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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

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

IRREVOCABLE UNDERTAKING BY THE IU SHAREHOLDER TO APPROVE THE PROPOSAL

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 scheme document dated 2 December 2019 (the “**Scheme Document**”) 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. Unless otherwise defined, terms used herein shall have the same meaning as those used in the Scheme Document.

IRREVOCABLE UNDERTAKING

On 17 December 2019, Sportlight Limited (the “**IU Shareholder**”), entered into an irrevocable undertaking (the “**Irrevocable Undertaking**”) in favour of the Offeror pursuant to which, amongst other things, the IU Shareholder has irrevocably and unconditionally undertaken to the Offeror that it shall:

- (a) exercise or procure the exercise of the voting rights attached to all of the Shares held by it (the “**IU Shares**”) at the Court Meeting to vote in favour of any resolution which is necessary to implement or otherwise relates to the Proposal; and
- (b) exercise or procure the exercise of the voting rights attached to the IU Shares at the General Meeting to vote in favour of any resolution which is necessary to implement or otherwise relates to the Proposal.

The IU Shareholder has also undertaken in the Irrevocable Undertaking that during the period from the date of the Irrevocable Undertaking until the Effective Date, except for the performance of the Irrevocable Undertaking, it shall not:

- (i) sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging or other disposition or creation or grant of any other encumbrance or option of or over all or any of the IU Shares or interest in the IU Shares;
- (ii) enter into any swap or other arrangement that transfers to another person, in whole or in part, any of the economic consequences of ownership of any IU Shares or any interest therein; and
- (iii) enter into any transaction with the same effect as any transaction specified in the above paragraphs (i) to (ii).

The Irrevocable Undertaking is unconditional.

The obligations of the IU Shareholder under the Irrevocable Undertaking shall terminate on 17 January 2020, or when the Proposal lapses or is withdrawn, or the IU Shareholder is required to withdraw the Irrevocable Undertaking by any court to which the IU Shareholder is subject. The above are the only circumstances under which the obligations of the IU Shareholder under the Irrevocable Undertaking shall terminate.

As at the date of this announcement, the IU Shares comprise 87,406,000 Shares in total, representing approximately 4.62% of the issued Shares, approximately 10.70% of the Scheme Shares and approximately 11.05% of the Shares held by the Independent Shareholders.

A copy of the Irrevocable Undertaking shall be made available for inspection until the Effective Date or the date on which the Scheme lapses or is withdrawn, whichever is the earlier (1) at the registered office of the Company at 8th Floor, DCH Building, 20 Kai Cheung Road, Kowloon Bay, Hong Kong during normal business hours from 9:00 a.m. to 5:00 p.m. (except Saturdays, Sundays and public holidays in Hong Kong) (Hong Kong time); (2) on the website of the Company at <http://www.dch.com.hk>; and (3) the website of the SFC at <http://www.sfc.hk>.

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, 17 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.