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CHINA BEST GROUP HOLDING LIMITED
國華集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 370)

DISCLOSEABLE TRANSACTION
DISPOSAL OF LISTED SECURITIES

The Group disposed on-market the LTHL Shares in a series of transactions conducted between 2 June 2016 and 28 July 2016, at a price between HK\$0.98 and HK\$1.08 per LTHL Share for an aggregate net sale proceeds of approximately HK\$77,332,000 (after deduction of transaction costs).

As certain applicable percentage ratios exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

THE DISPOSAL

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* For identification purpose only

As the Disposal was made on the market, the Company is not aware of the identities of the purchasers of the LTHL Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers of the LTHL Shares and their ultimate beneficial owners are Independent Third Parties.

Assets disposed

The Group disposed of 74,405,000 LTHL Shares, representing approximately 2.59% of the issued share capital of LTHL as at the date of this announcement.

After the Disposal, the Group still holds 43,500,000 LTHL Shares, representing approximately 1.52% of the issued share capital of LTHL as at the date of this announcement.

Consideration

The aggregate net sale proceeds of the Disposal is approximately HK\$77,332,000 (after deduction of transaction costs), which is receivable in cash on settlement. The consideration for the Disposal represented the market price of the LTHL Shares at the time of the Disposal.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in (i) international air and sea freight forwarding and the provision of logistics services, (ii) trading of securities, (iii) trading of fuel oil, electronic devices and other commodities, (iv) the finance leasing business and (v) the money lending business.

The purpose of the Disposal is to allow the Group to liquidate its securities investment and re-allocate its resources in line with the Group's business development. Before the Disposal, such LTHL Shares were classified as held for trading investments in the accounts of the Group with a total carrying value of approximately HK\$55,804,000 as at 31 December 2015. As a result of the Disposal, a gain of approximately HK\$12,433,000 was recorded in the first half of 2016 and mitigated losses derived from trading in listed securities during the period, while the remaining gain of approximately HK\$9,095,000 will be recognised in the second half of 2016. The aforesaid gains are calculated on the basis of the difference between their carrying value and net sale proceeds (after deduction of the transaction costs). The Group intends to use the proceeds of the Disposal for its existing business operation and general working capital.

The Disposal was made at market price and the Directors (including the independent non-executive Directors) are of the view that the Disposal will enhance the liquidity of the Group, was fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON LTHL

LTHL is principally engaged in trading and manufacturing of chicken meat products, animal feeds and chicken breeds, and since the second half of 2015, it has commenced its business diversification beyond the poultry business into the multi-media and gaming business as well. LTHL Shares are listed and traded on the main board of the Stock Exchange (stock code: 1089).

The following information is extracted from the 2015 annual report of LTHL:

	For the year ended	
	31 December	
	2015	2014
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	1,605,796	1,226,077
Loss before taxation	(16,391)	(9,509)
Loss for the year	(57,920)	(10,018)
Total equity	1,393,301	507,867

GENERAL

As certain applicable percentage ratios exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	China Best Group Holding Limited, a company incorporated in Bermuda whose shares are listed on the main board of the Stock Exchange (Stock Code: 370)
“Director(s)”	the director(s) of the Company
“discloseable transaction”	as defined in the Listing Rules
“Disposal”	the disposal by the Company, through its wholly-owned subsidiary, of a total of 74,405,000 LTHL Shares on the market for the period from 2 June 2016 to 28 July 2016 for a net sale proceeds of approximately HK\$77,332,000 (after deduction of transaction costs)
“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
“Independent Third Parties”	third parties independent of the Company and the connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LTHL”	Leyou Technologies Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code:1089)

“LTHL Share(s)”	share(s) of LTHL
“percentage ratios”	as defined in the Listing Rules
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Shareholder(s)”	holder(s) of share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board
China Best Group Holding Limited
Mr. Li Yang
Deputy Chairman

Hong Kong, 29 July 2016

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Tan Xiangdong, Mr. Li Yang, Mr. Wang Jian, Mr. Liu Wei and Mr. Chen Wei, and three independent non-executive Directors, namely Mr. Chan Fong Kong Francis, Mr. Liu Haiping and Mr. Liu Tonghui.