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DISCLOSEABLE TRANSACTION DISPOSAL OF LISTED SECURITIES

The Group further disposed of 43,500,000 LTHL Shares on 19 June 2017, at prices between HK\$1.60 and HK\$1.62 per LTHL Share for an aggregate net sale proceeds of approximately HK\$69,433,000 (after deduction of transaction costs) on the market.

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

THE DISPOSAL

Reference is made to the announcement of the Company dated 29 July 2016 in relation to the Previous Disposals. The Board announces that the Group further disposed of 43,500,000 LTHL Shares on 19 June 2017, at prices between HK\$1.60 and HK\$1.62 per LTHL Share for an aggregate net sale proceeds of approximately HK\$69,433,000 (after deduction of transaction costs) on the market. The average selling price of each LTHL Share is approximately HK\$1.60.

* *For identification purpose only*

As the Disposal was made on the market through the Stock Exchange, 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 43,500,000 LTHL Shares, representing approximately 1.49% of the issued share capital of LTHL as at the date of this announcement. Immediately after the Disposal, the Group does not hold any LTHL Share.

Consideration

The aggregate net sale proceeds of the Disposal is approximately HK\$69,433,000 (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) trading of fuel oil, electronic devices and other commodities, (ii) the finance leasing business, (iii) the money lending business, (iv) international air and sea freight forwarding and the provision of logistics services and (v) trading of securities.

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. Immediately 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\$69,600,000 as at 31 December 2016. As a result of the Disposal, a loss of approximately HK\$167,000 was recorded in the first half of 2017. The aforesaid loss is 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 net proceeds of the Disposal for its existing business plans and/or 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 the development of video games. LTHL Shares are listed and traded on the main board of the Stock Exchange (stock code: 1089).

The following information is extracted from the 2016 annual report of LTHL:

	For the year ended 31 December	
	2016	2015
	<i>RMB '000</i>	<i>RMB '000</i>
Continuing operation		
Revenue	855,883	322,654
Profit before taxation	130,108	36,297
Profit/(loss) after taxation	66,214	(1,937)
Discontinued operation		
Profit/(loss) from discontinued operation	26,922	(55,983)
Total equity	1,036,658	1,393,301

GENERAL

As certain applicable percentage ratios exceed 5% but are less than 25%, when calculated individually, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. As certain applicable percentage ratios exceed 5% but are less than 25%, when aggregated with the Previous Disposals, the Disposal still constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. The Disposal 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)
“connected person”	has the meaning ascribed to it under the Listing Rules
“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 43,500,000 LTHL Shares on the market on 19 June 2017 for a net sale proceeds of approximately HK\$69,433,000 (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
“Previous Disposals”	the disposals by the Company, through its wholly-owned subsidiary, of a total of 74,405,000 LTHL Shares on the market during 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)
“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, 20 June 2017

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Li Yang, Mr. Liu Wei, Mr. Chen Wei and Mr. Fan Jie, and three independent non-executive Directors, namely Mr. Liu Haiping, Mr. Liu Tonghui and Mr. Ru Xiangan.