

VOLUNTARY CONDITIONAL 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)

IRREVOCABLE UNDERTAKING

1. INTRODUCTION

DBS Bank Ltd. ("**DBS Bank**") refers to the announcement dated 9 May 2016 issued by DBS Bank, for and on behalf of Easton Overseas Limited (the "**Offeror**") in connection with the voluntary conditional cash offer for all the issued and paid-up ordinary shares ("**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 (as amended and clarified by the clarification announcement dated 10 May 2016 issued by DBS Bank, for and on behalf of the Offeror) (collectively, the "**Offer Announcement**").

All capitalised terms used in this Announcement shall have the same meanings as defined in the Offer Announcement, unless otherwise expressly stated or the context otherwise requires.

2. IRREVOCABLE UNDERTAKING

- 2.1 Further to the Offer Announcement, DBS Bank wishes to announce, for and on behalf of the Offeror that Hongda International Asset Management Limited ("**HIAM**") has executed an irrevocable undertaking dated 23 May 2016 (the "**Irrevocable Undertaking**") in favour of the Offeror, pursuant to which HIAM has undertaken to accept the Offer and the Convertible Bonds Offer in respect of (a) all Shares held by it, and (b) any other Shares and/or Convertible Bonds which it may acquire, or which may be allotted and issued to it, on or after the date of the Irrevocable Undertaking. As at the date of this Announcement, HIAM holds 125,343,736 Shares, representing approximately 6.98% of the total number of issued Shares.

- 2.2 The Irrevocable Undertaking shall terminate, lapse and cease to have any effect upon the Offer being withdrawn for whatever reason other than as a result of a breach of any of HIAM's obligations under the Irrevocable Undertaking.
- 2.3 Save for the Irrevocable Undertaking, as at the date of this Announcement, neither the Offeror nor any persons acting in concert with the Offeror has received any irrevocable undertaking from any other person to accept or reject the Offer and the Convertible Bonds Offer.

3. DIRECTORS' RESPONSIBILITY STATEMENT

The sole director of the Offeror, the directors of Cornerstone Holdings Limited ("**Cornerstone**"), and the directors of China Merchants Huajian Highway Investment Co., Ltd ("**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
23 May 2016

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

DBS Bank Ltd.
Strategic Advisory

Tel: (65) 6682 8999