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Ngai Shun Holdings Limited
毅信控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 01246)

DISCLOSEABLE TRANSACTIONS

ACQUISITIONS AND DISPOSALS

The Board hereby announced that Starry Focus (an indirect wholly-owned subsidiary of the Company) conducted the following acquisitions and disposals:

- (i) the First Acquisition for 14,000,000 CF Shares at the total consideration of approximately HK\$16.7 million (excluding transaction costs) on 13 April 2015;
- (ii) the First Disposal of 14,000,000 CF Shares at the total consideration of approximately HK\$12.7 million (excluding transaction costs) on 21 April 2015;
- (iii) the Second Acquisition for 52,500,000 WY Shares at the total consideration of approximately HK\$14.5 million (excluding transaction costs) on 13 April 2015;
- (iv) the Second Disposal of 32,315,000 WY Shares at the total consideration of approximately HK\$12.9 million (excluding transaction costs) on 20 May 2015;
- (v) the Third Disposal of 20,185,000 WY Shares at the total consideration of approximately HK\$7.4 million (excluding transaction costs) on 21 May 2015;
- (vi) the Third Acquisition for 100,000,000 WY Shares at the total consideration of approximately HK\$21.0 million (excluding transaction costs) on 23 June 2015; and
- (vii) the Forth Acquisition for 71,980,000 DX Shares at the total consideration of approximately HK\$11.0 million (excluding transaction costs) on 14 May 2015.

Each of the Acquisitions and the Disposals was made on the open market through the brokerage agent which is a third party independent of the Company and its connected persons (as defined in the Listing Rules) as at the relevant transaction date.

LISTING RULE IMPLICATIONS

As the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of each of the Acquisitions and the Disposals exceeded 5% but was less than 25%, each of the Acquisitions and the Disposals constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules and was subject to announcement requirement but exempt from the Shareholders' approval requirement under the Listing Rules.

Pursuant to Rule 14.34 of the Listing Rules, as soon as possible after the terms of a discloseable transaction have been finalised, the Company must publish an announcement as soon as possible. As such, the failure by the Company to comply with the above requirement constituted breach of Rule 14.34 of the Listing Rules.

ACQUISITIONS AND DISPOSALS

The Board hereby announced that Starry Focus (an indirect wholly-owned subsidiary of the Company) conducted the following acquisitions and disposals:

- (i) the First Acquisition for 14,000,000 CF Shares at the total consideration of approximately HK\$16.7 million (excluding transaction costs) on 13 April 2015;
- (ii) the First Disposal of 14,000,000 CF Shares at the total consideration of approximately HK\$12.7 million (excluding transaction costs) on 21 April 2015;
- (iii) the Second Acquisition for 52,500,000 WY Shares at the total consideration of approximately HK\$14.5 million (excluding transaction costs) on 13 April 2015;
- (iv) the Second Disposal of 32,315,000 WY Shares at the total consideration of approximately HK\$12.9 million (excluding transaction costs) on 20 May 2015;
- (v) the Third Disposal of 20,185,000 WY Shares at the total consideration of approximately HK\$7.4 million (excluding transaction costs) on 21 May 2015;
- (vi) the Third Acquisition for 100,000,000 WY Shares at the total consideration of approximately HK\$21.0 million (excluding transaction costs) on 23 June 2015; and
- (vii) the Forth Acquisition for 71,980,000 DX Shares at the total consideration of approximately HK\$11.0 million (excluding transaction costs) on 14 May 2015.

Each of the Acquisitions and the Disposals was made on the open market through the brokerage agent which is a third party independent of the Company and its connected persons (as defined in the Listing Rules) as at the relevant transaction date.

Involved assets and relevant considerations

The First Acquisition involved 14,000,000 CF Shares, representing approximately 2.3% of the issued share capital of CF (based on 614,724,000 CF Shares in issue as at 13 April 2015, according to publicly available information). The consideration paid for the First Acquisition was approximately HK\$16.7 million (excluding transaction costs), which was paid in cash on settlement.

The First Disposal involved 14,000,000 CF Shares, representing approximately 2.3% of the issued share capital of CF (based on 614,724,000 CF Shares in issue as at 21 April 2015, according to publicly available information). The consideration received for the First Disposal was approximately HK\$12.7 million (excluding transaction costs), which was received in cash on settlement. The realised fair value loss from the First Acquisition and First Disposal was approximately HK\$4.1 million, which was recorded in profit or loss.

The Second Acquisition involved 52,500,000 WY Shares, representing approximately 3.9% of the issued share capital of WY (based on 1,340,560,126 WY Shares in issue as at 13 April 2015, according to publicly available information). The consideration paid for the Second Acquisition was approximately HK\$14.5 million (excluding transaction costs), which was paid in cash on settlement.

The Second Disposal involved 32,315,000 WY Shares, representing approximately 2.4% of the issued share capital of WY (based on 1,340,560,126 WY Shares in issue as at 20 May 2015, according to publicly available information). The consideration received for the Second Disposal was approximately HK\$12.9 million (excluding transaction costs), which was received in cash on settlement.

The Third Disposal involved 20,185,000 WY Shares, representing approximately 1.5% of the issued share capital of WY (based on 1,340,560,126 WY Shares in issue as at 21 May 2015, according to publicly available information). The consideration received for the Third Disposal was approximately HK\$7.4 million (excluding transaction costs), which was received in cash on settlement. The realised fair value gain from the Second Acquisition, Second Disposal and Third Disposal was approximately HK\$5.7 million, which was recorded in profit or loss.

The Third Acquisition involved 100,000,000 WY Shares, representing approximately 4.6% of the issued share capital of WY (based on 2,177,122,772 WY Shares in issue as at 23 June 2015, according to publicly available information). The consideration paid for the Third Acquisition was approximately HK\$21.0 million (excluding transaction costs), which was paid in cash on settlement. The unrealised fair value loss from the Third Acquisition was approximately HK\$7.9 million, which was recorded in profit or loss.

The Forth Acquisition involved 71,980,000 DX Shares, representing approximately 1.3% of the issued share capital of DX (based on 5,603,967,127 DX Shares in issue as at 14 May 2015, according to publicly available information). The consideration paid for the Third Acquisition was approximately HK\$11.0 million (excluding transaction costs), which was paid in cash on settlement.

On 13 August 2015, Starry Focus disposed all the DX Shares acquired in the Forth Acquisition. The consideration received for such disposal was approximately HK\$6.6 million (excluding transaction costs), which was received in cash on settlement. No announcement was made regarding such disposal, as the applicable percentage ratios in respect of such disposal did not exceed 5%, and thus such disposal did not constitute a notifiable transaction under the Listing Rules. The realised fair value loss from the Forth Acquisition and such disposal was approximately HK\$4.4 million, which was recorded in profit or loss.

The considerations for each of the Acquisitions and the Disposals represented the market prices of the CF Shares, the WY Shares or the DX Shares at the relevant transaction date.

Reasons for the Acquisitions and the Disposals

The Company, through its subsidiaries, is principally engaged in the foundation business, property and securities investment.

As disclosed in the 2015 annual report of the Company, the Group intended to take a more active approach in gaining short-term returns for its surplus funds. The Group decided to include the short-term securities trading as one of its principal business activities in 2015 and 2016. The Acquisitions and the Disposals represented part of the Group's short-term security investments and were in alignment with the Group's strategic plan. The Group had considered general economy, industry trend, characteristics and highlights of each security and overall portfolio of the Group before each of the Acquisitions and the Disposals. The Directors considered that each of the Acquisitions and the Disposals at the relevant time was fair and reasonable and was in the interests of the Group and the Shareholders as a whole.

Information on CF, WY and DX

CF is a company incorporated in the Cayman Islands with limited liability and is listed on the main board of the Stock Exchange (stock code: 1019). CF is principally engaged in independent financial advisory business, money lending business, proprietary investment business, asset management business and corporate finance advisory services. According to the audited consolidated financial statement of CF, the revenue, profit before and after taxation for the year ended 31 December 2013 were approximately HK\$1,019 million, HK\$111 million and HK\$92 million respectively; while the revenue, profit before and after taxation for the year ended 31 December 2014 were approximately HK\$1,591 million, HK\$308 million and HK\$241 million respectively. As at 31 December 2014, the audited consolidated net asset of CF was approximately HK\$800 million.

WY is a company incorporated in Hong Kong with limited liability and is listed on the main board of the Stock Exchange (stock code: 648). WY is principally engaged in leasing and operation of medical equipment and provision of services on operation of medical equipment; retail chain of optical products and eye-care services; investments in securities, capital/fixed assets and distressed assets. According to the audited consolidated financial statement of WY, the revenue, loss before and after taxation for the year ended 31 December 2013 were approximately HK\$111 million, HK\$109 million and HK\$116 million respectively; while the revenue, loss before and after taxation for the year ended 31 December 2014 were approximately HK\$85 million, HK\$40 million and HK\$42 million respectively. As at 31 December 2014, the audited consolidated net asset of WY was approximately HK\$587 million.

DX is a company incorporated in Bermuda with limited liability and is listed on the GEM board of the Stock Exchange (stock code: 8086). DX is principally engaged in provision of professional information technology contract and maintenance services and E-commerce and provision of online sales platform. According to the audited consolidated financial statement of DX, the revenue, profit before and after taxation for the year ended 30 June 2013 were approximately HK\$1,404 million, HK\$54 million and HK\$37 million respectively; while the revenue, loss before and after taxation for the year ended 30 June 2014 were approximately HK\$1,324 million, HK\$63 million and HK\$71 million respectively. As at 31 December 2014, the unaudited consolidated net asset of DX was approximately HK\$174 million.

To the best of knowledge, information and belief of the Directors having made all reasonable enquiries, each of CF, WY, DX and their substantial shareholders was a third party independent to the Company and its associates, and not connected with the Directors, chief executives or substantial Shareholders of the Company and its subsidiaries and their respective associates (as defined under the Listing Rules) as at the relevant transaction date.

LISTING RULE IMPLICATIONS

As the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of each of the Acquisitions and the Disposals exceeded 5% but was less than 25%, each of the Acquisitions and the Disposals constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules and was subject to announcement requirement but exempt from the Shareholders' approval requirement under the Listing Rules.

Pursuant to Rule 14.34 of the Listing Rules, as soon as possible after the terms of a discloseable transaction have been finalised, the Company must publish an announcement as soon as possible. As such, the failure by the Company to comply with the above requirement constituted breach of Rule 14.34 of the Listing Rules.

At the time of conducting the Acquisitions and Disposals, the Directors of the Company at that time were not aware that such investment of the Group's surplus cash would constitute notifiable transactions under the Listing Rules due to inadvertent mistakes. The Directors, on behalf of the Company, hereby apologize for the mistake and the delay in making this announcement. The Directors will put in place appropriate monitoring and consultation procedures to prevent the occurrence of similar incident in future:

- (i) the Company will discuss and review its internal control and compliance system to identify any weakness;
- (ii) based on the review results, the Company will consider engaging professionals in internal control for advisory services on compliance with the Listing Rules; and
- (iii) all the relevant directors and the staff involved in the Acquisitions and the Disposals and the staff responsible for compliance will attend training sessions focusing on compliance and corporate governance matters.

Save for the above, the Directors confirm that there has been no other incidence of notifiable transactions that the Company has failed to comply with the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

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| “Acquisitions” | the First Acquisition, the Second Acquisition, the Third Acquisition and the Forth Acquisition |
| “associate(s)” | has the meaning ascribed to it under the Listing Rules |
| “Board” | the board of Directors |

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| “CF” | Convoy Financial Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 1019) |
| “CF Shares” | ordinary shares of CF |
| “Company” | Ngai Shun Holdings Limited, a company incorporated in the Cayman Islands and the shares of which are listed on the main board of the Stock Exchange |
| “connected person(s)” | has the meaning ascribed thereto in the Listing Rules |
| “Directors” | the directors of the Company |
| “Disposals” | the First Disposal, the Second Disposal and the Third Disposal |
| “DX” | DX.com Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the GEM board of the Stock Exchange (stock code: 8086) |
| “DX Shares” | ordinary shares of DX |
| “First Acquisition” | acquisition for 14,000,000 CF Shares at the total consideration of approximately HK\$16.7 million (excluding transaction costs) on 13 April 2015 |
| “First Disposal” | disposal of 14,000,000 CF Shares at the total consideration of approximately HK\$12.7 million (excluding transaction costs) on 21 April 2015 |
| “Forth Acquisition” | acquisition for 71,980,000 DX Shares at the total consideration of approximately HK\$11.0 million (excluding transaction costs) on 14 May 2015 |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Second Acquisition” | acquisition for 52,500,000 WY Shares at the total consideration of approximately HK\$14.5 million (excluding transaction costs) on 13 April 2015 |
| “Second Disposal” | disposal of 32,315,000 WY Shares at the total consideration of approximately HK\$12.9 million (excluding transaction costs) on 20 May 2015 |
| “Share(s)” | share(s) of HK\$0.001 each in the share capital of the Company |

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| “Shareholder(s)” | the holder(s) of Shares |
| “Starry Focus” | Starry Focus Limited, a company incorporated in Hong Kong with limited liability, and an indirect wholly-owned subsidiary of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Third Acquisition” | acquisition for 100,000,000 WY Shares at the total consideration of approximately HK\$21.0 million (excluding transaction costs) on 23 June 2015 |
| “Third Disposal” | disposal of 20,185,000 WY Shares at the total consideration of approximately HK\$7.4 million (excluding transaction costs) on 21 May 2015 |
| “WY” | China Wah Yan Healthcare Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 648) |
| “WY Shares” | ordinary shares of WY |
| “%” | per cent |

By order of the Board
Ngai Shun Holdings Limited
Mock Wai Yin
Executive Director and Chairman

Hong Kong, 18 December 2015

As at the date of this announcement, the Company has (i) three executive Directors, namely Mr. Mock Wai Yin, Mr. Chu Bai Qing and Mr. Zou Wei Dong; (ii) one non-executive Director, namely Mr. Chui Kwong Kau and (iii) three independent non-executive Directors, namely Mr. Lam Chi Wai, Ms. Lau Mei Ying and Ms. Thadani Jyoti Ramesh.

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.