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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

ACQUISITION AND DISPOSALS

The Board hereby announced that the Company conducted the following acquisition and disposals:

- (i) the Acquisition of a total of 9,760,000 Telefield Shares in a series of transactions conducted from 18 December 2015 to 29 December 2015 at the total consideration of approximately HK\$90.8 million (excluding transaction costs);
- (ii) the First Disposal of a total of 8,000,000 Huarong Shares on 19 October 2015 and 29 December 2015 for an aggregate gross sale proceeds of approximately HK\$23.4 million (excluding transaction costs); and
- (iii) the Second Disposal of a total of 12,400,000 KuangChi Shares in a series of transactions conducted from 15 December 2015 to 29 December 2015 for an aggregate gross sale proceeds of approximately HK\$40.3 million (excluding transaction costs).

Each of the Acquisition, the First Disposal and the Second Disposal 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 dates.

LISTING RULE IMPLICATIONS

As the applicable percentage ratios (as defined under the Listing Rules) in relation to each of the Acquisition, the First Disposal and the Second Disposal exceeded 5% but less than 25%, each of the Acquisition, the First Disposal and the Second Disposal constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to announcement requirement but exempt from the Shareholders' approval requirement under the Listing Rules.

ACQUISITION AND DISPOSALS

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- (ii) the First Disposal of a total of 8,000,000 Huarong Shares on 19 October 2015 and 29 December 2015 for an aggregate gross sale proceeds of approximately HK\$23.4 million (excluding transaction costs); and
- (iii) the Second Disposal of a total of 12,400,000 KuangChi Shares in a series of transactions conducted from 15 December 2015 to 29 December 2015 for an aggregate gross sale proceeds of approximately HK\$40.3 million (excluding transaction costs).

Each of the Acquisition, the First Disposal and the Second Disposal 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 dates.

Involved assets and relevant considerations

The Acquisition involved 9,760,000 Telefield Shares, representing approximately 1.97% of the issued share capital of Telefield (based on 495,531,140 Telefield Shares in issue as at 29 December 2015, according to publicly available information). The consideration paid for the Acquisition was approximately HK\$90.8 million (excluding transaction costs), which was paid in cash on settlement.

The First Disposal involved 8,000,000 Huarong Shares, representing approximately 0.24% of the issued share capital of Huarong (based on 3,278,107,918 Huarong Shares in issue as at 29 December 2015, according to publicly available information). The consideration received for the First Disposal was approximately HK\$23.4 million (excluding transaction costs), which was received in cash on settlement. The realised fair value loss from the First Disposal was approximately HK\$20.3 million, which would be recorded in profit or loss.

The Second Disposal involved 12,400,000 KuangChi Shares, representing approximately 0.22% of the issued share capital of KuangChi (based on 5,660,067,792 KuangChi Shares in issue as at 29 December 2015, according to publicly available information). The consideration received for the Second Disposal was approximately HK\$40.3 million (excluding transaction costs), which was received in cash on settlement. The realised fair value gain from the Second Disposal was approximately HK\$15.4 million, which would be recorded in profit or loss.

The considerations for each of the Acquisition, the First Disposal and the Second Disposal represented the market prices of the Telefield Shares, the Huarong Shares or the KuangChi Shares at the relevant transaction dates.

Information of Telefield, Huarong and KuangChi

Telefield is a company incorporated in the Cayman Islands with limited liability and is listed on the main board of the Stock Exchange (stock code: 1143). Telefield is principally engaged in electronic manufacturing services, marketing and distribution of branded SMB phone systems, assembling and/or marketing and distribution of branded multimedia products and

computer accessories, gaming and entertainment products. According to the audited consolidated financial statement of Telefiend, the revenue, profit before and after taxation for the year ended 31 December 2013 were approximately HK\$1,826 million, HK\$38 million and HK\$31 million respectively; while the revenue, loss before and after taxation for the year ended 31 December 2014 were approximately HK\$1,833 million, HK\$37 million and HK\$42 million respectively. As at 30 June 2015, the unaudited consolidated net asset of Telefiend was approximately HK\$314 million.

Huarong is a company incorporated in Bermuda with limited liability and is listed on the main board of the Stock Exchange (stock code: 0993). Huarong is principally engaged in securities, futures and options contracts brokerage, provision of margin financing, corporate finance and asset management services and direct investment in equities, bonds, funds, derivative instruments and other financial products. According to the audited consolidated financial statement of Huarong, the revenue, loss before and after taxation for the year ended 30 April 2014 were approximately HK\$39 million, HK\$58 million and HK\$58 million respectively; while the revenue, loss before and after taxation for the year ended 30 April 2015 were approximately HK\$46 million, HK\$48 million and HK\$48 million respectively. As at 31 October 2015, the unaudited consolidated net asset of Huarong was approximately HK\$671 million.

KuangChi is a company incorporated in the Bermuda with limited liability and is listed on the main board of the Stock Exchange (stock code: 0439). KuangChi is principally engaged in novel space services and other innovative technology business, manufacture and sale of paper packaging products and paper gift items and the printing of paper promotional materials and property investment. According to the audited consolidated financial statement of KuangChi, the revenue, loss before and after taxation for the year ended 31 December 2013 were approximately HK\$113 million, HK\$37 million and HK\$38 million respectively; while the revenue, loss before and after taxation for the year ended 31 December 2014 were approximately HK\$79 million, HK\$153 million and HK\$154 million respectively. As at 30 June 2015, the unaudited consolidated net asset of KuangChi was approximately HK\$2,013 million.

To the best of knowledge, information and belief of the Directors having made all reasonable enquiries, each of Telefield, Huarong and KuangChi 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 dates.

Reasons for and Benefits of the Acquisition, the First Disposal and the Second Disposal

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

The Group is from time to time identifying potential securities investment opportunity. It is noted that the price performance of Telefield Shares has been robust since the change of its controlling shareholder and its participation in a possible acquisition of equity interests in a PRC company. Based on the latest published information of Telefield, the Directors considered that the existing and proposed business development of Telefield has potential to be prospective. On the other hand, the First Disposal and the Second Disposal were in alignment with the Group's strategic plan in securities investment and created additional cash flow to the Group.

In view of the above, the Directors considered that the Acquisition, the First Disposal and the Second Disposal were fair and reasonable, on normal commercial terms and were in the interests of the Group and the Shareholders as a whole.

LISTING RULE IMPLICATIONS

As the applicable percentage ratios (as defined under the Listing Rules) in relation to each of the Acquisition, the First Disposal and the Second Disposal exceeded 5% but less than 25%, each of the Acquisition, the First Disposal and the Second Disposal constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to announcement requirement but exempt from the Shareholders' approval requirement under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Acquisition”	acquisition for a total of 9,760,000 Telefield Shares at the total consideration of approximately HK\$90.8 million (excluding transaction costs) in a series of transactions conducted from 18 December 2015 to 29 December 2015
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“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
“First Disposal”	disposal of a total of 8,000,000 Huarong Shares at the total consideration of approximately HK\$23.4 million (excluding transaction costs) on 19 October 2015 and 29 October 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
“Huarong”	Huarong International Financial Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 0993)
“Huarong Shares”	ordinary shares of Huarong

“KuangChi”	KuangChi Science Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 0439)
“KuangChi Shares”	ordinary shares of KuangChi
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Second Disposal”	disposal of a total of 12,400,000 KuangChi Shares at the total consideration of approximately HK\$40.3 million (excluding transaction costs) in a series of transactions conducted from 16 December 2015 to 29 December 2015
“Share(s)”	share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Telefield”	Telefield International (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: 1143)
“Telefield Shares”	ordinary shares of Telefield
“%”	per cent

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

Hong Kong, 29 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.