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CITIC 21CN
中信 21世紀
CITIC 21CN COMPANY LIMITED
中信21世紀有限公司*
(Incorporated in Bermuda with limited liability)
(Stock code: 241)

DISCLOSEABLE AND CONNECTED TRANSACTIONS

LOANS TO A CONNECTED PERSON

THE SECOND CITIC 21CN TECHNOLOGY LOAN AGREEMENT

On 23 November 2010, CITIC 21CN Technology, a wholly-owned subsidiary of the Company, entered into the Second CITIC 21CN Technology Loan Agreement with CCIT, a 50%-owned jointly-controlled entity of the Group and a connected person of the Company, pursuant to which CITIC 21CN Technology conditionally agreed to advance the Second CITIC 21CN Technology Loan to CCIT as its capital expenditures and general working capital on the terms and subject to the conditions therein contained.

THE CITIC 21CN TECHNOLOGY RENEWAL LOAN AGREEMENT

In 2009, CITIC 21CN Technology provided CCIT the Loan under the Loan Agreement. On 23 November 2010, the Loan is conditionally extended for a term of approximately 2 years under the CITIC 21CN Technology Renewal Loan Agreement.

THE SECOND RENEWAL LOAN AGREEMENT

In 2006, CITIC 21CN Telecom, a wholly-owned subsidiary of the Company, provided CCIT the CITIC 21CN Telecom Loan under the CITIC 21CN Telecom Loan Agreement and the Supplemental Loan Agreement. In 2008, the CITIC 21CN Telecom Loan was extended for a term of three years under the Renewal Loan Agreement. On 23 November 2010, the CITIC 21CN Telecom Loan is conditionally extended for a further term of approximately 3.1 years under the Second Renewal Loan Agreement.

* For identification purposes only

As CCIT is a non wholly-owned subsidiary and a connected person of the Company under Rule 14A.11(5) of the Listing Rules, each of (i) the provision of the Second CITIC 21CN Technology Loan by CITIC 21CN Technology to CCIT pursuant to the Second CITIC 21CN Technology Loan Agreement, (ii) the CITIC 21CN Technology Renewal Loan Agreement, and (iii) the Second Renewal Loan Agreement constitutes a connected transaction under Rule 14A.13(2)(a)(i) of the Listing Rules and is subject to the approval of the Independent Shareholders at the SGM under Chapter 14A of the Listing Rules.

Each of the Second CITIC 21CN Technology Loan and the CITIC 21CN Telecom Loan exceeds 5% but less than 25% of the relevant Percentage Ratios, and thus constitutes a discloseable transaction for the Company under the Listing Rules. Pursuant to Rules 14.22 and 14A.25 of the Listing Rules, the Aggregate Loan Amount of the Second CITIC 21CN Technology Loan, the Loan and the CITIC 21CN Telecom Loan is approximately RMB95,881,600 (equivalent to approximately HK\$112,471,000), which exceeds 5% but less than 25% of the relevant Percentage Ratios. Thus, the Second CITIC 21CN Technology Loan, the Loan and the CITIC 21CN Telecom Loan (when aggregated) also constitute a discloseable transaction for the Company under the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquires, apart from CITIC Group which is a connected person with a material interest in the transactions, no Shareholder is required to abstain from voting on the proposed resolutions approving the Second CITIC 21CN Technology Loan Agreement, the CITIC 21CN Technology Renewal Loan Agreement and the Second Renewal Loan Agreement and the transactions contemplated thereunder. The said agreements are not inter-conditional upon one another.

GENERAL

A circular containing, among other things, further details of the Second CITIC 21CN Technology Loan Agreement, the CITIC 21CN Technology Renewal Loan Agreement, the Second Renewal Loan Agreement, the letter from the independent financial adviser to the independent board committee and the Independent Shareholders and the recommendation from the independent board committee and a notice convening the SGM will be despatched to the Shareholders as soon as practicable within 15 business days after the publication of this announcement.

(1) THE SECOND CITIC 21CN TECHNOLOGY LOAN AGREEMENT

Date

23 November 2010

Parties

Lender : CITIC 21CN Technology
Borrower : CCIT

Second CITIC 21CN Technology Loan amount

RMB30,000,000

Second CITIC 21CN Technology Loan period

From date(s) of drawdown to 15 April 2014 and CCIT shall repay the Second CITIC 21CN Technology Loan in full on the Repayment Day

Interest rate and security

Non-interest bearing and unsecured

Principal terms of the Loan

The Second CITIC 21CN Technology Loan shall only be used as the capital expenditures and general working capital of CCIT. If CCIT uses the Second CITIC 21CN Technology Loan for any purposes other than as capital expenditures and/or general working capital, CITIC 21CN Technology has the right to request CCIT to repay the Second CITIC 21CN Technology Loan immediately and CCIT has to pay a penalty which amounts to 30% of the Second CITIC 21CN Technology Loan to CITIC 21CN Technology.

Condition precedent

The grant of the Second CITIC 21CN Technology Loan is subject to, among others, the Company having obtained the approval of the Independent Shareholders in respect of the grant of the Second CITIC 21CN Technology Loan by CITIC 21CN Technology under the Second CITIC 21CN Technology Loan Agreement and the performance of the transactions contemplated thereunder in accordance with all applicable laws, rules and regulations.

If the condition precedent set out in the Second CITIC 21CN Technology Loan Agreement is not fulfilled by the Long Stop Date, the Second CITIC 21CN Technology Loan Agreement will be terminated automatically and have no further force and effect and no party shall have any liability under them save for any antecedent breach of any term thereof.

REASONS FOR AND BENEFITS OF THE SECOND CITIC 21CN TECHNOLOGY LOAN AGREEMENT

CCIT will make use of the Second CITIC 21CN Technology Loan for its capital expenditures and working capital. The Group is entitled to 50% of the net profit of CCIT which is a 50%-owned jointly controlled entity of the Group. The remaining 30% and 20% equity interests of CCIT are owned by CITIC Group and China Huaxin Telecom respectively.

Taking into account of the current management and operation of CCIT, the Second CITIC 21CN Technology Loan amount was determined based on the expected capital expenditure and working capital requirements of CCIT.

Pursuant to the JV Agreement and as stated in the circular of the Company dated 8 February 2005, the Group is under the obligation, among other matters, to assist CCIT to raise financing. Accordingly, it is the mutual understanding among the shareholders of CCIT that the Group assumes the role as a leader and financing partner for CCIT, including but not limited to, raising or arranging loans to CCIT from independent third parties and/or the Group. Having considered other available financing alternatives available to CCIT, the executive Directors consider that the provision of the Second CITIC 21CN Technology Loan is the most effective and efficient financing method through which CCIT, the 50%-owned jointly controlled entity of the Group, can quickly obtain the required funding to develop its PIATS business. As such, the provision of the Second CITIC 21CN Technology Loan by the Group to CCIT is in accordance with the spirit of the JV Agreement though it is not explicitly stated in it.

As mentioned in the Company's circular dated 23 December 2005, the Company issued Convertible Bonds principally for the capital expenditures and working capital of the PIATS business. The provision of the Second CITIC 21CN Technology Loan is financed from the proceeds from such issue of the Convertible Bonds. Therefore, the provision of the Second CITIC 21CN Technology Loan to CCIT is in line with the use of the proceeds of the Convertible Bonds as previously announced.

As CCIT has received strong support from the PRC government and the existing policies of the PRC government in relation to product information are in favour of PIATS business, the Directors believe that there is great potential for PIATS and have confidence in the development of CCIT. In addition, the Group is the single largest shareholder of CCIT and CCIT is accounted for as a jointly-controlled entity of the Group. Therefore, although the Second CITIC 21CN Technology Loan has no interest and unsecured, the Directors (including the independent non-executive Directors who will further render their opinion after reviewing the letter of advice from the independent financial adviser of the Company) consider that the terms of the transaction are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Despite the prospects of the PIATS business, the Company may need to make further financing to CCIT.

(2) THE CITIC 21CN TECHNOLOGY RENEWAL LOAN AGREEMENT SUPPLEMENTING AND AMENDING THE LOAN AGREEMENT

(i) The Loan Agreement

Date

21 July 2009

Parties

Lender : CITIC 21CN Technology
Borrower : CCIT

Loan amount

RMB20,000,000

Loan period

Three years commencing from 1 April 2009 to 31 March 2012

Interest rate and security

Non-interest bearing and unsecured

Principal terms of the Loan

The Loan shall only be used as the capital expenditures and general working capital of CCIT. If CCIT uses the Loan for any purposes other than as its capital expenditures and general working capital, CITIC 21CN Technology has the right to request CCIT to repay the Loan immediately and CCIT has to pay a penalty which amounts to 30% of the Loan to CITIC 21CN Technology.

Further details of the Loan and the Loan Agreement are set out in the announcement of the Company dated 21 July 2009.

(ii) The Citic 21CN Technology Renewal Loan Agreement**Date**

23 November 2010

Parties

Lender : CITIC 21CN Technology
Borrower : CCIT

Loan amount

RMB20,000,000

Term, security and interest rate of the Loan

Based on the Loan Agreement, CITIC 21CN Technology provided the Loan for a term of 3 years (with effect from 1 April 2009 to 31 March 2012), non-interest bearing and unsecured, to CCIT. The term of the Loan is conditionally extended for a period of approximately 2 years ending 15 April 2014, non-interest bearing and unsecured pursuant to the CITIC 21CN Technology Renewal Loan Agreement.

All other terms remain the same as stated in the Loan Agreement.

Condition precedent

The CITIC 21CN Technology Renewal Loan Agreement is subject to, among others, the Company having obtained the approval of the Independent Shareholders in respect of the performance of the transactions contemplated thereunder in accordance with all applicable laws, rules and regulations.

If the condition precedent set out in the CITIC 21CN Technology Renewal Loan Agreement is not fulfilled by the Long Stop Date, the CITIC 21CN Technology Renewal Loan Agreement will be terminated automatically and have no further force and effect and no party shall have any liability under them save for any antecedent breach of any term thereof.

REASONS FOR AND BENEFITS OF THE EXTENSION OF THE LOAN

The Loan has been used by CCIT for its capital expenditures and working capital. Taking into account of the current management and operation of CCIT, the extension of the Loan pursuant to the CITIC 21CN Technology Renewal Loan Agreement was determined based on the expected capital expenditure and working capital requirements of CCIT. As set out above, the Group is under the obligation, among other matters, to assist CCIT to raise financing, and it is the mutual understanding among the shareholders of CCIT that the Group assumes the role as a leader and financing partner for CCIT. Having considered other available financing alternatives available to CCIT, the executive Directors consider that the extension of the Loan is the most effective and efficient financing method to CCIT for it to develop its PIATS business, and in accordance with the spirit of the JV Agreement though it is not explicitly stated in it.

As mentioned in the Company's announcement dated 21 July 2009, the Loan is financed from the proceeds from the issue of the Convertible Bonds, which is in line with the use of the proceeds of the Convertible Bonds as previously announced.

For the reasons mentioned above, the Directors believe that there is great potential for PIATS and have confidence in the development of CCIT, and CCIT is accounted for as a jointly-controlled entity of the Group. Therefore, although the Loan has no interest and is unsecured, the Directors (including the independent non-executive Directors who will further render their opinion after reviewing the letter of advice from the independent financial adviser of the Company) consider that the terms of the transaction are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(3) THE SECOND RENEWAL LOAN AGREEMENT SUPPLEMENTING AND AMENDING THE CITIC 21CN TELECOM LOAN AGREEMENT, THE SUPPLEMENTAL LOAN AGREEMENT AND THE RENEWAL LOAN AGREEMENT

(i) The CITIC 21CN Telecom Loan Agreement and the Supplemental Loan Agreement

Date

3 March 2006

Parties

Lender : CITIC 21CN Telecom
Borrower : CCIT

CITIC 21CN Telecom Loan amount

US\$6,900,000

CITIC 21CN Telecom Loan period

Two years commencing from the date of receipt of the CITIC 21CN Telecom Loan by CCIT. The repayment of the CITIC 21CN Telecom Loan will be subject to the approval of the SAFE in accordance with SAFE's requirements.

Interest rate and security

Non-interest bearing and unsecured

Further details of the CITIC 21CN Telecom Loan, the CITIC 21CN Telecom Loan Agreement and the Supplemental Loan Agreement are set out in the announcements of the Company dated 6 March 2006, 22 May 2008 and 21 July 2009, and the circular of the Company dated 11 June 2008.

(ii) The Renewal Loan Agreement

Date

22 May 2008

Parties

Lender : CITIC 21CN Telecom
Borrower : CCIT

CITIC 21CN Telecom Loan amount

US\$6,900,000

Term, security and interest rate of the CITIC 21CN Telecom Loan

Based on the CITIC 21CN Telecom Loan Agreement and the Supplemental Loan Agreement, CITIC 21CN Telecom provided the CITIC 21CN Telecom Loan for a term of 2 years (with effect from 23 March 2006 to 23 March 2008), non-interest bearing and unsecured, to CCIT. The term of the CITIC 21CN Telecom Loan was extended for a period of three years ending 23 March 2011, non-interest bearing and unsecured pursuant to the Renewal Loan Agreement.

All other terms remain the same as stated in the CITIC 21CN Telecom Loan Agreement and the Supplemental Loan Agreement.

Further details of the CITIC 21CN Telecom Loan and the Renewal Loan Agreement are set out in the announcements of the Company dated 6 March 2006, 22 May 2008 and 21 July 2009, and the circular of the Company dated 11 June 2008.

(iii) The Second Renewal Loan Agreement

Date

23 November 2010

Parties

Lender : CITIC 21CN Telecom
Borrower : CCIT

CITIC 21CN Telecom Loan amount

US\$6,900,000

Term, security and interest rate of the CITIC 21CN Telecom Loan

Based on the CITIC 21CN Telecom Loan Agreement and the Supplemental Loan Agreement, CITIC 21CN Telecom provided the CITIC 21CN Telecom Loan for a term of 2 years (with effect from 23 March 2006 to 23 March 2008), non-interest bearing and unsecured, to CCIT. The term of the CITIC 21CN Telecom Loan was extended for a period of three years ending 23 March 2011, non-interest bearing and unsecured pursuant to the Renewal Loan Agreement. The term of the CITIC 21CN Telecom Loan is conditionally extended for a further period of approximately 3.1 years ending 15 April 2014, non-interest bearing and unsecured pursuant to the Second Renewal Loan Agreement.

All other terms remain the same as stated in the CITIC 21CN Telecom Loan Agreement, the Supplemental Loan Agreement and the Renewal Loan Agreement.

Condition precedent

The Second Renewal Loan Agreement is subject to, among others, the Company having obtained the approval of the Independent Shareholders in respect of the performance of the transactions contemplated thereunder in accordance with all applicable laws, rules and regulations.

If the condition precedent set out in the Second Renewal Loan Agreement is not fulfilled by the Long Stop Date, the Second Renewal Loan Agreement will be terminated automatically and have no further force and effect and no party shall have any liability under them save for any antecedent breach of any term thereof.

REASONS FOR AND BENEFITS OF THE EXTENSION OF THE CITIC 21CN TELECOM LOAN

The CITIC 21CN Telecom Loan has been used by CCIT for its capital expenditures and working capital. Taking into account of the current management and operation of CCIT, the further extension of the CITIC 21CN Telecom Loan pursuant to the Second Renewal Loan Agreement was determined based on the expected capital expenditure and working capital requirements of CCIT. As set out above, the Group is under the obligation, among other matters, to assist CCIT to raise financing, and it is the mutual understanding among the shareholders of CCIT that the Group assumes the role as a leader and financing partner for CCIT. Having considered other available financing alternatives available to CCIT, the executive Directors consider that the further extension of the CITIC 21CN Telecom Loan is the most effective and efficient financing method to CCIT for it to develop its PIATS business, and in accordance with the spirit of the JV Agreement though it is not explicitly stated in it.

As mentioned in the Company's announcements dated 6 March 2006, 22 May 2008 and 21 July 2009, and the circular of the Company dated 11 June 2008, the CITIC 21CN Telecom Loan is financed from the proceeds from the issue of the Convertible Bonds, which is in line with the use of the proceeds of the Convertible Bonds as previously announced.

For the reasons mentioned above, the Directors believe that there is great potential for PIATS and have confidence in the development of CCIT, and CCIT is accounted for as a jointly-controlled entity of the Group. Therefore, although the CITIC 21CN Telecom Loan has no interest and is unsecured, the Directors (including the independent non-executive Directors who will further render their opinion after reviewing the letter of advice from the independent financial adviser of the Company) consider that the terms of the transaction are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL

The Company is an investment holding company. CITIC 21CN Technology is principally engaged in telecom value added services and PIATS business (as described below). CITIC 21CN Telecom is principally engaged in system integration and software development. CCIT is principally engaged in the PIATS business which includes authentication and product tracking and logistics information services for products sold in the PRC through the operation of PIATS, which in turn provides anti-forgery enhancement service, trans-shipment information service, market research, promotion service, customer care, logistic management, and other value added services, as well as recall and enforcement information services to relevant authorities in the PRC.

As CCIT is a non wholly-owned subsidiary and a connected person of the Company under Rule 14A.11(5) of the Listing Rules, each of (i) the provision of the Second CITIC 21CN Technology Loan by CITIC 21CN Technology to CCIT pursuant to the Second CITIC 21CN Technology Loan Agreement, (ii) the CITIC 21CN Technology Renewal Loan Agreement, and (iii) the Second Renewal Loan Agreement constitutes a connected transaction under Rule 14A.13(2)(a)(i) of the Listing Rules and is subject to the approval of the Independent Shareholders at the SGM under Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquires, apart from CITIC Group which is a connected person with a material interest in the transactions, no Shareholder is required to abstain from voting on the proposed resolutions approving the Second CITIC 21CN Technology Loan Agreement, the CITIC 21CN Technology Renewal Loan Agreement and the Second Renewal Loan Agreement and the transactions contemplated thereunder. The said agreements are not inter-conditional upon one another.

Each of the Second CITIC 21CN Technology Loan and the CITIC 21CN Telecom Loan exceeds 5% but less than 25% of the relevant Percentage Ratios, and thus constitutes a discloseable transaction for the Company under the Listing Rules. Pursuant to Rules 14.22 and 14A.25 of the Listing Rules, the Aggregate Loan Amount of the Second CITIC 21CN Technology Loan, the Loan and the CITIC 21CN Telecom Loan is approximately RMB95,881,600 (equivalent to approximately HK\$112,471,000), which exceeds 5% but less than 25% of the relevant Percentage Ratios. Thus, the Second CITIC 21CN Technology Loan, the Loan and the CITIC 21CN Telecom Loan (when aggregated) also constitute a discloseable transaction for the Company under the Listing Rules.

The Directors (including the independent non-executive Directors who will further render their opinion after reviewing the letter of advice from the independent financial adviser of the Company) consider that the terms of each of the Second CITIC 21CN Technology Loan Agreement, the CITIC 21CN Technology Renewal Loan Agreement and the Second Renewal Loan Agreement are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

A circular containing, among other things, further details of the Second CITIC 21CN Technology Loan Agreement, the CITIC 21CN Technology Renewal Loan Agreement, the Second Renewal Loan Agreement, the letter from the independent financial adviser to the independent board committee and the Independent Shareholders and the recommendation from the independent board committee and a notice convening the SGM will be despatched to the Shareholders as soon as practicable within 15 business days after the publication of this announcement.

Guangdong Securities has been appointed as the independent financial adviser to advise the independent board committee of the Company and the Independent Shareholders on the terms of the Second CITIC 21CN Technology Loan Agreement, the CITIC 21CN Technology Renewal Loan Agreement and the Second Renewal Loan Agreement.

DEFINITIONS

“Aggregate Loan Amount”	means approximately RMB95,881,600 (equivalent to approximately HK\$112,471,000), being the aggregate of the Second CITIC 21CN Technology Loan, the Loan and the CITIC 21CN Telecom Loan;
“associates”	has the meaning as ascribed to it under the Listing Rules;
“Board”	means the board of Directors of the Company for the time being;
“CCIT”	means 中國信託信息技術有限公司 (China Credit Information Technology Co. Ltd* formerly identified as QSIT* or Quality Supervision Information Technology Co. Ltd*), a company incorporated in the PRC with limited liability and a 50%-owned jointly-controlled entity of the Group, the remaining 30% and 20% equity interest of CCIT are owned by CITIC Group and China Huaxin Telecom respectively. CCIT is a connected person of the Company;
“China Huaxin Telecom”	means 中國華信郵電經濟開發中心 (China Huaxin Telecom Economic Development Centre*), a wholly owned subsidiary of China Telecom which owns 20% of the shareholdings of CCIT;
“China Telecom”	means 中國電信集團公司 (China Telecommunications Corporation*), a company incorporated in the PRC with limited liability);
“CITIC 21CN Technology”	means 中信21世紀(中國)科技有限公司 (CITIC 21CN (China) Technology Co. Ltd*), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company;

“CITIC 21CN Technology Renewal Loan Agreement”	means the conditional renewal loan agreement dated 23 November 2010 entered into between CITIC 21CN Technology and CCIT in relation to extension of the Loan for a term of approximately two years ending 15 April 2014;
“CITIC 21CN Telecom”	means CITIC 21CN Telecom Company Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company;
“CITIC 21CN Telecom Loan”	means a non-interest bearing and unsecured loan of US\$6,900,000 advanced by CITIC 21CN Telecom to CCIT pursuant to the terms of the CITIC 21CN Telecom Loan Agreement, the Supplemental Loan Agreement and the Renewal Loan Agreement (as conditionally extended under the Second Renewal Loan Agreement) as referred to in the Company’s announcements dated 6 March 2006, 22 May 2008 and 21 July 2009, and the circular of the Company dated 11 June 2008;
“CITIC 21CN Telecom Loan Agreement”	means the loan agreement dated 3 March 2006 entered into between CITIC 21CN Telecom and CCIT in relation to the provision of the CITIC 21CN Telecom Loan as referred to in the Company’s announcements dated 6 March 2006, 22 May 2008 and 21 July 2009, and the circular of the Company dated 11 June 2008;
“CITIC Group”	means 中國中信集團公司 (CITIC Group*), a substantial ultimate shareholder of the Company which owns 30% of the shareholdings of CCIT;
“Company”	means CITIC 21CN Company Limited (中信21世紀有限公司*), an exempted company incorporated in Bermuda with limited liability and whose Shares are listed and traded on the main board of the Stock Exchange;
“connected person”	has the same meaning as ascribed to it under the Listing Rules;
“Convertible Bonds”	means the US\$70,000,000 zero coupon convertible bonds due 2010 issued by the Company as detailed in its circular dated 23 December 2005, which have been converted into Shares of the Company or otherwise repaid;

“Director(s)”	means the directors of the Company for the time being;
“Group”	means the Company and its subsidiaries;
“Guangdong Securities”	Guangdong Securities Limited, a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, being the independent financial adviser to the independent board committee and the Independent Shareholders in respect of the Second CITIC 21CN Technology Loan Agreement, the CITIC 21CN Technology Renewal Loan Agreement and the Second Renewal Loan Agreement;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“Independent Shareholders”	means the Shareholders of the Company other than CITIC Group and its associates, and those who are required to abstain from voting in respect of the Second CITIC 21CN Technology Loan Agreement, the CITIC 21CN Technology Renewal Loan Agreement and the Second Renewal Loan Agreement under the Listing Rules (if any);
“JV Agreement”	means the joint venture agreement dated 20 January 2005 in relation to the formation of CCIT;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange;
“Loan”	means an unsecured and non-interest bearing loan of RMB20,000,000 advanced by CITIC 21CN Technology to CCIT pursuant to the terms of the Loan Agreement (as conditionally extended under the CITIC 21CN Technology Renewal Loan Agreement) as referred to in the Company’s announcement dated 21 July 2009;
“Loan Agreement”	means the loan agreement dated 21 July 2009 entered into between CITIC 21CN Technology as lender and CCIT as borrower in relation to the provision of the Loan as referred to in the Company’s announcement dated 21 July 2009;

“Long Stop Date”	means 31 March 2011 or such other date as CITIC 21CN Technology and CCIT, or CITIC 21CN Telecom and CCIT (as the case may be) may agree in writing;
“Percentage Ratios”	means the ratios under Rule 14.07 of the Listing Rules;
“PIATS”	means product identification, authentication and tracking system;
“PRC”	means the People’s Republic of China;
“Renewal Loan Agreement”	means the renewal loan agreement dated 22 May 2008 entered into between CITIC 21CN Telecom and CCIT in relation to extension of the CITIC 21CN Telecom Loan as referred to in the Company’s announcements dated 6 March 2006, 22 May 2008 and 21 July 2009 and the circular of the Company dated 11 June 2008;
“Repayment Day”	means 15 April 2014;
“RMB”	means Renminbi, the lawful currency of the PRC;
“SAFE”	means 中國外匯管理局 (State Administration of Foreign Exchange);
“Second CITIC 21CN Technology Loan”	means an unsecured and non-interest bearing loan of RMB30,000,000 to be advanced by CITIC 21CN Technology to CCIT pursuant to the terms of the Second CITIC 21CN Technology Loan Agreement;
“Second CITIC 21CN Technology Loan Agreement”	means the conditional loan agreement dated 23 November 2010 entered into between CITIC 21CN Technology as lender and CCIT as borrower in relation to the provision of the Second CITIC 21CN Technology Loan;
“Second Renewal Loan Agreement”	means the conditional second renewal loan agreement dated 23 November 2010 entered into between CITIC 21CN Telecom and CCIT in relation to extension of the CITIC 21CN Telecom Loan for a further term of approximately 3.1 years ending 15 April 2014;
“SGM”	means the special general meeting of the Company to be convened and held for the purpose of considering, and if thought fit, approving the terms of the Second CITIC 21CN Technology Loan Agreement, the CITIC 21CN Technology Renewal Loan Agreement and the Second Renewal Loan Agreement and the transactions contemplated thereunder;

“Share(s)”	means ordinary share(s) of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	means holder(s) of the Shares of the Company;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Supplemental Loan Agreement”	means the supplemental loan agreement dated 3 March 2006 entered into between CITIC 21CN Telecom and CCIT in relation to the provision of the CITIC 21CN Telecom Loan as referred to in the Company’s announcements dated 6 March 2006, 22 May 2008 and 21 July 2009, and the circular of the Company dated 11 June 2008;
“US\$”	means United States dollars, the lawful currency of the United States of America;
“%”	means per cent.

By order of the Board
CITIC 21CN COMPANY LIMITED
Chen Xiao Ying
Executive Vice-Chairman

Hong Kong, 23 November 2010

As at the date of this announcement, the Board comprises nine directors, of which (i) six are executive directors, namely Mr. Wang Jun, Ms. Chen Xiao Ying, Mr. Luo Ning, Mr. Sun Yalei, Mr. Zhang Lianyang and Ms. Xia Guilan; and (ii) three are independent non-executive directors, namely Dr. Hui Ho Ming, Herbert, JP, Mr. Zhang Jian Ming and Dr. Long Junsheng.

* *For identification purposes only*