

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CITIC PACIFIC

CITIC Pacific Limited

中信泰富有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00267)

ANNOUNCEMENT

**COMPLETION OF PLACING
ISSUE OF CONSIDERATION SHARES
COMPLETION OF ACQUISITION
RE-DESIGNATION OF DIRECTOR**

AND

CHANGE IN COMPOSITION OF NOMINATION COMMITTEE

The Board is pleased to announce that the Placing in respect of 3,952,114,000 Placing Shares was completed on August 25, 2014. The Board also announces that the allotment and issue of an aggregate of 17,301,765,470 Consideration Shares by CITIC Pacific to CITIC Glory Limited and CITIC Polaris Limited, both being wholly-owned subsidiaries of CITIC Group, for settling part of the Transfer Consideration for the Acquisition, was completed on August 25, 2014.

Listing of and permission to deal in the Placing Shares and the Consideration Shares have already been granted by the Listing Committee of the Stock Exchange.

In addition, the Board is also pleased to announce that the Acquisition was completed on August 25, 2014 in accordance with the terms of the Share Transfer Agreement.

Mr. Francis Siu Wai Keung and Dr. Xu Jinwu, both independent non-executive directors of the Company, are appointed members of the nomination committee of the Company with effect from August 25, 2014.

We refer to the circular of CITIC Pacific Limited (“**CITIC Pacific**” or the “**Company**”) dated May 14, 2014 in relation to, among other things, a very substantial acquisition and a connected transaction and the proposed issue of the Consideration Shares and the specific mandate for the issue of the Placing Shares, the announcements dated May 14, 2014, June 17, 2014 and July 14, 2014, respectively, in relation to the Placing.

Unless otherwise specified, capitalized terms used in this announcement shall have the same meaning as defined in the circular and announcements mentioned above.

1. COMPLETION OF PLACING

The Board is pleased to announce that the Placing in respect of 3,952,114,000 Placing Shares was completed on August 25, 2014. 3,952,114,000 Placing Shares, representing approximately 15.87% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares and Consideration Shares have been successfully allotted and issued by the Company at the Placing Price of HK\$13.48 to more than six placees who are third parties independent of and not connected persons of CITIC Pacific, save as disclosed below. The gross and net proceeds raised from the Placing were approximately HK\$53.274 billion and HK\$53.042 billion, respectively.

2. ISSUE OF CONSIDERATION SHARES

The Board also announces that the allotment and issue of an aggregate of 17,301,765,470 Consideration Shares by CITIC Pacific to CITIC Glory Limited and CITIC Polaris Limited, both being wholly-owned subsidiaries of CITIC Group, for settling part of the Transfer Consideration for the Acquisition, was completed on August 25, 2014.

3. LISTING OF PLACING SHARES AND CONSIDERATION SHARES ON THE STOCK EXCHANGE

Listing of and permission to deal in the Placing Shares and the Consideration Shares have already been granted by the Listing Committee of the Stock Exchange.

4. COMPLETION OF THE ACQUISITION OF THE TOTAL ISSUED SHARE CAPITAL OF CITIC LIMITED (NOW KNOWN AS CITIC CORPORATION LIMITED)

On April 16, 2014, CITIC Pacific, CITIC Group and CITIC Enterprise Management entered into the Share Transfer Agreement, pursuant to which CITIC Pacific has agreed to acquire 100% of the total issued share capital of CITIC Limited (now known as CITIC Corporation Limited) (“**CITIC Corporation Limited**”) from CITIC Group and CITIC Enterprise Management (the “**Acquisition**”). The Share Transfer Agreement was approved by the Independent Shareholders of CITIC Pacific at the extraordinary general meeting held on June 3, 2014.

Pursuant to the provisions of the Share Transfer Agreement on adjustment to the payment methods of the Transfer Consideration, the parties had agreed on the following adjustments to the payment methods of the Transfer Consideration:

(a) the Cash Consideration portion of the Transfer Consideration would be adjusted from RMB49,916.7730 million, namely HK\$63,020.6585 million, to HK\$53,357,554,905. The Cash Consideration shall be paid by CITIC Pacific to the designated account of CITIC Group.

(b) the Share Consideration portion of the Transfer Consideration would be adjusted from RMB177,013.1000 million, namely HK\$223,481.6368 million, to HK\$233,227,798,536. The Share Consideration shall be satisfied by issue of a total of 17,301,765,470 Consideration Shares by CITIC Pacific to CITIC Group's designated wholly-owned subsidiaries.

The HK\$ amount mentioned above was calculated at the median exchange rate of HK\$1.00 to RMB0.79207 announced by the People's Bank of China on the Pricing Date, namely March 24, 2014.

The Acquisition was completed on August 25, 2014 in accordance with the terms of the Share Transfer Agreement.

5. SHAREHOLDING STRUCTURE

Assuming the placees did not hold any Shares immediately before the allotment and issue of the Placing Shares, to the best of the Directors' knowledge and based on publicly available information including various filings made under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the shareholding structure of the Company immediately after the allotment and issue of the Placing Shares and the Consideration Shares is as follows:

	Immediately before the allotment and issue of the Placing Shares and the Consideration Shares		Immediately after the allotment and issue of the Placing Shares and the Consideration Shares	
	Number of Shares held	Approximate percentage of total issued shares	Number of Shares held	Approximate percentage of total issued shares
CITIC Glory Limited	2,098,736,285	57.51%	7,446,906,755	29.90%
CITIC Polaris Limited	-	-	11,953,595,000	48.00%
Dunearn Investments (Mauritius) Pte Ltd	-	-	57,495,000	0.23%
Public	1,550,707,875	42.49%	5,445,326,875	21.87%
Total	3,649,444,160	<u>100%</u>	24,903,323,630	<u>100%</u>

Notes:

1. The shareholding percentages as shown in the above table are approximate figures rounded to the nearest two decimal places.
2. As at the date of this announcement, Temasek Holdings (Private) Limited (“**Temasek**”) holds 11.46% of the total issued shares of CITIC Resources Holdings Limited, a subsidiary of CITIC Corporation Limited. As CITIC Corporation Limited has become a wholly-owned subsidiary of CITIC Pacific upon the completion of the Acquisition, Temasek has in turn become a connected person of CITIC Pacific by virtue of being a substantial shareholder of one of CITIC Pacific’s subsidiaries and the Shares held by Dunearn Investments (Mauritius) Pte Ltd, a wholly-owned subsidiary of Temasek, will not be counted towards the public float of CITIC Pacific.

6. RULE 3.10A OF THE LISTING RULES, RE-DESIGNATION OF DIRECTOR AND CHANGE IN COMPOSITION OF THE NOMINATION COMMITTEE

As at the date of this announcement, Temasek holds 11.46% of the total issued shares of CITIC Resources Holdings Limited, a subsidiary of CITIC Corporation Limited. As CITIC Corporation Limited has become a wholly-owned subsidiary of CITIC Pacific upon completion of the Acquisition, Temasek has in turn become a connected person of CITIC Pacific by virtue of being a substantial shareholder of one of CITIC Pacific’s subsidiaries.

As Mr. Gregory Lynn Curl is a President of Temasek International, a wholly-owned subsidiary of Temasek, he is re-designated from independent non-executive director to non-executive director of CITIC Pacific with effect from August 25, 2014. As a result, the number of independent non-executive directors of CITIC Pacific falls below one-third of the number of members on the Board required under Rule 3.10A of the Listing Rules. CITIC Pacific will identify suitable candidate(s) within three months of the date of this announcement in compliance with Rule 3.11 of the Listing Rules. Further announcement will be made as and when appropriate.

Mr. Gregory Lynn Curl, age 65, has been a director of CITIC Pacific since 2011. Mr. Curl is a member of both the remuneration committee and the nomination committee of the Company. He joined Temasek International as president on September 1, 2010, following his retirement from Bank of America (“BAC”) in March 2010. He brings with him a banking career of over 30 years. During his time with BAC, Mr. Curl served in a number of senior executive capacities including vice chairman of corporate development, and last held the position of chief risk officer. He is also a director of Post Holdings, Inc (listed on the New York Stock Exchange). He was a director of the University of Virginia’s Jefferson Scholars Foundation, The Enstar Group, Inc., Grupo Financiero Santander Serfin, and a non-executive director of China Construction Bank Corporation. Mr. Curl received a Bachelor degree in Political Science from Southwest Missouri State University and a Master degree in Government from the University of Virginia. He was named a Woodrow Wilson Fellow in 1970 and was a Philip Dupont Scholar and a McIntire Fellow at the University of Virginia. Save as disclosed above, he has no relationships with any directors, senior management or substantial or controlling shareholders of the Company. In relation to the re-designation of Mr. Curl as non-executive director, there is no information to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

Mr. Francis Siu Wai Keung and Dr. Xu Jinwu, both independent non-executive directors of the Company, are appointed members of the nomination committee of the Company with effect from August 25, 2014.

7. CURRENCY TRANSLATIONS

Under the relevant Share Subscription Agreements, where the total subscription amount of an Investor was denominated in RMB, such amount was converted into Hong Kong dollar at the following rate:

RMB0.79403: HK\$1.0000 (the median exchange rate of RMB against HK\$ announced by the People’s Bank of China on August 14, 2014).

Under the relevant Share Subscription Agreements, where the total subscription amount of an Investor was denominated in US dollar, such amount was converted into Hong Kong dollar at the following rate:

HK\$7.7504: US\$1.0000 (the exchange rate of HK\$ against US\$ published by Reuters on August 14, 2014).

No representation is made that any amounts in RMB or HK\$ or US\$ can be or could have been at the relevant dates converted at the above rates or any other rates or at all.

By Order of the Board
CITIC Pacific Limited
Chang Zhenming
Chairman

Hong Kong, August 25, 2014

As at the date of this announcement and upon completion of the Acquisition, the executive directors of CITIC Pacific are Messrs Chang Zhenming (Chairman), Zhang Jijing, Vernon Francis Moore, Liu Jifu and Zeng Chen; the non-executive directors of CITIC Pacific are Messrs Ju Weimin, Yin Ke, Gregory Lynn Curl and Carl Yung Ming Jie; and the independent non-executive directors of CITIC Pacific are Messrs Alexander Reid Hamilton, Francis Siu Wai Keung and Dr. Xu Jinwu.