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## DEFINITIONS

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*In this Prospectus, unless the context otherwise requires, the following terms have the following meanings. Certain other terms are explained in the section headed “Glossary of Technical Terms” in this Prospectus.*

“Accountants’ Report”	the accountants’ report of KPMG dated the date of this Prospectus addressed to the Directors and the Sponsor, the text of which is set out in Appendix I to this Prospectus
“Articles”	the articles of association of the Company, conditionally approved and adopted on 28 September 2007 and as amended from time to time
“Associate(s)”	has the meaning ascribed to it in the Listing Rules
“Assured Entitlements”	the entitlement of Qualifying CP Shareholders to apply for the Reserved Shares under the Preferential Offer on the basis of an assured entitlement of one Reserved Share for every whole multiple of 25 CP Shares
“Board”	the Board of Directors of the Company
“Business Day”	any day (excluding a Saturday or a Sunday) on which banks in Hong Kong are generally open for normal banking business
“CAD”	Canadian dollars, the lawful currency of Canada
“Capitalisation Issue”	the issue of Shares to be made upon capitalisation of settlement of amount due from the Group to CITIC Pacific referred to in the paragraph headed “Resolutions of the shareholders of the Company” in Appendix VI to this Prospectus
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Broker Participant”	a person admitted to participate in CCASS as a broker participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Broker Participant or a CCASS Custodian Participant or a CCASS Investor Participant
“CEPA”	the Closer Economic Partnership Arrangement entered into between Hong Kong and the PRC dated 29 June 2003
“CITIC Pacific”	CITIC Pacific Limited (中信泰富有限公司), formerly known as (a) Tylfull Company Limited and (b) Tylfull Company Limited (泰富發展(集團)有限公司), a company incorporated under the laws of Hong Kong on 8 January 1985, the shares of which are listed on the Stock Exchange (stock code: 0267) on 26 February 1986 and the controlling shareholder of the Company
“CP Shares”	ordinary share(s) of HK\$0.40 each in the share capital of CITIC Pacific

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“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”	Dah Chong Hong Holdings Limited (大昌行集團有限公司), formerly known as Hang Chong Investment Company, Limited (恒昌企業有限公司) and Dah Chong Hong Holdings Limited (大昌貿易行集團有限公司), a company incorporated in Hong Kong on 2 January 1964
“connected person”	has the meaning ascribed to it in the Listing Rules
“Contractual Arrangements”	contractual arrangements with the Registered Owners of OPCOs that are implemented by the Group as more particularly set out in the section headed “Business — Contractual Arrangements” and in the paragraph “Summary of Contractual Arrangements in respect of Certain PRC Entities within the Group” in Appendix VI of this Prospectus
“Contractual Arrangements Agreement(s)”	confirmation and agreement on the shareholding arrangements (股權安排的確認及協議) as more particularly set out in the section headed “Business — Contractual Arrangements” and in the paragraph “Summary of Contractual Arrangements in respect of Certain PRC Entities within the Group” in Appendix VI of this Prospectus
“controlling shareholder”	has the meaning ascribed to it in the Listing Rules and “controlling interest” shall be construed accordingly; and CITIC Pacific is the controlling shareholder of the Company
“Dah Chong Hong”	Dah Chong Hong, Limited (大昌貿易行有限公司), formerly known as Dah Chong Hong, Limited, a company incorporated in Hong Kong on 26 January 1949 and a direct wholly-owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“Eligible Employees”	full-time employees of the Company, its subsidiaries or jointly controlled entities incorporated in Hong Kong, who are Hong Kong residents and have continuous employment with the relevant entity as at the date of application and for over one year as at 30 September 2007, excluding the directors and chief executive of the Company or of any of its subsidiaries, existing beneficial owners of the shares of the Company or any of its subsidiaries, their respective associates, and grantees of options under the Pre-IPO Share Option Scheme
“GBP”	the pound sterling, the lawful currency of the United Kingdom
“Global Coordinator”, “Sponsor” and “BNP Paribas”	BNP Paribas Capital (Asia Pacific) Limited, a licenced corporation for type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined in the SFO
“Global Offering”	the Public Offer (including the Preferential Offer) and the International Placing
“Greater China Region”	the PRC, Hong Kong and Macao

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“Group”	the Company together with its subsidiaries at the relevant time
“HK\$” and “cents”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“HKEPD”	The Hong Kong Environmental Protection Department
“HKFRSs”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Holding Subsidiary”	member of the Group in Hong Kong or PRC acting as the intermediate holding company as more particularly set out in the section headed “Business — Contractual Arrangements” and in the paragraph “Summary of Contractual Arrangements in respect of Certain PRC Entities within the Group” in Appendix VI of this Prospectus
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC Nominees”	HKSCC Nominees Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Government”	the Government of Hong Kong
“Independent Third Party” or “Independent Third Parties”	a person(s) or company(ies) which is/are independent of, and not connected with the directors, the chief executives or the substantial shareholders of the Company or its subsidiaries or any of their respective associates
“International Placing”	the conditional placing of the International Placing Shares by the International Underwriters outside the United States in reliance on Regulation S under the US Securities Act and in the United States to QIBs under Rule 144A at the Offer Price, as further described in the section headed “Structure and conditions of the Global Offering” in this Prospectus
“International Placing Shares”	56,980,000 New Shares and 601,200,000 Sale Shares being initially offered at the Offer Price pursuant to the International Placing, together with, where relevant, any additional Sale Shares pursuant to the exercise of the Over-allotment Option, subject to reallocation as described in the section headed “Structure and conditions of the Global Offering” in this Prospectus
“International Underwriters”	the underwriters of the International Placing listed in the section headed “Underwriting” in this Prospectus
“International Underwriting Agreement”	the international underwriting agreement relating to the International Placing, which is expected to be entered into by, amongst others, the Selling Shareholder, the Company and the International Underwriters on or about 10 October 2007

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“Issuing Mandate”	the general unconditional mandate given to the Directors by the Shareholders relating to the issue of new Shares, further details of which are contained in the paragraph headed “Resolutions of the shareholders of the Company” in Appendix VI to this Prospectus
“JPY”	Japanese Yen, the lawful currency of Japan
“Latest Practicable Date”	28 September 2007, being the latest practicable date prior to the bulk printing of this Prospectus for the purpose of ascertaining certain information contained in this Prospectus
“Listing”	the listing of the Shares on the Main Board
“Listing Date”	the date expected to be on or about 17 October 2007 on which Shares are listed and from which dealings therein are permitted to commence on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Macao”	the Macao Special Administrative Region of the PRC
“Main Board”	the stock exchange operated by the Stock Exchange prior to the establishment of the Growth Enterprise Market of the Stock Exchange, excluding the option market, and which continues to be operated by the Stock Exchange in parallel with the Growth Enterprise Market
“MOP”	Macao Pataca, the lawful currency of Macao
“New Share(s)”	180,000,000 new Shares being offered by the Company at the Offer Price
“Offer Price”	the final offer price per Offer Share (exclusive of brokerage fee of 1%, SFC transaction levy of 0.004%, and Stock Exchange trading fee of 0.005%) at which Offer Shares are to be subscribed pursuant to the Public Offer and to be subscribed and/or purchased pursuant to the International Placing to be determined as described in the section headed “Structure and conditions of the Global Offering” in this Prospectus
“Offer Share(s)”	the Public Offer Share(s) (including the Reserved Share(s) and Share(s) initially available for subscription by full-time employees of the Company or any of its subsidiaries) and the International Placing Share(s) being offered at the Offer Price under the Global Offering, together with, where relevant, any additional Sale Share(s) pursuant to the exercise of the Over-allotment Option
“OPCO(s)”	companies incorporated in the PRC which are wholly-owned by the Registered Owners, and through which the Group conducts its operations in the industries that have foreign ownership restrictions as more particularly set out in the section headed “Business — Contractual Arrangements” and in the paragraph “Summary of Contractual Arrangements in respect of Certain PRC Entities within the Group” in Appendix VI of this Prospectus

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“Over-allotment Option”	the option to be granted by the Selling Shareholder to BNP Paribas pursuant to which the Selling Shareholder may be required to sell up to an additional aggregate of 117,000,000 Sale Shares (representing 15% of the Offer Shares initially being offered under the Global Offering) to cover over-allocations in the International Placing, details of which are described in the section headed “Structure and conditions of the Global Offering”
“Overseas CP Shareholders”	registered holders of CP Shares whose addresses on the register of members of CITIC Pacific were outside Hong Kong on the Record Date
“Post-IPO Share Option Scheme”	the share option scheme conditionally approved and adopted by the Company on 28 September 2007 and by the Shareholders of CITIC Pacific on 3 October 2007, the principal terms of which are summarised in the paragraph headed “10. Post-IPO Share Option Scheme” in Appendix VI to this Prospectus
“PRC” or “China” or “Mainland China”	the People’s Republic of China which, for the purpose of this Prospectus, excludes Hong Kong, Macao and Taiwan
“Pre-IPO Share Option Scheme”	the share option scheme approved and adopted by the Company on 28 September 2007 and by the Shareholders of CITIC Pacific on 3 October 2007, the principal terms of which are summarised in the paragraph headed “9. Pre-IPO Share Option Scheme” in Appendix VI to this Prospectus
“Preferential Offer”	the preferential offer to the Qualifying CP Shareholders for subscription of the Reserved Shares on an assured basis as further described in the section headed “Structure and conditions of the Global Offering” in this Prospectus
“Price Determination Agreement”	the agreement to be entered into between the Company, the Selling Shareholder and the Global Coordinator (for itself and on behalf of the Underwriters) on or around the Price Determination Date to record the Offer Price
“Price Determination Date”	10 October 2007 or such later date as the Company and the Global Coordinator (on behalf of the Underwriters) may agree, being the date on which the Offer Price is determined
“Public Offer”	the issue and offer of the Public Offer Shares to the public in Hong Kong for subscription at the Offer Price, subject to and in accordance with the terms and conditions set out in this Prospectus and the related application forms
“Public Offer Shares”	123,020,000 New Shares being initially offered by the Company for subscription at the Offer Price pursuant to the Public Offer, subject to reallocation as described in the section headed “Structure and conditions of the Global Offering” in this Prospectus. The 123,020,000 New Shares include the 44,900,000 Reserved Shares and the 11,718,000 Shares initially available for subscription by the Eligible Employees

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“Public Offer Underwriters”	the underwriters of the Public Offer listed in the section headed “Underwriting” in this Prospectus
“Public Offer Underwriting Agreement”	the underwriting agreement dated 3 October 2007 relating to the Public Offer entered into by, amongst others, the Company and the Public Offer Underwriters
“Qualifying CP Shareholders”	holders of not less than 25 CP Shares, whose names appeared on the register of members of CITIC Pacific on the Record Date, other than the Overseas CP Shareholders subject to compliance with Rule 13.36(2) of the Listing Rules
“QIBs”	qualified institutional buyers as defined in Rule 144A
“Record Date”	3 October 2007, being the record date for ascertaining Assured Entitlements
“Registered Owners”	PRC nationals and/or entities who own OPCOs for the benefits of the Group by the virtue of the Contractual Arrangements as more particularly set out in the section headed “Business — Contractual Arrangements” and in the paragraph “Summary of Contractual Arrangements in respect of Certain PRC Entities within the Group” in Appendix VI of this Prospectus
“Regulation S”	Regulation S under the US Securities Act, as amended, supplemented or otherwise modified from time to time
“Repurchase Mandate”	the general unconditional mandate to repurchase Shares given to the Directors by the Shareholders, further details of which are contained in the paragraph headed “Resolutions of the shareholders of the Company” in Appendix VI to this Prospectus
“Reserved Shares”	the 44,900,000 New Shares (representing approximately 5.7% of the Offer Shares initially available under the Global Offering) offered pursuant to the Preferential Offer and which are to be allocated out of the Public Offer Shares being offered under the Public Offer
“Retained Group”	CITIC Pacific and its subsidiaries (excluding the Group)
“RMB” or “Renminbi” or “Yuan”	Renminbi, the lawful currency of the PRC
“Rule 144A”	Rule 144A under the US Securities Act, as amended, supplemented or otherwise modified from time to time
“SGD”	Singapore dollars, the lawful currency of Singapore
“SARS”	Severe Acute Respiratory Syndrome
“Sale Shares”	601,200,000 existing Shares being offered for sale by the Selling Shareholder at the Offer Price under the Global Offering, and to the extent the Over-allotment Option is exercised, together with up to an aggregate of 117,000,000 additional Sale Shares to be offered for sale by the Selling Shareholder pursuant to the exercise of the Over-allotment Option

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“Selling Shareholder”	CITIC Pacific (acting through its wholly-owned subsidiary Colton Pacific Limited)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of HK\$0.15 each, for which an application has been made for the listing of and permission to deal on the Stock Exchange
“Shareholders”	holders of Shares
“Share Registrar”	Tricor Investor Services Limited
“Sims Trading”	Sims Trading Company Limited (慎昌有限公司), formerly known as Sims Trading Company Limited, a company incorporated in Hong Kong on 26 November 1963 and an indirect wholly-owned subsidiary of the Company
“Stock Borrowing Agreement”	the agreement entered into by the Selling Shareholder with the Global Coordinator in respect of the borrowing of up to 117,000,000 Shares from the Selling Shareholder by the Global Coordinator to cover over-allocation
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholders”	has the meaning ascribed thereto in the Listing Rules
“Trade payable days”	average of trade payables at beginning and end of year divided by cost of sales for the year and multiplied by 365 days
“Trade receivable days”	average of trade receivables at beginning and end of year divided by sales and multiplied by 365 days
“Underwriters”	the International Underwriters and the Public Offer Underwriters
“Underwriting Agreements”	International Underwriting Agreement and Public Offer Underwriting Agreement
“UK”	the United Kingdom
“US” or “United States”	the United States of America
“USDA”	United States Department of Agriculture
“US\$” or “US dollars”	United States dollars, the lawful currency of the United States of America
“US Person”	has the meaning ascribed to it in Regulation S
“US Securities Act”	United States Securities Act of 1933, as amended
“Wal-Mart China”	沃爾瑪（中國）投資有限公司Wal-Mart (China) Investment Co., Ltd

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## DEFINITIONS

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“Wal-Mart JVs”	joint ventures between CITIC Pacific and Wal-Mart China
“Watson Wyatt”	Watson Wyatt Hong Kong Limited, an independent actuary
“WTO”	World Trade Organisation
“sq.ft.”	square feet
“sq.m.”	square metre
“%”	per cent

*Unless otherwise specified, statements contained in this Prospectus assume no exercise of the Over-allotment Option.*

*If there is any inconsistency between the official Chinese name of the PRC laws and regulations or the PRC government authorities or the PRC entities mentioned in this Prospectus and their English translation, the Chinese version shall prevail. English translations of official Chinese names are for identification purposes only.*

*All times referred to in this Prospectus in relation to the Global Offering refer to Hong Kong local time.*