

VOLUNTARY CASH OFFER

by



DBS BANK LTD.

(Company Registration No.: 196800306E)
(Incorporated in the Republic of Singapore)

for and on behalf of

EASTON OVERSEAS LIMITED

(Company Registration No.: 111542)
(Incorporated in the British Virgin Islands)

to acquire all the issued and paid-up ordinary shares in the capital of

CHINA MERCHANTS HOLDINGS (PACIFIC) LIMITED

(Company Registration No.: 198101278D)
(Incorporated in the Republic of Singapore)

**DEALINGS DISCLOSURE AND LEVEL OF ACCEPTANCES FOR 4 JULY 2016
FINAL CLOSING DATE**

**EASTON OVERSEAS LIMITED OWNS, CONTROLS OR HAS AGREED TO ACQUIRE 97.79% OF
THE SHARES IN CHINA MERCHANTS HOLDINGS (PACIFIC) LIMITED¹**

1. INTRODUCTION

DBS Bank Ltd. ("**DBS Bank**") refers to the offer document dated 30 May 2016 (the "**Offer Document**") issued by DBS Bank, for and on behalf of Easton Overseas Limited (the "**Offeror**"), in connection with the voluntary cash offer (the "**Offer**") for all the issued and paid-up ordinary shares (the "**Shares**") in the capital of China Merchants Holdings (Pacific) Limited (the "**Company**"), other than those Shares owned, controlled or agreed to be acquired by the Offeror (the "**Offer Shares**").

As announced by DBS Bank, for and on behalf of the Offeror on 22 June 2016, the Offer had on 22 June 2016 become unconditional in all respects.

All capitalised terms used but not defined herein shall have the same meanings given to them in the Offer Document, unless otherwise expressly stated or the context otherwise requires.

¹ In this Announcement, unless otherwise stated, all references to percentage shareholding of the issued share capital of the Company are based on the issued 1,794,524,100 Shares.

2. DEALINGS BY THE OFFEROR

Pursuant to Rule 12.1 of the Code, DBS Bank, for and on behalf of the Offeror, wishes to announce the following acquisitions of Shares by the Offeror on 4 July 2016:

Total number of Shares acquired	246,400
Percentage of total number of Shares represented by Shares acquired	0.01%
Price per Share acquired (excluding brokerage commission and Goods and Services Tax)	S\$1.020

3. LEVEL OF ACCEPTANCES OF THE OFFER

Pursuant to Rule 28.1 of the Code, DBS Bank wishes to announce, for and on behalf of the Offeror, that:

(a) **Acceptances of the Offer.** As at 5.00 p.m. (Singapore time) on 4 July 2016, the Offeror has received valid acceptances of:

- (i) 1,617,000 Shares from Jiang Yan Fei, being a person acting in concert with the Offeror ("**Concert Party**") in connection with the Offer (representing approximately 0.09% of the total number of Shares); and
- (ii) 318,668,470 Shares from the other Shareholders ² (representing approximately 17.76% of the total number of Shares),

amounting in aggregate of **320,285,470 Shares**, representing approximately **17.85%** of the total number of Shares.

(b) **Shares held on or before the Offer Announcement Date.** As at the Offer Announcement Date, the Offeror and its Concert Parties owned, controlled or agreed to acquire an aggregate of **1,363,236,393 Shares**³, representing approximately **75.97%** of the total number of Shares.

(c) **Shares acquired or agreed to be acquired after the Offer Announcement Date and up to 5.00 p.m. (Singapore time) on 4 July 2016 (other than pursuant to valid acceptances of the Offer).** Following the Offer Announcement Date and up to 5.00 p.m. (Singapore time) on 4 July 2016, save for the acquisition by the Offeror of an aggregate of **72,950,600 Shares**, representing approximately **4.07%** of the total number of Shares, the Offeror and its Concert Parties have not acquired or agreed to acquire any Shares (other than pursuant to valid acceptances of the Offer).

² This includes an aggregate of 125,343,736 Shares (representing approximately 6.98% of the total number of issued Shares) held by Hongda International Asset Management Limited ("**HIAM**"). As disclosed in the Offer Document, HIAM has executed an irrevocable undertaking dated 23 May 2016 in favour of the Offeror to, *inter alia*, accept the Offer. HIAM has tendered in acceptance of the Offer in respect of its 125,343,736 Shares.

³ Including the 1,617,000 Shares held by Jiang Yan Fei.

4. RESULTANT SHAREHOLDINGS

Accordingly, as at 5.00 p.m. (Singapore time) on 4 July 2016, the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties; and (b) valid acceptances of the Offer, **amount to an aggregate of 1,754,855,463 Shares, representing approximately 97.79% of the total number of Shares of the Company.**

5. COMPULSORY ACQUISITION UNDER SECTION 215 OF THE COMPANIES ACT

As at 5.00 p.m. (Singapore time) on 4 July 2016, the Offeror has acquired not less than 90% of the total Shares as at the date of the Offer (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held in treasury). **Accordingly, the Offeror is entitled to, and will in due course, exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of the Shareholders who have not accepted the Offer (the "Dissenting Shareholders") at the Offer Price of S\$1.020 for each Share.**

The Offeror will, in due course, despatch the relevant documentation required under the Companies Act in relation to the exercise of its right of compulsory acquisition to the Dissenting Shareholders. Further announcements will also be made by the Offeror in due course in relation to the status of the compulsory acquisition.

In addition, Dissenting Shareholders also have the right, under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price by serving a notice requiring the Offeror to do so. As the Offeror will, in due course, exercise its right of compulsory acquisition under Section 215(1) of the Companies Act, the Dissenting Shareholders need not take any action in relation to Section 215(3) of the Companies Act. Dissenting Shareholders who nevertheless wish to exercise their rights under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.

6. FINAL CLOSING DATE

As announced by DBS Bank, for and on behalf of the Offeror on 22 June 2016, the Offer will remain open for acceptance until 5.30 p.m. (Singapore time) on 11 July 2016, or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

DBS Bank, for and on behalf of the Offeror, wishes to announce that the Offeror does not intend to extend the Offer beyond 5.30 p.m. (Singapore time) on 11 July 2016 (the "**Final Closing Date**"). **Notice is hereby given that the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Final Closing Date. Acceptances received thereafter will be rejected.**

7. DIRECTORS' RESPONSIBILITY STATEMENT

The sole director of the Offeror, the directors of Cornerstone, and the directors of CM Highway (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to the Company) are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the sole director of the Offeror, the directors of Cornerstone, and the directors of CM Highway has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

The sole director of the Offeror, the directors of Cornerstone, and the directors of CM Highway jointly and severally accept responsibility accordingly.

Issued by
DBS BANK LTD.

For and on behalf of
EASTON OVERSEAS LIMITED
4 July 2016

Any inquiries relating to this Announcement or the Offer should be directed during office hours to:

DBS Bank Ltd.
Strategic Advisory

Tel: (65) 6682 8999