COMMON SPLENDOR INTERNATIONAL HEALTH INDUSTRY GROUP LIMITED

(formerly known as G-Prop (Holdings) Limited)
(Incorporated in Bermuda with limited liability)
(Stock Code: 286)

FINAL RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

The board of directors (the “Board”) of Common Splendor International Health Industry Group Limited (the “Company”) would like to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the financial year ended 31 December 2013 (the “Year”) pursuant to paragraph 45 of Appendix 16 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Group’s consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position had been reviewed by the audit committee of the Company (the “Audit Committee”), together with the comparative figures of the corresponding year ended 31 December 2012 are set out as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2013

	Notes	**2013** **HK$'000**	2012 HK$'000
Revenue	3	**10,407**	8,370
Costs of sales		**(81)**	(116)
Gross profit		**10,326**	8,254
Other income	5	**73**	799
Administrative expenses		**(12,380)**	(7,680)
Cumulative gain on disposal of available-for-sale financial assets		**408**	–
Fair value changes on investment properties	6	**10,600**	18,250
Share-based payment expenses		**–**	(31,248)
Profit (loss) from operations		**9,027**	(11,625)
Finance cost		**(2)**	–
Profit (loss) before tax		**9,025**	(11,625)
Income tax credit	7	**27**	40
Profit (loss) for the year	8	**9,052**	(11,585)
Other comprehensive income (expense), net of income tax			
Items that may be reclassified subsequent to profit or loss:			
Net gain on arising on revaluation of available-for-sale financial assets during the year		**369**	2,946
Reclassification adjustments relating to available-for-sale financial assets disposed of during the year		**(408)**	–
Other comprehensive (expense) income for the year, net of income tax		**(39)**	2,946
Total comprehensive income (expense) for the year		**9,013**	(8,639)
Profit (loss) for the year attributable to owners of the Company		**9,052**	(11,585)
Total comprehensive income (expense) for the year attributable to owners of the Company		**9,013**	(8,639)
Earnings (loss) per share (HK cents)			
Basic	10	**0.37**	(0.48)
Diluted	10	**0.36**	(0.48)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2013

	Notes	**2013 HK$'000**	2012 HK$'000
Non-current assets			
Property, plant and equipment	11	**436**	578
Investment properties	6	**61,000**	50,400
Goodwill		**2,939**	2,939
Interests in joint ventures		–	–
Available-for-sale financial assets	12	–	38,072
		64,375	91,989
Current assets			
Amount due from a shareholder	13	**110**	278
Loan to a shareholder	14	**220,000**	220,000
Debtors, deposits and prepayments	15	**1,912**	918
Short-term loans receivable		**70,500**	–
Time deposits and bank balances		**52,336**	86,769
Tax recoverable		**10**	39
		344,868	308,004
Current liabilities			
Creditors and accruals	16	**1,131**	964
Deposits and receipts in advance		**577**	481
Obligation under a finance lease		**6**	6
		1,714	1,451
Net current assets		**343,154**	306,553
Total assets less current liabilities		**407,529**	398,542
Capital and reserves			
Share capital		**24,282**	24,282
Share premium		**351,638**	351,638
Translation reserve		**234**	234
Securities investments reserve		–	39
Share options reserve		**31,248**	31,248
Retained profit (accumulated losses)		**57**	(8,995)
Total equity		**407,459**	398,446
Non-current liabilities			
Obligation under a finance lease		**20**	26
Deferred tax liabilities		**50**	70
		70	96
		407,529	398,542

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For The Year Ended 31 December 2013

1. Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards, which is a collective term that includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs"), and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules and the Hong Kong Companies Ordinance ("Companies Ordinance").

The consolidated financial statements have been prepared under the historical cost basis, except for investment properties and financial instruments, which are measured at their fair values.

2. Application of new and revised Hong Kong Financial Reporting Standards ("HKFRSs")

The accounting policies adopted in the consolidated financial statements for the Year are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2012 except as described below.

For the Year, the Group has applied, for the first time, the following new or revised standards, amendments and interpretations ("new HKFRSs") issued by HKICPA, which are effective for the Group's financial year began on 1 January 2013. The new HKFRSs adopted by the Group in the consolidated financial statement for the Year are set out below:

HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle
HKFRS 1 (Amendments)	Government Loans
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKFRS 10, 11, 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
HKAS 19 (Revised in 2011)	Employee Benefits
HKAS 27 (Revised in 2011)	Separate Financial Statements
HKAS 28 (Revised in 2011)	Investments in Associates and Joint Ventures
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine

HKFRS 10 ***Consolidated Financial Statements***

HKFRS 10 replaces the requirements in HKAS 27, *Consolidated and Separate Financial Statements* relating to the preparation of consolidated financial statements and HK-SIC 12 *Consolidation – Special Purpose Entities*. It introduces a single control model to determine whether an investee should be consolidated, by focusing on whether the entity has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns. The adoption does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at 1 January 2013.

HKFRS 11 ***Joint Arrangements***

HKFRS 11, which replaces HKAS 31, *Interests in Joint Ventures*, divides joint arrangements into joint operations and joint ventures. Entities are required to determine the type of an arrangement by considering the structure, legal form, contractual terms and other facts and circumstances relevant to their rights and obligations under the arrangement. Joint arrangements which are classified as joint operations under HKFRS 11 are recognised on a line-by-line basis to the extent of the joint operator's interest in the joint operation. All other joint arrangements are classified as joint ventures under HKFRS 11 and are required to be accounted for using the equity method in the Group's consolidated accounts.

The Group only has interests in joint ventures. As a result of the adoption of HKFRS 11, the Group has changed the description from "interests in jointly controlled entities" to "interests in joint ventures" in 2013.

HKFRS 12 ***Disclosure of Interests in Other Entities***

HKFRS 12 brings together into a single standard all the disclosure requirements relevant to an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The disclosures required by HKFRS 12 are generally more extensive than those previously required by the respective standards.

HKFRS 13 ***Fair Value Measurement***

The Group has applied HKFRS 13 for the first time in the Year. HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of HKFRS 13 is broad; the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the standard in comparative information provided for periods before the initial application of the standard. In accordance with these transitional provisions, the Group has not made any new disclosures required by HKFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

Amendments to HKAS 1 ***Presentation of Items of Other Comprehensive Income***

The Group has applied the amendments to HKAS 1 *Presentation of Items of Other Comprehensive Income*. The amendments introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, the 'statement of comprehensive income' is renamed as the 'statement of profit or loss and other comprehensive income'. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

Save as described above, the application of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting years have been prepared and presented. Accordingly, no prior year adjustment has been required.

The Group has not early adopted the following new HKFRSs that have been issued up to the end of the Year but are not yet effective.

HKFRSs 9	Financial Instruments[3]
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[3]
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities[1]
HKAS 19 (Amendments)	Defined Benefits Plans: Employee Contribution[2]
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities[1]
HKAS 36 (Amendments)	Recoverable Amount Disclosures for Non-Financial Assets[1]
HKAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting[1]
HK(IFRIC) – Int 21	Levies[1]

[1] *Effective for annual periods beginning on or after 1 January 2014.*

[2] *Effective for annual periods beginning on or after 1 July 2014, with earlier application.*

[3] *Effective for annual periods beginning on or after 1 January 2015, with earlier application.*

HKFRS 9 *Financial Instruments*

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent reporting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

The directors of the Company (the "Directors") anticipate that the adoption of HKFRS 9 in the future may have significant impact on the amounts reported in respect of the Group's financial assets and financial liabilities. Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of the effect until a detailed review has been completed.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 *Investment Entities*

The amendments to HKFRS 10 define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its financial statements.

To qualify as an investment entity, a reporting entity is required to:

- obtain funds from one or more investors for the purpose of providing them with professional investment management services;
- commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments have been made to HKFRS 12 and HKAS 27 to introduce new disclosure requirements for investment entities.

The Directors do not anticipate that the investment entities amendments will have any effect on the Group's consolidated financial statements as the Company is not an investment entity.

Amendments to HKAS 32 *Offsetting Financial Assets and Financial Liabilities*

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'.

The Directors do not anticipate that the application of these amendments to HKAS 32 will have a significant impact on the Group's consolidated financial statements as the Group does not have any financial assets and financial liabilities that qualify for offset.

Amendments to HKAS 36 *Recoverable Amount Disclosures for Non-financial Assets*

The amendments to HKAS 36 remove the requirement to disclose the recoverable amount of a cash generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU.

Furthermore, the amendments introduce additional disclosure requirements regarding the fair value hierarchy, key assumptions and valuation techniques used when the recoverable amount of an asset or CGU was determined based on its fair value less costs of disposal.

The Directors do not anticipate that the application of these amendments to HKAS 36 will have a significant impact on the Group's consolidated financial statements.

Amendments to HKAS 39 *Novation of Derivatives and Continuation of Hedge Accounting*

The amendments to HKAS 39 provide relief from the requirement to discontinue hedge accounting when a derivative hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative hedging instrument arising from the novation should be included in the assessment of hedge effectiveness.

The Directors do not anticipate that the application of these amendments to HKAS 39 will have any effect on the Group's consolidated financial statements as the Group does not have any derivatives that are subject to novation.

HK(IFRIC) – Int 21 *Levies*

HK (IFRIC) – Int 21 *Levies* addresses the issue of when to recognise a liability to pay a levy. The Interpretation defines a levy, and specifies that the obligating event that gives rise to the liability is the activity that triggers the payment of the levy, as identified by legislation. The Interpretation provides guidance on how different levy arrangements should be accounted for, in particular, it clarifies that neither economic compulsion nor the going concern basis of financial statements preparation implies that an entity has a present obligation to pay a levy that will be triggered by operating in a future period.

The Directors anticipate that the application of HK (IFRIC) – Int 21 will have no effect on the Group's consolidated financial statements as the Group does not have any levy arrangements.

The Group is in the process of assessing the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs will have a significant impact on how its results of operations and financial position are prepared and presented. These new HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

3. Revenue

	2013	2012
	HK$'000	HK$'000
Revenue represents the aggregate amounts received and receivable analysed as follows:		
Property rental income	**1,881**	1,852
Interest income from investment and finance	**8,526**	6,518
	10,407	8,370

4. Operating segments

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions.

The Group has engaged three reportable segments – (i) health management; (ii) investment and finance; and (iii) properties investment. The segmentations are based on the information about the operations of the Group that management uses to make decisions.

Principal activities are as follows:

Health management	–	Provision of health management services
Investment and finance	–	Investing and financing activities
Properties investment	–	Property leasing

The Group's measurement methods used to determine reported segments profit or loss remain unchanged from 2012.

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business has different markets and requires different marketing strategies.

Information about major customers

Included in revenue arising from investment and finance of approximately HK$8,526,000 (2012: HK$6,518,000) is revenue of approximately HK$7,178,000 (2012: HK$5,283,000) which arose from the Group's two (2012: two) major customers and each customer accounted for more than 10% of the Group's total revenue.

Revenue from customers contributing over 10% of the total revenue of the Group during the year is as follows:

	2013	2012
	HK$'000	HK$'000
Investment and finance		
Customer A	**5,978**	4,281
Customer B	**1,200**	1,002

Operating segments information is presented below:

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2013

	Health management HK$'000	Investment and finance HK$'000	Properties investment HK$'000	Consolidated HK$'000
Revenue				
Revenue from external customers	**–**	**8,526**	**1,881**	**10,407**
Results				
Segment results for reportable segments	**(840)**	**1,225**	**309**	**694**
Bank interest income	–	**54**	–	**54**
Unallocated items				
Unallocated corporate expenses, net				**(2,323)**
Income tax expense				**27**
Core loss (excluding major non–cash item)				**(1,548)**
Major non-cash item (excluding depreciation)				
- fair value changes on investment properties				**10,600**
Profit for the year attributable to owners of the Company				**9,052**

Consolidated Statement of Financial Position
At 31 December 2013

	Health management HK$'000	Investment and finance HK$'000	Properties investment HK$'000	Consolidated HK$'000
Assets				
Segment assets for reportable segments	**17,493**	**321,546**	**65,101**	**404,140**
Unallocated corporate assets				**5,103**
Consolidated total assets				**409,243**
Liabilities				
Segment liabilities for reportable segments	**594**	**568**	**531**	**1,693**
Unallocated corporate liabilities				**91**
Consolidated total liabilities				**1,784**

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2012

	Health management HK$'000	Investment and finance HK$'000	Properties investment HK$'000	Consolidated HK$'000
Revenue				
Revenue from external customers	–	6,518	1,852	8,370
Results				
Segment results for reportable segments	–	2,845	797	3,642
Bank interest income	–	496	–	496
Unallocated items				
Unallocated corporate expenses, net				(2,765)
Income tax credit				40
Core profit (excluding major non-cash items)				1,413
Major non-cash items (excluding depreciation)				
- fair value changes on investment properties				18,250
- share-based payment expenses				(31,248)
Loss for the year attributable to owners of the Company				(11,585)

Consolidated Statement of Financial Position

At 31 December 2012

	Health management HK$'000	Investment and finance HK$'000	Properties investment HK$'000	Consolidated HK$'000
Assets				
Segment assets for reportable segments	–	343,468	54,304	397,772
Unallocated corporate assets				2,221
Consolidated total assets				399,993
Liabilities				
Segment liabilities for reportable segments	–	908	550	1,458
Unallocated corporate liabilities				89
Consolidated total liabilities				1,547

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the Year (2012: Nil).

Segment results represent the profit earned by each segment without allocation of corporate expenses, bank interest income, income tax credit/expense and major non-cash items including fair value changes on investment properties and share-based payment expenses.

For the purposes of monitoring segment performance and allocating resources between segments:

All assets related to health management, investment and finance and properties investment are allocated to reportable segments other than unallocated corporate assets which mainly include corporate property, plant and equipment, partial prepayment and deposits and corporate bank balances.

All liabilities related to health management, investment and finance and properties investment are allocated to reportable segments other than unallocated corporate liabilities which mainly include corporate accruals and obligation under finance lease.

Geographical information

For the years ended 31 December 2013 and 2012, all the Group's operations are located in Hong Kong. The Group's revenue is all derived from Hong Kong for both years.

Other segment information

	Health management HK$'000		Investment and finance HK$'000		Properties investment HK$'000		Unallocated HK$'000		Consolidated HK$'000	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
Capital expenditure	**–**	–	**–**	–	**–**	–	**10**	620	**10**	620
Depreciation	**–**	–	**–**	–	**–**	–	**152**	42	**152**	42
Reversals of impairment loss recognised in respect of available-for-sale financial assets	**–**	–	**–**	100	**–**	–	**–**	–	**–**	100

5. Other income

	2013 **HK$'000**	2012 HK$'000
Bank interest income	**54**	496
Reversals of impairment loss recognised in respect of available-for-sale financial assets	**–**	100
Others	**19**	203
	73	799

6. Investment properties

	HK$'000
Fair value	
At 1 January 2012	32,150
Increase in fair value recognised in the consolidated statement of profit or loss and other comprehensive income	18,250
At 31 December 2012 and 1 January 2013	50,400
Increase in fair value recognised in the consolidated statement of profit or loss and other comprehensive income	10,600
At 31 December 2013	**61,000**

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties. The fair value model as at 31 December 2013 was provided by Roma Appraisals Limited ("Roma Appraisals"), an independent qualified professional valuer, who holds a recognised professional qualification and has recent relevant experience.

7. Income tax credit

	2013	2012
	HK$'000	HK$'000
Income tax credit (expense) comprises:		
Current tax:		
charge for the year	**–**	(9)
over-provision in the previous year	**7**	12
Deferred tax:		
credit (charge) for the year	**20**	(53)
over-provision in the previous year	**–**	90
	27	40

Hong Kong Profits Tax is calculated at 16.5% (2012: 16.5%) on the estimated assessable profit for the Year.

8. Profit (loss) for the year

	2013	2012
	HK$'000	HK$'000
Profit (loss) for the year has been arrived at after (charging) crediting:		
Total staff costs including Directors' remuneration:		
Salaries and other benefits	**(6,845)**	(3,321)
Retirement benefit scheme contributions	**(116)**	(76)
Share-based payment expenses	–	(17,856)
	(6,961)	(21,253)
Auditors' remuneration	**(350)**	(300)
Exchange loss, net	**(19)**	(223)
Depreciation of property, plant and equipment	**(152)**	(42)
Share-based payment expenses in respect of consultancy services	–	(13,392)

	2013	2012
	HK$'000	HK$'000
Operating lease rentals in respect of rented premises (excluding rented premise for Director)	**(1,106)**	(205)
Gross rental income from investment properties	**1,881**	1,852
Less : Direct operating expenses from investment properties that generated rental income during the year	**(73)**	(109)
Direct operating expenses from investment properties that did not generate rental income during the year	**(8)**	(7)
	1,800	1,736

9. Dividends

	2013	2012
	HK$'000	HK$'000
(a) Final dividend for 2011 paid on 13 June 2012 of HK0.1 cent per share	–	2,428
(b) Special dividend for 2012 paid on 14 August 2012 of HK4.5 cents per share	–	109,271
Total dividends paid	–	111,699

The Directors do not recommend any payments of final dividend for the Year (2012: Nil).

10. Earnings (loss) per share

The calculation of the basic and diluted earnings (loss) per share attributable to owners of the Company is based on the following data:

	2013	2012
	HK$'000	HK$'000
Earnings (loss)		
Earnings (loss) for the purpose of basic/diluted earnings (loss) per share (profit (loss) for the year attributable to owners of the Company)	**9,052**	(11,585)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	**2,428,255**	2,428,255
Effect of dilutive potential ordinary share:		
Share options issued by the Company	**77,072**	–
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	**2,505,327**	2,428,255

For the year ended 31 December 2012, the diluted loss per share was the same as the basic loss per share as the share option had not anti-dilutive potential ordinary share.

11. Property, plant and equipment

	Leasehold improvement	Office equipment	Furniture and fixtures	Computer software	Equipment under finance lease	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Cost:						
At 1 January 2012	–	–	–	–	–	–
Additions	204	139	118	126	33	620
At 31 December 2012 and 1 January 2013	204	139	118	126	33	620
Additions	–	3	4	3	–	10
At 31 December 2013	204	142	122	129	33	630
Accumulated depreciation and impairment:						
At 1 January 2012	–	–	–	–	–	–
Charge for the year	14	12	8	7	1	42
At 31 December 2012 and 1 January 2013	14	12	8	7	1	42
Charge for the year	41	42	24	38	7	152
At 31 December 2013	55	54	32	45	8	194
Carrying amounts:						
At 31 December 2013	**149**	**88**	**90**	**84**	**25**	**436**
At 31 December 2012	190	127	110	119	32	578

12. Available-for-sale financial assets

	2013	2012
	HK$'000	HK$'000
Available-for-sale financial assets comprise:		
Club debentures	**–**	–
Floating rate notes		
Unlisted	**–**	38,072
	–	38,072
Analysis for reporting purpose as:		
Non-current assets	**–**	38,072
Current assets	**–**	–
	–	38,072

The unlisted floating rate note carry floating interest at LIBOR plus 0.3% (the "FRN") (2012: unlisted floating rate notes LIBOR plus 0.3% to 0.35%) per annum. The FRN was early disposed on 19 August 2013.

13. Amount due from a shareholder

Details of the amount due from a shareholder disclosed pursuant to section 161B of the Companies Ordinance are as follows:

Name of shareholder	Maximum amount outstanding during the year HK$'000	**2013 HK$'000**	2012 HK$'000
Champion Dynasty Limited ("Champion Dynasty")	278	**110**	278

The amount due from a shareholder is unsecured, non-interest bearing and have no fixed terms of repayment. The Directors consider the carrying amount of the amount due from a shareholder of the Company (the "Shareholder(s)") approximate to the fair value.

Champion Dynasty was directly owned by an executive Director.

14. Loan to a shareholder

On 27 September 2012, the Company, as lender, enter into a loan agreement with Champion Dynasty, as borrower, and Mr. Cheung Wai Kuen, as an individual guarantor, and Guangdong Allad Yiliao Touzi Company Limited*(廣東奧理德醫療投資有限公司), as a corporate guarantor, to grant a three-year revolving loan facility of up to HK$220,000,000 to Champion Dynasty at an interest rate of HIBOR plus 2.5% per annum. The loan was carried with the term of repayable on demand clause.

Details of the loan were set out in the Company's announcements and circular dated 28 September 2012, 8 October 2012, 19 October 2012, 22 October 2012, 1 November 2012, 5 November 2012 and 20 November 2012 respectively.

Name of shareholder	Maximum amount outstanding during the year HK$'000	**2013 HK$'000**	2012 HK$'000
Champion Dynasty	220,000	**220,000**	220,000

15. Debtors, deposits and prepayments

Included in debtors, deposits and prepayments are trade receivable of HK$Nil (2012: HK$8,000) comprised rental receivables billed in advance and settlements are expected upon receipts of billings.

The Group maintains a defined credit policy to assess the credit quality of each counterparty. The collection is closely monitored to minimise any credit risk associated with these trade receivables. Rental in respect of leased properties are payable in advance by the tenants.

The following is the aged analysis of trade receivable (net of allowance for doubtful debts), at the end of the reporting period:

	2013 HK$'000	2012 HK$'000
0 – 30 days	–	8

16. **Creditors and accruals**

There were no trade payable included in creditors and accruals as at 31 December 2013 and 2012.

DIVIDENDS

The Directors do not recommend any payments of final dividend for the Year (2012: Nil).

There is no dividend for the Year (2012: special dividend HK4.5 cents).

EVENTS AFTER THE REPORTING PERIOD

(a) With effect from 3 January 2014, the shares of the Company (the "Share") had been officially trading in the Stock Exchange with present name, i.e. Common Splendor International Health Industry Group Limited;

(b) On 6 January 2014, the Company and the other contracting parties entered into the subscription agreement, pursuant to which, among other things, the Company had conditionally agreed to subscribe for the subscription shares of Multi Talent Limited ("Multi Talent"), representing approximately 52% of the issued share capital of the Multi Talent upon completion, at a consideration of approximately HK$54,216,000, which will be satisfied partly by cash and partly by the allotment and issue of the consideration shares under the general mandate. Details are set out in the Company's announcement dated 7 January 2014. The subscription was completed on 20 January 2014.

(c) On 15 January 2014, the Company is deemed to dispose 38% equity shares of a direct wholly-owned subsidiary of the Company to a third party in order to invite a senior investor to develop and engage health management business in the People's Republic of China (the "PRC") together and reduce the risk accordingly. The Company and this investor shall inject conditionally HK$12,400,000 and HK$7,600,000 respectively as subscription of 62% and 38% of the enlarged capital of this subsidiary. This subsidiary had not commenced business and the subscription was completed on 15 January 2014.

FINANCIAL OPERATION REVIEW

Results

Revenue for the Year was approximately HK$10,407,000 (2012: HK$8,370,000), a significant increase of HK$2,037,000 when compared with last year. Gross profit for the Year amounted to approximately HK$10,326,000 (2012: HK$8,254,000), a significant increase of HK$2,072,000 as compared with last year.

The aggregate interest income for the Year was approximately HK$8,526,000 (2012: HK$6,518,000). Interest income generated from the FRN, short-term loans and loan to Champion Dynasty for the Year were approximately HK$374,000, HK$2,174,000 and HK$5,978,000 respectively while interest income generated from the FRN, Champion Dynasty and Fancy Mark Limited ("Fancy Mark") were approximately HK$1,644,000, HK$594,000 and HK$4,280,000 respectively for the last year. The loan of HK$300,000,000 to Fancy Mark was settled in full in December 2012 and then no interest income was arisen from the loan to Fancy Mark for the Year.

For property leasing, rental income for the Year amounted to approximately HK$1,881,000 (2012: HK$1,852,000). An increase in fair value of investment properties of HK$10,600,000 was recorded in the Year compare with a decrease of HK$7,650,000 from 2012.

No exchange gain attributable to other income was recorded in the Year (2012: Nil).

Costs of sales and administrative expenses

For the Year, the costs of sales were approximately HK$81,000, a decrease of HK$35,000 or 30% when compared with last year. It was because the cessation of payment to sales staff of a subsidiary of Chinese Estates Holdings Limited from 6 August 2012.

For the Year, the administrative expenses were approximately HK$12,380,000, a significant increase of HK$4,700,000 or 61% when compared with last year. This significant increase in administrative expenses was resulted from the whole-year salaries, depreciation and office rental expenses etc., while such administrative expenses for year 2012 cover the 5 months period from August to December 2012 only.

Profit (loss) attributable to owners of the Company

For the Year, profit attributable to owners of the Company surged to approximately HK$9,052,000 (2012: loss of HK$11,585,000). The Company recorded a substantial loss for last year was mainly because of share-based payment expenses of HK$31,248,000 regarding to certain lots of the share options granted by the Company on 18 December 2012. However, the Company had not granted any share option during the Year and therefore there was no such expense for the Year. The basic and diluted earnings per share for the Year were HK0.37 cents and HK0.36 cents respectively (2012: basic and diluted loss per share of HK0.48 cents and HK0.48 cents respectively).

Core (loss) profit

The major non-cash item for the Year was the increase in fair value of investment properties of HK$10,600,000 (2012: HK$18,250,000) and there was no share-based payment expenses (2012: HK$31,248,000). The core loss attributable to owners of the Company was approximately HK$1,548,000 (2012: profit of HK$1,413,000) when the major non-cash item was excluded.

Net asset value

As at 31 December 2013, the Group's total net asset attributable to owners of the Company was approximately HK$407,459,000 (2012: HK$398,446,000), showing an increase of HK$9,013,000 or 2.3% compared with last year. The increase comprised the profit for the Year of HK$9,052,000.

Net asset value per Share attributable to owners of the Company as at 31 December 2013 was HK16.78 cents (2012: HK16.41 cents).

Investment and finance

The FRN was disposal during the Year. As at 31 December 2013, the Group had not held any available-for-sale financial assets. The interest rate of the FRN was calculated with reference to the LIBOR. In addition, pursuant to three-year revolving facility agreement dated 28 September 2012, a loan up to HK$220,000,000 at HIBOR plus 2.5% per annum was lent to the Champion Dynasty. Moreover, an indirectly wholly-owned subsidiary of the Company was granted a money lender license in January 2013. The Group have entered into money lender business for the Year. As at 31 December 2013, the loans to the borrowers under money lender business were HK$70,500,000 (2012: Nil). No hedging for interest rate and foreign currency were subsisted during the Year.

As at 31 December 2013, the loan to Champion Dynasty and borrowers under money lender business amounted to HK$290,500,000 (2012: HK$220,000,000) representing 71% (2012: 55%) of the total assets of the Group.

Equity

The number of issued ordinary Shares as at 31 December 2013 and 2012 were 2,428,255,008.

Debt and equity ratio

The Group did not have any borrowing as at 31 December 2013 and 2012.

The Group continued to maintain a sound capital and cash position. Time deposits and bank balances as at 31 December 2013 was approximately HK$52,336,000 (2012: HK$86,769,000). The majority of the Group's income for the Year was denominated in Hong Kong Dollars and United States Dollars and no hedging for non-Hong Kong Dollars assets or investments had been made during the Year.

Pledge of assets

As at 31 December 2013 and 2012, no assets were pledged by the Group to secure any banking facilities.

Capital commitment and contingent liabilities

On 21 June 2013, an indirect wholly-owned subsidiary of the Company had entered a share investment and arrangement agreement (the "Shares Agreement") in relation to acquisition of 35% equity interest in Dongguan Southern Medical University Metabolic Medicines Research and Development Company Limited*(東莞南方醫大代謝醫學研發有限公司) ("Southern Metabolic") with the consideration of RMB820,000 and agreement to pay an amount of RMB800,000 as working capital of the Southern Metabolic in cash. Pursuant to the Shares Agreement, the Company should pay the consideration and this undertaking working capital within 3 months after the completion. The completion was taken place on 20 February 2014. Therefore, as at 31 December 2013, the total capital commitment of the Group in relation to acquire 35% equity interest in Southern Metabolic are RMB1,620,000 (equivalent to approximately HK$2,060,000) (2012: Nil).

Except the above disclosure, the Group did not have any material capital commitment and contingent liabilities as at 31 December 2013 and 2012.

Financial and interest income/expenses

Total interest income included the interest income from investment and finance recorded in revenue and bank interest income recorded in other income for the Year. Total interest income was approximately HK$8,580,000 (2012: HK$7,014,000), representing an increase of 22% from last year. Although there is a decrease of interest income from the FRN, the increase of interest income from Champion Dynasty and third parties loan are substantial. Finance cost during the Year was approximately HK$2,000 (2012: Nil).

Remuneration policies and share option scheme

As at 31 December 2013, the Group employed 7 staff members (2012: 8), which the Directors were excluded. The total staff cost excluding Directors' emoluments for the Year was approximately HK$3,567,000 (2012: HK$15,405,000) while the staff cost was included the share-based payment expenses of HK$13,392,000 for last year. At the beginning of the Year, there was outstanding of share option were 168,000,000 which were granted under the share option scheme on 11 October 2012. No option was granted and exercised during the Year. Therefore, there was an aggregate of 168,000,000 share options which were not exercisable as at 31 December 2013.

Property valuation

A property valuation had been carried out by Roma Appraisals, an independent qualified professional valuer, in respect of the Group's investment properties as at 31 December 2013. The valuation report was used in preparing 2013 final results. Property valuation as at 31 December 2012 was carried out by Peak Vision Appraisals Limited. The valuation was made by the direct comparison approach assuming sale of the properties in their existing states with the benefit of vacant possession and by making reference to comparable sales transactions as available in the relevant market, or by investment method by taking the current passing rents and the reversionary income potential of such properties in to account.

The Group's investment properties were valued at HK$61,000,000 as at 31 December 2013 (2012: HK$50,400,000), an increase in fair value of HK$10,600,000 was recognised in the consolidated statement of profit or loss and other comprehensive income for the Year.

BUSINESS REVIEW

During the Year, the Group was mainly engaged in the businesses of (i) health management; (ii) investment and finance; and (iii) property investment.

Health management

In October 2013, an indirect wholly-owned subsidiary of the Company had commenced to lease two floors in Standard Property Unit at Guangzhou International Biological Island ("Biological Island") in which a health center and the headquarters of the development health management business in the PRC were setting up. The pre-sale of the membership had already been started in November 2013 and this center is expected to be launched in first half year of 2014. Therefore, there was no income generated from the health management business but it had incurred the expenses of approximately HK$840,000 during the Year.

Investment and finance

After granting the approval of the independent Shareholders on 20 November 2012, a new three-year revolving facility up to HK$220,000,000 at HIBOR plus 2.5% per annum was lent to the Champion Dynasty. For the Year, the Company accrued an interest income in the sum of approximately HK$5,978,000 (2012: HK$594,000) from the revolving facility to Champion Dynasty.

Moreover, an indirectly wholly-owned subsidiary of the Company was granted a money lender license in January 2013. The Group have entered into money lender business for the Year. During the Year, the interest income arisen from money lender business was approximately HK$2,174,000 (2012: Nil).

On the other hand, the investment in the FRN for investment purpose in USD denominated principal contributed an interest income of approximately HK$374,000 for the Year, comparing with approximately HK$1,644,000 last year. The FRN in the principal sum of USD5,000,000 was disposed in August 2013.

Property investment

As at 31 December 2013, the Group held 31 car parking spaces with 5 adjoining spaces and a carport basement situated in Wanchai and Central. The relevant occupancy rate was approximately 84% with rental income amounted to about HK$1,881,000 for the Year. The rental income represented an increment of 1.6% as compared to last year. Besides, an unrealised fair value gains on investment properties in the amount of HK$10,600,000 was recorded during the Year.

PROSPECTS

In 2013, it was a fruitful and achievable year for the Group in many aspects. The Directors supposes that the good trend will be continuing in 2014.

For the business development, the Group was successfully entering into health management business which is a prospect business with potential high growth rate in the PRC. It is because the sharp fall in both world-wide birth rate and death rate that have resulted in the aging global population is an acknowledged phenomenon. In more advanced and developed countries, with people generally having better access to information, there is a greater awareness of the importance of good health, contributing to more generous spending on medical, health care and health preservation. Therefore, the goal of development of health management business of the Group is creating a pool of global premium medical resources and constructing a leading model in health management. In long term, the Group plans to set up a number of chained health management businesses in the PRC to provide personal health management services to high-end segment in the population under all three statuses of heath, sub-health and ill.

Firstly, the Group established strategic relationship with certain reputable organisations or corporations (the "Strategic Partners") both in oversea and the PRC by entering a strategic co-operation framework agreement with them in April 2013. The Directors consider the following benefits will be arising from the invitation of the Strategic Partners to participate in the development of health management business:

(i) the Group and the Strategic Partners can engage in joint research projects and implement high-technology development proposals in the health management area ;

(ii) the Strategic Partners, by leveraging on their respective strengths in research and development capacity, access to international academic arena and valuable brand names, intend to give various support in respects of medical service innovation, bio-technology treatment and bio-medical treatment; and

(iii) the Group can invite the Strategic Partners to co-develop health management business by building up and sharing health management resources covering the technological, academic, customer and brand name aspects.

Although the details of the co-operation between the Company and the Strategic Partners have not been reached at the date of the announcement, the Directors strongly believe that the concrete formal co-operation with prospect outcome will be final in the first half of the year of 2014.

Secondly, the Group commenced to lease two floors of the Standard Property Unit at Biological Island as the first health management center and the headquarters of this new business in the PRC in October 2013. For our pervious preliminary estimation, the center would be opened after Lunar year in 2014. However, the further delay of decoration progress and staff recruitment, it is expected that it will be opened and commence its sales in the second quarter of 2014.

Thirdly, the Directors considered the former name of the Company could not reflect the long term mission of the Group and then the change of Company's name to Common Splendor International Health Industry Group Limited was proposed to the approval of the Shareholders. After granting approval of the Shareholders at the special general meeting of the Company in November 2013, the Company was renamed and the Shares had been trading in the Stock Exchange with present name officially with effect from 3 January 2014. Therefore, the Group will be more focus on the development of health industry in future which comprise of the medical services with directly or indirectly relationship with health, health management, medicines and health products and any other industries which closely related to health and covering all the daily basic necessities.

Fourthly, the Group was stepping into health fast food electronic business in the PRC by acquisition of 52% issued capital of Multi Talent in January 2014. The Directors considered the health fast food electronic business is different from the traditional fast food business. It makes use of the internet techniques to sale instead of the physical stores. Its target customers are the white-collar working class in the central business districts and other commercial areas in the first and second tier cities in the PRC. The population of the white-collar class at the cities in the PRC is tremendous. The lunch may be unaffordable but the cheaper may be unsafe for them. Taking lunch outside, it is hard to find a seat; ordering takeaway meals, it is too unpalatable to accept by them. Thus, this business model is fully designed to solve such lunch problems of the white collar. With the application of latest internet techniques, a system to guarantee the source of the food is established. With operation of a central kitchen and the delivery of the meals to the customers' offices by the designated heat preservation vehicles, it can solve the food safety and quality problems arising from the process of the food production and the delivery. With the aid of the electronic system, placing the orders through internet creates the data base which can be used in the analysis on the change of the customers' taste in order to assist the preparation of related sale strategy. In additional, this business is running by Ms. Liu Cui Hua ("Ms. Liu"), who the founder of the Multi Talent and also owns 30% of the issued capital of the Multi Talent, and her management team. Ms. Liu and her management team have over 10-year experience with remarkable success on operation of the catering and hospitality industry in the PRC. Up to the date of this announcement, the health fast food electronic business is under pilot operation and the Directors expects that its sales will be commenced within the second quarter of 2014 and has comfort for sure that it will be a new cash cow for the Group in 2014.

Last but not least, the Group further enlarges to investment in health industrial area and actively searching and making negotiations of the related projects. The Company will make announcements to update the Shareholders and the potential investment on the further development of the foresaid new businesses and finalisation of the negotiations in due course if it is appropriate in order to increase transparency to the Shareholders and potential investors of the Company.

At past, the Company had been operated in a small scale but with abundant fund on hand in many years. After taking over the management of the Company by present executive team of the Company in August 2012, the Directors decided it was time to change and broaden its sources of income after conducting a detailed review of the operation. By inputting much deliberate efforts by the Directors and the executive team of the Company during the Year, the delighting and applausive outcome are emergence.

Looking forward, the mission of the Company is "*To commit the development of human health industry with industrialised means to solve the issues in related to human health*". The Directors and its executive team still pursues its progressive and flexible business model while the Group also has continuing to cope with the changes and challenges of its business in a careful and cautious manner at the same time so as to create a long run sustainable growth of the benefit of the Group and the Shareholders as a whole in future.

CORPORATE GOVERNANCE

The Company had fully applied the principles and complied with the requirements of the Corporate Governance Code (the "CG Code"), as set out in Appendix 14 of the Listing Rules throughout the Year. None of the Directors was aware of any information that would reasonably indicate that the Company was, during the Year, incompliant with the CG Code except for the deviations as follows:

Under Rules 3.10 (1) and 3.21 of the Listing Rules, every board of directors of a listed company must include at least three independent non-executive directors and the audit committee must comprise a minimum of three members. However, the number of independent non-executive Directors and members of Audit Committee were below the required minimum number during the period from 1 January 2013, being the effective date of the resignation of Dr. David Chain Chi Woo, to 19 February 2013. Starting from 20 February 2013, the Company recompiled the code provision when Mr. Yau Chi Ming, Mr. Huang Liang and Mr. Mai Yang Guang were appointed as independent non-executive Directors.

Under code provision A.4.1 and D.1.4 of the CG Code, non-executive directors should be appointed for specific terms and subject to re-election and the listed company should have formal letters of appointment for the directors. However, the former independent non-executive Directors were not appointed for any specific term and formal letters of appointment. Subsequent to the resignations of two former independent non-executive Directors, Mr. Lam Yat Fai and Mr. Leung Yun Fai (with effect from 8 March 2013), all non-executive Directors were appointed with specific terms clearly stated in their letters of appointment with the Company. Accordingly, the Company has fully complied with these code provisions since 8 March 2013.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules as a code of conduct regarding securities transactions by the Directors. The Company has also adopted a code of conduct regarding securities transactions by the relevant employees on terms no less exacting than the required standard set out in the Model Code (the "Employees' Code"). Having made specific enquiry of all the Directors and the relevant employees, all the Directors and the relevant employees confirmed that they have complied with the required standards set out in the Model Code and the Employees' Code throughout the Year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

REVIEW OF FINANCIAL RESULTS

The financial results for the Year have been reviewed by the Audit Committee.

APPRECIATION

I would like to take this opportunity to express our gratitude to the Shareholders for their continued support and our fellow Directors and those who have worked for the Group for their valuable contributions.

By Order of the Board
Common Splendor International
Health Industry Group Limited
Cheung Wai Kuen
Chairman

Hong Kong, 28 March 2014

As at the date of this announcement, the Board comprises Mr. Cheung Wai Kuen, and Mr. Cheng Hau Yan as executive Directors; Mr. Lin Jiang as non-executive Director; and Mr. Huang Liang, Mr. Mai Yang Guang and Mr. Yau Chi Ming as independent non-executive Directors.

The website of the Company is at www.g-prop.com.hk.

** For identification only.*