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**CITIC 1616 HOLDINGS LIMITED**

**中信1616集團有限公司**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 01883)**

**FURTHER ANNOUNCEMENT ON CONNECTED TRANSACTIONS  
AND CONTINUING CONNECTED TRANSACTIONS**

**FURTHER DELAY IN DESPATCH OF CIRCULAR**

Reference is made to (1) the joint announcement (the “**Joint Announcement**”) of CITIC 1616 Holdings Limited (the “**Company**”) and CITIC Pacific Limited dated 2 September 2010 in respect of the discloseable and connected transactions and the continuing connected transactions in relation to the acquisition of interests in 中企網絡通信技術有限公司 (China Enterprise Communications Ltd.) and its subsidiary; and (2) the announcement of the Company dated 22 September 2010 in respect of delay in despatch of circular (together with the Joint Announcement, referred to as the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

The Company would like to announce that it is not going to seek approval from the CITIC 1616 Independent Shareholders for the exercise of the Purchase Right at the CITIC 1616 EGM at this stage. However, the Company will comply with relevant applicable Listing Rules requirements when it contemplates to exercise the Purchase Right in the future.

Furthermore, the annual caps for the transactions under the Exclusive Service Agreement are revised to cover the two months ending 31 December 2010, the two years ending 31 December 2012 and the ten months ending 31 October 2013 and are estimated to be US\$3,000,000 (approximately HK\$23,400,000), US\$40,000,000 (approximately HK\$312,000,000), US\$55,000,000 (approximately HK\$429,000,000) and US\$60,000,000 (approximately HK\$468,000,000) respectively. The Company will arrange renewing the Exclusive Service Agreement prior to the expiry of the period covered by the Annual Caps and the Company will re-comply with relevant applicable Listing Rules requirements at such relevant time.

As disclosed in the Announcements, a circular (the “**Circular**”) containing, among other things, (i) further details of the Transactions; (ii) the recommendation of the CITIC 1616 Independent Board Committee to the CITIC 1616 Independent Shareholders; (iii) the advice from the independent financial adviser to the CITIC 1616 Independent Board Committee and the CITIC 1616 Independent Shareholders; and (iv) details of the proposed change of the Company's name, together with a notice of the CITIC 1616 EGM, are expected to be despatched to the CITIC 1616 Shareholders by no later than 15 October 2010.

As additional time is required to prepare and finalise the contents of the Circular, including but not limited to, the advice from the independent financial adviser, the despatch date of the Circular is expected to be further postponed to 22 October 2010.

By Order of the Board  
**CITIC 1616 Holdings Limited**  
**Xin Yue Jiang**  
*Chairman*

Hong Kong, 15 October 2010

As at the date of this announcement, the following persons are directors of the Company:

<i>Executive Directors:</i>	<i>Non-executive Directors:</i>	<i>Independent Non-executive Directors:</i>
Xin Yue Jiang (Chairman)	Kwok Man Leung	Yang Xianzu
Yuen Kee Tong	Fei Yiping	Liu Li Qing
Chan Tin Wai, David		Kwong Che Keung, Gordon