

PRESS RELEASE

2 June 2016

**DAH SING GROUP ANNOUNCES AGREEMENT TO SELL LIFE INSURANCE SUBSIDIARIES AND ENTER INTO NEW BANCASSURANCE ARRANGEMENTS**

Dah Sing Financial Group today announced that it has reached an agreement to sell the life insurance businesses of Dah Sing Financial Holdings Limited (“DSFH”) in Hong Kong and Macau to the Fujian Thai Hot Investment Company, Limited (“Thai Hot” or the “Purchaser”) and for those businesses to enter into a long term distribution partnership with Dah Sing Bank, Limited (“Dah Sing Bank”) in Hong Kong and Banco Comercial de Macau, S.A. (“BCM”) in Macau. The consideration for the transaction is HK\$10.6 billion in cash. The transaction is subject to regulatory and shareholders’ approvals as well as the satisfaction of certain customary closing conditions.

The Purchaser will pay HK\$8 billion as consideration for Dah Sing Life Assurance Company Limited and Dah Sing Insurance Services Limited (collectively “Dah Sing Life”) as well as Macau Life Insurance Company Limited (“Macau Life”). In separate bancassurance agreements that will commence upon the completion of the sale of Dah Sing Life and Macau Life, Dah Sing Life and Macau Life will pay HK\$2.6 billion in aggregate to Dah Sing Banking Group Limited (“DSBG”) in exchange for 15-year exclusive bancassurance partnerships with Dah Sing Bank and BCM. A portion of the HK\$2.6 billion payment will be paid in annual installments over the first ten years of the agreement. Under the new bancassurance agreements, Dah Sing Bank and BCM will be compensated by Dah Sing Life and Macau Life on insurance commission, sales incentives and cost reimbursement for distributing the life insurance products of Dah Sing Life and Macau Life in a manner similar to the current arrangement.

Today’s agreement follows the Group’s announcement in January 2016 that it was exploring strategic alternatives for its wholly owned life insurance business and life insurance product offerings through the Group’s banking operations. The agreement with Thai Hot does not affect the Group’s general insurance subsidiaries, Dah Sing Insurance Company (1976) and Macau Insurance Company Limited.

Commenting on the agreement, Mr. David Shou-Yeh Wong, Chairman of DSFH and DSBG, said, “We are pleased to have entered into an agreement that creates shareholder value for both DSFH and DSBG while preserving the strong bancassurance distribution partnership between Dah Sing Life and Macau Life and our banking group.”

Mr. Harold Wong, Managing Director and Chief Executive of DSBG, said, “Dah Sing Banking Group is committed to delivering high quality products and services to all our customers. Today’s agreement improves the Group’s already strong financial position and is designed to provide our banking customers with continued access to high quality life insurance products. This transaction is another step forward for our Group as we continue to execute our medium term strategy adopted a few years ago and strive to create value for all of our stakeholders.”

#### About Dah Sing Financial Group

Dah Sing Financial Group is a leading financial services group based in Hong Kong, active in providing banking, insurance, financial and other related services in Hong Kong, Macau and the People's Republic of China. DSFH is the holding company for the Group's life and general insurance businesses and is the holding company of DSBG. DSBG has three banking subsidiaries, Dah Sing Bank, Limited, Banco Comercial de Macau, S.A. and Dah Sing Bank (China) Limited, providing banking and financial services through a branch network of around 70 branches in Hong Kong, Macau and China.

#### About Dah Sing Life & Macau Life

Dah Sing Life is an established life insurer in Hong Kong, offering a spectrum of life insurance products including whole life, investment linked, accident and health, annuity and endowment products, through bank distribution and a network of tied agents. Dah Sing Life had statutory net profit of HK\$134 million and gross premiums of HK\$1.8 billion in the year ended 31 December 2015, and total shareholders' equity of HK\$1.4 billion.

Macau Life offers individual life insurance products through the branch network of Banco Comercial de Macau. Macau Life had statutory net profit of MOP25 million and gross premiums of MOP64 million in the year ended 31 December 2015.

The total embedded value of the Dah Sing life insurance business, including the shareholders' equity of Dah Sing Life and Macau Life, amounted to HK\$3.7 billion as of 31 December 2015.

#### About Fujian Thai Hot Investment Company, Limited

Fujian Thai Hot Investment Company, Limited, founded in 1993, is a leading conglomerate established in Beijing, China, with investments in financial services, healthcare and real estate. In the financial services segment, Thai Hot is one of the founding shareholders of Haixia Life Insurance Company Limited and a major shareholder of Fujian Haixia Bank Company Limited and Dongxing Securities Company Limited. In the healthcare segment, in early 2016 Thai Hot completed its acquisition of a 51.5% stake in Alliance HealthCare Services (NASDAQ: AIQ), a US based provider of outsourced radiology, oncology and other health care services. In the real estate segment, Thai Hot is the controlling shareholder of Thai Hot Group Company Limited, a leading Chinese real estate development company (Shenzhen: 000732).

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