

DEED OF IRREVOCABLE UNDERTAKING

STRICTLY PRIVATE & CONFIDENTIAL

CITIC Pacific Limited (the "Offeror")

32/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

December 17, 2019

Attn: Board of Directors

Dear Sir/Madam

Re: Dah Chong Hong Holdings Limited (stock code: 01828) (the "Company")

We, Sportlight Limited, understand that on 14 October 2019, the Offeror requested the board of directors of the Company to put forward the Proposal (as defined in Clause 1.6 below) for the privatisation of the Company.

1. Definitions

For the purpose of this Deed,

- 1.1 "Announcement" shall mean the announcement jointly issued by the Offeror and the Company in relation to the Proposal on 20 October 2019;
- 1.2 "CCASS Participant" shall mean a person admitted to participate in Central Clearing and Settlement System as a direct clearing participant or general clearing participant, a custodian participant or an investor participant who may be an individual or joint individuals or a corporation;
- 1.3 "Control" shall mean (i) the right to exercise, directly or indirectly, at least 50% of the voting equity of the other person (or other comparable ownership if the person is not a corporation); or (ii) possessing, directly or indirectly, the power to direct or cause the direction of the affairs or management of the other person, whether through the ownership of voting securities, by contract or otherwise, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body governing the affairs of such person;
- 1.4 "Effective Date" shall mean the date on which the Scheme becomes effective in accordance with the Companies Ordinance (Cap. 622 of the Laws of Hong Kong);

- 1.5 **"Existing Shares"** shall have the meaning ascribed to it in Clause 2.1(a);
- 1.6 **"Proposal"** shall (i) mean the proposal for the privatisation of the Company by the Offeror by way of the Scheme at a cancellation price of HK\$3.70 per Share on the terms and conditions set out in the Announcement and to be set out in the Scheme Document, and/or on such other terms and conditions as may be required by the Takeovers Code and/or the requirements of the SFC and the Stock Exchange or any other relevant securities exchange and/or as are customarily included in offers made under the Takeovers Code, and (ii) include any revision or variation in the terms of the Proposal as referred to in (i) above, unless such revision or variation involves a cancellation price per Share lower than that as indicated in (i) above;
- 1.7 **"Scheme"** shall mean the scheme of arrangement to be proposed under section 673 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) for the implementation of the Proposal;
- 1.8 **"Scheme Document"** shall mean the composite scheme document of the Offeror and the Company containing, among other things, further details of the Proposal;
- 1.9 **"SFC"** shall mean the Securities and Futures Commission of Hong Kong;
- 1.10 **"Shares"** shall mean the ordinary shares in the share capital of the Company;
- 1.11 **"Stock Exchange"** shall mean The Stock Exchange of Hong Kong Limited; and
- 1.12 **"Takeovers Code"** shall mean the Hong Kong Code on Takeovers and Mergers.

2. **Representations and Warranties**

- 2.1 We hereby represent and warrant as at the date of this Deed, the date of despatch of the Scheme Document and the date immediately prior to the Effective Date, that:
- (a) we beneficially own, control or have direction over 87,406,000 issued Shares (the **"Existing Shares"**), free and clear of any lien, charge, mortgage, encumbrance or any third party rights whatsoever; and
 - (b) we have full power and authority to execute and deliver this Deed, give the undertakings contained herein, and to perform the obligations hereunder.
- 2.2 We agree and acknowledge that, prior to the Effective Date, or the date on which the Scheme lapses, the date on which the Scheme is withdrawn, or the date on which we are required to withdraw from this Deed by any court or any regulatory body to which we are subject, whichever is earlier, save for the Existing Shares, if any Shares, securities or interest of the Company (or any interest therein) is acquired by us, such Shares, securities or interest (as the case may be) shall be deemed to be included in the expression **"Existing Shares"** for the purposes of this Deed, and we shall notify the Offeror of the details of

such transaction (including the price and number of Shares or securities of the Company (or any interest therein)) within three business days (as defined in the Takeovers Code) after such transaction.

3. Undertakings

We hereby irrevocably and unconditionally undertake to the Offeror that:

3.1 unless otherwise instructed by the Offeror, we shall exercise, or irrevocably instruct our broker, custodian or nominee who is, or has in turn deposited the Existing Shares with, a CCASS Participant, to exercise or procure the exercise of the voting rights attached to the Existing Shares:

- (a) at a court meeting to be convened (including any adjournment thereof) to vote in person or by proxy in favour of any resolution (by way of poll) which is necessary to implement or otherwise relates to the Proposal (including any resolution that may impact on the fulfilment of any condition of the Proposal); and
- (b) at a general meeting of the Company to be convened (including any adjournment thereof) to vote in person or by proxy in favour of any resolution (by way of poll) which is necessary to implement or otherwise relates to the Proposal (including any resolution that may impact on the fulfilment of any condition of the Proposal),

if applicable, for the above purpose, if requested by the Offeror in writing at least two days in advance of the above meetings, we will deliver signed proxy forms for voting for the resolutions to be proposed at the relevant court meeting and general meeting, and will not revoke such proxy forms and will not attend the relevant meetings.

3.2 for the period from the date of this Deed and ending on the Effective Date, except for the performance of this Deed, we shall not:

- (a) sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging or other disposition or creation or grant of any other encumbrance or option of or over all or any of the Existing Shares or interest in such Existing Shares;
- (b) enter into any swap or other arrangement that transfers to another person, in whole or in part, any of the economic consequences of ownership of any Existing Shares or any interest therein; and
- (c) enter into any transaction with the same effect as any transaction specified in Clauses 3.2(a) to (b) above;

3.3 to the extent that any of the Existing Shares are not registered in our name, we shall irrevocably instruct our broker, custodian or nominee who is, or has in turn deposited the Existing Shares with, a CCASS Participant, to procure the registered holder(s) thereof to take such actions as shall be necessary for Clauses 3.1 and 3.2 to be complied with in full; and

- 3.4 for the period from the date of this Deed and ending on the Effective Date, we shall execute and do (or procure to be executed and done) all such documents and acts as may be necessary or desirable for the purpose of giving effect to the Proposal as directed by the Offeror.

4. Confidentiality

We shall not circulate this Deed or make any disclosure in connection herewith to any person without your prior written consent, unless such disclosure is:

- 4.1 required by any applicable laws or by a court of competent jurisdiction, provided that any information disclosed pursuant to this Clause 4.1 shall be disclosed only after notice to the Offeror (save where such notice is prohibited by any applicable laws) and we shall take reasonable steps to consult and co-operate with the Offeror regarding the content, timing and manner of that disclosure and take reasonable steps to co-operate with any action which the Offeror may reasonably elect to take to challenge legally the validity of that requirement;
- 4.2 made to our professional advisers, subject to the condition that we shall procure that those persons maintain confidentiality of the disclosed information;
- 4.3 made to our officers or employees on a need-to-know basis subject to the condition that we shall procure that those persons maintain confidentiality of the disclosed information; or
- 4.4 of information that has already come into the public domain through no fault of us.

5. Miscellaneous

- 5.1 We consent to the issue of any announcement(s) by the Offeror and the Company (if required) incorporating references to us and to this Deed. We understand that this Deed will be made available for inspection during the offer period (as defined in the Takeovers Code) and that particulars of this Deed will be contained in the abovementioned announcement(s) and the Scheme Document. We undertake to provide the Offeror with all such further information in relation to our interest and that of any person connected with us as the Offeror may require in order to comply with the rules and requirements (and requests, if applicable) of the Takeovers Code, the SFC, the Stock Exchange, and any other legal or regulatory requirements for inclusion in the abovementioned announcement(s) and the Scheme Document (or any other documents required in connection with the Proposal).
- 5.2 We agree to this Deed being made available for inspection by the SFC, the Stock Exchange and members of the public, if required.
- 5.3 This Deed shall take effect from the date of this Deed, and our obligations under this Deed shall terminate on 17 January 2020, or if the Proposal lapses or is withdrawn, or we are required to withdraw from this Deed by any court to which we are subject, whichever is earlier.

- 5.4 We agree that damages may not be an adequate remedy for breach of this Deed and acknowledge that the Offeror may be entitled to seek remedies of specific performance and other equitable relief for breach of this Deed.
- 5.5 Any date, time or period referred to in this Deed shall be of the essence except to the extent to which we and the Offeror agree in writing to vary any date, time or period, in which event the varied, date, time or period shall be of the essence.
- 5.6 This Deed shall be governed by and construed in accordance with the laws of Hong Kong.
- 5.7 Any matter, claim or dispute arising out of or in connection with this Deed shall be subject to the non-exclusive jurisdiction of the Hong Kong courts.
- 5.8 We do not intend to confer any rights under this Deed upon any third party other than the Offeror. The Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) shall not apply to this Deed.

EXECUTED as a deed by Hon Kwai King ,)
Director, and Lo Kam Wing, Director ,)
duly authorised for and on behalf of)
Sportlight Limited in the presence of:)

For and on behalf of
SPORTLIGHT LIMITED

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Authorised Signature(s)

Name: Hon Kwai King

Title: For and on behalf of
SPORTLIGHT LIMITED

.....
Authorised Signature(s)

Name: Lo Kam Wing

Title: Director