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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)

INSIDE INFORMATION

This announcement is made by CITIC 21CN Company Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Part XIVA of the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011), was issued by The Hong Kong Institute of Certified Public Accountants.

The Group is expected to apply these five standards in the Group’s consolidated financial statements for the financial year beginning on 1 April 2013. Subject to further discussion with the Company’s auditors, the application of these standards will have a significant impact on the turnover to be reported in the consolidated financial statements of the Group for the financial year beginning on 1 April 2013. Before 1 April 2013, the Group’s investment in joint ventures was classified as jointly controlled entities under HKAS 31 and accounted for using the proportionate consolidation method. The new application of HKFRS 11 will reclassify those jointly controlled entities as joint ventures and accounted for using the equity method. Based on the current information available, the Group anticipates that there will be a significant reduction in the Group’s turnover to be reported in the consolidated financial statements of the Group for the financial year beginning on 1 April 2013. Moreover, the Group anticipates that the change in classification using the equity method of accounting will result in the aggregation of the Group’s proportionate share of these joint ventures’ net assets and items of profit or loss and other comprehensive income into a single line item which will be presented in the consolidated statement of financial position and in the consolidated statement of comprehensive income as “interests in joint ventures” and “share of profit(loss) of joint ventures” respectively in the consolidated financial statements of the Group for the financial year beginning on 1 April 2013. The directors of the Company will continue to monitor other material impacts, if any, which may be brought about by the application of these new and revised standards and make further announcement(s) when necessary.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the securities of the Company.

For and on behalf of the Board
CITIC 21CN COMPANY LIMITED
Chen Xiao Ying
Executive Vice-Chairman

Hong Kong, 9 April 2013

As at the date of this announcement, the Board comprises Mr. Wang Jun, Ms. Chen Xiao Ying, Mr. Luo Ning, Mr. Sun Yalei, Mr. Zhang Lianyang, Ms. Xia Guilan, Dr. Hui Ho Ming, Herbert, JP (Independent Non-executive Director), Mr. Zhang Jian Ming (Independent Non-executive Director) and Dr. Long Junsheng (Independent Non-executive Director).

* *For identification purposes only*