

Press Release (Immediate Release)

16 November 2010

**Rights Issue of Dah Sing Financial Holdings Limited and
Dah Sing Banking Group Limited**

On 16 November 2010, Dah Sing Financial Holdings Limited (“**DSFH**”) and Dah Sing Banking Group Limited (“**DSBG**”) jointly announced their Rights Issues.

DSFH will provisionally allot 1 DSFH Rights Share for every 8 DSFH Shares held by each DSFH qualifying Shareholder on 26 November 2010 at a subscription price of HK\$36.89, representing a 40.0% discount to the last trading price on 16 November 2010. As a result, about 32.5 million shares will be issued to raise gross proceeds of approximately HK\$1.2 billion.

DSBG will provisionally allot 1 DSBG Rights Share for every 10 DSBG Shares held by each DSBG qualifying Shareholder on 26 November 2010 at a subscription price of HK\$9.00, representing a 40.9% discount to the last trading price on 16 November 2010. As a result, about 111.2 million shares will be issued to raise gross proceeds of approximately HK\$1 billion.

DSFH as the controlling shareholder of DSBG, holding around 74.13% of DSBG will use approximately HK\$740 million of the proceeds from its Rights Issue to subscribe in full for its entitlement to the Rights Shares of DSBG. The remaining approximately HK\$450 million will be retained by DSFH for general working capital purposes and to further develop its financial services business.

DSBG will use the entire gross proceeds amounting to approximately HK\$1 billion to strengthen its core capital. As a result, the combined core capital adequacy ratio and total capital adequacy ratio of DSBG are each expected to increase by about 1.2%, assuming that all the new share capital is injected to DSBG’s banking subsidiaries.

The controlling shareholder of DSFH, the family interests of Mr. David S.Y. Wong, who is also the Chairman of DSFH and DSBG, have undertaken to subscribe in full for their entitlement to the Rights Shares to be issued by DSFH, which will result in Mr. Wong’s family interests investing a further approximately HK\$484 million of new capital in DSFH.

Group Chairman Mr. David S.Y. Wong said, “The major purpose of the Rights Issues is to raise new capital to support the development of the financial services businesses of both DSFH and DSBG, particularly banking and insurance, in the future. Whilst there are still a number of issues to be resolved in the banking business globally, the management of the Group notes that the performance of banks in Asia, and particularly in the Greater China region, has been reasonably robust in recent times, with most banks reporting increases both in volume of business, and in profitability. Whilst a number of uncertainties still exist in the global financial markets, and regulatory requirements will be subject to further development, in general, both DSFH and DSBG are cautiously optimistic with regard to the outlook of the banking and financial services business in Hong Kong, the Mainland and Macau. Therefore, whilst there is no immediate need for capital, the Boards of DSFH and DSBG consider that it is appropriate and advantageous to raise additional capital, which will allow both groups to capture opportunities to further develop their financial services businesses.”

With respect to the use of a Rights Issue to raise capital, Mr. David S.Y. Wong explained, “The Rights Issues are intended to give a fair and equal opportunity to all existing shareholders to participate in supporting the future growth of both DSFH and DSBG without being diluted.”

~The End~