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(incorporated in Hong Kong with limited liability under the Companies Ordinance)

The holding company of Dah Sing Bank, Limited

(Stock Code: 2356)

CONNECTED TRANSACTION

ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF FORTUNE LAND CORPORATION LIMITED

On 26 November 2024, DSB, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with DSFH, pursuant to which DSFH agreed to sell and DSB agreed to purchase the entire issued share capital of Fortune Land (including the Premises) at a consideration of HK\$184,386,143. As at the date of this announcement (prior to the Completion), Fortune Land is a wholly-owned company of DSFH. It is principally engaged in property investment and its sole asset being the Premises. Upon Completion, Fortune Land will become an indirect wholly-owned subsidiary of the Company and its financial results will be consolidated with the results of the Group. The terms of the Sale and Purchase Agreement are set out in further details below.

As at the date of this announcement, DSFH is a controlling shareholder of the Company and a connected person of the Company pursuant to the Listing Rules. Accordingly, the transaction under the Sale and Purchase Agreement thereunder constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Since the highest of the applicable Percentage Ratios exceed 0.1% but less than 5%, the transaction under the Sale and Purchase Agreement is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirements under Chapter 14A.76 of the Listing Rules.

THE ACQUISITION

On 26 November 2024, DSB, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with DSFH, pursuant to which DSFH agreed to sell and DSB agreed to purchase the entire issued share capital of Fortune Land (including the Premises) at a consideration of HK\$184,386,143. As at the date of this announcement (prior to the Completion), Fortune Land is a wholly-owned subsidiary of DSFH. It is principally engaged in property investment and its sole asset being the Premises. Upon Completion, Fortune Land will become an indirect wholly-owned subsidiary of the Company and its financial results will be consolidated with the results of the Group. The terms of the Sale and Purchase Agreement are set out in further details below.

PRINCIPAL TERMS OF THE SALE AND PURCHASE AGREEMENT

Details of the Sale and Purchase Agreement are as follows:

Date:	26 November 2024
Vendor:	DSFH
Purchaser:	DSB
Subject matter:	The entire issued share capital of Fortune Land
The Premises:	Portion AA on Ground Floor and Flat A on Basement of Thai Kong Building, No. 482 Hennessy Road, Causeway Bay, Hong Kong
Consideration:	<p>HK\$184,386,143, which was agreed after arm's length discussions between the Vendor and the Purchaser with reference to the net asset value of Fortune Land. It is principally engaged in property investment and its sole asset being the Premises. The Company has obtained valuations of the Premises prepared by two independent professional valuers, namely (i) Savills Valuation and Professional Services Limited, which valued the Premises at approximately HK\$184 million as at 30 September 2024, and (ii) Knight Frank Petty Limited, which valued the Premises at approximately HK\$185 million as at 30 September 2024.</p> <p>The consideration will be satisfied by use of the Group's available internal resources.</p>
Payment:	DSB shall pay DSFH the Consideration at Completion by way of remittance to such bank account designated by DSFH or such other method as DSFH and DSB may agree.
Completion:	Completion shall take place simultaneously with the signing of the Sale and Purchase Agreement.

To the best of the knowledge of the Directors, the two independent professional valuers and their respective ultimate beneficial owners are independent of the Company, DSFH and their respective connected persons.

INFORMATION OF FORTUNE LAND AND THE PREMISES

Fortune Land is a company incorporated in Hong Kong and, as at the date of this announcement (prior to the Completion), a wholly-owned subsidiary of DSFH. It is principally engaged in property investment and its sole asset being the Premises. According to the management accounts of Fortune Land prepared in accordance with Hong Kong Accounting Standards, as at 13 November 2024, the net asset value of Fortune Land and the book value of the Premises were HK\$184,386,143 and HK\$184,500,000, respectively. The financial results of Fortune Land for the two years immediately preceding the date of the Sale and Purchase Agreement are as follows:

	For the years ended 31 December	
	2022	2023
	<i>(audited)</i>	<i>(audited)</i>
	HK\$	HK\$
Net loss before tax	(41,648,967)	(46,813,938)
Net loss after tax	(41,685,223)	(46,896,902)

Upon Completion, Fortune Land will become an indirect wholly-owned subsidiary of the Company and its financial results will be consolidated with the results of the Group.

The Premises has a saleable area of approximately 1,600 square feet on the ground floor and a basement of approximately 1,850 square feet. The Premises is vacant as at the date of this announcement. Fortune Land acquired the Premises in 2017 at HK\$510 million.

REASONS FOR AND BENEFITS OF THE ACQUISITION

DSB previously leased from Fortune Land the basement portion of the Premises for use as its Causeway Bay Branch up to 11 March 2019. DSB then relocated its Causeway Bay Branch to an adjacent property which was leased from an external party to allow Fortune Land to carry out certain building works in the Premises which were subsequently completed in early 2020. The Acquisition will give DSB the ownership and full control of a prime property at a strategic location to strengthen DSB's branch network and fulfil its operational needs. DSB plans to use the Premises or a sizeable portion thereof as its Causeway Bay Branch after the lease for the property of the existing Causeway Bay Branch ends in March 2025.

The Directors (including the independent non-executive directors) are of the view that the Sale and Purchase Agreement are on normal commercial terms, are fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, DSFH is a controlling shareholder of the Company and a connected person of the Company pursuant to the Listing Rules. Accordingly, the transaction under the Sale and Purchase Agreement thereunder constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Since the highest of the applicable Percentage Ratios exceed 0.1% but less than 5%, the transaction under the Sale and Purchase Agreement is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirements under Chapter 14A.76 of the Listing Rules.

Pursuant to rule 14A.68(8) of the Listing Rules, Mr. David Shou-Yeh Wong, being the substantial shareholder of DSFH, is required to abstain from voting on the Board resolutions regarding the transactions contemplated under the Sale and Purchase Agreement. The resolutions were voted and approved by the Directors who are not connected to the Sale and Purchase Agreement.

INFORMATION ON THE COMPANY

The Company is a company incorporated in Hong Kong, whose shares are listed on the Stock Exchange. It is the holding company of various subsidiaries including DSB, which conducts banking business.

INFORMATION ON THE PARTIES TO THE SALE AND PURCHASE AGREEMENT

(i) DSB

DSB is a company incorporated in Hong Kong. It is a direct wholly-owned subsidiary of the Company. It is a licensed bank in Hong Kong and is principally engaged in the provision of banking, financial and other related services in Hong Kong.

(ii) DSFH

DSFH is a company incorporated in Hong Kong, whose shares are listed on the Stock Exchange. DSFH is a controlling shareholder of the Company with 74.37% interest in the issued share capital of the Company as of the date of this announcement. DSFH is a connected person of the Company pursuant to the Listing Rules. DSFH is the company holding the insurance interests of the DSFH Group.

DEFINITIONS

Unless the context otherwise requires, the following terms shall have the meanings set out below for the purposes of this announcement:

“Acquisition”	the acquisition of the entire issued share capital in Fortune Land (including the Premises) by DSB from DSFH pursuant to the Sale and Purchase Agreement
"Company"	Dah Sing Banking Group Limited, a company incorporated in Hong Kong with limited liability and whose shares are listed on the Stock Exchange (Stock code: 2356)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement
“Consideration”	the consideration for the Acquisition in the amount of HK\$184,386,143
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
"Directors"	the directors of the Company
“DSB”	Dah Sing Bank, Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Company
“DSBG Group”	the Company and its subsidiaries
“DSFH”	Dah Sing Financial Holdings Limited
“DSFH Group”	DSFH and its subsidiaries (but excluding the DSBG Group)

“Fortune Land”	Fortune Land Corporation Limited, a company incorporated in Hong Kong with limited liability, and as at the date of this announcement (prior to the Completion), a wholly-owned subsidiary of DSFH
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Percentage Ratios"	the percentage ratios set out in Rule 14.07 of the Listing Rules, (i.e. "assets ratio", "profits ratio", "revenue ratio", "consideration ratio" and "equity capital ratio", as such terms are defined in the Listing Rules)
“Premises”	Portion AA on Ground Floor and Flat A on Basement of Thai Kong Building, No. 482 Hennessy Road, Causeway Bay, Hong Kong
“Purchaser”	DSB
“Sale and Purchase Agreement”	the sale and purchase agreement for the entire issued share capital of Fortune Land dated 26 November 2024 between the Vendor and the Purchaser as described in this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	DSFH

By Order of the Board
Dah Sing Banking Group Limited
Richard Tsung-Yung Li
Company Secretary

Hong Kong, 26 November 2024

As at the date of this announcement, the Board of the Company comprises Mr. David Shou Yeh Wong (Chairman), Mr. Hon-Hing Wong (Derek Wong) (Vice Chairman, Managing Director and Chief Executive), Mr. Gary Pak-Ling Wang and Mr. Nicholas John Mayhew (Deputy Chief Executive) as Executive Directors; Mr. Robert Tsai-To Sze, Mr. Blair Chilton Pickerell, Mr. Paul Franz Winkelmann, Mr. David Wai-Hung Tam, Ms. Nancy Ha-Fong Chan and Mr. Kin-Sang Cheung (Alex Cheung) as Independent Non-Executive Directors.