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## **COMMON SPLENDOR INTERNATIONAL HEALTH INDUSTRY GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 286)**

### **MAJOR TRANSACTION**

#### **THE ACQUISITION**

The Board is pleased to announce that, on 28 June 2014, the Buyer (being a direct wholly-owned subsidiary of the Company), the Seller, Mr. Huang (as the Seller's guarantor), Allad Guangdong and the Target entered into the Agreement pursuant to which the Buyer conditionally agreed to acquire and the Seller conditionally agreed to sell the Sale Shares.

Upon Completion, the Buyer will hold 70% of the issued share capital of the Target. The consideration for the Acquisition is HK\$40,000,000 in cash (subject to adjustment, if any, in cash and/or new Shares pursuant to the terms of the Agreement).

#### **LISTING RULES IMPLICATIONS**

As one or more of the relevant percentage ratios in respect of the Acquisition exceeds 25% but all the relevant percentage ratios are less than 100%, the Acquisition constitutes a major transaction for the Company, and will be subject to the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of the Agreement, the Seller is interested in 18% and 38% of the issued share capital of Multi Talent and Jumbo Glory, respectively. Multi Talent and Jumbo Glory are both direct non-wholly-owned subsidiaries of the Company. Mr. Huang is also a director of Multi Talent and Jumbo Glory. Accordingly, the Seller and Mr. Huang are connected person of the Company and the Acquisition constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. However, as Multi Talent and Jumbo Glory are qualified as insignificant subsidiaries under Rule 14A.31(9) of the Listing Rules, the Acquisition is exempt from all the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **GENERAL**

The SGM will be held to consider, and if thought fit, pass the resolutions to approve (among other things) the Agreement and the transactions contemplated thereunder, including the issue and allotment of new Shares for any adjustment to the Consideration (if required).

A circular containing, among other things, (a) further details of the Acquisition; and (b) a notice of the SGM is expected to be despatched by the Company to the Shareholders as soon as practicable by 31 October 2014 since the Board expects that more time will be required to finalise the contents of the circular.

**Shareholders and potential investors of the Company should be aware that Completion is subject to the satisfaction (or waiver, where applicable) of various conditions and therefore Completion may or may not take place. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.**

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Upon Completion, the Buyer will hold 70% of the issued share capital of the Target.

## **THE AGREEMENT**

### **Date**

28 June 2014

### **Parties**

Buyer	:	Gold Stable Limited (being a direct wholly-owned subsidiary of the Company)
Seller	:	Billion High Worldwide Investments Limited
Seller's Guarantor	:	Mr. Huang Zhu Liang (being the sole shareholder of the Target)
The Target	:	Zhao Long International Medical Investment Management Group Limited

In addition to the above parties, Allad Guangdong is a party to the Agreement for the purposes of giving certain representations, warranties, undertakings and indemnities in favour of the Buyer.

### **Subject matter**

The Sale Shares, representing 70% of the issued share capital of the Target as of the date of the Agreement. The information regarding the Target Group is set out in the paragraph headed "Information on the Parties and the Target Group" below.

## The Allad Zhanjiang Agreement

The Allad Zhanjiang Agreement was entered into between the Seller and Allad Guangdong dated 27 June 2014, pursuant to which, among other things:

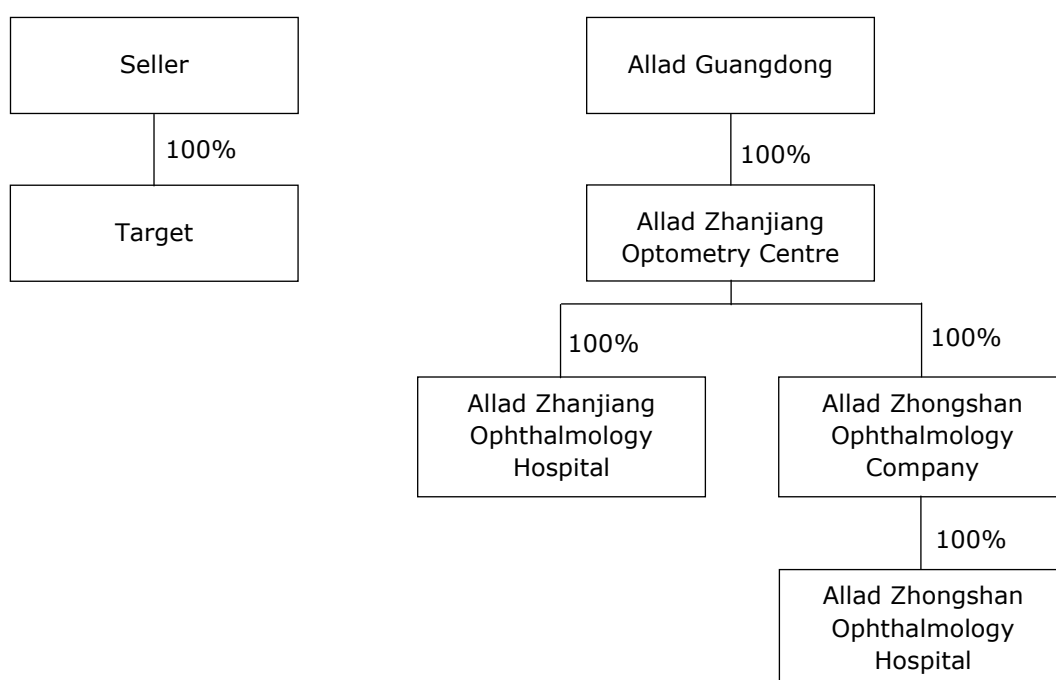
- (i) the Seller conditionally agreed to acquire by itself or (one or more of its nominee) and Allad Guangdong conditionally agreed to sell the entire registered capital in Allad Zhanjiang Optometry Centre at the consideration of RMB50,000,000; and
- (ii) the Seller conditionally agreed to procure the Target to acquire and Allad Guangdong conditionally agreed to sell 27% of the registered capital in Allad Zhanjiang Optometry Centre to the Target at the consideration of RMB13,500,000.

Pursuant to the Agreement, the Seller shall, as directed by the Buyer after Completion pay a sum of RMB13,500,000 to the Target or its wholly-owned subsidiary for the payment of the consideration for the 27% registered capital in Allad Zhanjiang Optometry Centre pursuant to the Allad Zhanjiang Agreement, or use or procure the use or retention of such sum for such other purposes for any members of the Target Group, in each case as the Buyer may in its sole and absolute discretion determine.

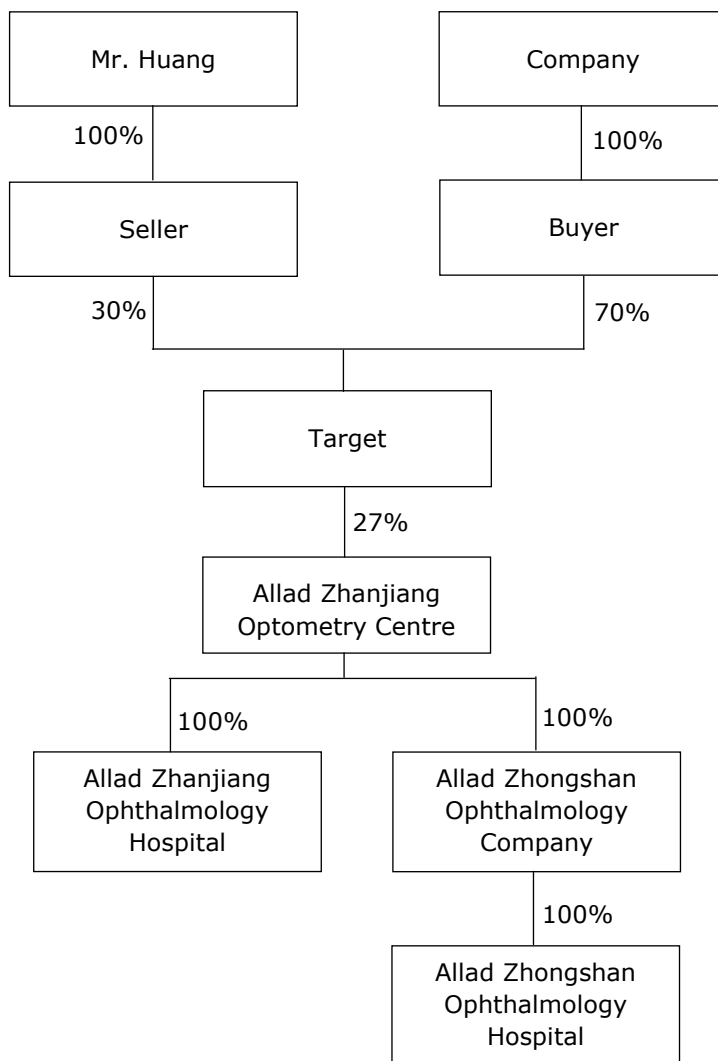
Neither the Buyer nor the Target has any obligation or rights to acquire the remaining 73% registered capital in Allad Zhanjiang Optometry Centre under the Agreement or the Allad Zhanjiang Agreement. As of the date of this announcement, the Company has no intention to increase its stake in the Allad Companies to the extent that such action would constitute a reserve takeover of the Company under Chapter 14 of the Listing Rules.

## Shareholding of the Target Group before and immediately upon Completion

### Before Completion



**Immediately upon Completion**



**Consideration**

The consideration for the Acquisition is HK\$40,000,000 in cash (subject to adjustment, if any, in cash and/or new Shares pursuant to the terms of the Agreement). A sum of HK\$40,000,000 will be paid to the Seller (or its nominee) within 15 Business Days of the date of the Agreement as a refundable deposit for the consideration for the Sale Shares in accordance with the terms of the Agreement.

The consideration was arrived at after arm's length negotiations among the parties to the Agreement and was determined with reference to, among other things, the financial performance, business development and prospects of the Target Group.

Pursuant to the Agreement, the Buyer and the Seller agreed that additional payment may become payable by the Buyer to the Seller (or its nominee) as follows, depending on the amount of the 2014 Net Profit and the 2015 Net Profit:

If the 2014 Net Profit shall exceed HK\$3,780,000, the Buyer shall procure the payment to the Seller (or its nominee) a sum of cash calculated as follows (if such number is positive):

*(the lesser of HK\$6,750,000 and the 2014 Net Profit) x 15 x 70% – the Consideration*

If the 2015 Net Profit shall exceed HK\$4,860,000, the Buyer shall procure the payment to the Seller (or its nominee) a sum of cash calculated as follows (if such number is positive):

*(the lesser of HK\$6,750,000 and the 2015 Net Profit) x 15 x 70% – the Consideration – the 2014 Payment (if any)*

The Buyer's obligation to pay any sums to the Seller (or its nominee) is conditional upon the Seller remaining as a shareholder of the Target at the time such payment obligation (if any) shall arise.

The Seller may, in lieu of receiving payment in cash (or the 2014 Payment (if any)), request the Buyer to procure the Company to issue such number of Shares to the Seller at HK\$0.686 per Share, being a price equivalent to the average closing price of the Shares quoted on the Stock Exchange during a period of 30 days prior to the date of the Agreement (subject to any adjustment as the Buyer may in its sole and absolute discretion determine taking into account any relevant corporate actions taken by the Company subsequent to the date of the Agreement including but not limited to any share consolidation, sub-division, bonus issue and other issues), except that the Buyer shall have no obligation to procure the Company to issue any Shares to the extent:

- (a) such issue would give rise to any general offer implications under The Code on Takeovers and Mergers of Hong Kong;
- (b) such issue would result in the Shares being unable to fulfil the minimum public float requirements under the Listing Rules; or
- (c) the Shares to be issued would represent more than 10% of the then total issued share capital of the Company prior to such issue.

The aforesaid Share price represents:

- (a) a premium of approximately 7.19% to the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 7.19% to the average of the closing price of the Shares as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day of approximately HK\$0.64 per Share; and
- (c) a premium of approximately 7.52% to the average of the closing price of the Shares as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.638 per Share.

## Conditions precedent

Completion is subject to, among other things, satisfaction or, as the case may be, waiver of the following conditions precedent:

- (a) the conduct of a due diligence investigation covering, among other things, the business, affairs, operations, assets, liabilities, financial condition, prospects and records of the Target Group having been completed and the results of such due diligence investigation being satisfactory to the Buyer at its sole and absolute discretion;
- (b) completion of the Allad Zhanjiang Acquisition to the satisfaction of the Buyer at its sole and absolute discretion;
- (c) the Seller providing a legal opinion issued by the PRC legal counsel of the Seller to the Buyer to the sole and absolute satisfaction of the Buyer confirming the due completion of the Allad Zhanjiang Acquisition, and the Target (or its wholly-owned subsidiary) having become the legal and beneficial owner of 27% of the registered capital in Allad Zhanjiang Optometry Centre;
- (d) the warranties given by the Seller, Mr. Huang, Allad Guangdong and the Company under the Agreement remaining true and accurate in all respects and not misleading in any respect as at Completion;
- (e) Allad Guangdong showing to the sole and absolute satisfaction of the Buyer that the consolidated tangible net worth of Allad Guangdong (excluding the net worth of the Allad Companies), as shown in its then audited consolidated balance sheet prepared in accordance with generally accepted accounting principles and practices in the PRC as at a date not more than 30 days before the date of Completion, not being less than HK\$440,000,000;
- (f) there having been no material breach of the obligations of the Seller and Mr. Huang under the Agreement from the date of the Agreement up to Completion which remains unremedied;
- (g) all consents, approvals, permits, authorisations or clearances (as the case may be) that the Buyer considers necessary or desirable pursuant to the applicable laws, regulations or rules (including but not limited to the approval from the Shareholders as required under the Listing Rules and the Stock Exchange's clearance for the transactions contemplated under the Agreement) for the execution, implementation and completion of the Agreement having been obtained; and
- (h) all such consents, approvals, permits, authorisations and clearances as referred to in (g) above not having been revoked or withdrawn at any time up to the Completion.

Conditions (g) and (h) cannot be waived by any party to the Agreement unilaterally. At any time on or before 30 June 2015, the Buyer may waive any of the conditions (a) to (f) (in whole or in part) by notice to the Seller on any terms it decides. As at the date of this announcement, the above conditions precedent have not yet been fulfilled.

## **Completion**

Completion shall take place on the date which is two Business Days after the date (not being later than 30 June 2015) on which the last of the conditions precedent of the Agreement is satisfied or waived. The long stop date for the Agreement will be on 30 June 2015.

If the conditions precedent have not been satisfied (or waived, where applicable) by 5:00 p.m. on 30 June 2015, the Agreement shall automatically terminate with immediate effect, in which case the Seller and Mr. Huang shall forthwith (and in any event on or before the second Business Day from the date of such termination) refund or cause the refund of the Deposit without interest to the Buyer (or its nominee).

Subject to the due fulfilment of the Seller's and Mr. Huang's obligations to refund the Deposit without interest, each party's further rights and obligations under the Agreement shall cease immediately on termination, but termination does not affect a party's accrued rights and obligations at the date of termination.

Upon Completion, the Buyer and the Seller will hold 70% and 30% of the issued share capital of the Target, respectively. Accordingly, the Target will become an indirect non-wholly-owned subsidiary of the Company.

## **Profit guarantee**

Pursuant to the Agreement, the Seller and Mr. Huang irrevocably and unconditionally guarantee to the Buyer that each of the 2014 Net Profit and the 2015 Net Profit shall not be less than HK\$3,780,000.

In the event that the 2014 Net Profit shall be less than HK\$3,780,000, the Seller shall, at the determination of the Buyer at its sole and absolute discretion:

(a) purchase Target Shares held by the Buyer representing 70% of the then issued share capital of the Target at the consideration of HK\$40,000,000.

or

(b) transfer Target Shares representing 30% of the then issued share capital of the Target to the Buyer (or its nominee) at the aggregate consideration of HK\$1 and pay the Buyer (or its nominee) a sum of cash calculated as follows (if such number is positive):

*the Consideration – the 2014 Net Profit x 15*

In the event that the 2014 Net Profit shall exceed HK\$3,780,000 and the 2015 Net Profit shall be less than HK\$3,780,000, the Seller shall, at the determination of the Buyer at its sole and absolute discretion:

(a) purchase Target Shares held by the Buyer representing 70% of the then issued share capital of the Target at the aggregate consideration of HK\$40,000,000 plus the 2014 Payment (if any)

or

(b) transfer Target Shares representing 30% of the then issued share capital of the Target to the Buyer (or its nominee) at the aggregate consideration of HK\$1 and pay the Buyer (or its nominee) a sum of cash calculated as follows (if such number is positive):

*the Consideration + the 2014 Payment (if any) – the 2015 Net Profit x 15*

## **NON-COMPETE UNDERTAKINGS BY THE SELLER AND MR. HUANG**

The Seller and Mr. Huang have undertaken to the Buyer that, during a period of two years from the date of the Agreement, it/he will not, without written consent from the Buyer, engage in activities in competition with the business or having an adverse effect on the goodwill of the Target Group pursuant to the terms of the Agreement. Such restrictions include, without limitation, being interested in or assist a business which competes directly or indirectly with a business of the Target Group, seeking to obtain orders from or do business with a person who has been a customer of the Target Group during a period of 12 months prior to the date of the Agreement, and soliciting or contacting with a view to engagement or employment by another person a director, officer, employee or manager of a member of the Target Group.

Pursuant to the Agreement, Mr. Huang has undertaken, for a period of two years commencing from the date of the Agreement, to make his service exclusively available to the Target Group as a senior management and/or officer of the Target Group (or any member thereof) whenever the relevant Group Company(ies) offer such role(s) to him on terms comparable to prevailing market terms.

## **INFORMATION ON THE PARTIES AND THE TARGET GROUP**

### **The Buyer**

The Buyer is a direct wholly-owned subsidiary of the Company and is an investment holding company.

### **The Seller and Mr. Huang**

The Seller is a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Mr. Huang, the Seller's guarantor under the Agreement. As advised by Mr. Huang, Mr. Huang is a merchant who possesses wealth of experience in the health, medical and commerce industry in the PRC since 1990s and specialises in business integration and operation in the PRC.



## **Allad Guangdong**

Allad Guangdong, the sole shareholder of Allad Zhanjiang Optometry Centre as of the date of the Agreement, is a company incorporated in the PRC on 29 September 2003. Allad Guangdong is principally engaged in the investment and management of hospitals, and the sales agent business for health food, health care equipment and rehabilitation equipment in the PRC. At the time of its incorporation, Allad Guangdong was owned as to 35% by Mr. Cheung, 35% by Ms. Cheung and 30% by Dongguan Wan Jia. Allad Guangdong became wholly-owned by Mr. Cheung on 6 March 2009, who subsequently ceased to hold any interest in Allad Guangdong since 21 July 2009. Mr. Cheung had been a legal representative of Allad Guangdong since its incorporation and was replaced by Mr. Fok on 21 July 2009, who retains such position as of the date of the Agreement. As of the date of the Agreement, Allad Guangdong is owned as to 50% by each of Mr. Fok and by Mr. 黃宗旭, respectively, who are both independent third parties. As advised by Mr. 黃宗旭 and Mr. Fok, Mr. 黃宗旭 is the person nominated by Mr. Fok to hold 50% equity interest in Allad Guangdong, whereas Mr. Fok is the sole beneficial owner of the entire registered capital in Allad Guangdong. The sole director of Allad Guangdong is Mr. Fok, whereas Ms. Cheung is the supervisor.

In addition, Allad Guangdong is a corporate guarantor to the revolving loan advanced by the Company to Champion Dynasty under the Loan Agreement as disclosed in an announcement of the Company on 28 September 2012. During the period between 8 October 2012 and 4 April 2014, Allad Guangdong, through its subsidiary Decheng Trading Group Co., Limited (a company incorporated in Hong Kong with limited liability), was interested in 1% of the total issued share capital of Champion Dynasty. As the date of the Agreement, Mr. Cheung is sole director and shareholder of Champion Dynasty.

## **The Target Group**

The Target, a company wholly-owned by the Seller, is a company incorporated in the British Virgin Islands with limited liability on 25 March 2014 and is an investment holding company incorporated for the purpose of acting as the holding company of interests in Allad Zhanjiang Optometry Centre pursuant to the Allad Zhanjiang Agreement.

Pursuant to the Agreement, completion of the Allad Zhanjiang Acquisition is a condition precedent to Completion. As at the date of the Agreement, Allad Zhanjiang Optometry Centre is a direct wholly-owned subsidiary of Allad Guangdong. Upon completion of the Allad Zhanjiang Acquisition, the Target (or through its wholly-owned subsidiary) will become the legal and beneficial owner of 27% of registered capital in Allad Zhanjiang Optometry Centre. Upon Completion, the Target will become an indirect non-wholly-owned subsidiary of the Company and the financial results of the Target will be consolidated into the Group's financial statements, while the Allad Companies will not become subsidiaries of the Company. The Allad Companies operate two hospitals in Zhanjiang and Zhongshan in the PRC, with an aggregate floor area of approximately 15,300 square metres. The Allad Companies employ over 190 employees, of which over 120 are medical professionals. The hospitals operated by the Allad Companies provide full ophthalmology related services including ophthalmic surgery for cataract, ocular disease, glaucoma, laser refractive surgery and optometry services.

Allad Zhanjiang Optometry Centre is a company incorporated in the PRC on 3 December 2004. Allad Zhanjiang Optometry Centre is principally engaged in the sale of glasses and accessories and optometry related products. At the time of its incorporation, Allad Zhanjiang Optometry Centre was owned as to 90% by Allad Guangdong and 10% by Guangdong Wan Jia. Mr. Cheung and Ms. Cheung became shareholders of Allad Zhanjiang Optometry Centre between 20 August 2009 and 13 January 2011, each holding 50% of its then registered capital. Such registered capital was transferred to Allad Guangdong on 13 January 2011, pursuant to which Allad Guangdong has become the sole shareholder since then. Mr. Cheung had been a legal representative of Allad Zhanjiang Optometry Centre since its incorporation and was replaced by Mr. Fok on 13 January 2011, who retains such position as of the date of the Agreement. Mr. Fok is also the sole director of Allad Zhanjiang Optometry Centre as of the date of the Agreement.

Allad Zhanjiang Ophthalmology Hospital is a medical institution registered with the Zhanjiang Public Health Bureau in the PRC on 15 September 2004. On 27 November 2013, Allad Zhanjiang Ophthalmology Hospital was registered as a limited company in the PRC. Allad Zhanjiang Ophthalmology Hospital is principally engaged in medicine, ophthalmology (cataract, glaucoma, corneal disease, ocular disease, trauma of eye, refractive eye muscle and tumor plastic, prevention and health care of eye disease), anesthesiology, medical laboratory, pathology, medical imaging, sale of glasses and accessories, optical instruments and optometry related products. It mainly serves the Western part of the Guangdong province, receiving approximately 50,000 patients per annum. At the time of its first registration, Allad Zhanjiang Ophthalmology Hospital was wholly-owned by Dongguan Wan Jia. The entire registered capital in Allad Zhanjiang Ophthalmology Hospital was transferred to Allad Zhanjiang Optometry Centre on 25 March 2010, pursuant to which Allad Zhanjiang Optometry Centre has become the sole shareholder since then. Mr. Cheung had been a legal representative of Allad Zhanjiang Ophthalmology Hospital since its first registration and was replaced by Mr. Fok on 10 December 2012, who retains such position as of the date of the Agreement. Mr. Fok is also the sole director of Allad Zhanjiang Ophthalmology Hospital as of the date of the Agreement.

Allad Zhongshan Ophthalmology Company is a company incorporated in the PRC on 19 April 2004. Allad Zhongshan Ophthalmology Company is an investment holding company holding the entire registered capital in Allad Zhongshan Ophthalmology Hospital. At the time of its incorporation, Allad Zhongshan Ophthalmology Company was owned as to 70% by Dongguang Wan Jia and 30% by Shenzhen Ju Feng. On 9 April 2008, Dongguang Wan Jia and Shenzhen Ju Feng transferred 10% and 30% of the registered capital in Allad Zhongshan Ophthalmology Company, respectively, to Dongguan Ao Kai. On 30 October 2008, Dongguang Wan Jia transferred its remaining 60% registered capital in Allad Zhongshan Ophthalmology Company to Allad Guangdong. Allad Guangdong and Dongguan Ao Kai held 60% and 40% of the registered capital in Allad Zhongshan Ophthalmology Company, respectively, until the same were transferred to Allad Zhanjiang Optometry Centre on 11 April 2014, pursuant to which Allad Zhanjiang Optometry Centre has become the sole shareholder since then. Mr. Cheung had been a legal representative of Allad Zhongshan Ophthalmology Company since its incorporation and was replaced by Mr. Fok on 28 September 2012, who retains such position as of the date of the Agreement. Mr. Fok is also the sole director of Allad Zhongshan Ophthalmology Company as of the date of the Agreement.

Allad Zhongshan Ophthalmology Hospital is a medical institution registered with the Zhongshan Public Health Bureau in the PRC on 26 January 2007. Allad Zhongshan Ophthalmology Hospital is principally engaged in ophthalmology, anesthesiology, medical laboratory, pathology, x-ray diagnosis, ultrasound diagnosis, ECG diagnosis, optometry, sale of optical instruments and glasses. It mainly serves the Zhongshan City, receiving approximately 38,000 patients per annum. Allad Zhongshan Ophthalmology Hospital has been wholly-owned by Allad Zhongshan Ophthalmology Company since its first registration. Mr. Cheung had been a legal representative of Allad Zhongshan Ophthalmology Hospital since its first registration and was replaced by Mr. Fok on 20 October 2012, who retains such position as of the date of the Agreement. Mr. Fok is also the sole director of Allad Zhongshan Ophthalmology Hospital as of the date of the Agreement.

## FINANCIAL INFORMATION OF THE TARGET COMPANY

The Target has had no operation since its incorporation. As such, no financial information of the Target is available for disclosure in this announcement. Based on the unaudited consolidated management accounts of the Allad Companies, which have been prepared in accordance with accounting principles generally accepted in the PRC, the consolidated financial information of the Allad Companies is summarised as follows:

	<b>For the year ended 31 December</b>	
	<b>2013</b> <i>RMB '000</i>	<b>2012</b> <i>RMB '000</i>
Turnover	30,029	24,095
Net profit before taxation/(loss)	9,071	(1,215)
Net profit after taxation/(loss)	8,555	(1,226)
		<b>As at</b>
		<b>31 December</b>
		<b>2013</b>
		<i>RMB '000</i>
Total assets		36,499
Total liabilities		37,143
Shareholders' deficit		644

## **REASONS FOR AND BENEFIT OF THE ACQUISITION**

The Group is mainly engaged in the businesses of investment and finance, properties investment and health industry business. In the long run, the Group intends to focus more on the development in the health industry. The Company has also invested in the projects of health management and healthy fast food electronic commerce business. The medical investment management business of the Target Group is in line with the strategies of the Group.

Apart from the partial acquisition of the Allad Companies, the Company intends to develop through the Target the medical investment management business in the PRC by way of mergers and acquisitions, restructuring and trust management of clinics and medical institutions in the PRC as and when appropriate. The Company is optimistic about the development of the health industry in the PRC, and considers the medical business as the core business within the medical industry chain. As part of the Acquisition, Mr. Huang has agreed to help developing the medical investment business by acting as a senior management and/or officer of any member of the Target Group. As advised by Mr. Huang, the Target is in the process of negotiating with a number of domestic medical institutions in the PRC with a view to exploring possible restructuring and/or cooperation opportunities.

The Company's focus is not only on the current profit level of the Target Group but also its potential growth in the future, particularly taking into account the profit guarantee given by the Seller and Mr. Huang in favour of the Buyer in relation to the net profit of the Target in 2014 and 2015.

The Board is of the view that the Acquisition represents a valuable business opportunity for the Group to develop in the health industry in the PRC and will, in the long run, broaden the Group's revenue base by expanding and diversifying the existing principal business activities of the Group into the health business.

In light of the above, the Directors consider that the terms of the Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the relevant percentage ratios in respect of the Acquisition exceeds 25% but all the relevant percentage ratios are less than 100%, the Acquisition constitutes a major transaction for the Company, and will be subject to the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of the Agreement, the Seller is interested in 18% and 38% of the issued share capital of Multi Talent and Jumbo Glory, respectively. Multi Talent and Jumbo Glory are both direct non-wholly-owned subsidiaries of the Company. Mr. Huang is also a director of Multi Talent and Jumbo Glory. Accordingly, the Seller and Mr. Huang are connected persons of the Company and the Acquisition constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. However, as Multi Talent and Jumbo Glory are qualified as insignificant subsidiaries under Rule 14A.31(9) of the Listing Rules, the Acquisition is exempt from all the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the date of the Agreement, save for the Seller and Mr. Huang's relationship with the Group as disclosed in this announcement, each of the counter-parties to the Agreement and their respective ultimate beneficial owner(s) (where applicable) is a third party independent of the Company and connected persons of the Company. To the best knowledge, information and belief of the Directors having made all reasonable enquiry, as at the date of this announcement, no Shareholder has an interest in the Acquisition which is different from the other Shareholders and on this basis, no Shareholder is required to abstain from voting for the resolutions to be proposed at the SGM.

## GENERAL

The SGM will be held to consider, and if thought fit, pass the resolutions to approve (among other things) the Agreement and the transactions contemplated thereunder, including the issue and allotment of new Shares for any adjustment to the Consideration (if required).

A circular containing, among other things, (a) further details of the Acquisition; and (b) a notice of the SGM is expected to be despatched by the Company to the Shareholders as soon as practicable by 31 October 2014 since the Board expects that more time will be required to finalise the contents of the circular.

**Shareholders and potential investors of the Company should be aware that Completion is subject to the satisfaction (or waiver, where applicable) of various conditions and therefore Completion may or may not take place. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.**

## DEFINITION

In this announcement, the following expressions have the meaning set out below unless the context otherwise requires:

<b>"Acquisition"</b>	the sale and purchase of the Sale Shares contemplated under the Agreement
<b>"Agreement"</b>	the share purchase agreement dated 28 June 2014 entered into among the Buyer, the Seller, Mr. Huang, Allad Guangdong and the Target for the Acquisition
<b>"Allad Companies"</b>	Allad Zhanjiang Optometry Centre, Allad Zhanjiang Ophthalmology Hospital, Allad Zhongshan Ophthalmology Company and Allad Zhongshan Ophthalmology Hospital
<b>"Allad Guangdong"</b>	means Guangdong Allad Commercial Development Company Limited*( 廣東奧理德商業發展有限公司 ) (formerly known as Guangdong Allad Yiliao Touzi Company Limited* (廣東奧理德醫療投資有限公司), a company incorporated in the PRC with limited liability
<b>"Allad Zhanjiang Acquisition"</b>	the acquisition of the 27% of the registered capital in Allad Zhanjiang Optometry Centre by the Target pursuant to the Allad

## Zhanjiang Agreement

<b>"Allad Zhanjiang Agreement"</b>	the Medical and Commercial Development Cooperation Agreement entered into between the Seller and Allad Guangdong dated 27 June 2014 (as amended and supplemented from time to time)
<b>"Allad Zhanjiang Ophthalmology Hospital"</b>	Zhanjiang Allad Ophthalmology Hospital Company Limited* (湛江奧理德眼科醫院有限公司), a company incorporated in the PRC with limited liability
<b>"Allad Zhanjiang Optometry Centre"</b>	Zhanjiang Allad Optometry Centre Company Limited* (湛江奧理德視光學中心有限公司), a company incorporated in the PRC with limited liability
<b>"Allad Zhongshan Ophthalmology Company"</b>	Zhongshan Allad Ophthalmology Hospital Company Limited* (中山奧理德眼科醫院有限公司) (formerly known as Zhongshan Shi Wan Jia Property Development Company Limited* (中山市萬佳置業發展有限公司)), a company incorporated in the PRC with limited liability
<b>"Allad Zhongshan Ophthalmology Hospital"</b>	Zhongshan Allad Ophthalmology Hospital* (中山奧理德眼科醫院), a medical institution registered with the Zhongshan Public Health Bureau in the PRC
<b>"Board"</b>	the board of Directors
<b>"Buyer"</b>	Gold Stable Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company
<b>"Business Day"</b>	any day (other than a Saturday or Sunday or public holiday) on which banks in Hong Kong are open for the transaction of normal business
<b>"Champion Dynasty"</b>	Champion Dynasty Limited, a company incorporated in the British Virgin Islands with limited liability and a company wholly owned by Mr. Cheung
<b>"Company"</b>	Common Splendor International Health Industry Group Limited (Stock Code: 00286), an exempted company incorporated in Bermuda with limited liability whose issued shares are listed on the main board of the Stock Exchange
<b>"Completion"</b>	completion of the Acquisition in accordance with the Agreement
<b>"connected person"</b>	has the meaning ascribed to it under the Listing Rules
<b>"Consideration"</b>	a sum of HK\$40,000,000 (subject to adjustment, if any, in cash and/or new Shares pursuant to the terms of the Agreement)

<b>"Deposit"</b>	a refundable deposit in the sum of HK\$40,000,000 payable by or on behalf of the Buyer pursuant to the terms of the Agreement
<b>"Director(s)"</b>	the director(s) of the Company
<b>"Dongguan Ao Kai"</b>	東莞市奧凱實業投資有限公司, a company incorporated in the PRC with limited liability and, to the best knowledge, information and belief of the Directors having made all reasonable enquiry, an independent third party as of the date of the Agreement
<b>"Dongguan Wan Jia"</b>	Dongguan Shi Wan Jia Property Development Company Limited* (東莞市萬佳置業發展有限公司), a company incorporated in the PRC with limited liability and was then owned as to 90% by Guangdong Wan Jia and 10% by Ms. Cheung, in which both of whom ceased to hold any interest since 4 July 2011
<b>"Group"</b>	the Company and its subsidiaries
<b>"Guangdong Wan Jia"</b>	Guangdong Wan Jia Investment Development Company Limited* (廣東萬佳投資發展有限公司), a company incorporated in the PRC and owned as to 50% by Mr. Cheung and 50% Ms. Cheung as of the date of the Agreement
<b>"HK\$"</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>"Hong Kong"</b>	Hong Kong Special Administrative Region of the PRC
<b>"independent third party"</b>	a third party independent of the Company and connected persons of the Company
<b>"Jumbo Glory"</b>	Jumbo Glory Investments Limited, a company incorporated in the British Virgin Islands with limited liability and a non-wholly-owned subsidiary of the Company
<b>"Last Trading Day"</b>	27 June 2014, being the last full trading day of the Shares on the Stock Exchange immediately prior to the publication of this announcement
<b>"Listing Rules"</b>	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>"Loan Agreement"</b>	a facility agreement dated 27 September 2012 between Champion Dynasty as borrower, Allad Guangdong as corporate guarantor, Mr. Cheung as individual guarantor and the Company as lender, pursuant to which the Company agreed to make available to Mr. Cheung a revolving loan facility of up to HK\$220,000,000, as more particularly disclosed in the announcements of the Company dated 28 September 2012, 8 October 2012 and 1 November 2012, and the circular of the Company dated 5 November 2012

<b>"Multi Talent"</b>	Multi Talent Limited, a company incorporated in the Cayman Islands with limited liability and a non-wholly-owned subsidiary of the Company
<b>"Mr. Cheung"</b>	Mr. Cheung Wai Kuen, the chairman of the Board, an executive Director and a controlling Shareholder
<b>"Mr. Huang"</b>	Mr. Huang Zhu Liang, the sole shareholder of the Seller as at the date of the Agreement
<b>"Mr. Fok"</b>	Mr. Fok Siu Ai* (翟少艾), who is, to the best knowledge, information and belief of the Directors having made all reasonable enquiry, an independent third party as of the date of the Agreement
<b>"Ms. Cheung"</b>	Ms. Cheung Shi Yue (張瑞瑜), the sister of Mr. Cheung
<b>"PRC"</b>	the People's Republic of China and, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region of the People's Republic of China and Taiwan
<b>"RMB"</b>	Renminbi, the lawful currency of the PRC
<b>"Sale Shares"</b>	35,000 Target Shares, representing 70% of the issued share capital of the Target as at the date of the Agreement
<b>"Seller"</b>	Billion High Worldwide Investments Limited, a company incorporated in the British Virgin Islands with limited liability
<b>"SGM"</b>	the special general meeting to be held by the Company to consider and, if thought fit, approve (among other things) the Agreement and the transactions contemplated thereunder
<b>"Share(s)"</b>	ordinary share(s) of HK\$0.01 each in the share capital of the Company
<b>"Shenzhen Ju Feng"</b>	深圳市巨豐擔保投資有限公司, a company incorporated in the PRC with limited liability and, the ultimate beneficial owner of which was the Cheung's Family until its de-registration now
<b>"Stock Exchange"</b>	The Stock Exchange of Hong Kong Limited
<b>"Shareholder(s)"</b>	holder(s) of the Share(s)
<b>"Target"</b>	Zhao Long International Medical Investment Management Group Limited, a company incorporated in the British Virgin Islands with limited liability, being a company wholly-owned by the Seller as of the date of the Agreement
<b>"Target Group"</b>	the Target and the Allad Companies
<b>"Target Shares"</b>	ordinary share(s) of US\$1 each in the share capital of the Target



- "2014 Net Profit"** 70% of the audited consolidated net profits of the Target for the financial year ending 31 December 2014, expressed in Hong Kong dollars and agreed or determined as such pursuant to the Agreement
- "2014 Payment"** the amount, if any, to be paid by the Buyer to the Seller (or its nominee) as a result of the 2014 Net Profit exceeding HK\$3,780,000 or, as the case may be, the value of the Shares issued to the Seller in lieu of cash payment as determined in accordance with the terms of the Agreement
- "2015 Net Profit"** 70% of the audited consolidated net profits of the Target for the financial year ending 31 December 2015, expressed in Hong Kong dollars and agreed or determined as such pursuant to the Agreement

By order of the Board  
**Common Splendor International  
Health Industry Group Limited**  
**Wong Yuet Ying**  
*Company Secretary*

Hong Kong, 29 June 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. Mai Yang Guang, Mr. Yau Chi Ming and Mr. Huang Liang as independent non-executive Directors.*

*The website of the Company is <http://www.g-prop.com.hk>*

*\* For identification purpose only*