

Execution Version

Dated 21st February 2013

Richtone Enterprises Inc.

Ease Action Investments Corp.

and

Silver Log Holdings Ltd.

MANAGEMENT RIGHTS AGREEMENT

REED SMITH RICHARDS BUTLER

20th floor

Alexandra House

18 Chater Road

Central

Hong Kong

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THIS AGREEMENT is entered into the 21st day of February, 2013

BETWEEN

(1) **Richtone Enterprises Inc.**, a limited liability company duly incorporated in the British Virgin Islands with its registered office situated at Arias, Fabrega & Fabrega Trust Co. BVI Limited, 325 Waterfront Drive, Omar Hodge Building, 2nd Floor, Wickham's Cay, Road Town, Tortola, British Virgin Islands ("**Party A**");

(2) **Ease Action Investments Corp.**, a limited liability company duly incorporated in the British Virgin Islands with its registered office situated at Arias Fabrega & Fabrega Trust Co. BVI Limited, 325 Waterfront Drive, Omar Hodge Building, 2nd Floor, Wickhams Cay, Road Town, Tortola, British Virgin Islands ("**Party B**");

(Party A and Party B collectively the "**CITIC Pacific Subsidiaries**");

(3) **Silver Log Holdings Ltd.**, a limited liability company duly incorporated in the British Virgin Islands with its registered office situated at Arias, Fabrega & Fabrega Trust Co. BVI Limited, 325 Waterfront Drive, Omar Hodge Building, 2nd Floor, Wickham's Cay, Road Town, Tortola, British Virgin Islands ("**CITIC Group Subsidiary**");

(Party A, Party B and CITIC Group Subsidiary collectively the "**Parties**" and each, individually a "**Party**").

WHEREAS

(A) as at the date of this Agreement, the Company has an authorised share capital of HK\$500,000,000 comprising 5,000,000,000 Shares;

(B) CITIC Pacific legally and beneficially owns all the issued shares in the CITIC Pacific Subsidiaries;

(C) CITIC Group (through its wholly-owned subsidiary) legally and beneficially owns all the issued shares in the CITIC Group Subsidiary;

(D) as at the date of this Agreement, CITIC Group is a majority shareholder of CITIC Pacific and as part of an overall reorganisation of interests, on 21st February 2013, CITIC Group acquired, through the CITIC Group Subsidiary an aggregate of 444,500,000 Shares from a subsidiary of CITIC Pacific. Subsequent to the aforesaid acquisition, the CITIC Pacific Subsidiaries and the CITIC Group Subsidiary collectively own 1,445,584,370 Shares, representing 60.31% of the issued share capital of the Company;

(E) the Parties agree to enter into this Agreement to regulate their relationship with each other, the affairs of the Company and the management of the Company upon the terms and conditions of this Agreement, and in consideration of the mutual undertakings herein, the Parties have agreed that they will respectively procure that the Company is managed in accordance with the terms set out in this Agreement.

NOW IT IS HEREBY AGREED as follows:-

1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement, in addition to the words defined above, unless the context otherwise requires, the following expressions shall have the following meanings:-

"Agreement"	means the terms and conditions of this Agreement, as the same may be varied from time to time in accordance with this Agreement;
"Board"	means the board of directors of the Company;
"Business Day"	means a day (other than a Saturday) on which banks are open for business in Hong Kong;
"CITIC Group"	means CITIC Group Corporation (中国中信集团有限公司)
"CITIC Pacific"	means CITIC Pacific Limited, a company incorporated in Hong Kong and whose shares are listed in the Stock Exchange (stock code:267);
"Company"	means CITIC Telecom International Holdings Limited, a company incorporated in Hong Kong and whose shares are listed on the Stock Exchange (stock Code: 1883);
"Director"	means a member of the Board;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"SFC"	means the Securities and Futures Commission of Hong Kong;
"Shareholder"	means as of the date hereof Party A, Party B and/or CITIC Group Subsidiary and shall include any holder of the Shares of the Company who becomes a party to this Agreement; and
"Shares"	shares of HK\$0.10 each in the share capital of the Company.

1.2 **Construction and Interpretation.**

In this Agreement:-

- (a) References to this Agreement or to any other instrument are references to this Agreement or that other instrument as amended, varied, novated or substituted from time to time.
- (b) The headings of Clauses in this Agreement are provided for convenience only and will not affect its construction or interpretation.
- (c) All references to "Clause" or "Clauses" refer to the corresponding Clause or Clauses of this Agreement. All Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.
- (d) Words importing the singular number includes the plural and vice versa, and words importing the masculine gender includes the feminine and neuter gender and vice versa.
- (e) All warranties, representations, indemnities, covenants, agreements and obligations given or entered by more than one person are given or entered into severally unless otherwise specified.

2. CONDUCT OF THE BUSINESS

Each Shareholder (insofar as it lawfully can do so) shall itself, and shall exercise its powers in relation to the Company to:-

- (a) promote the best interests of the Company; and
- (b) ensure that the business of the Company is conducted in accordance with sound and good business practice.

3. UNDERTAKINGS OF THE PARTIES

- (A) Each of (i) the CITIC Pacific Subsidiaries and (ii) the CITIC Group Subsidiary shall be entitled to nominate for election an equal number of non-executive Directors to the Board, in addition to the current executive Directors and independent non-executive Directors provided that the CITIC Pacific Subsidiaries shall vote in favour of any persons nominated by the CITIC Group Subsidiary to the Board from time to time.
- (B) In respect of the re-election of the current executive Directors and independent non-executive Directors, the Parties shall arrive at a consensus for casting their vote before each general meeting of the Company at which the re-elections are subject to approval by the shareholders of the Company.
- (C) CITIC Group Subsidiary undertakes to take an active part in the management of the Company to the extent that any annual operating budgets and appointment of key management or staff will be a matter of consensus between the Parties before implementation at the Company.

4. **TERMINATION**

- (A) This Agreement shall become effective on the date hereof and shall remain in full force and effect as long as the Company continues to exist, unless earlier terminated pursuant to any other provisions of this Agreement.
- (B) This Agreement may be terminated:-
- (a) immediately by mutual agreement in writing of all the Parties; or
 - (b) immediately without further action if an effective resolution is passed to wind up the Company or if a liquidator is otherwise appointed.

5. **ANNOUNCEMENTS**

No public announcement or communication of any kind shall be made in respect of the subject matter of this Agreement unless specifically agreed between the Parties or unless an announcement is required pursuant to relevant law or the requirements of the Stock Exchange, or any other exchanges on which the Shares are listed, or any other recognised stock exchange or the SFC. Any announcement by any Party required to be made pursuant to any relevant law or the requirements of any stock exchange or the SFC shall be issued only after such prior consultation with the other Party as is reasonably practicable in the circumstances.

6. **NOTICES**

Each notice, demand or other communication given or made under this Agreement shall be in writing and delivered or sent by post or airmail or by facsimile transmission to the relevant Party at its address or fax number set out below (or such other address or fax number as the addressee has by five (5) Business Days' prior written notice specified to the other Party):-

To Party A: Richtone Enterprises Inc.
Fax Number : (852) 2877-2771
Attention : CITIC Secretaries Limited

To Party B: Ease Action Investments Corp.
Fax Number : (852) 2877-2771
Attention : CITIC Secretaries Limited

To CITIC Group
Subsidiary: Silver Log Holdings Ltd.
Fax Number : (852) 2861-1901
Attention : Mr. SUO Zhen Gang

Any notice, demand or other communication so addressed to the relevant Party (a) if given or made by letter shall be deemed received 3 Business Days after the date of despatch and (b) if given or made by fax, shall be deemed made when despatched.

7. MISCELLANEOUS

- (A) All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding Completion except in respect of those matters then already performed.
- (B) If at any time one or more provisions hereof is or becomes invalid, illegal, unenforceable or incapable of performance in any respect under the laws of any relevant jurisdiction, the validity, legality, enforceability or performance in that jurisdiction of the remaining provisions hereof or the validity, liability, enforceability or performance under the laws of any other relevant jurisdiction of those or any other provisions hereof shall not thereby in any way be affected or impaired.
- (C) Time shall be of the essence of this Agreement, both as regards the dates and periods specifically mentioned and as to any dates and periods which may, by agreement in writing between the Parties, be substituted therefor.
- (D) Each Party shall bear its own legal and professional fees, costs and expenses incurred in connection with this Agreement.
- (E) This Agreement shall be binding on and shall enure for the benefit of the successors and assigns of the parties hereto but shall not be capable of being assigned by any Party without the written consent of the other Parties.
- (F) This Agreement sets forth the entire agreement and understanding between the Parties or any of them in relation to sale and purchase of the Sale Shares and the other transactions contemplated by this Agreement and supersedes and cancels in all respects all previous agreements, letters of intent, correspondence, understandings, agreements and undertakings (if any) between the parties hereto with respect to the subject matter hereof, whether written or oral.
- (G) This Agreement may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any Party may enter into this Agreement by signing any such counterpart.

8. GOVERNING LAW AND JURISDICTION

- (A) This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong and the parties hereto hereby submit to the non-exclusive jurisdiction of the Courts of Hong Kong in connection herewith.
- (B) The submission to the jurisdiction of the courts of Hong Kong shall not (and shall not be construed so as to) limit the right of any of the parties hereto to take proceedings against any of the other parties hereto in any court of competent jurisdiction, nor shall the taking of proceedings by any of the parties hereto in any one or more jurisdictions preclude it from taking proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

IN WITNESS WHEREOF, each Party has executed this Agreement on the day and year first above written.

SIGNED by Fei Yiping)

for and on behalf of)
Richtone Enterprises Inc.)
in the presence of:-)




SIGNED by Fei Yiping)

for and on behalf of)
Ease Action Investments Corp.)
in the presence of:-)




SIGNED by)

for and on behalf of)
Silver Log Holdings Ltd.)
in the presence of:-)

IN WITNESS WHEREOF, each Party has executed this Agreement on the day and year first above written.

SIGNED by)
)
for and on behalf of)
Richtone Enterprises Inc.)
in the presence of:-)

SIGNED by)
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for and on behalf of)
Ease Action Investments Corp.)
in the presence of:-)

SIGNED by)
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for and on behalf of)
Silver Log Holdings Ltd.)
in the presence of:-)

