



Press Release

To Business Editor

For immediate Release

CITIC PACIFIC LIMITED to Acquire Sims Trading Company Limited

Hong Kong, 5th February 2001, CITIC Pacific Limited today announced that CITIC Pacific had agreed to acquire Sims Trading Company Limited from Dairy Farm International Holdings Limited for HK\$ 450 million (of which the majority represents net assets such as inventory and accounts receivable).

Mr. Henry Fan, Managing Director of CITIC Pacific Limited said, “This is a significant strengthening of CITIC Pacific’s trading businesses in Hong Kong and Mainland China which will further expand our distribution businesses in the region. The acquisition of Sims Trading offers new growth opportunities for the Group and fits perfectly into CITIC Pacific Group’s greater China strategy. It provides substantial synergies to all the companies involved by leveraging CITIC Pacific Group’s significant current experience in trading and distribution in Hong Kong and Mainland China. Sims Trading will continue to provide top quality service to existing clients as well as new ones.”

Sims Trading wholesales, distributes and markets foods, beverages and household products in Hong Kong, Mainland China and Macau. Sims’ unaudited operating profit before interest for the year ended 31st December 2000 was HK\$44 million. Sims distributes brands including Kraft Foods, Pocari Sweat, Avoset, Ovaltine, Cow & Gate, Pauls Milk, Barilla and Ferrero. It also provides logistic services for Gillette, Heineken and Reckitt Benckiser. Sims represents over 50 international brands in Hong Kong and over 20 in Mainland China.

CITIC Pacific Limited is listed on the Hong Kong Stock Exchange, and is principally engaged in infrastructure (aviation, bridges, tunnels, environmental businesses and telecommunications), trading and distribution, property in Hong Kong and Mainland China.

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