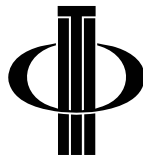


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CITIC PACIFIC

CITIC Pacific Limited
中信泰富有限公司

(incorporated in Hong Kong with limited liability)
(Stock Code: 267)

POST-COMPLETION CONTINUING CONNECTED TRANSACTION
AGENCY AGREEMENT

Reference is made to the DCH Announcement dated 26 August 2008 regarding the Acquisition of Silver Precious which holds Guangdong Victory by Regent Link (a wholly owned subsidiary of DCH and, in turn, a non-wholly owned subsidiary of the Company) from Anping.

Upon completion of the Acquisition, Guangdong Victory, the only operating subsidiary of Silver Precious, will become a wholly owned subsidiary of DCH and Anping (an associate of a director of Guangdong Victory) will become a connected person of DCH. Therefore, the pre-existing Agency Agreement between Anping and Guangdong Victory (pursuant to which Anping will act as the selling agent for Guangdong Victory for a term of 6 months commencing from the date of the Agency Agreement) will become a continuing connected transaction for DCH. As DCH is a non-wholly owned subsidiary of the Company, the Agency Agreement will also constitute a continuing connected transaction for the Company upon completion of the Acquisition.

Since the applicable percentage ratios in respect of the Agency Agreement are less than 2.5%, the above continuing connected transaction is subject to reporting and announcement requirements but is exempted from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the DCH Announcement dated 26 August 2008 regarding the Acquisition of Silver Precious which holds Guangdong Victory by Regent Link (a wholly owned subsidiary of DCH and, in turn, a non-wholly owned subsidiary of the Company) from Anping.

As announced in the DCH Announcement, on 26 August 2008 Regent Link entered into an agreement for the Acquisition and upon completion of the Acquisition, the following post-completion continuing connected transaction will arise. Such transaction will also constitute a continuing connected transaction for the Company.

POST-COMPLETION CONTINUING CONNECTED TRANSACTION

Prior to the Acquisition, Anping entered into the Agency Agreement with Guangdong Victory on 1 August 2008 pursuant to which Anping agreed to act as the selling agent for Guangdong Victory for a term of 6 months commencing from the date of the Agency Agreement. Under the Agency Agreement, goods of Guangdong Victory will be sold to Anping with a credit term of 60 days at such prices as may be mutually agreed by the parties provided that such prices shall not be lower than the prevailing market prices or, if there are no such market prices, those prices that are offered by Guangdong Victory to other third parties.

As at 15 August 2008, an amount of RMB15,432,738 was owed by Anping to Guangdong Victory pursuant to the Agency Agreement.

It is expected that the maximum annual caps for the period from 29 August 2008 to 31 December 2008 and the period from 1 January 2009 to 31 January 2009 will not exceed HK\$90,000,000 and HK\$20,000,000 respectively.

REASONS FOR AGENCY AGREEMENT

The Directors, including the independent non-executive Directors, consider that such transactions will facilitate the selling of goods of Guangdong Victory, and that the terms of the Agency Agreement are on normal commercial terms, and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

GENERAL

The Group is engaged in a diversified range of business, including manufacturing of special steel, iron ore mining, property development and investment, basic infrastructure (such as power generation, aviation, tunnels and communications) and marketing and distribution.

Guangdong Victory is principally engaged in the manufacturing of small electrical appliances in the PRC, focusing in producing electrical kettle and non-stick kitchenware for worldwide brands covering Europe, North America, Australia and New Zealand markets.

Anping is engaged in investment holding and trading of small electrical appliances.

LISTING RULES IMPLICATIONS

Upon completion of the Acquisition, Guangdong Victory will become a wholly owned subsidiary of DCH and, therefore, Anping (being an associate of a director of Guangdong Victory) will become a connected person of DCH. As DCH is a non-wholly owned subsidiary of the Company (which holds approximately 56.67% in the issued share capital of DCH), Anping will become a connected person of the Company and transactions contemplated under

the Agency Agreement will therefore become continuing connected transactions for the Company upon completion of the Acquisition.

Since the applicable percentage ratios in respect of the Agency Agreement are less than 2.5%, the above continuing connected transaction is subject to reporting and announcement requirements but is exempted from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Acquisition”	the acquisition of Silver Precious by Regent Link (as purchaser) from Anping (as seller), completion of which shall take place on 29 August 2008 or such other date as Regent Link and Anping may agree
“Agency Agreement”	the agency agreement dated 1 August 2008 entered into between Anping and Guangdong Victory
“Anping”	Anping Holdings Inc., a company incorporated in the British Virgin Islands with limited liability
“associates”	has the meaning ascribed to it by the Listing Rules
“Company”	CITIC Pacific Limited (中信泰富有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it by the Listing Rules
“DCH”	Dah Chong Hong Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“DCH Announcement”	the announcement of DCH dated 26 August 2008 in relation to the Acquisition
“Directors” or “Board”	the directors of the Company
“Group”	the Company and its subsidiaries, or, where the context so requires, any of them (as defined under the Listing Rules)
“Guangdong Victory”	廣東偉德利電器製造有限公司 (Guangdong Victory Electrical Appliances Manufacturing Co., Ltd.), a wholly owned foreign enterprise incorporated in the PRC and the only operating subsidiary of Silver Precious

“ HK\$ ”	Hong Kong dollar, the lawful currency of Hong Kong
“ Hong Kong ”	the Hong Kong Special Administrative Region of the PRC
“ Listing Rules ”	the Rules Governing the Listing of Securities on the Stock Exchange
“ PRC ”	the People’s Republic of China
“ Regent Link ”	Regent Link Enterprises Corp., a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of DCH and, in turn, a non-wholly owned subsidiary of the Company
“ RMB ”	Renminbi, the lawful currency of the PRC
“ Shareholders ”	the holders of the shares of the Company
“ Silver Precious ”	Silver Precious International Limited, a company incorporated in the British Virgin Islands with limited liability
“ Stock Exchange ”	The Stock Exchange of Hong Kong Limited

By order of the board
CITIC Pacific Limited
Stella Chan Chui Sheung
Company Secretary

Hong Kong, 26 August 2008

As at the date of this announcement, the executive directors of the Company are Messrs Larry Yung Chi Kin (Chairman), Henry Fan Hung Ling, Peter Lee Chung Hing, Carl Yung Ming Jie, Leslie Chang Li Hsien, Vernon Francis Moore, Li Shilin, Liu Jifu, Chau Chi Yin, Milton Law Ming To, Wang Ande and Kwok Man Leung; the non-executive directors of the Company are Messrs Willie Chang, André Desmarais, Chang Zhenming and Peter Kruyt (alternate director to Mr. André Desmarais); and the independent non-executive directors of the Company are Messrs Hamilton Ho Hau Hay, Alexander Reid Hamilton, Hansen Loh Chung Hon and Norman Ho Hau Chong.