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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**

(3) RESULTS OF THE COURT MEETING AND THE GENERAL MEETING

AND

**(4) CLOSURE OF REGISTER OF MEMBERS OF
DAH CHONG HONG HOLDINGS LIMITED**

Exclusive Financial Adviser to CITIC Pacific Limited



CLSA Capital Markets Limited

Independent Financial Adviser to the Independent Board Committee



RESULTS OF THE COURT MEETING AND THE GENERAL MEETING

On Thursday, 19 December 2019, the resolution to approve the Scheme was approved by the Scheme Shareholders at the Court Meeting in accordance with the requirements of the Companies Ordinance and the Takeovers Code. On Thursday, 19 December 2019, the Special Resolution was approved by the Shareholders at the General Meeting.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlements of the Scheme Shareholders who qualify for entitlements under the Scheme, the register of members of the Company will be closed from Tuesday, 31 December 2019 onwards. During such period, no transfer of the Shares will be effected. The Scheme Record Date is expected to be Tuesday, 7 January 2020.

INTRODUCTION

Reference is made to the scheme document jointly issued by Dah Chong Hong Holdings Limited (the “**Company**”) and CITIC Pacific Limited (the “**Offeror**”) dated 2 December 2019 (the “**Scheme Document**”) in relation to, among other things, the proposal for the privatisation of the Company by the Offeror by way of a scheme of arrangement under section 673 of the Companies Ordinance and the proposed withdrawal of listing of the Company. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Scheme Document.

RESULTS OF THE COURT MEETING

The Court Meeting was held at 10:30 a.m. 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.

In compliance with both the Companies Ordinance and Rule 2.10 of the Takeovers Code, the approval required to be obtained at the Court Meeting in respect of the Scheme would be regarded as obtained if the approval of the Scheme at the Court Meeting (by way of a poll) by holders of the Scheme Shares representing at least 75% of the voting rights of such holders present and voting, in person or by proxy, at the Court Meeting, and the votes cast (by way of poll) against the Scheme at the Court Meeting not exceeding 10% of the total voting rights attached to all Disinterested Shares, provided that:

- (a) the Scheme is approved (by way of poll) by at least 75% of the votes attaching to the Scheme Shares held by the Independent Shareholders that are cast either in person or by proxy at the Court Meeting; and
- (b) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Scheme Shares held by the Independent Shareholders.

At the Court Meeting:

- (a) Scheme Shareholders holding 326,714,499 Scheme Shares (representing approximately 89.12% of the voting rights of such holders of the Scheme Shares present and voting, in person or by proxy at the Court Meeting) voted in favour of the resolution to approve the Scheme, and Scheme Shareholders holding 39,892,454 Scheme Shares (representing approximately 4.88% of the total voting rights attached to all Disinterested Shares) voted against the resolution to approve the Scheme; and
- (b) Independent Shareholders holding 326,714,499 Scheme Shares (representing approximately 89.12% of the votes attaching to the Scheme Shares held by the Independent Shareholders which were cast either in person or by proxy at the Court Meeting) voted in favour of the resolution to approve the Scheme and Independent Shareholders holding 39,892,454 Scheme Shares (representing approximately 5.04% of the votes attaching to all the Scheme Shares held by the Independent Shareholders) voted against the resolution to approve the Scheme.

As set out in the announcement jointly issued by the Company and the Offeror dated 17 December 2019, Sportlight Limited (the “**IU Shareholder**”), a Scheme Shareholder holding 87,406,000 Shares (the “**IU Shares**”) (representing approximately 4.62% of the issued Shares), had entered into an irrevocable undertaking in favour of the Offeror to, amongst other things, exercise or procure the exercise of voting rights attached to the IU Shares at the Court Meeting to vote in favour of any resolution which was necessary to implement or otherwise relates to the Proposal.

Accordingly, the resolution proposed at the Court Meeting to approve the Scheme was duly passed in accordance with the requirements of both the Companies Ordinance and Rule 2.10 of the Takeovers Code.

As at the date of the Court Meeting: (1) the total number of Shares in issue was 1,891,247,220 Shares; and (2) the total number of Scheme Shares was 816,769,302 Shares, representing approximately 43.19% of the issued Shares.

As at the date of the Court Meeting, the Offeror Concert Parties beneficially owned, controlled or had direction over 1,100,150,318 Shares (representing approximately 58.17% of the issued Shares), of which (i) 1,074,477,918 Shares were beneficially owned, controlled or directed by the Offeror SPV Entities (representing approximately 56.81% of the issued Shares); and (ii) 25,672,400 Shares were beneficially owned, controlled or directed by the Offeror Concert Parties other than the Offeror SPV Entities (representing approximately 1.36% of the issued Shares). The Shares beneficially owned, controlled or directed by the Offeror SPV Entities did not form part of the Scheme Shares and, as such, were not voted at the Court Meeting. The Shares beneficially owned, controlled or directed by the Offeror Concert Parties other than the Offeror SPV Entities formed part of the Scheme Shares but were not voted at the Court Meeting. The Shares held by the Independent Shareholders, being a total of 791,096,902 Shares, representing approximately 41.83% of the issued Shares, were entitled to vote at the Court Meeting.

Save as disclosed above, no Shareholder was required under the Companies Ordinance, Takeovers Code and/or the Listing Rules to abstain from voting in respect of the Scheme at the Court Meeting nor did any person state any intention in the Scheme Document to vote against or to abstain from voting in respect of the Scheme at the Court Meeting.

KPMG, Certified Public Accountants, was appointed as the scrutineer for the vote-taking at the Court Meeting.

RESULTS OF THE GENERAL MEETING

The General Meeting was held immediately after conclusion of the Court Meeting, 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.

At the General Meeting, in respect of the special resolution to give effect to the Scheme, including the reduction of the share capital of the Company (the “**Special Resolution**”), a total of 1,477,293,183 Shares (representing approximately 78.11% of the issued Shares) were voted, in person or by proxy, on a poll, of which:

- (a) 1,437,375,356 Shares (representing approximately 97.30% of the Shares voted in respect of the Special Resolution) were voted in favour of the Special Resolution; and
- (b) 39,917,827 Shares (representing approximately 2.70% of the Shares voted in respect of the Special Resolution) were voted against the Special Resolution.

As set out in the announcement jointly issued by the Company and the Offeror dated 17 December 2019, the IU Shareholder had entered into an irrevocable undertaking in favour of the Offeror to, amongst other things, exercise or procure the exercise of voting rights attached to the IU Shares at the General Meeting to vote in favour of any resolution which was necessary to implement or otherwise relates to the Proposal.

Accordingly, the Special Resolution was approved (by way of poll) by a majority of not less than 75% of the votes cast by the Shareholders present and voting in person or by proxy at the General Meeting.

At the date of the General Meeting, the total number of Shares in issue was 1,891,247,220 and all Shareholders were entitled to vote for or against the Special Resolution at the General Meeting.

No Shareholder was required under the Companies Ordinance, Takeovers Code and/or the Listing Rules to abstain from voting on the Special Resolution at the General Meeting nor did any person state any intention in the Scheme Document to vote against or to abstain from voting on the Special Resolution at the General Meeting.

KPMG, Certified Public Accountants, was appointed as the scrutineer for the vote-taking at the General Meeting.

PROPOSED WITHDRAWAL OF THE LISTING OF THE SHARES

Subject to the Scheme becoming effective, the listing of the Shares on the Stock Exchange is expected to be withdrawn at 9:00 a.m. on Friday, 10 January 2020. The Company has applied to the Stock Exchange for the withdrawal of the listing of the Shares from the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules, subject to the Scheme being duly approved by the High Court and all other conditions having been fulfilled or waived, as applicable.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlements of the Scheme Shareholders who are qualified for entitlements under the Scheme, the register of members of the Company will be closed from Tuesday, 31 December 2019 onwards. During such period, no transfers of the Shares will be effected. In order to qualify for entitlements under the Scheme, all transfers accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on Monday, 30 December 2019. The Scheme Record Date, being the record date for the purpose of determining entitlements of the Scheme Shareholders to the Cancellation Price under the Scheme, is expected to be Tuesday, 7 January 2020.

EXPECTED TIMETABLE

The expected timetable for the Scheme is as follow:

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 (<i>Note 1</i>)	from Tuesday, 31 December 2019 onwards
High Court hearing of the petition for the sanction of the Scheme (<i>Note 2</i>)	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

Effective Date (*Note 2*) Wednesday, 8 January 2020

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 3*) 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 the Scheme Shareholders, who are qualified for entitlements under the Scheme.
2. 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.
3. 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 holders 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.

GENERAL

Immediately before 20 October 2019 (the commencement of the offer period (as defined in the Takeovers Code)) and as at the date of this announcement, the Offeror Concert Parties beneficially owned, controlled or had direction over 1,100,150,318 Shares (representing approximately 58.17% of the issued Shares in issue as at 20 October 2019 and as at the date of this announcement, respectively). None of the Offeror or the Offeror Concert Parties had acquired or agreed to acquire any Shares or rights over Shares or any convertible securities, warrants, options or derivatives in respect of the Shares since 20 October 2019 up to the date of this announcement. As at the date of this announcement, none of the Offeror or the Offeror Concert Parties had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

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, 19 December 2019

Note:

KPMG, Certified Public Accountants, (“KPMG”) was appointed as the scrutineer for the vote-taking at the Court Meeting and General Meeting. The poll results were subject to scrutiny by KPMG, whose work was limited to certain procedures requested by the Company to agree the poll results summary prepared by Tricor Investor Services Limited, the share registrar of the Company, to poll forms collected and provided by the Company to KPMG. The work performed by KPMG in this respect did not constitute an assurance engagement made in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements nor did it include provision of any assurance or advice on matters of legal interpretation or entitlement to vote.

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.