

## PRESS RELEASE

June 28, 2005

### DAH SING GROUP ANNOUNCES THE ACQUISITION OF PACIFIC FINANCE (HONG KONG) LIMITED

Dah Sing has agreed to acquire 100% of Pacific Finance from Jardine Matheson & Co. and J.P. Morgan International Finance (“JPMIF”) for HK\$936 million. It is expected that the acquisition will be completed by 27 October 2005, subject to the fulfilment of a number of regulatory approvals.

#### INFORMATION ON PACIFIC FINANCE

Pacific Finance is primarily engaged in consumer and SME finance activities in Hong Kong in relation to vehicle finance, equipment finance, property finance and unsecured loans, and is owned as to 50% by Jardine Matheson and 50% by JPMIF. Pacific Finance was incorporated in November 1994, and has developed a balanced and diversified product and customer base in its major business areas.

Based on the audited financial statement of Pacific Finance for the years ended 31 December 2003 and 2004, the shareholders’ funds of Pacific Finance were HK\$503.8 million and HK\$531.8 million respectively, the net profits of Pacific Finance before taxation and extraordinary items were HK\$28.1 million and HK\$81.9 million respectively, and the net profits of Pacific Finance after taxation and extraordinary items for those years were HK\$24.3 million and HK\$68.0 million respectively.

#### INFORMATION ON DAH SING

Dah Sing is a financial services group active in the banking and insurance businesses. It comprises two listed companies, Dah Sing Financial Holdings Limited and Dah Sing Banking Group Limited, with two banks Dah Sing Bank and MEVAS Bank, as well as life and general insurance businesses. The Dah Sing Group has gained a reputation as one of the most progressive and innovative financial services groups in Hong Kong. Key to its success is the strength of the Dah Sing management team and the group's commitment to serving its customers.

The Dah Sing Group has been a pioneer of the development of the consumer banking, SME lending and bancassurance sectors amongst the mid-size financial services groups in Hong Kong, and this culture of innovation and progress has been fundamental to the growth of the business.

## **REASONS FOR THE ACQUISITION**

The acquisition of Pacific Finance is in line with the Dah Sing's strategy to grow our business both through organic means, and through mergers and acquisitions as appropriate. The acquisition of Pacific Finance broadens our existing vehicle finance, equipment finance, property finance and unsecured loan businesses, and, the directors believe, will help Dah Sing achieve additional scale in those business areas. Dah Sing's directors believe that the terms of the transaction are fair and reasonable, and in the interests of the shareholders as a whole.

## **GENERAL**

Mr. David S.Y. Wong, Chairman of Dah Sing, stated "We are pleased that within twelve months of the separate listing of the Dah Sing Banking Group we have been able to acquire Pacific Finance, which we believe will be of added value to the group and its shareholders in the years to come."

Mr. Derek Wong, Chief Executive of Dah Sing, stated "We believe that Pacific Finance's niche businesses are a good fit with our existing businesses, and we look forward to building on Pacific Finance's success as a part of the enlarged Dah Sing group."

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