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大昌行集團有限公司
DAH CHONG HONG HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 01828)



CITIC PACIFIC

CITIC Pacific Limited
中信泰富有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 267)

**APPLICATION OF EXEMPTION UNDER RULE 14A.33(3)(b)
AND OF RULE 14A.12A(1)(b) OF THE LISTING RULES
IN RESPECT OF
CERTAIN CONTINUING CONNECTED TRANSACTIONS
WITH CONNECTED PERSONS OF
DCH HOLDINGS AND CITIC PACIFIC**

Reference is made to the following amendments under Chapter 14A of the Listing Rules which became effective on 3 June 2010:

- (i) the percentage thresholds for de minimis exemptions have been revised from 0.1% to 1% for fully exempted transactions involving persons connected only at the subsidiary level under Rule 14A.33(3)(b) of the Listing Rules; and
- (ii) the circumstances in which a non-wholly owned subsidiary being regarded as a connected person have been restricted under Rule 14A.12A(1)(b) of the Listing Rules by excluding a non-wholly owned subsidiary which is connected only because it is an associate of a person connected only at the subsidiary level.

DCH Holdings and CITIC Pacific will apply with immediate effect (i) the exemption under Rule 14A.33(3)(b) and (ii) Rule 14A.12A(1)(b) of the Listing Rules to certain continuing connected transactions disclosed in the Previous Announcements, further details of which are set out in this announcement and accordingly, such transactions are exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules for DCH Holdings and/or CITIC Pacific (as the case may be).

INTRODUCTION

Reference is made to the following amendments under Chapter 14A of the Listing Rules which became effective on 3 June 2010:

- (i) the percentage thresholds for de minimis exemptions have been revised from 0.1% to 1% for fully exempted transactions involving persons connected only at the subsidiary level under Rule 14A.33(3)(b) of the Listing Rules; and
- (ii) the circumstances in which a non-wholly owned subsidiary being regarded as a connected person have been restricted under Rule 14A.12A(1)(b) of the Listing Rules by excluding a non-wholly owned subsidiary which is connected only because it is an associate of a person connected only at the subsidiary level.

DCH Holdings and CITIC Pacific will apply with immediate effect (i) the exemption under Rule 14A.33(3)(b) and (ii) Rule 14A.12A(1)(b) of the Listing Rules to certain continuing connected transactions disclosed in the Previous Announcements, further details of which are set out below and accordingly, such transactions are exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules for DCH Holdings and/or CITIC Pacific (as the case may be).

Unless otherwise defined in this announcement, terms used in this announcement have the same meanings as those used in the relevant Previous Announcement(s).

APPLICATION OF EXEMPTION UNDER RULE 14A.33(3)(b) OF THE LISTING RULES

Set out below are certain continuing connected transactions which are connected to DCH Holdings and CITIC Pacific only because they involved persons who are connected persons of DCH Holdings and CITIC Pacific by virtue of their relationships with subsidiaries of DCH Holdings and CITIC Pacific. As the highest of the relevant percentage ratios as defined under Rule 14.07 of the Listing Rules (other than the profits ratio) in respect of the applicable annual caps of the following continuing connected transactions are, on an annual basis, less than 1%, with effect from 3 June 2010, the continuing connected transactions set out below constitute de minimis transactions under Rule 14A.33(3)(b) of the Listing Rules for DCH Holdings and/or CITIC Pacific (as the case may be) and are exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules for DCH Holdings and/or CITIC Pacific (as the case may be). Accordingly, the reporting requirements pursuant to Rule 14A.46 and annual review requirements pursuant to Rules 14A.37 and 14A.38 of the Listing Rules of the following continuing connected transactions for the year ending 31 December 2010 (including transactions carried out during the period from 1 January 2010 to 2 June 2010 (being the date immediately before the effective date of the amendments to the Listing Rules)) will not be required in the respective annual reports of DCH Holdings and/or CITIC Pacific (as the case may be) for the year ending 31 December 2010.

- (1) *Continuing connected transactions for DCH Holdings and CITIC Pacific which were exempt from the independent shareholders' approval requirement but were subject to the reporting and annual review requirements by DCH Holdings and CITIC Pacific respectively:*

Party(ies) relying on exemption under Rule 14A.33(3)(b), thereby applying the Reporting and Annual Review Exemption	Nature of continuing connected transactions	Date of relevant Announcement(s)
DCH Holdings and CITIC Pacific	Provision of ULD maintenance and repair services by DAS Nordisk, a non-wholly owned subsidiary of DCH Holdings and CITIC Pacific, to CX	17 September 2008
CITIC Pacific	Cross-sales of vehicles between GZ Junjia, a non-wholly owned subsidiary of DCH Holdings and CITIC Pacific, and FS Junling [#]	18 May 2010
	Cross-sales of vehicles between Cixi Junjia, a non-wholly owned subsidiary of DCH Holdings and CITIC Pacific, and FS Junling [#]	
	Cross-sales of vehicles between SH Junjia, a non-wholly owned subsidiary of DCH Holdings and CITIC Pacific, and FS Junling [#]	

Note:

: As the exemption under Rule 14A.33(3)(b) of the Listing Rules for these continuing connected transactions is not applicable for DCH Holdings, DCH Holdings will continue to comply with the reporting and annual review requirements under Chapter 14A of the Listing Rules in respect of these continuing connected transactions.

- (2) *Continuing connected transactions which were de minimis transactions for CITIC Pacific, and were exempt from the independent shareholders' approval requirement but were subject to the announcement, reporting and annual review requirements for DCH Holdings:*

Party(ies) relying on exemption under Rule 14A.33(3)(b), thereby applying the Reporting and Annual Review Exemption	Nature of continuing connected transactions	Date of relevant Announcement(s)
DCH Holdings	<p>Purchases from DCH, a wholly-owned subsidiary of DCH Holdings, of food commodities by CX Catering</p> <p>Purchases from SIMS, a wholly-owned subsidiary of DCH Holdings, of various fast moving consumer goods by CX Catering</p> <p>Purchases from Polyfood, a non-wholly owned subsidiary of DCH Holdings, of readily edible western style delicatessen food by CX Catering</p> <p>Provision of on demand GSE maintenance services and vehicle repair services to CX Catering by DAS, a non-wholly owned subsidiary of DCH Holdings</p>	<p>12 February 2009 27 November 2009</p>
DCH Holdings	<p>Purchases from DCH of food commodities by LSG</p> <p>Purchases from SIMS of various fast moving consumer goods by LSG</p> <p>Purchases from Polyfood of readily edible western style delicatessen food by LSG</p>	<p>20 March 2009</p>
DCH Holdings	<p>Purchases of ULD spare parts from the Nordisk Asia Pacific Group by DAS Nordisk</p>	<p>28 January 2010</p>

APPLICATION OF RULE 14A.12A(1)(b) OF THE LISTING RULES

Set out below are certain continuing connected transactions involving non-wholly owned subsidiaries of DCH Holdings and CITIC Pacific as counterparties which were previously regarded as connected persons of DCH Holdings and CITIC Pacific and were connected only because they were associates of persons connected only at the subsidiary level. Pursuant to Rule 14A.12A(1)(b) of the Listing Rules, with effect from 3 June 2010, the relevant counterparties are no longer connected persons of DCH Holdings and CITIC Pacific. As such, the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules will no longer be applicable to the following continuing connected transactions. Reporting requirements pursuant to Rule 14A.46 and annual review requirements pursuant to Rules 14A.37 and 14A.38 of the Listing Rules of the following continuing connected transactions conducted for the year ending 31 December 2010 (including transactions carried out during the period from 1 January 2010 to 2 June 2010 (being the date immediately before the effective date of the amendments to the Listing Rules)) will not be required in the respective annual reports of DCH Holdings and CITIC Pacific for the year ending 31 December 2010.

- (1) *Continuing connected transactions for DCH Holdings and CITIC Pacific which were exempt from the independent shareholders' approval requirement but were subject to the reporting and annual review requirements by DCH Holdings and CITIC Pacific respectively:*

Party(ies) relying on Rule 14A.12A(1)(b), thereby applying the Reporting and Annual Review Exemption	Nature of continuing connected transactions	Date of relevant Announcement(s)
DCH Holdings and CITIC Pacific	Outsourcing of part of ULD maintenance services by DAS Nordisk to DAS*	28 January 2010 29 January 2010
DCH Holdings and CITIC Pacific	Cross-sales of vehicles between GZ Junjia and Cixi Junjia*	18 May 2010
	Cross-sales of vehicles between GZ Junjia and SH Junjia*	
	Cross-sales of vehicles between Cixi Junjia and SH Junjia*	

- (2) *Continuing connected transactions which were de minimis transactions for CITIC Pacific, and were exempt from the independent shareholders' approval requirement but were subject to the announcement, reporting and annual review requirements for DCH Holdings:*

Party(ies) relying on Rule 14A.12A(1)(b), thereby applying the Reporting and Annual Review Exemption	Nature of continuing connected transactions	Date of relevant Announcement(s)
DCH Holdings	Outsourcing of part of GSE maintenance services and vehicle repair services by DAS to the DSL Group (represented by DSL [*])	28 January 2010

Note:

- * : This company is a non-wholly owned subsidiary of DCH Holding and CITIC Pacific and was previously regarded as an associate of a person connected only at the subsidiary level for the relevant continuing connected transactions. Following the amendment to the Listing Rules, pursuant to Rule 14A.12A(1)(b) of the Listing Rules, with effect from 3 June 2010, this company is no longer a connected person of DCH Holdings and CITIC Pacific.*

DEFINITIONS

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

- “CITIC Pacific”** 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 Main Board of The Stock Exchange of Hong Kong Limited;
- “DCH Holdings”** Dah Chong Hong Holdings Limited 大昌行集團有限公司, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited, and a subsidiary of CITIC Pacific;
- “Previous Announcement(s)”** collectively, the announcements made by DCH Holdings on 12 February 2009, 20 March 2009, 27 November 2009 and 28 January 2010, the announcement made by CITIC Pacific on 29 January 2010 and the announcements made jointly by DCH Holdings and CITIC Pacific on 17 September 2008 and 18 May 2010, and each an Announcement; and

“Reporting and Annual Review Exemption”

the exemption regarding the following requirements:- (i) reporting pursuant to Rule 14A.46 of the Listing Rules of a continuing connected transaction including details of the information set out in Rule 14A.45 of the Listing Rules in the listed issuer’s next published annual report and accounts for the financial years during which the listed issuer undertakes the transaction under the written agreement entered into pursuant to Rule 14A.35(1) of the Listing Rules; and (ii) annual review by the independent non-executive directors and the auditors of the listed issuer pursuant to Rules 14A.37 and 14A.38 of the Listing Rules respectively each giving certain confirmation for publication in the annual report and accounts of the listed issuer regarding the continuing connected transactions conducted by the listed issuer during the financial year.

By order of the board
Dah Chong Hong Holdings Limited
Tso Mun Wai
Company Secretary

By order of the board
CITIC Pacific Limited
Ricky Choy Wing Kay
Company Secretary

Hong Kong, 29 December 2010

As at the date of this announcement, the directors of DCH Holdings are:

Executive directors: Hui Ying Bun (Chairman), Chu Hon Fai, Yip Moon Tong, Mak Kwing Tim, Lau Sei Keung, Tsoi Tai Kwan, Arthur, Glenn Robert Sturrock Smith and Wai King Fai, Francis

Non-executive directors: Kwok Man Leung, Yin Ke and Fei Yiping

Independent non-executive directors: Cheung Kin Piu, Valiant, Hsu Hsung, Adolf and Yeung Yue Man

As at the date of this announcement, the directors of CITIC Pacific are:

Executive directors: Chang Zhenming (Chairman), Zhang Jijing, Carl Yung Ming Jie, Vernon Francis Moore, Li Shilin, Liu Jifu, Milton Law Ming To, Wang Ande and Kwok Man Leung

Non-executive directors: Willie Chang, André Desmarais, Ju Weimin, Yin Ke and Peter Kruyt (alternate director to André Desmarais)

Independent non-executive directors: Alexander Reid Hamilton, Hansen Loh Chung Hon and Norman Ho Hau Chong