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中信泰富有限公司  
CITIC PACIFIC LIMITED

*(Incorporated in the British Virgin Islands with limited liability)*



大昌行集團有限公司  
DAH CHONG HONG HOLDINGS LIMITED

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code : 01828)**

## JOINT ANNOUNCEMENT

- (1) PROPOSAL FOR THE PRIVATISATION OF DAH CHONG HONG HOLDINGS LIMITED BY CITIC PACIFIC LIMITED BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 673 OF THE COMPANIES ORDINANCE**
  - (2) PROPOSED WITHDRAWAL OF LISTING OF DAH CHONG HONG HOLDINGS LIMITED**
- AND**
- (3) DESPATCH OF THE SCHEME DOCUMENT**

**Exclusive Financial Adviser to CITIC Pacific Limited**



**CLSA Capital Markets Limited**

**Independent Financial Adviser to the Independent Board Committee**



## **INTRODUCTION**

Reference is made to the joint announcement dated 20 October 2019 (the **“Joint Announcement”**) issued jointly by Dah Chong Hong Holdings Limited (the **“Company”**) and CITIC Pacific Limited (the **“Offeror”**) in relation to, among other things, the proposed privatisation of the Company by way of a scheme of arrangement; and the joint announcement dated 8 November 2019 in relation to the delay in despatch of the Scheme Document. Unless otherwise defined, terms used herein shall have the same meaning as those used in the Joint Announcement.

## **DESPATCH OF THE SCHEME DOCUMENT**

The Scheme Document together with the notices of the Court Meeting and the General Meeting to be held on Thursday, 19 December 2019 and the related proxy forms will be despatched to the Shareholders on Monday, 2 December 2019.

The Scheme Document contains, among other things, further details of the Proposal and the Scheme, the expected timetable, the explanatory statement of the Scheme as required under the Companies Ordinance, financial information of the Group, general information regarding the Group and the Offeror, the letters from the Board, the Independent Board Committee and the Independent Financial Adviser, a notice of the Court Meeting and a notice of the General Meeting.

## **RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising Chan Kay Cheung, Chan Hui Dor Lam, Doreen, Woo Chin Wan, Raymond, Zhang Lijun and Cheng Jinglei, all being the independent non-executive Directors, has been constituted to advise the Independent Shareholders as to whether the Proposal is or is not fair and reasonable, and as to voting in respect of the Scheme at the Court Meeting and the Proposal at the General Meeting. The non-executive Directors (namely Zeng Chen, Kwok Man Leung, Fei Yiping and Yin Ke) are not considered to be independent for the purpose of making a recommendation to the Independent Shareholders as they are also directors of the Offeror, and for the case of Yin Ke, he was a director of the Offeror until 1 October 2019, and are therefore not included as members of the Independent Board Committee.

The Board has, with the approval of the Independent Board Committee, appointed Somerley Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal.

The Independent Financial Adviser has advised the Independent Board Committee that it considers the terms of the Proposal are fair and reasonable so far as the Independent Shareholders are concerned, and accordingly, advises the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the General Meeting to approve and implement the Proposal.

The Independent Board Committee, having considered the terms of the Proposal, and having taken into account the advice of the Independent Financial Adviser, considers that the terms of the Proposal are fair and reasonable so far as the Independent Shareholders are concerned and recommends the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the General Meeting to approve and implement the Proposal.

Shareholders are urged to read and consider carefully the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in relation to the Proposal and the Scheme as set out in the letters from the Independent Board Committee and the Independent Financial Adviser as contained in the Scheme Document.

## **COURT MEETING AND GENERAL MEETING**

The Court Meeting and the General Meeting are scheduled to be held at 10:30 a.m. and 10:45 a.m. (or immediately after the conclusion or adjournment of the Court Meeting), respectively, on Thursday, 19 December 2019 at Salon 1-5 of JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong.

The High Court has directed that the Court Meeting be convened for the purpose of considering and, if thought fit, approving the Scheme (with or without modification).

Immediately following the conclusion of the Court Meeting, the General Meeting will be held for the purpose of considering and, if thought fit, passing the special resolution to give effect to the Scheme, including the reduction of the issued share capital of the Company by cancelling and extinguishing the Scheme Shares and the issue to the Nominee of such number of new Shares as is equal to the number of the Scheme Shares cancelled.

Notices of the Court Meeting and the General Meeting are contained in the Scheme Document.

An announcement will be made by the Offeror and the Company in relation to the results of the Court Meeting and the General Meeting on Thursday, 19 December 2019.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the entitlements of holders of the Scheme Shares to attend and vote at the Court Meeting and the entitlements of the Shareholders to attend and vote at the General Meeting, the register of members of the Company will be closed from Monday, 16 December 2019 to Thursday, 19 December 2019 (both days inclusive) and during such period, no transfer of the Shares will be effected. In order to qualify to vote at the Court Meeting and the General Meeting, all transfers accompanied by the relevant share certificates must be lodged with Tricor Investor Services Limited (the “**Share Registrar**”) at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong before 4:30 p.m. on Friday, 13 December 2019.

## **CONDITIONS OF THE PROPOSAL**

Shareholders and potential investors should be aware that the Proposal is subject to the satisfaction or waiver, as applicable, of the Conditions described in the section headed “Conditions of the Proposal” in the Explanatory Statement of the Scheme Document. Subject to the requirements of the Takeovers Code, the Proposal will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. If the Scheme is not approved or does not become effective, or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, announce an offer or possible offer for the Company except with the consent of the Executive.

If approved, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting.

An announcement will be made by the Offeror and the Company in relation to the results of the Court Meeting and the General Meeting and, if all the resolutions are passed at those meetings, further announcements will be made in relation to, among other things, the results of the hearing of the petition for the sanction of the Scheme by the High Court, the Effective Date and the date of withdrawal of listing of the Shares from the Stock Exchange in accordance with the requirements of the Takeovers Code and the Listing Rules.

## EXPECTED TIMETABLE

The timetable set out below is indicative only and is subject to change. Any changes to the timetable will be jointly announced by the Offeror and the Company. Unless otherwise specified, all times and dates refer to Hong Kong local times and dates.

### Hong Kong time

Despatch date of the Scheme Document ..... Monday, 2 December 2019

Latest time for lodging transfers of the Shares  
in order to qualify for entitlement to attend and vote  
at the Court Meeting and the General Meeting ..... 4:30 p.m. on Friday, 13 December 2019

Register of members of the Company closed for  
determining entitlement to attend and vote  
at the Court Meeting and the General Meeting (*Note 1*) ..... Monday, 16 December 2019  
to Thursday, 19 December 2019  
(both days inclusive)

Latest time for lodging forms of proxy in respect of:

- Court Meeting (*Note 2*) ..... 10:30 a.m. on  
Tuesday, 17 December 2019
- General Meeting (*Note 2*) ..... 10:45 a.m. on  
Tuesday, 17 December 2019

Meeting Record Date ..... Thursday, 19 December 2019

Court Meeting (*Note 2*) ..... 10:30 a.m. on  
Thursday, 19 December 2019

General Meeting (*Note 2*) ..... 10:45 a.m. on  
Thursday, 19 December 2019  
(or immediately after the conclusion or  
adjournment of the Court Meeting)

Announcement of the results of the Court Meeting  
and the General Meeting posted on the website  
of the Stock Exchange ..... no later than 7:00 p.m.  
on Thursday, 19 December 2019

Expected latest time for trading of  
the Shares on the Stock Exchange ..... 12:10 p.m. on  
Tuesday, 24 December 2019

Latest time for lodging transfers of the Shares  
in order to qualify for entitlements under the Scheme..... 4:30 p.m. on  
Monday, 30 December 2019

Register of members of the Company closed for determining  
entitlement to qualify under the Scheme (*Note 3*) ..... from Tuesday, 31 December 2019  
onwards

High Court hearing of the petition for the  
sanction of the Scheme (*Note 4*) ..... 10:00 a.m. on Tuesday, 7 January 2020

Announcement of (1) the results of the High Court  
hearing for the petition for the sanction of the Scheme,  
(2) the expected Effective Date and (3) the expected  
date of withdrawal of listing of the Shares on  
the Stock Exchange posted on the website of the  
Stock Exchange.....no later than 7:00 p.m. on  
Tuesday, 7 January 2020

Scheme Record Date.....Tuesday, 7 January 2020  
(the “**Scheme Record Date**”)

Effective Date (*Note 4*) .....Wednesday, 8 January 2020  
(the “**Effective Date**”)

Announcement of (1) the Effective Date and  
(2) the withdrawal of listing of the Shares  
on the Stock Exchange posted on  
the website of the Stock Exchange .....Wednesday, 8 January 2020

Withdrawal of listing of the Shares  
on the Stock Exchange becomes effective .....9:00 a.m. on  
Friday, 10 January 2020

Cheques for the cash payment under the Proposal  
to be despatched (*Note 5*) .....on or before  
Friday, 17 January 2020

*Notes:*

1. The register of members of the Company will be closed during such period for the purpose of determining entitlements of holders of the Scheme Shares to attend and vote at the Court Meeting and of the Shareholders to attend and vote at the General Meeting. For the avoidance of doubt, this period of closure is not for determining entitlements under the Scheme.
2. The **pink** form of proxy in respect of the Court Meeting and the **white** form of proxy in respect of the General Meeting should be completed and signed in accordance with the instructions respectively printed thereon and should be lodged with the Share Registrar at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong by the times and dates stated above. The **pink** form of proxy for use at the Court Meeting and the **white** form of proxy for use at the General Meeting must be lodged no later than the time and date stated above in order for them to be valid. The completion and return of a form of proxy for the Court Meeting and/or the General Meeting will not preclude a member from attending and voting in person at the relevant meeting or any adjournment thereof if he/she/it so wishes. In the event that the member attends and votes at the relevant meeting or any adjournment thereof after having lodged his/her/its form of proxy, the returned form of proxy shall be deemed to have been revoked.

3. The register of members of the Company will be closed during such period for the purpose of determining the Scheme Shareholders, who are qualified for entitlements under the Scheme.
4. The High Court hearing will be held at the High Court at the High Court Building, 38 Queensway, Hong Kong. The Scheme shall become effective when an office copy of the order of the High Court sanctioning the Scheme (with or without modification) and confirming the reduction of the share capital of the Company involved in the Scheme is registered by the Registrar of Companies under Part 2 of the Companies Ordinance.
5. Cheques for entitlements of the Scheme Shareholders will be despatched by ordinary post in postage pre-paid envelopes addressed to the Scheme Shareholders at their respective addresses as appearing in the register of members of the Company as at the Scheme Record Date or, in the case of joint holders, at the address appearing in the register of members of the Company as at the Scheme Record Date of the joint holder whose name then stands first in the register of members of the Company in respect of the relevant joint holding as soon as possible but in any event within seven (7) Business Days following the Effective Date. Cheques shall be posted at the risk of the addressees and none of the Offeror, the Company, CLSA, the Independent Financial Adviser and the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal shall be responsible for any loss or delay in transmission.

**This announcement is made in compliance with the Takeovers Code. Shareholders and/or potential investors should be aware that the implementation of the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. Shareholders and/or potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, licensed securities dealer, registered institution in securities, bank manager, solicitor or other professional advisers.**

By order of the board of directors of  
**CITIC Pacific Limited**  
**Kwok Man Leung**  
*Director*

By order of the board of directors of  
**Dah Chong Hong Holdings Limited**  
**Lai Ni Hium**  
*Executive Director and Chief Executive Officer*

Hong Kong, 2 December 2019

*As at the date of this announcement, the directors of the Offeror are Zeng Chen (Chairman and President), Liu Jifu, Kwok Man Leung, Fei Yiping, Vernon Francis Moore, Yu Yapeng, Liu Yong, Li Yajun, Luan Zhenjun and Chen Meng.*

*The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*

*As at the date of this announcement, the Board comprises 2 Executive Directors, namely Lai Ni Hium and Lee Tak Wah, 4 Non-executive Directors, namely Zeng Chen (Chairman), Yin Ke, Kwok Man Leung and Fei Yiping and 5 Independent Non-executive Directors, namely Chan Kay Cheung, Chan Hui Dor Lam, Doreen, Woo Chin Wan, Raymond, Zhang Lijun and Cheng Jinglei.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*