Street #06-02
Chinese Chamber of Commerce
& Industry Building
Singapore 179365

PRINCIPAL BANKERS

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

Bank of China
4 Battery Road
Bank of China Building
Singapore 049908

Oversea-Chinese Banking
Corporation Limited
65 Chulia Street
OCBC Centre
Singapore 049513