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(incorporated in Hong Kong with limited liability under the Companies Ordinance)
(Stock Code: 0440)



(incorporated in Hong Kong with limited liability under the Companies Ordinance)
The holding company of Dah Sing Bank, Limited and MEVAS Bank Limited
(Stock Code: 2356)

DISCLOSEABLE TRANSACTION

DISCLOSEABLE AND CONNECTED TRANSACTION

JOINT ANNOUNCEMENT

DSBG announces that on 21 April 2006, DSBG's direct wholly owned subsidiary, DSB, entered into the Procurement Agreement with DSFH, the holder of approximately 74.94% of the issued share capital of DSBG under which DSB and DSFH have agreed to procure the DSB Subsidiaries and the DSFH Subsidiaries, respectively, to enter into the CSM Share Sale Agreement.

Pursuant to the Procurement Agreement, the DSB Subsidiaries and DSFH Subsidiaries entered into the CSM Share Sale Agreement on 21 April 2006, whereby the DSB Subsidiaries have agreed to transfer 96% of the issued share capital of CSM and, effectively, approximately 96% of the issued share capital of CSM Vida to the DSFH Subsidiaries (more particularly detailed below and in the definition of "Transfer").

The total consideration payable by DSFH and the DSFH Subsidiaries under the Procurement Agreement and the CSM Share Sale Agreement is HK\$285,242,718 (being the original acquisition cost of HK\$280,582,524 plus the capital injection of HK\$4,660,194) plus interest at 1 month HIBOR calculated from the Effective Date in respect of the original acquisition cost, and from the date of the injection in respect of the capital injection, to the date of completion of the Transfer.

Upon completion of the Transfer, all of DSBG's interest in CSM and CSM Vida will be transferred to the DSFH Subsidiaries, and each of CSM and CSM Vida will cease to be a subsidiary of DSBG. The Transfer is subject to the prior approval by the Independent Shareholders of DSBG in general meeting.

On 19 December 2005, DSB completed its acquisition of 100% of the issued share capital of BCM, 96% of the issued share capital of CSM and, effectively, approximately 96% of the issued share capital of CSM Vida. In the joint announcement of DSFH and DSBG dated 3 August 2005, it was stated that it was the intention of DSBG to subsequently transfer the shares of CSM and CSM Vida to DSFH, which is the company holding the insurance interests of the group. Under the share purchase and sale agreement dated 3 August 2005, the consideration for the acquisition of the 96% interest in CSM and CSM Vida by DSBG was MOP289 million (HK\$280,582,524).

CSM and CSM Vida are primarily engaged in non-life insurance and life assurance, asset management, investment and pension fund management & other related activities in Macau.

The directors of DSBG and DSFH consider that the Transfer and the terms thereof are on normal commercial terms, are fair and reasonable and that the transactions contemplated thereunder are in the interests of the shareholders of DSBG and DSFH, respectively, as a whole.

The Transfer constitutes a discloseable transaction for each of DSBG and DSFH. Since DSFH is the holder of approximately 74.94% of the issued share capital of DSBG, DSFH and the DSFH Subsidiaries are connected persons of DSBG under Rule 14A.11(1) of the Listing Rules and the Transfer constitutes a connected transaction of DSBG under Rule 14A13(1)(a) of the Listing Rules. DSBG is obliged to comply with the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the Transfer. An independent board committee of DSBG consisting of all of the independent directors of DSBG has been established to advise the Independent Shareholders on the Transfer and an independent financial adviser has been appointed to advise the independent board committee. A circular from DSBG containing further information on the Transfer, the advice of the independent board committee and the independent financial adviser will be sent to shareholders of DSBG as soon as practicable. A circular from DSFH containing further information on the Transfer will also be sent to shareholders of DSFH as soon as practicable.

INTRODUCTION

DSBG announces that on 21 April 2006, DSBG's direct wholly owned subsidiary, DSB, entered into the Procurement Agreement with DSFH, the holder of approximately 74.94% of the issued share capital of DSBG, under which DSB and DSFH have agreed to procure the DSB Subsidiaries and the DSFH Subsidiaries, respectively, to enter into the CSM Share Sale Agreement.

Pursuant to the Procurement Agreement, the DSB Subsidiaries and DSFH Subsidiaries entered into the CSM Share Sale Agreement on 21 April 2006, whereby the DSB Subsidiaries have agreed to transfer 96% of the issued share capital of CSM and, effectively, approximately 96% of the issued share capital of CSM Vida to the DSFH Subsidiaries (more particularly detailed below and in the definition of "Transfer").

Upon completion of the Transfer, all of DSBG's interest in CSM and CSM Vida will be transferred to the DSFH Subsidiaries, and each of CSM and CSM Vida will cease to be a subsidiary of DSBG. The Transfer is subject to prior approval by the Independent Shareholders of DSBG in general meeting.

BACKGROUND

On 19 December 2005, DSB completed its acquisition of 100% of the issued share capital of BCM, 96% of the issued share capital of CSM and effectively, approximately 96% of the issued share capital of CSM Vida. Please refer to the joint announcement of DSFH and DSBG dated 3 August 2005 for further details. It was also stated in the announcement that it was the intention of DSBG to subsequently transfer its interests in CSM and CSM Vida to DSFH, which is the company holding the insurance interests of the group. Under the share purchase and sale agreement dated 3 August 2005, the consideration for the acquisition of shares in CSM and CSM Vida by DSBG was MOP289 million (HK\$280,582,524).

On 30 December 2005, the DSB Subsidiaries injected a total amount of MOP4,800,000 (HK\$4,660,194) to CSM to increase CSM's capital to a level higher than that required by regulation in Macau.

PROCUREMENT AGREEMENT

Date

21 April 2006

Parties

DSB and DSFH (a substantial shareholder and a connected person of DSBG)

Terms

DSB agrees to procure the DSB Subsidiaries to enter into and perform all of their respective obligations under the CSM Share Sale Agreement. DSFH agrees to procure the DSFH Subsidiaries to enter into and perform all of their respective obligations under the CSM Share Sale Agreement.

CSM SHARE SALE AGREEMENT

Date

21 April 2006

Parties

Vendors : BCM, Shinning Bloom, DSLI(1)
Purchasers : DSMIG, DSGI(1), DSLI(2) and DSLI(BVI)(1) (All associates of DSFH and, therefore, connected persons of DSBG)

Transfer

Under the CSM Share Sale Agreement, the DSB Subsidiaries have agreed to transfer shares in CSM and CSM Vida to the DSFH Subsidiaries as follows:

Vendor	Number of shares held	Number of shares to be transferred	Percentage of issued capital to be transferred	Purchaser to which shares are to be transferred
BCM	18,400	14,800	74%	DSMIG
		3,600	18%	DSGI(1)
Shinning Bloom	800	800	4%	DSMIG
CSM Vida				
Vendor	Number of shares held	Number of shares to be transferred	Percentage of issued capital to be transferred	Purchaser to which shares are to be transferred
BCM	5	5	0.02%	DSLI(2)
DSLI(1)	40	40	0.13%	DSLI(BVI)(1)

Conditions

Completion of the Transfer is conditional upon all consents necessary or relevant for the Transfer to take place without breaching any statute, rule of the Stock Exchange or agreement, including the prior approval by the Independent Shareholders in general meeting.

COMPLETION

Under the Procurement Agreement and the CSM Share Sale Agreement, completion of the Transfer is scheduled to take place within 14 days from the fulfillment or waiver of the last condition or on such other date as the parties may otherwise agree.

CONSIDERATION AND ITS DETERMINATION

The total consideration payable by DSFH and the DSFH Subsidiaries under the Procurement Agreement and the CSM Share Sale Agreement is HK\$285,242,718 (being the original acquisition cost plus the capital injection made on 30 December 2005) plus interest at 1 month HIBOR calculated from the Effective Date in respect of the original acquisition cost, and from the date of the injection in respect of the capital injection, to the date of completion of the Transfer.

The consideration was determined on an arm's length basis after negotiation between DSBG and DSFH. The consideration principally reflects the original acquisition cost of the CSM shares and the CSM Vida shares for DSBG, plus the capital injected into CSM by the DSB Subsidiaries on 30 December 2005, in aggregate being HK\$285,242,718, plus interest. Payment of the consideration will be funded from internal resources of DSFH. The directors of DSBG and DSFH consider that the consideration is on normal commercial terms, fair and reasonable.

GAIN/LOSS ON SALE AND USE OF PROCEEDS

The CSM shares and the CSM Vida shares will be transferred at cost by DSBG and the DSB Subsidiaries, plus interest. It is expected that there will be a gain, principally reflecting the interest determined with reference to 1 month HIBOR for the period during which the CSM shares and the CSM Vida shares were held by DSBG and the DSB Subsidiaries, to be recorded by DSBG as a result of the Transfer which will not have any material impact on DSBG. The proceeds will be used by DSBG for general working capital purposes.

INFORMATION ON DSB, BCM, CSM AND CSM VIDA

DSB is a wholly owned banking subsidiary of DSBG. DSB owns all of the issued share capital of BCM, which in turn owns 92% of the issued share capital of CSM. DSB, through its wholly owned subsidiary, Shinning Bloom, also owns 4% of the issued share capital of CSM. CSM owns 99.85% of the issued share capital of CSM Vida, with the remaining 0.15% interest in CSM Vida owned by BCM and another wholly owned subsidiary of DSB.

BCM is primarily engaged in retail and commercial banking in Macau. CSM and CSM Vida are primarily engaged in non-life insurance and life assurance, asset management, investment and pension fund management & other related activities in Macau, and are, respectively, the largest general insurance company in Macau and the fifth largest life assurance company in Macau (both by gross written premiums). CSM Vida is also the second largest pension fund administrator in Macau (by assets under management).

After the Transfer, the DSFH Subsidiaries will hold 96% of the issued share capital of CSM with the remaining 4% interest held, both before and after the Transfer, by a third party who is independent of DSBG, DSFH and their associates. CSM will continue to hold 99.85% of the issued share capital of CSM Vida with the remaining 0.15% interest held by the DSFH Subsidiaries.

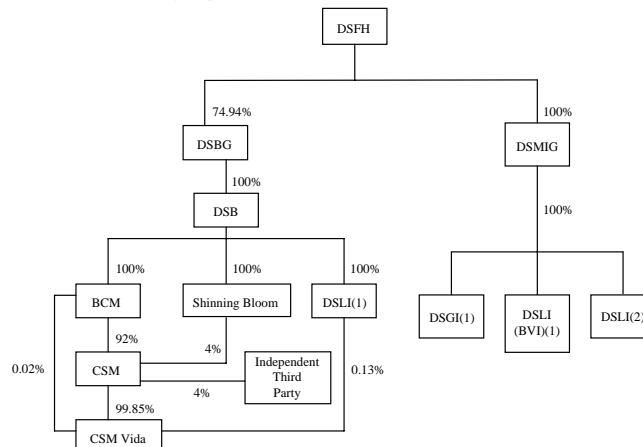
Based on the audited financial statements of CSM for the year ended 31 December 2005, the net asset value was MOP78.2 million.

Based on the audited financial statements of CSM Vida for the year ended 31 December 2005, the net asset value was MOP42.1 million.

Based on the audited financial statements of CSM for the years ended 31 December 2004 and 2005, the net profit before taxation and extraordinary items were MOP10.7 million and MOP10.9 million respectively, and the net profit after taxation and extraordinary items were MOP10.7 million and MOP9.0 million, respectively.

Based on the audited financial statements of CSM Vida for the years ended 31 December 2004 and 2005, the net profit before taxation and extraordinary items were MOP2.3 million and MOP3.9 million respectively, and the net profit after taxation and extraordinary items were MOP2.0 million and MOP3.5 million, respectively.

A summarised structure of the DSFH group before the Transfer is as follows:



INFORMATION ON DSBG, DSFH AND SUBSIDIARIES

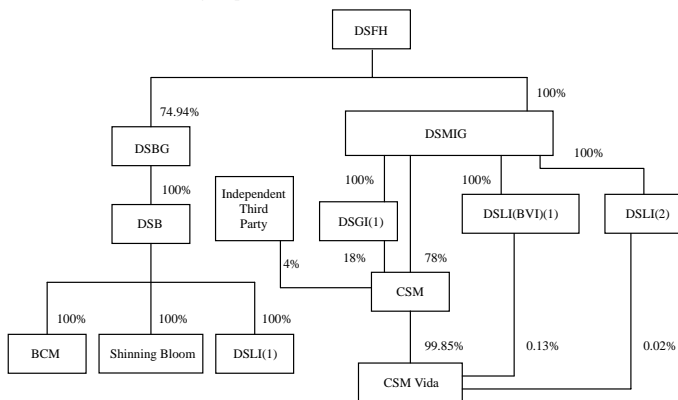
DSFH is the holder of approximately 74.94% of the issued share capital of DSBG, and is the company holding the insurance interests of the group.

DSBG is the holding company of three banking subsidiaries, DSB, BCM and MEVAS Bank Limited, a restricted licence bank, Pacific Finance (Hong Kong) Limited, and a securities trading company, as well as an offshore joint venture private banking business with SG Hambros Bank.

BCM (in addition to operating its banking business in Macau), Shinning Bloom and DSLI(1) are wholly owned subsidiaries of DSB and are investment holding companies holding, amongst others, the interests in CSM and CSM

Vida, DSMIG, DSGI(1), DSLI(2) and DSLI(BVI)(1) are wholly owned subsidiaries of DSFH and are investment holding companies to hold, amongst others, the interests in CSM and CSM Vida subsequent to the Transfer.

A summarised structure of the DSFH group after the Transfer is as follows:



REASON FOR THE SALE

The Transfer is in line with the strategy of the DSFH group to centralise the holding of its insurance businesses by DSFH, and to avoid competition between DSFH and DSBG. In the joint announcement of DSFH and DSBG dated 3 August 2005, it was stated that it was the intention of DSBG to transfer the shares of CSM and CSM Vida to DSFH, which holds the insurance businesses of the DSFH group.

The directors of DSBG and DSFH consider that the Transfer and the terms thereof are on normal commercial terms, are fair and reasonable and that the transactions contemplated thereunder are in the interests of the shareholders of DSBG and DSFH, respectively, as a whole.

GENERAL

The Transfer constitutes a discloseable transaction for each of DSBG and DSFH. Since DSFH is the holder of approximately 74.94% of the issued share capital of DSBG, DSFH is a connected person of DSBG under Rule 14A.11(1) of the Listing Rules and the Transfer will also constitute a connected transaction of DSBG under Rule 14A.13(1)(a) of the Listing Rules. DSBG is obliged to comply with the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the Transfer. An independent board committee of DSBG consisting of all of the independent directors of DSBG has been established to advise the Independent Shareholders on the Transfer and an independent financial adviser has been appointed to advise the independent board committee of DSBG. A circular from DSBG containing further information on the Transfer, the advice of the independent board committee and the independent financial adviser will be sent to shareholders of DSBG and DSFH as soon as practicable. A circular from DSFH containing further information on the Transfer will also be sent to shareholders of DSFH as soon as practicable. The Transfer is subject to prior approval by the Independent Shareholders in general meeting. The Transfer, however, will not be subject to the approval of DSFH's shareholders.

DEFINITIONS

Unless the context otherwise requires, terms used in this announcement shall have the following meanings:

"BCM"	Banco Comercial de Macau, S.A., a company registered with the Macau Businesses and Moveable Assets Register under number 10458(SO) and a wholly owned subsidiary of DSB.
"CSM"	Companhia de Seguros de Macau, S.A., a company registered with the Macau Businesses and Moveable Assets Register under number 1691(SO), which is 4% owned by DSB through Shinning Bloom and 92% owned by BCM.
"CSM Share Sale Agreement"	the share sale agreement in relation to the Transfer entered into by BCM, Shinning Bloom, DSLI(1), DSMIG, DSGI(1), DSLI(2) and DSLI(BVI)(1) on 21 April 2006.
"CSM Vida"	Companhia de Seguros de Macau Vida, S.A., a company registered with the Macau Businesses and Moveable Assets Register under number 12175(SO), which is 99.85% owned by CSM, 0.13% by DSLI(1) and 0.02% by BCM.
"DSB"	Dah Sing Bank, Limited, a wholly owned subsidiary of DSBG.
"DSB Subsidiaries"	BCM, DSLI(1) and Shinning Bloom.
"DSBG"	Dah Sing Banking Group Limited, a company incorporated in Hong Kong with limited liability and whose shares are listed on the Stock Exchange (Stock code: 2356).
"DSFH"	Dah Sing Financial Holdings Limited, a company incorporated in Hong Kong with limited liability and whose shares are listed on the Stock Exchange (Stock code: 0440).
"DSFH Subsidiaries"	DSMIG, DSGI(1), DSLI(2) and DSLI(BVI)(1).
"DSGI(1)"	DSGI(1) Limited, a wholly owned subsidiary of DSFH.
"DSLI(1)"	DSLI(1) Limited, a wholly owned subsidiary of DSB.
"DSLI(2)"	DSLI(2) Limited, a wholly owned subsidiary of DSFH.
"DSLI(BVI)(1)"	DSLI(BVI)(1) Limited, a wholly owned subsidiary of DSFH.
"DSMIG"	DSMI Group Limited, a wholly owned subsidiary of DSFH.
"Effective Date"	19 December 2005, being the date on which, amongst others, BCM, CSM and CSM Vida were acquired by DSBG through its subsidiaries.
"HIBOR"	the Hong Kong Inter-bank Offered Rate for Hong Kong dollar deposits offered by leading reference banks (rounded up, if necessary, to two decimal places) which was quoted as of 11:00 a.m. (Hong Kong time) on the Effective Date and 30 December 2005 (being the capital injection date) on page "9898" on the Telerate Monitor (or such other page or service as may have replaced it for the purpose of displaying Hong Kong Inter-bank Hong Kong dollar offered rates of leading reference banks) as being the one month interest rate offered in the Hong Kong Inter-bank Market for Hong Kong dollar deposits, and on applicable subsequent monthly reset dates.
"Independent Shareholders"	the shareholders of DSBG other than DSFH and its associates.
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange.
"Macao or Macau"	Macau Special Administrative Region of the People's Republic of China.
"MOP"	Macao Pataca, the lawful currency of Macao.
"Procurement Agreement"	the Agreement in relation to the CSM Share Sale Agreement signed by DSB and DSFH on 21 April 2006.
"Shinning Bloom"	Shinning Bloom Investments Limited, a wholly owned subsidiary of DSB.
"Stock Exchange"	The Stock Exchange of Hong Kong Limited.
"Transfer"	the transfer by BCM of 74% and 18% of the issued share capital of CSM to DSMIG and DSGI(1), respectively; by Shinning Bloom of 4% of the issued share capital of CSM to DSMIG; by BCM of 0.02% of the issued share capital of CSM Vida to DSLI(2) and by DSLI(1) of 0.13% of the issued share capital of CSM Vida to DSLI(BVI)(1).

By Order of the Board
Dah Sing Financial Holdings Limited
Hoi-Lun Soo
 Company Secretary

By Order of the Board
Dah Sing Banking Group Limited
Hoi-Lun Soo
 Company Secretary

Hong Kong, 21 April 2006

As at the date of this announcement, the Executive Directors of DSFH are Messrs David Shou-Yeh Wong, Hon-Hing Wong (Derek Wong), Roderick S. Anderson, Gary Pak-Ling Wang and Nicholas J. Mayhew. The Independent Non-Executive Directors are Messrs Peter G. Birch, Robert Tsai-To Sze, Tai-Lun Sun (Dennis Sun), Kwok-Hung Yue (Justin Yue). The Non-Executive Directors are Messrs Chung-Kai Chow, Kunio Suzuki (with Toshifumi Kato as alternate), Sohei Sasaki, Kosuke Furukawa, John Wai-Wai Chow and Yiu-Ming Ng.

As at the date of this announcement, the Executive Directors of DSBG are Messrs David Shou-Yeh Wong, Hon-Hing Wong (Derek Wong), Gary Pak-Ling Wang, Lung-Man Chiu (John Chiu), Harold Tsu-Hing Wong and Dennis Tat-Wang Yau. The Independent Non-executive Directors are Messrs John William Simpson, David Richard Hinde, Robert Tsai-To Sze and Andrew Kwan-Yuen Leung. The Non-executive Director is Mr. Takashi Muraoka.