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**COMMON SPLENDOR INTERNATIONAL  
HEALTH INDUSTRY GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 286)**

**MAJOR TRANSACTION, FINANCIAL ASSISTANCE  
AND CONTINUING CONNECTED TRANSACTION  
RENEWAL OF THE FACILITY AGREEMENT**

**RENEWAL OF THE FACILITY AGREEMENT**

Reference is made to 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 in respect of the Facility Agreement entered into between the Company (as the lender), Champion Dynasty (as the borrower), Mr Cheung (as the individual guarantor) and Allad Guangdong (as the corporate guarantor). Having considered that the annual cap amounts under the Facility Agreement approved by the Independent Shareholders at the special general meeting of the Company held on 20 November 2012 will expire on 20 November 2015, on 2 October 2015 (after trading hours), the Company (as the lender), Champion Dynasty (as the borrower) and Mr Cheung (as the individual guarantor) entered into the New Facility Agreement and agreed to renew the Facility Agreement for a period of three years from 20 November 2015 to 19 November 2018. The New Facility Agreement, the proposed annual cap amounts for the period from 20 November 2015 to 19 November 2018 and the transactions contemplated under the New Facility Agreement are subject to approval by the Independent Shareholders at the SGM.

Pursuant to Rule 13.13 of the Listing Rules, the Company has a general disclosure obligation in respect of the Transaction. As at the date of this announcement, as Mr Cheung is an executive Director, the Chairman of the Board and indirectly interested in approximately 34.82% of the issued share capital of the Company, he is a controlling shareholder of the Company and thus a connected person of the Company. Champion Dynasty is an associate of Mr Cheung. Pursuant to Rules 14A.25 and 14A.31 of the Listing Rules, the Transaction constitutes financial assistance and a continuing connected transaction of the Company.

As the applicable percentage ratios of the proposed annual cap amounts for the Transaction under the New Facility Agreement exceed 5%, the New Facility Agreement, the proposed annual cap amounts and the transactions contemplated under the New Facility Agreement are subject to reporting, announcement, approval of the Independent Shareholders at the SGM and annual review pursuant to the relevant rules under Chapter 14A of the Listing Rules.

As the applicable percentage ratios of the proposed annual cap amounts for the Transaction under the New Facility Agreement exceed 25% but less than 100%, the New Facility Agreement and the transactions contemplated under the New Facility Agreement also constitute major transaction under Chapter 14 of the Listing Rules and are therefore subject to reporting, announcement and shareholders' approval requirements pursuant to the Listing Rules.

Champion Dynasty and its associates (including Mr Cheung), being controlling shareholders of the Company interested in the Transaction contemplated under the New Facility Agreement, will abstain from voting at the SGM. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiry, save for Champion Dynasty and its associates (including Mr Cheung), no Shareholder (or its associates) has any material interest in the Transaction contemplated under the New Facility Agreement.

The Independent Board Committee has been established to make recommendations to the Independent Shareholders in relation to the fairness and reasonableness of the Transaction. Gram Capital has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further information regarding the details of the Transaction; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the SGM and other information as required under the Listing Rules will be despatched to the Shareholders on or before 27 October 2015.

## **RENEWAL OF THE FACILITY AGREEMENT**

Reference is made to 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 in respect of the Facility Agreement entered into between the Company (as the lender), Champion Dynasty (as the borrower), Mr Cheung (as the individual guarantor) and Allad Guangdong (as the corporate guarantor). At the special general meeting of the Company held on 20 November 2012, the Independent Shareholders approved the Facility Agreement and the annual cap amounts under the Facility Agreement. The term of the Facility Agreement is three years commencing from the date on which all conditions precedent of the Facility Agreement are fulfilled or waived (that is, 21 November 2012). Having considered that the annual cap amounts under the Facility Agreement approved by the Independent Shareholders at the special general meeting of the Company held on 20 November 2012 will expire on 20 November 2015, on 2 October 2015 (after trading hours), the Company (as the lender), Champion Dynasty (as the borrower) and Mr Cheung (as the individual guarantor) entered into the New Facility Agreement and agreed to renew the Facility Agreement for a period of three years from 20 November 2015 to 19 November 2018. The New Facility Agreement and the proposed annual cap amounts contemplated under the New Facility Agreement for the period from 20 November 2015 to 19 November 2018 are subject to approval by the Independent Shareholders at the SGM. Details of the Transaction are set out below.

## **MAJOR TRANSACTION, FINANCIAL ASSISTANCE AND CONTINUING CONNECTED TRANSACTION**

### **The New Facility Agreement**

Date	:	2 October 2015
Facility	:	Three-year revolving facility of up to HK\$200 million (subject to the condition that the aggregate amount of the principal loan outstanding under the Facility Agreement and the New Facility Agreement shall not be more than HK\$200 million at all times)
Borrower	:	Champion Dynasty

Guarantor : Mr Cheung, who is the individual guarantor under the New Facility Agreement

The Individual Guarantor provides the guarantee which is a continuing guarantee and will extend to the ultimate balance of sums payable by Champion Dynasty under the New Facility Agreement, regardless of any intermediate payment or discharge in whole or in part. In the case of any default repayment under the New Facility Agreement, the Individual Guarantor will be liable for the loan amount outstanding and the interest accrued thereon.

Lender : The Company

Purpose : To finance (i) the repayment of the loan outstanding from Champion Dynasty to the Company under the Facility Agreement as at 20 November 2015; and (ii) the general working capital of Champion Dynasty. The Company made enquires with Champion Dynasty and understands that Champion Dynasty will make use of the loan to improve its operations and will not use the loan for the purchase of fixed assets nor for long term investments (equity or non-equity in nature).

Final maturity : The expiry of three years from 20 November 2015 on which all conditions precedent of the New Facility Agreement shall have been fulfilled or waived.

Availability period : The period commencing from 20 November 2015 on which all the conditions precedent of the New Facility Agreement shall have been fulfilled or waived and ending on the Business Day immediately prior to final maturity.

Conditions precedent : The obligation of the Company as the lender to make the facility available to Champion Dynasty is subject to the fulfillment or waiver of the following conditions precedent on or before 20 November 2015:

- (1) the passing at a special general meeting of the Independent Shareholders of an ordinary resolution to approve the entering into of the New Facility Agreement, the proposed annual cap amounts and the transactions contemplated under the New Facility Agreement;
- (2) the obtaining by the Company of all necessary consents, authorisations or other approvals (or, as the case may be, the relevant waiver) of any kind in connection with the entering into and performance by the Company of the terms of the New Facility Agreement which may be required under the Listing Rules or from the Shareholders, the Stock Exchange, any regulatory authority, any relevant governmental agencies or other third parties;
- (3) the Company having received the constitutional and corporate authorisation documents of Champion Dynasty; and
- (4) the obtaining by Champion Dynasty and the Individual Guarantor of all necessary consents, authorisations, registrations or other approvals (or, as the case may be, the relevant waiver) of any kind in connection with the entering into and performance by Champion Dynasty and the Individual Guarantor of the New Facility Agreement which may be required under the Listing Rules, the Stock Exchange, any regulatory authority, any relevant governmental agencies or other third parties.

The Company may in its discretion waive the condition precedent contained in item 3 above by notice to Champion Dynasty. None of the other conditions precedent can be waived by any of the parties to the New Facility Agreement.

If any of the conditions precedent has not been fulfilled or waived on or before 5:00 p.m. on 20 November 2015 or such other date as the parties to the New Facility Agreement may agree in writing, the New Facility Agreement will cease to have effect.

Drawdown : Multiple drawings allowed with each drawdown of not less than HK\$5,000,000.

The Company shall have the overriding right to (i) determine whether to permit the drawing of an advance by Champion Dynasty under the facility; and (ii) reduce the amount of advance requested by Champion Dynasty, provided that the Company shall within one Business Day from its receipt of the drawdown notice notify Champion Dynasty of its decision to disallow the advance or reduce the amount of the advance requested.

Repayment : The Company is entitled, by giving not less than one month's (or such shorter period as Champion Dynasty may agree) prior written notice to Champion Dynasty, to demand full or partial repayment of the amount outstanding.

Champion Dynasty shall also repay the aggregate principal amount outstanding under the facility, all accrued interest thereon and all other amount payable under the New Facility Agreement on 19 November 2018.

Champion Dynasty may at any time without penalty or any other charges repay the whole or any part of the amount outstanding under the facility (if in part, being a minimum amount of HK\$5,000,000 and an integral multiple of HK\$1,000,000), provided that Champion Dynasty shall have given to the Company not less than 14 days' (or such shorter period as the Company may agree) prior written notice of its intention to make such repayment, specifying the amount to be repaid and the proposed date of such repayment. Any amount so repaid by Champion Dynasty shall first be applied towards the repayment of interest accrued up to the date of repayment and the balance shall be applied towards repayment of the principal amount outstanding under the facility.

Interest : 10% per annum.

The interest rate is determined with reference to (i) the range of interest rates of the loans offered by the Company to other independent third parties; and (ii) the annual interest rate received by the Company from its existing bank deposits in Hong Kong and the PRC, respectively, at the time of the entering into the New Facility Agreement. Prior to the approval of the drawing of an advance by Champion Dynasty under the New Facility Agreement, the Company will consider and compare the interest rates offered by the Company to other third parties and the annual interest rate received by the Company from its bank deposits in Hong Kong and the PRC, respectively, to ensure that the facility to be granted to Champion Dynasty by the Company under the New Facility Agreement are not more favourable than the loans offered to other independent third parties by the Company or the bank deposits interests received by the Company.

Collateral : Not required.

The Company may, without prejudice to any other rights of the Company as the lender, at any time after the happening of an event of default which includes, among other matters, non-payment by Champion Dynasty, breach of obligations and warranties, so long as the same is continuing and has not been waived, by notice to Champion Dynasty declare that:

- (1) the obligation of the Company to make the facility available shall be terminated, whereupon any undrawn portion of the facility shall be reduced to zero immediately; and/or
- (2) all amounts outstanding under the facility and all interest accrued and all other sums payable under the New Facility Agreement have become due and payable, whereupon all of the above amounts shall, immediately or in accordance with the terms of such notice, become due and payable.

### **Outstanding amount under the Facility Agreement**

As at the date of this announcement, the aggregate principal amount outstanding under the facility and all interest accrued and all other sums payable under the Facility Agreement amounted to HK\$190,000,000.

Pursuant to the Facility Agreement, Champion Dynasty shall repay the above outstanding amounts under the Facility Agreement on 20 November 2015. During the period from 1 January 2015 to the date of this announcement, Champion Dynasty has repaid HK\$30 million to the Company under the Facility Agreement and the outstanding amount under the Facility Agreement as at 20 November 2015 will be HK\$190 million. Subject to the fulfillment or waiver of the conditions precedent of the New Facility Agreement, the availability period of the facility under the New Facility Agreement will commence from 20 November 2015. It is intended that the facility to be granted to Champion Dynasty under the New Facility Agreement will be used to finance the repayment of the loan outstanding from Champion Dynasty to the Company under the Facility Agreement. If the conditions precedent of the New Facility Agreement have not been fulfilled or waived by 20 November 2015, Champion Dynasty shall use its own source of funding to repay all the outstanding amounts under the Facility Agreement on 20 November 2015.

As at the date of this announcement, Champion Dynasty had not defaulted in any repayment nor breached any material obligations or undertakings under the Facility Agreement.



## Historical Figures and Proposed Annual Cap Amounts

### *Historical Figures*

The following table sets out the historical maximum principal loan outstanding, interest amount and the annual cap amounts/proposed annual cap amounts under the Facility Agreement for each of the following periods:

	<b>From 21 November 2012 to 31 December 2012</b>	<b>For the year ended 31 December 2013</b>	<b>For the year ended 31 December 2014</b>	<b>From 1 January 2015 to the date of this announcement</b>
Maximum principal loan outstanding	HK\$220 million	HK\$220 million	HK\$220 million	HK\$220 million
Interest amount	HK\$1 million	HK\$6 million	HK\$6 million	HK\$4 million
Annual cap amounts	HK\$222 million	HK\$238 million	HK\$238 million	HK\$236 million <sup>Note</sup>

*Note:* Depicts the annual cap amounts from 1 January 2015 to 20 November 2015

### *Proposed Annual Cap Amounts*

The following table sets out the maximum principal loan outstanding, the maximum interest amount and the proposed annual cap amounts of the facility to be granted by the Company to Champion Dynasty under the New Facility Agreement for each of the following periods:

	<b>From 20 November 2015 to 31 December 2015</b>	<b>For the year ending 31 December 2016</b>	<b>For the year ending 31 December 2017</b>	<b>From 1 January 2018 to 19 November 2018</b>
Maximum principal loan outstanding	HK\$200 million	HK\$200 million	HK\$200 million	HK\$200 million
Maximum interest amount	HK\$3 million	HK\$20 million	HK\$20 million	HK\$18 million
Proposed annual cap amounts	HK\$203 million	HK\$220 million	HK\$220 million	HK\$218 million

The above proposed annual cap amounts are determined with reference to the aggregate principal amount outstanding under the facility to be granted by the Company and the annual interest payable under the New Facility Agreement, based on the assumption that Champion Dynasty will borrow up to HK\$200 million for each of (i) the period from 20 November 2015 to 31 December 2015; (ii) the year ending 31 December 2016; (iii) the year ending 31 December 2017; and (iv) the period from 1 January 2018 to 19 November 2018, respectively.

Pursuant to the New Facility Agreement, it is agreed that Champion Dynasty shall pay interest on the aggregate principal amount outstanding under the facility from time to time at the interest rate of 10% per annum and such interest shall be paid to the Company on the last day of each interest period which means one month.

### **Information on the Company and Reasons for the renewal of the Facility Agreement**

The Group is mainly engaged in the development of health industry and investment and finance businesses. The Group has formulated its strategy, an emphasis of which is placed on the healthcare business that covers the healthcare industry chain of pharmaceuticals and foodstuff products and to promptly establish its market presence in the industry through acquisition, merger and restructuring. To this end, on 28 August 2015, the Company entered into the CB Placing Agreement in relation to the placing of the Convertible Bonds of up to an aggregate principal amount of HK\$300 million. The net proceeds from the Convertible Bonds will be used as the general working capital of the Group and investments in the potential business opportunity, if any. For details, please refer to the announcement of the Company dated 28 August 2015. On 16 September 2015, the Company entered into the Subscription Agreement with the Investor, pursuant to which, the Investor has agreed to subscribe for Shares up to an aggregate placement price of HK\$120 million. The Company intends to use the net proceeds from the allotment and issue of the placement shares under the Subscription Agreement for general working capital of the Group and investments in the potential business opportunities. For details, please refer to the announcement of the Company dated 16 September 2015. Recently, the Group has invested in the projects of health management, advantage growth for children and teenagers, maternal and child health management, healthcare investment and management, Hong Kong clinic chains, and natural healthy food. The Group has constantly come across and negotiated investment opportunities related to the healthcare industry with potential acquisitions and mergers, while proactively raising fund necessary for the negotiation and identification of new investment opportunities, including proceeds raised from the Convertible Bonds and the placement Shares under the Subscription Agreement. Such proceeds may be applied to potential new investment opportunities. However, currently no concrete investment opportunities suitable for the Group (including transaction conditions and transaction timeframes) have been identified to utilise the excess idle cash on hand and the possible additional funds to be raised. As such, the Board considers that, it is in the commercial interest of and beneficial to the Company to lend the amount of excess idle and unused cash to Champion Dynasty for a higher return than keeping such idle cash as bank deposits. As at the date of this announcement, the Group had a cash balance of

approximately HK\$12 million. Subject to the fulfillment or waiver of the conditions precedent under the New Facility Agreement, the Company will make the facility available to Champion Dynasty under the New Facility Agreement by using the cash balance available to the Group. The Board noticed that the Company received an annual interest rate of below 0.001% and 0.35% per annum from its existing bank deposits in Hong Kong and the PRC, respectively. The Board considers that the interest rate for the Transaction will improve the Company's revenue in the future and such interest rate should be fair and reasonable and on normal commercial terms.

Furthermore, the New Facility Agreement is contemplated to confer the Company the right to make final decision as to approving the drawdown by Champion Dynasty and to demand repayment of the loan upon giving not less than one month (or such shorter period as Champion Dynasty may agree) prior notice to Champion Dynasty. This would provide flexibility to the Company to utilise the money should any suitable potential investment opportunity arise.

Moreover, the Directors will closely communicate with Champion Dynasty to ensure that the outstanding loan and interest accrued under the New Facility Agreement will be repaid upon demand.

The Directors (excluding Mr Cheung who has abstained from voting on the relevant Board resolutions due to his interests in the New Facility Agreement, and the independent non-executive Directors whose view will be formed after considering the advice and recommendation of the Gram Capital) are of the view that the New Facility Agreement was entered into in the ordinary and usual course of business of the Group and the terms of the New Facility Agreement (including the interest rate and repayment terms) and the proposed annual cap amounts are on normal commercial terms and are fair and reasonable and in the interests of the Shareholders as a whole.

### **Information on the Borrower**

Champion Dynasty is a company incorporated in the BVI with limited liability on 13 March 2012. The entire issued share capital of Champion Dynasty is beneficially owned by Mr Cheung.

The principal activities of Champion Dynasty are investment holding and general trading. Apart from the Facility Agreement, Champion Dynasty did not enter into any facility arrangement with the Company.

The Company made enquiries with Champion Dynasty and the Company understands that the majority of Champion Dynasty's assets are capital investments in the Company. As at the date of this announcement, Champion Dynasty held 903,949,671 Shares. Based on the closing share price of the Shares as at 2 October 2015, being the date of the New Facility Agreement, the Board estimates that the market value of the Shares held by Champion Dynasty was approximately HK\$705 million and the Company understands from Champion Dynasty that no Shares of which are currently pledged to any third party.

### **Information on the Individual Guarantor**

Mr Cheung is the sole director and shareholder of Champion Dynasty and is an executive Director indirectly interested in approximately 34.82% of the issued share capital of the Company. Mr Cheung, aged 41, joined the Company as executive Director in August 2012 and was appointed as the chairman of the Company in September 2012. He has established a number of enterprises in various industries in the PRC since 1997, including property investment, hospital and trading business. Mr Cheung has over 10 years of experience in capital management and corporate management. He was appointed as an executive director of L'sea Resources International Holdings Limited (Stock Code: 195) on 4 December 2009.

As at the date of this announcement, Mr Cheung was interested in the Shares through Champion Dynasty. The Board understands that the aggregate value of Mr Cheung's unpledged shareholding interest in the Company was over HK\$700 million, which is larger than the facility loan of up to HK\$200 million under the New Facility Agreement, and thus the Board considers that Mr Cheung's net assets will be sufficient to satisfy the total amount of the facility loan under the New Facility Agreement.

### **Reasons that Allad Guangdong is no longer a corporate guarantor under the New Facility Agreement**

Allad Guangdong, a corporate guarantor under the Facility Agreement, is a company established in the PRC with limited liability on 29 September 2003. Its principal activities are investment and management of hospital and sales agent of health food, health care equipment and rehabilitation equipment. Allad Guangdong invested in two hospitals in Zhongshan city and Zhanjiang city of the PRC. As disclosed in the announcement of the Company dated 29 June 2014, Allad Guangdong disposed part of its interest in the two hospitals in Zhongshan City and Zhanjiang City in the PRC to a joint venture company of the Group. In order to minimise the transaction between the Group and Allad Guangdong and taking into account of the credit worthiness and the financial conditions of each of Champion Dynasty and the Individual Guarantor, the Board is of the view that a corporate guarantor will not be required for the New Facility Agreement. Further, the Board is of the view that collateral will not be required from Champion Dynasty and the Transaction is on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Pursuant to Rule 13.13 of the Listing Rules, the Company has a general disclosure obligation in respect of the Transaction.

As at the date of this announcement, as Mr Cheung is an executive Director and indirectly interested in approximately 34.82% of the issued share capital of the Company, he is a controlling shareholder of the Company and thus a connected person of the Company. Champion Dynasty is an associate of Mr Cheung. Pursuant to Rules 14A.25 and 14A.31 of the Listing Rules, the Transaction constitutes financial assistance and a continuing connected transaction of the Company.

As the applicable percentage ratios of the proposed annual cap amounts for the Transaction under the New Facility Agreement exceed 5%, the New Facility Agreement, the proposed annual cap amounts and the transactions contemplated under the New Facility Agreement are subject to reporting, announcement and approval of the Independent Shareholders at the SGM and annual review pursuant to the relevant rules under Chapter 14A of the Listing Rules.

As the applicable percentage ratios of the proposed annual cap amounts for the Transaction under the New Facility Agreement exceed 25% but less than 100%, the New Facility Agreement and the transactions contemplated under the New Facility Agreement also constitute major transaction under Chapter 14 of the Listing Rules and are therefore subject to reporting, announcement and shareholders' approval requirements pursuant to the Listing Rules.

Champion Dynasty and its associates (including Mr Cheung), being controlling shareholders of the Company interested in the Transaction contemplated under the New Facility Agreement, will abstain from voting at the SGM. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiry, save for Champion Dynasty and its associates (including Mr Cheung), no Shareholder (or its associates) has any material interest in the Transaction contemplated under the New Facility Agreement.

The Independent Board Committee has been established to make recommendations to the Independent Shareholders in relation to the fairness and reasonableness of the Transaction. Gram Capital has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further information regarding the details of the Transaction; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the SGM and other information as required under the Listing Rules will be despatched to the Shareholders on or before 27 October 2015.

## DEFINITIONS

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

“Allad Guangdong”	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 established in the PRC with limited liability, which is the corporate guarantor under the Facility Agreement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday) on which licensed banks are open for business in Hong Kong
“BVI”	the British Virgin Islands
“CB Placing”	the placing of the Convertible Bonds in accordance with the terms and conditions of the CB Placing Agreement
“CB Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 28 August 2015 in relation to the CB Placing
“Champion Dynasty”	Champion Dynasty Limited, a company incorporated in the BVI with limited liability and the borrower under the Facility Agreement and the New Facility Agreement

“Company”	Common Splendor International Health Industry Group Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange, and the lender under the Facility Agreement and the New Facility Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Convertible Bonds”	the convertible bonds in the aggregate principal amount of up to HK\$300 million to be issued by the Company pursuant to the CB Placing Agreement
“Director(s)”	director(s) of the Company
“Facility Agreement”	the agreement dated 27 September 2012 entered into between the Company (as lender), Champion Dynasty (as borrower), Mr Cheung (as individual guarantor) and Allad Guangdong (as corporate guarantor) in relation to a three-year revolving facility of up to HK\$220 million
“Gram Capital”	Gram Capital Limited, a licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO and the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the New Facility Agreement and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	an independent committee of the Board established by the Board comprising Mr Mai Yang Guang, Mr Yau Chi Ming and Mr Huang Liang (all being independent non-executive Directors) to make recommendations to the Independent Shareholders in relation to the fairness and reasonableness of the Transaction
“Independent Shareholder(s)”	Shareholder(s), other than those with a material interest in the Transaction and their associates
“Investment Adviser”	GEM Investments America, LLC, a company incorporated in Delaware, the United States
“Investor”	GEM Global Yield Fund LLC SCS (together with its permitted successors and assigns), a company incorporated under the laws of Luxembourg
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr Cheung” or “Individual Guarantor”	Mr Cheung Wai Kuen, who is the individual guarantor under the Facility Agreement and the New Facility Agreement, the sole director of Champion Dynasty, holder of the entire issued share capital of Champion Dynasty and an executive Director and the Chairman of the Board
“New Facility Agreement”	the agreement dated 2 October 2015 entered into between the Company (as the lender), Champion Dynasty (as the borrower) and Mr Cheung (as individual guarantor) in relation to a three-year revolving facility of up to HK\$200 million
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules
“Placing Agent”	Karl-Thomson Securities Company Limited, a licensed corporation to carry on business in type 1 regulated activity (dealing in securities) under the SFO



“PRC”	the People’s Republic of China
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	a special general meeting of the Company to be held on 19 November 2015 for the purpose of considering, and if thought fit, approving the entering into of the New Facility Agreement, the proposed annual cap amounts and the transactions contemplated under the New Facility Agreement by the Independent Shareholders
“Share(s)”	the share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the agreement entered into amongst the Company, the Investor and the Investment Adviser on 16 September 2015 in relation to the subscription of the placing Shares
“Transaction”	the major transaction and continuing connected transaction contemplated under the New Facility Agreement
“%”	per cent.

By order of the Board of  
**Common Splendor International  
Health Industry Group Limited**  
**Lam King Ho**  
*Company Secretary*

Hong Kong, 5 October 2015

*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 [www.cs-ih.com](http://www.cs-ih.com).*

*\* For identification purposes only*