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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)

REVISION OF ANNUAL CAPS OF AN EXISTING CONTINUING CONNECTED TRANSACTION

Pursuant to the Second Supplemental Agreement to the IPT 19th Floor Lease Agreement, DSIS will surrender certain portions of the Office Premises with an aggregate lettable floor area of approximately 1,792 square feet to DSB. Taking into account the portion of the Office Premises already surrendered by DSIS to DSB pursuant to the First Supplemental Agreement to the IPT 19th Floor Lease Agreement, the monthly rental payable under the IPT 19th Floor Lease Agreement by DSIS to DSB will further be reduced to HK\$133,190 effective 20 October 2015. The annual rent together with the management fees, government rates, electricity, service charges and air-conditioning charges under the IPT 19th Floor Lease Agreement (as revised and supplemented) will be reduced to HK\$3.0 million in 2015 and HK\$2.2 million in 2016.

Following the above changes, the total aggregate amount payable under the New DSIS Lease Agreements, the New DSIA Lease Agreement, the New Shenzhen Lease Agreement and the New MIC Lease Agreements (each of such agreements has respectively been defined in the Announcement) for each of the two financial years ending 31 December 2015 and 2016 will be revised to the sum of HK\$20.6 million and HK\$19.8 million, respectively.

As one of the Percentage Ratios (other than the profits ratio) of the Revised Annual Caps for each of 2015 and 2016 is higher than 0.1% but less than 5%, accordingly, such transactions are subject to the reporting, annual review and announcement requirements under Rule 14A.71, Rules 14A.55 to 14A.59 and Rule 14A.35 of the Listing Rules but is exempt from independent shareholders' approval requirement.

PARTIES AND THEIR CONNECTED RELATIONSHIP

The Company is the holding company of DSB. DSB is principally engaged in the provision of banking services.

DSIS is a wholly-owned subsidiary of DSFH. As DSFH is a substantial shareholder of the Company, DSIS is a connected person of the Company pursuant to the Listing Rules. DSIS is the general agent of Dah Sing Life Assurance Company Limited in Hong Kong.

Accordingly, the transactions between DSB and DSIS constitute connected transaction of the Company, subject to relevant disclosures and/or independent shareholders' approval requirements under the Listing Rules.

DESCRIPTION OF THE TRANSACTIONS

As disclosed in the Announcement, pursuant to the IPT 19th Floor Lease Agreement, DSIS has renewed the leasing of the Office Premises with a lettable floor area of 6,558 square feet from DSB for a term of three years commencing on 1 January 2014 and expiring on 31 December 2016 (both days inclusive) at a monthly rent of HK\$249,204 exclusive of management fees, government rates, electricity, service charges and air-conditioning charges. The annual rent together with these excluded items, as set out in the IPT 19th Floor Lease Agreement, was estimated not to exceed HK\$4.0 million per annum.

Pursuant to the First Supplemental Agreement to the IPT 19th Floor Lease Agreement, DSIS has surrendered a portion of the Office Premises with a lettable floor area of approximately 1,261 square feet to DSB and effective 1 June 2014, the monthly rent payable under the IPT 19th Floor Lease Agreement by DSIS to DSB has been reduced to HK\$201,286. The annual rent together with the management fees, government rates, electricity, service charges and air-conditioning charges, has been reduced to HK\$3.0 million.

DSIS proposes to further surrender part of the Office Premises under the IPT 19th Floor Lease Agreement to DSB. On 19 October 2015, DSB and DSIS entered into the Second Supplemental Agreement to the IPT 19th Floor Lease Agreement, pursuant to which DSIS will surrender a further portion of the Office Premises with a lettable floor area of approximately 1,792 square feet and effective 20 October 2015, the monthly rental payable under the IPT 19th Floor Lease Agreement by DSIS to DSB will be reduced to HK\$133,190. The annual rent together with the management fees, government rates, electricity, service charges and air-conditioning charges, will be reduced to HK\$2.2 million.

REASONS FOR THE TRANSACTION

DSIS is headquartered at Island Place Tower. Due to change of business needs, DSIS will surrender to DSB certain portions of the Office Premises under the IPT 19th Floor Lease Agreement. DSB is expanding its business and requires more office space for both back offices and front offices. The surrendered portions suit the needs of DSB and those surrendered portions will be taken up by DSB for use as its back offices. Given the operational set-up and close business co-operation between the subsidiaries of the Company and the insurance subsidiaries of DSFH, the Directors consider that the surrender of part of the Office Premises under the IPT 19th Floor Lease Agreement by DSIS is conducive to the business requirements, operations and efficiency of the Group, and in part eases the compliance burden on connected transactions between the Group and DSFH Group and therefore is of benefit to the Company and Shareholders as a whole.

REVISED ANNUAL CAPS

Based on the terms of the First Supplemental Agreement to the IPT 19th Floor Lease Agreement and the Second Supplemental Agreement to the IPT 19th Floor Lease Agreement, the annual amount together with the associated management fees, government rates, electricity, service charges and air-conditioning charges payable to the Group under the IPT 19th Floor Lease Agreement (as revised and supplemented) for each of the two financial years ending 31 December 2015 and 2016 will be revised to the sum of HK\$3.0 million and HK\$2.2 million respectively.

Based on the above, the total aggregate amount payable under the New DSIS Lease Agreements, the New DSIA Lease Agreement, the New Shenzhen Lease Agreement and the New MIC Lease Agreements (each of them has respectively been defined in the Announcement) for each of the two financial years ending 31 December 2015 and 2016 will be revised to the sum of HK\$20.6 million and HK\$19.8 million, respectively.

LISTING RULES IMPLICATIONS

As one of the Percentage Ratios (other than the profits ratio) of the Revised Annual Caps for each of 2015 and 2016 is higher than 0.1% but less than 5%, accordingly, such transactions are subject to the reporting, annual review and announcement requirements under Rule 14A.71, Rules 14A.55 to 14A.59 and Rule 14A.35 of the Listing Rules but is exempt from independent shareholders' approval requirement.

Pursuant to Rule 14A.68(8) of the Listing Rules, Messrs. David Shou-Yeh Wong, Hon-Hing Wong (Derek Wong), Gary Pak-Ling Wang and Robert Tsai-To Sze, being Directors having a connected relationship with DSFH Group, have abstained from voting on the Board resolution relating to Revised Annual Caps for each of 2015 and 2016. The resolution was voted and approved by Directors who are not connected to the transactions.

The Directors (including the independent non-executive Directors) are of the view that the Revised Annual Caps for each of 2015 and 2016 and the terms of the continuing connected transactions contemplated under the leasing arrangement between the Group and DSFH Group for each of the financial years ending 31 December 2015 and 2016 were entered into on a continuing and regular basis, are fair and reasonable and in the interest of the Company and Shareholders as a whole.

DEFINITIONS

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

"Announcement"	an announcement published by the Company on 30 December 2013 regarding, among other things, the leasing arrangement between DSB and DSIS in relation to the Office Premises.
"Board"	The board of Directors of the Company
"Company"	Dah Sing Banking Group Limited, a company incorporated in Hong Kong, whose shares are listed on the Stock Exchange
"DSB"	Dah Sing Bank, Limited
"Directors"	the directors of the Company
"DSFH"	Dah Sing Financial Holdings Limited
"DSFH Group"	DSFH and its subsidiaries (but excluding the Group)
"DSIS"	Dah Sing Insurance Services Limited
"First Supplemental Agreement to the IPT 19th Floor Lease Agreement"	the supplemental agreement entered into between DSB and DSIS on 30 May 2014 in relation to the surrender of a portion of the Office Premises by DSIS to DSB
"Group"	the Company and its subsidiaries
"IPT 19th Floor Lease Agreement"	the lease agreement entered into between DSIS and DSB on 30 December 2013 in relation to the leasing of the Office Premises
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Office Premises"	Portion of the 19th Floor of Island Place Tower, Island Place, No. 510 King's Road, Hong Kong

"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)
"Revised Annual Caps for each of 2015 and 2016"	the revised annual caps of the continuing connected transactions contemplated under each of the New DSIS Lease Agreements (as revised and supplemented), the New DSIA Lease Agreement, the New Shenzhen Lease Agreement and the New MIC Lease Agreements (each of such agreements has respectively been defined in the Announcement) between the Group and DSFH Group for each of the two financial years ending 31 December 2015 and 2016
"Second Supplemental Agreement to the IPT 19th Floor Lease Agreement"	the supplemental agreement entered into between DSB and DSIS on 19 October 2015 in relation to the further surrender of a portion of the Office Premises by DSIS to DSB
"Shareholders"	the shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

By Order of the Board
Dah Sing Banking Group Limited
Doris W. N. Wong
Company Secretary

Hong Kong, 19 October 2015

As at the date of this announcement, the Board of the Company comprises Messrs. David Shou-Yeh Wong (Chairman), Hon-Hing Wong (Derek Wong) (Vice Chairman), Harold Tsu-Hing Wong (Managing Director and Chief Executive) and Gary Pak-Ling Wang as Executive Directors; Mr. Shoji Hirai as Non-Executive Director; Messrs. Robert Tsai-To Sze, Andrew Kwan-Yuen Leung, Seng-Lee Chan and Yuen-Tin Ng as Independent Non-Executive Directors.