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**中國 9 號 健康 產業 有限 公司**  
**China Jiuhao Health Industry Corporation Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 419)**

**ANNOUNCEMENT PURSUANT TO  
RULE 3.7 OF THE TAKEOVERS CODE AND  
RULE 13.09 OF THE LISTING RULES AND  
INSIDE INFORMATION PROVISIONS**

**AND**

**RESUMPTION OF TRADING**

The Board is pleased to inform the Shareholders that it has been in discussions with certain potential investors regarding subscription of new securities in the Company. The proposed subscription may lead to a change in control of the Company under the Takeovers Code.

On 18 June 2015, the Company entered into a binding exclusivity agreement with one of the potential investors, pursuant to which, an exclusivity period was granted to 23 June 2015 to negotiate with the Company in connection with the possible transaction.

In addition, on 23 June 2015, Company and the Potential Investors entered into the Memorandum of Understanding setting out the principal terms of the Proposed Transaction. Pursuant to the Memorandum of Understanding, it is acknowledged by the Parties that the Company intends to issue the Total Subscription Shares representing up to 88% of the Total Enlarged Shares.

Subject to certain conditions, the Potential Investors propose to subscribe for Subscription Shares and/or Convertible Securities, which will represent 58% of the Total Enlarged Shares. The Parties further acknowledge under the Memorandum of Understanding that the Company may look for Other Investors to subscribe for newly issued New Ordinary Shares and/or Convertible Securities that will represent up to 30% of the Total Enlarged Shares.

The Parties also agree that the consideration payable by the Potential Investors for each Subscription Share or each New Ordinary Share to be issued upon conversion of the Convertible Securities shall be HK\$0.08 and that the consideration payable by the Other Investors for each newly issued New Ordinary Share or each New Ordinary Share to be issued upon conversion of the Convertible Securities shall be no less than HK\$0.08.

The Memorandum of Understanding is merely an expression of intent and is not legally binding in any respect except for the provisions relating to the subscription price, exclusivity, due diligence and confidentiality of the Memorandum of Understanding. The Proposed Subscription is subject to further negotiations between the Parties and the execution of definitive agreements.

#### **RESUMPTION OF TRADING OF SHARES OF THE COMPANY**

At the request of the Company, trading in the shares of the Company was halted with effect from 9:00 a.m. on 1 June 2015, pending the release of the announcement of the Company dated 18 June 2015 and remained suspended pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:00 a.m. on 24 June 2015.

**Warning: There is no assurance that the Proposed Transaction will either materialise or eventually be consummated. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if in any doubt, they should consult their professional advisers.**

This announcement is made by the Company pursuant to Rule 3.7 of the Takeovers Code, Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

Reference is also made to the announcement of the Company dated 19 June 2015 on the Stock Exchange in respect of the continued suspension of the trading of the shares of the Company on the Stock Exchange pending release of an announcement in respect of further inside information of the Company.

The Board is pleased to inform the Shareholders that it has been in discussions with certain potential investors (collectively, the “**Potential Investors**,” and each a “**Potential Investor**” ), each an independent third party which is not a connected person (as defined in the Listing Rules) of the Company, regarding the Proposed Subscription. The Proposed Subscription, together with the Other Investors’ Subscription (the “**Proposed Transaction**” ), may lead to a change in control of the Company under the Takeovers Code.

## **EXCLUSIVITY AGREEMENT**

On 18 June 2015, the Company entered into a binding exclusivity agreement with one of the Potential Investors, pursuant to which, that Potential Investor was granted an exclusivity period to 23 June 2015 to negotiate with the Company in connection with the Possible Transaction.

## **MEMORANDUM OF UNDERSTANDING**

In addition, on 23 June 2015, Company and the Potential Investors entered into the Memorandum of Understanding setting out the principal terms of the Proposed Transaction. Pursuant to the Memorandum of Understanding, it is acknowledged by the Parties that the Company intends to issue a certain number of newly issued New Ordinary Shares (the “**Total Subscription Shares**” ) representing up to 88% of the Total Enlarged Shares.

Subject to certain conditions, including amongst others, the Capital Reorganisation becoming effective, the VSD and the Proposed Distribution having been completed, and the Executive having granted the Whitewash Waiver to the Potential Investors and their parties acting in concert (as defined in the Takeovers Code), the Potential Investors propose to subscribe for Subscription Shares and/or Convertible Securities, which will represent 58% of the Total Enlarged Shares (the “**Proposed Subscription**” ). It is the intention of the Potential Investors that the condition to the Proposed Subscription with regard to the Whitewash Waiver being granted will not be waivable. It is currently anticipated by the Parties that each Potential Investor will subscribe for Subscription Shares and/or Convertible Securities, which will represent more than 20% of the Total Enlarged Shares. Accordingly, the Potential Investors would be presumed to be parties acting in concert (as defined in the Takeovers Code).

The Parties further acknowledge under the Memorandum of Understanding that the Company may look for Other Investors acceptable to the Potential Investors to subscribe for newly issued New Ordinary Shares and/or Convertible Securities that will represent up to 30% of the Total Enlarged Shares (the “**Other Investors’ Subscriptions**” ). However, if no Other Investors are found, the Company may renegotiate with the Potential Investors regarding the size of the Proposed Subscription.

The Parties also agree that the consideration payable by the Potential Investors for each Subscription Share or each New Ordinary Share to be issued upon conversion of the Convertible Securities shall be HK\$0.08 and that the consideration payable by the Other Investors for each newly issued New Ordinary Share or each New Ordinary Share to be issued upon conversion of the Convertible Securities shall be no less than HK\$0.08.

In the Memorandum of Understanding, the Potential Investors expressed their intention to assist the Company in pursuing opportunities in cultural and new media industries in China and overseas and to utilize their resources to support the Company's development in such areas.

The Company agreed to grant the Potential Investors a three (3) month exclusivity period starting from the date of the Memorandum of Understanding to conduct due diligence on the Company and its subsidiaries and to negotiate in good faith the definitive agreements in relation to the Proposed Subscription under the Memorandum of Understanding.

The Memorandum of Understanding is merely an expression of intent and is not legally binding in any respect except for the provisions relating to the subscription price, exclusivity, due diligence and confidentiality of the Memorandum of Understanding. The Proposed Subscription is subject to further negotiations between the Parties and the execution of definitive agreements.

Shareholders will be informed of any further developments with regard to the Proposed Transaction as and when necessary in accordance with the Listing Rules, the Takeovers Code and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO, and on a monthly basis pursuant to Rule 3.7 of the Takeovers Code until an announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made in compliance with the Takeovers Code.

**There is no assurance that the Proposed Transaction will either materialise or eventually be consummated. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if in any doubt, they should consult their professional advisers.**

## **RESUMPTION OF TRADING OF SHARES OF THE COMPANY**

At the request of the Company, trading in the shares of the Company was halted with effect from 9:00 a.m. on 1 June 2015, pending the release of the announcement of the Company dated 18 June 2015 and remained suspended pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:00 a.m. on 24 June 2015.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

- “Board”** means the board of directors of the Company;
- “Capital Reorganisation”** means the capital reorganization of the Company as more particularly set out in the circular of the Company dated 21 May, 2015 which includes, among other things, the proposed capital reduction where the par value of each issued existing ordinary share of the Company will be reduced from HK\$0.20 to HK\$0.02;
- “Company”** means China Jiu hao Health Industry Corporation Limited;
- “Convertible Securities”** means newly issued securities of the Company convertible into newly issued ordinary shares of the Company;
- “Eternity Investment”** means Eternity Investment Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 764);
- “Executive”** means the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;
- “Listing Rules”** means the Rules Governing the Listing of Securities on the Stock Exchange;
- “Memorandum of Understanding”** means the memorandum of understanding entered into by the Company and the Potential Investors on 23 June 2015;
- “New Ordinary Shares”** means the new ordinary shares with par value of HK\$0.02 each in the share capital of the Company immediately following the Capital Reorganisation becoming effective;
- “Other Investors”** means the independent investors which are acceptable to the Potential Investors;
- “Other Investors’ Subscriptions”** has the meaning given to it in this announcement;
- “Parties”** means the Company and the Potential Investors;

<b>“Potential Investors”</b>	means two potential investors, each an independent third party and not a connected person (as defined in the Listing Rules) of the Company;
<b>“Proposed Distribution”</b>	means the proposed distribution to every shareholder of the Company whose name shall appear on the Company’s shareholders register as at a record date to be determined and announced by the Company, proportional to their interests in the total issued share capital of the Company: (i) HK\$500 million in cash; and (ii) 1,500,000,000 shares in Eternity Investment to be received by the Company as consideration for the VSD, details of which are more particularly set out in the joint announcement of the Company and Eternity Investment dated 15 May 2015 and the Company’s circular dated 23 June 2015;
<b>“Proposed Transaction”</b>	has the meaning given to it in this announcement;
<b>“Proposed Subscription”</b>	has the meaning given to it in this announcement;
<b>“SFC”</b>	means the Securities and Futures Commission of Hong Kong;
<b>“SFO”</b>	means the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
<b>“Shareholders”</b>	means the shareholders of the Company;
<b>“Stock Exchange”</b>	means The Stock Exchange of Hong Kong Limited;
<b>“Subscription Shares”</b>	means newly issued New Ordinary Shares;
<b>“Takeovers Code”</b>	means Code on Takeovers and Mergers issued by the SFC;
<b>“Total Enlarged Shares”</b>	total number of issued New Ordinary Shares as enlarged by the issue of the Total Subscription Shares (on a fully diluted basis assuming all outstanding convertible securities and options are converted or exercised in full);
<b>“Total Subscription Shares”</b>	has the meaning given to it in this announcement;

**“VSD”**

means the proposed disposal by Unique Talent Group Limited (a wholly-owned subsidiary of the Company) of its entire shareholding interest in Smart Title Limited (a company incorporated in the British Virgin Islands) and the assignment by Unique Talent Group Limited of a shareholder’s loan due from Smart Title Limited, in each case to Eternity Investment, details of which are more particularly set out in the joint announcement of the Company and Eternity Investment dated 15 May 2015 and the Company’s circular dated 23 June 2015;

**“Whitewash Waiver”**

means a waiver from the Executive pursuant to Note 1 on the Dispensations from Rule 26 of the Takeovers Code in respect of the obligations of the Potential Investors to make a mandatory general offer for all of the New Ordinary Shares not already owned or agreed to be acquired by the Potential Investors or parties acting in concert with them as a result of the Proposed Subscription and/or the issue of New Ordinary Shares upon conversion of the Convertible Securities (as the case may be).

By Order of the Board  
**China Jiu hao Health Industry Corporation Limited**  
**YUEN Hoi Po**  
*Chairman*

Hong Kong, 23 June 2015

*As at the date of this announcement, the board of directors comprises:*

*Executive directors: Mr. YUEN Hoi Po (Chairman), Mr. ZHANG Changsheng (Vice Chairman)*

*Non-executive directors: Mr. Edward TIAN Suning, Mr. Hugo SHONG*

*Independent non-executive directors: Prof. WEI Xin, Dr. WONG Yau Kar David, BBS, JP, Mr. YUEN Kin, Mr. CHU Yuguo*

*The directors of the Company (except for Prof. WEI Xin who is assisting relevant Mainland authorities in investigations and unreachable, as detailed in the Company’s announcement dated 6 January 2015) jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*