

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

*This announcement appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of China Jiu hao.*



**REORIENT GROUP LIMITED**  
**瑞東集團有限公司**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 376)**



**中國9號健康產業有限公司**  
**China Jiu hao Health Industry Corporation Limited**

*(incorporated in Cayman Islands with limited liability)*  
**(Stock Code: 419)**

**DISCLOSEABLE TRANSACTION  
FINANCIAL ADVISORY SERVICE  
AGREEMENT INVOLVING  
RECEIPT OF FEE SHARES AS  
CONSIDERATION**

**ISSUE OF NEW SHARES UNDER  
GENERAL MANDATE**

On 19 December 2014, RFM and China Jiu hao entered into the FAS Agreement regarding the provision of FAS by RFM to China Jiu hao in respect of the Transaction and the transactions contemplated thereunder. The consideration under the FAS Agreement was agreed at HK\$49,500,000, which shall be payable by China Jiu hao to RFM in the form of 82,500,000 new CJ Shares (i.e. the Fee Shares) at the issue price of HK\$0.60 each.

As one of the applicable percentage ratios applicable under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the FAS Agreement is more than 5% but less than 25% to RGL, transactions contemplated under the FAS Agreement constitutes a discloseable transaction for RGL and is subject to the announcement requirement under Chapter 14 of the Listing Rules.

**THE FAS AGREEMENT**

On 19 December 2014, RFM and China Jiu hao entered into the FAS Agreement regarding the provision of FAS by RFM to China Jiu hao in respect of the Transaction and the transactions contemplated thereunder. The consideration under the FAS Agreement is agreed at HK\$49,500,000, which shall be payable by China Jiu hao to RFM in the form of 82,500,000 new CJ Shares (i.e. the Fee Shares) at the issue price of HK\$0.60 each.

**Date**

19 December 2014

**Parties**

- (1) China Jiu hao
- (2) RFM

The FAS provided and to be provided by RFM to China Jiu hao include, among other things, introducing the Transaction opportunity to China Jiu hao and providing other related financial advisory services.

Save for Dr. Wong who is an independent non-executive director of both RGL and China Jiu hao, (i) to the best of the knowledge, information and belief of the RGL Directors having made all reasonable enquires, China Jiu hao and its ultimate beneficial owner(s) are third parties independent of the RGL and its connected persons; and (ii) to the best of the knowledge, information and belief of the CJ Directors having made all reasonable enquiries, RGL and its ultimate beneficial owner(s) are third parties independent of China Jiu hao and its connected persons.

**Number of Fee Shares**

RGL Group did not hold any CJ Share as at the date of this announcement and RGL Group will not become a substantial shareholder (as defined under the Listing Rules) of China Jiu hao immediately after the issue and allotment of the Fee Shares. Assuming there is no change to the issued share capital of China Jiu hao from the date of this announcement to the day upon which the Fee Shares will be allotted and issued to RFM or its assignee, the Fee Shares will represent approximately 1.24% of the issued share capital of China Jiu hao as enlarged by the Fee Shares.

**General mandate to issue the Fee Shares**

The Fee Shares will be issued pursuant to the general mandate granted by the shareholders of China Jiu hao at the annual general meeting of China Jiu hao held on 16 May 2014. An application will be made by China Jiu hao to the Listing Committee of the Stock Exchange for the grant of the approval for the listing of, and permission to deal in, the Fee Shares.

**Conditions of the Issue of Fee Shares**

Subject to the Stock Exchange granting the listing of, and permission to deal in, the Fee Shares, the Fee Shares will be issued by China Jiu hao to RFM or its assignee, on the next business day from the date upon whichever the later of (i) court approval on the capital reduction of China Jiu hao and (ii) the Transaction being approved by shareholders of China Jiu hao at China Jiu hao's general meeting, and in any event no later than three business days prior to the record date entitling shareholders of China Jiu hao to receive a proposed distribution (such record date and book closure dates will be determined by China Jiu hao and will be announced in due course).

## Ranking of the Fee Shares

The Fee Shares will rank pari passu in all respects among themselves and with the CJ Shares in issue as at the date of such allotment and issue of the Fee Shares.

## Reasons for the provision of FAS by RFM to China Jiu hao

RFM is the exclusive arranger of the Transaction. RFM's scope of work under the FAS Agreement including, among others, the introduction of a target company to China Jiu hao in respect of the Transaction and other duties in relation to fulfilment of regulatory requirements. The provision of the FAS is in the ordinary and usual course of business of RGL Group. The terms of the FAS Agreement including the fee payable to RFM in the form of the Fee Shares and the issue price of HK\$0.60 per Fee Share were arrived at after arm's length negotiation between the parties. In agreeing the terms of the FAS Agreement, including the payment method and the issue price of the Fee Shares, RGL Group has considered the value perception of the Transaction, the resources committed and to be committed by RFM and the historic share price and liquidity record of the CJ Shares. The directors of both RGL and China Jiu hao (including the independent non-executive directors except Dr. Wong who has abstained from voting in respective meeting of RGL Board and CJ Board) considered that the terms of the FAS Agreement, including the issue price of the Fee Shares, are fair and reasonable and in the interests of both RGL and China Jiu hao and the shareholders of both RGL and China Jiu hao as a whole.

RGL Group expects that its holding in China Jiu hao will be recorded as "Financial assets" in the consolidated statement of financial position of RGL Group. Any difference between the carrying value of RGL Group's holding in China Jiu hao (plus any amounts payable in respect thereof) and the estimated market value of such holding as at the end of the reporting period will be included in the RGL Group's consolidated income statement.

## Change in shareholding structure

The table below is for illustrative purposes only and sets out the shareholding structure of China Jiu hao as at the date of this announcement and immediately upon issue and allotment of the Fee Shares (as detailed below):

	<b>As at the date of this announcement</b>		<b>Immediately after issue of the Fee Shares</b>	
	<i>Number of CJ Shares</i>	<i>Approximate</i>	<i>Number of CJ Shares</i>	<i>Approximate</i>
Yuen Hoi Po and its associates ( <i>note 1</i> )	1,964,492,607	29.95%	1,964,492,607	29.58%
CBC China Media Limited ( <i>note 2</i> )	193,866,616	2.96%	193,866,616	2.92%
RFM (or its assignee)	0	0.00%	82,500,000	1.24%
Public CJ Shareholders	4,401,544,788	67.10%	4,401,544,788	66.26%
Total	<u>6,559,904,011</u>	<u>100.00%</u>	<u>6,642,404,011</u>	<u>100.00%</u>

*Note 1:* Mr. Yuen Hoi Po (“Mr. Yuen”), the Chairman and an executive director of China Jiu hao, was deemed to be interested in (i) 139,492,607 CJ Shares held by his wholly-owned corporations namely, Ming Bang Limited and Rich Public Limited; and (ii) 1,825,000,000 CJ Shares held by Mr. Yuen’s wholly-owned corporation namely, Smart Concept Enterprise Limited, as at the date of this announcement.

Rich Public Limited is an investment holding company incorporated in the British Virgin Islands and its entire issued share capital was beneficially owned by Ming Bang Limited. Ming Bang Limited is an investment holding company incorporated in the British Virgin Islands and its entire issued share capital was beneficially owned by Mr. Yuen as at the date of this announcement. Mr. Yuen was also a director of Ming Bang Limited as at the date of this announcement. Smart Concept Enterprise Limited was wholly-owned by Mr. Yuen as at the date of this announcement.

As at the date of this announcement, Mr. Yuen was also deemed to be interested in 105,000,000 CJ Shares which would fall to be allotted and issued by China Jiu hao following the exercise of the conversion rights attached to the convertible notes (the “Convertible Notes”) in the amount of HK\$21 million held by Smart Concept Enterprise Limited, based on a conversion price of HK\$0.20 per CJ Share (subject to adjustment)., and for illustrative purpose only, approximately 105,000,000 new CJ Shares will be issued as a result of the conversion. Under the terms of the Convertible Notes, the holder of the Convertible Notes cannot convert the Convertible Notes if such conversion would increase its shareholding in China Jiu hao to 30% or more (or such other percentage as stated in Rule 26 of the Takeovers Code).

*Note 2:* Mr. Edward Tian Suning (“Mr. Tian”), a non-executive director of China Jiu hao, was the director of CBC China Media Limited and was deemed to be interested in 193,866,616 CJ Shares held by CBC China Media Limited as at the date of this announcement. Mr. Tian was also interested in 3,127,377 share options of China Jiu hao which are convertible into 3,127,377 CJ Shares as at the date of this announcement.

### **Fund raising activities by China Jiu hao in the past twelve months**

The following table summarises the fund raising activities of China Jiu hao completed in the last 12 months immediately preceding the date of this announcement.

<b>Date of initial announcement</b>	<b>Fund raising activity</b>	<b>Net proceeds raised</b>	<b>Intended use of net proceeds as announced</b>	<b>Actual use of net proceeds</b>
16 December 2013 <i>(note 1)</i>	Placing of 522,814,285 new CJ Shares at the placing price of HK\$0.35 per CJ Share	Approximately HK\$175.67 million	Development of health industry, including, among others, building of interactive cloud health platform and construction of healthcare facilities in Beijing	Same as intended

*Note 1:* As set out in the announcement of China Jiu hao dated 15 January 2014, the placing mentioned in the table above was completed on 15 January 2014.

Save as disclosed above, China Jiu hao has not conducted any fund raising activities in the past 12 months before the date of this announcement.

## **INFORMATION ON RGL AND RFM**

RGL Group is principally engaged in the provision of financial services — currently comprising securities broking, share placing and underwriting, corporate finance, consulting and related services.

RFM is a wholly-owned subsidiary of RGL and is a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO.

## **INFORMATION ON CHINA JIUHAO**

China Jiu hao and its subsidiaries are principally engaged in the provision of online and offline healthcare and wellness services and media business in the PRC. China Jiu hao's unaudited net asset value was approximately HK\$2 billion as at 30 June 2014. China Jiu hao's audited consolidated net losses were approximately HK\$43.6 million for the year ended 31 December 2012 and approximately HK\$165.7 million for the year ended 31 December 2013.

## **LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratios applicable under Rule 14.07 of the Listing Rules in respect of RGL's interest in China Jiu hao is more than 5% but less than 25% to RGL, transactions contemplated under the FAS Agreement constitutes a discloseable transaction for RGL and is subject to the announcement requirement under Chapter 14 of the Listing Rules.

This announcement is made by China Jiu hao pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

As at the date of this announcement, trading in CJ shares on the Stock Exchange is halted pending the release of an announcement in relation to a very substantial disposal of China Jiu hao.

## **DEFINITIONS**

“China Jiu hao” China Jiu hao Health Industry Corporation Limited, a company incorporated in the Cayman Islands with limited liability, the issued ordinary shares of which are listed on Main Board of the Stock Exchange (stock code: 419)

“CJ Board” the board of the directors of China Jiu hao

“CJ Director(s)”	the director(s) of China Jiu hao
“CJ Share(s)”	the ordinary share(s) of China Jiu hao
“CJ Shareholder(s)”	the holder(s) of CJ Shares
“Dr. Wong”	Dr. Wong Yau Kar, David, BBS, JP, an independent non-executive director of both RGL and China Jiu hao
“FAS”	the introduction of the Transaction opportunity to China Jiu hao and the related financial advisory services provided and to be provided by RFM to China Jiu hao
“FAS Agreement”	the agreement dated 19 December 2014 entered into between RFM and China Jiu hao in respect of the FAS
“Fee Shares”	82,500,000 new CJ Shares to be issued to RFM or its assignee at the issue price of HK\$0.60 each pursuant to the FAS Agreement
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“RFM”	REORIENT Financial Markets Limited, a wholly owned subsidiary of RGL and a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance
“RGL”	Reorient Group Limited, a company incorporated in Hong Kong with limited liability and the issued ordinary shares of which are listed on Main Board of the Stock Exchange (stock code: 376)
“RGL Board”	the board of the directors of RGL
“RGL Director(s)”	the director(s) of RGL
“RGL Group”	RGL and its subsidiaries
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC as amended and modified from time to time
“Transaction”	a notifiable transaction of China Jiu hao to be announced by China Jiu hao
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board  
**REORIENT Group Limited**  
**Ko Chun Shun, Johnson**  
*Chairman*

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

19 December 2014, Hong Kong

*As at the date of this announcement, the RGL Board comprises Mr. Ko Chun Shun, Johnson, Mr. Jason Boyer, Mr. Brett McGonegal, Mr. Chen Shengjie, Ms. Ko Wing Yan, Samantha and Mr. Tsoi Tong Hoo, Tony (who are executive directors), Mr. Dorian M. Barak (who is a non-executive director), and Mr. Liu Zhengui, Mr. Ding Kebai, Mr. Chu Chung Yue, Howard and Dr. Wong Yau Kar, David, BBS, JP (who are independent non-executive directors).*

*As at the date of this announcement, the CJ Board comprises Mr. YUEN Hoi Po (Chairman), Mr. ZHANG Changsheng (Vice Chairman) (who are executive directors), Mr. Edward TIAN Suning, Mr. Hugo SHONG, (who are non-executive directors), and Prof. WEI Xin, Dr. WONG Yau Kar David, BBS, JP, Mr. YUEN Kin, Mr. CHU Yuguo (who are independent non-executive directors).*