
CONTINUING CONNECTED TRANSACTIONS

RELATIONSHIP BETWEEN OUR GROUP AND THE CONNECTED PERSONS

The relevant connected persons, with whom certain members of our Group have entered into continuing connected transactions, are as follows:

- (1) Mr. Gui, being our chairman, our executive Director and one of our Controlling Shareholders, will become a connected person of our Company under Rule 14A.11(1) of the Listing Rules upon Listing; and
- (2) Mr. Gui Ke, the son of Mr. Gui, will become a connected person of our Company under Rule 14A.11(4) of the Listing Rules upon Listing by virtue of being an associate of Mr. Gui.

Under the Listing Rules, for so long as either Mr. Gui or Mr. Gui Ke remains a connected person of our Company, the following transactions between our Group and each of Mr. Gui and Mr. Gui Ke respectively would constitute continuing connected transactions for our Company upon Listing.

EXEMPTED CONTINUING CONNECTED TRANSACTIONS

The following connected transactions will constitute exempted continuing connected transactions for our Company under Rule 14A.33(3) of the Listing Rules and will be exempted from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The following transactions are undertaken on normal commercial terms. The applicable percentage ratios (other than the profits ratio) of the following transactions in aggregate on an annual basis are less than 5% and the annual consideration is less than HK\$1 million.

Lease of the Huawei Property A by our Group from Mr. Gui

Background

Since April 2011, our Company has been leasing Suite F, Level 14, Huawei Mansion, No. 107 Shi Gu Road, Baixia District, Nanjing, Jiangsu Province, the PRC (the "**Huawei Property A**") from Mr. Gui as its office. Our Directors consider that the entering into of the Sinolife Tenancy Agreement is in our ordinary course of business and on normal commercial terms, and are fair and reasonable and in the interest of our Group as a whole.

Principal terms

In March 2011, Mr. Gui as landlord and our Company as tenant entered into the Sinolife Tenancy Agreement, pursuant to which Mr. Gui agreed to let to our Company the Huawei Property A as office for a term of three years from April 1, 2011 to March 31, 2014 at an annual rent of RMB90,000, exclusive of utilities, telephone charges, property management fees and other charges which are payable by the tenant. Our Company has a right of first refusal for leasing in relation to the Huawei Property A. Our Company shall give a written request to Mr. Gui three months in advance before the expiry of the Sinolife Tenancy Agreement, and the parties shall enter into a new tenancy agreement thereafter.

CONTINUING CONNECTED TRANSACTIONS

The Sinolife Tenancy Agreement stipulated that save with mutual consent, both parties shall not terminate the Sinolife Tenancy Agreement during the term of the Sinolife Tenancy Agreement.

Our Company confirmed that we will comply with the applicable requirements under Chapter 14A of the Listing Rules as amended from time to time, and will immediately inform the Stock Exchange if there are any material changes to the aforesaid transaction.

Lease of the Huawei Property B by our Group from Mr. Gui Ke

Background

Since September 2012, Nanjing Deao has been leasing Suite E, Level 14, Huawei Mansion, No. 107 Shi Gu Road, Baixia District, Nanjing, Jiangsu Province, the PRC (the “**Huawei Property B**”) from Mr. Gui Ke as its office. Our Directors consider that the entering into of the Nanjing Deao Tenancy Agreement is in our ordinary course of business and on normal commercial terms, and are fair and reasonable and in the interest of our Group as a whole.

Principal terms

On July 1, 2013, Mr. Gui Ke as landlord and Nanjing Deao as tenant entered into the Nanjing Deao Tenancy Agreement, pursuant to which Mr. Gui Ke agreed to let to Nanjing Deao the Huawei Property B as office for a term of two years from July 1, 2013 to June 30, 2015 at an annual rent of RMB100,000, exclusive of utilities, telephone charges, property management fees and other charges which are payable by the tenant. Nanjing Deao has a right of first refusal for leasing in relation to the Huawei Property B. Nanjing Deao shall give a written request to Mr. Gui Ke three months in advance before the expiry of the Nanjing Deao Tenancy Agreement, and the parties shall enter into a new tenancy agreement thereafter.

Our Company confirmed that we will comply with the applicable requirements under Chapter 14A of the Listing Rules as amended from time to time, and will immediately inform the Hong Kong Stock Exchange if there are any material changes to the aforesaid transactions.

Lease of the Belrose Property by our Group from Mr. Gui

Background

Since December 2012, Cobayer Health Food Company has been leasing a portion of a building with a floor area of approximately 26 square meters located at 9 Morgan Road, Belrose, New South Wales 2085, Australia (the “**Belrose Property**”) as its office. Our Directors consider that the entering into of the Cobayer Tenancy Agreement is in our ordinary course of business and on normal commercial terms, and are fair and reasonable and in the interest of our Group as a whole.

CONTINUING CONNECTED TRANSACTIONS

Principal terms

On September 2, 2013, Mr. Gui as landlord and Cobayer Health Food Company as tenant entered into the Cobayer Tenancy Agreement, pursuant to which Mr. Gui agreed to let to Cobayer Health Food Company the Belrose Property as office for a term of three years from September 1, 2013 to August 31, 2016 at an annual rent of AUD6,500, exclusive of water usage, gas, electricity, telephone and other utilities which are payable by the tenant. Cobayer Health Food Company shall give written notice to Mr. Gui not more than six months and not less than three months prior to the expiry date of the Cobayer Tenancy Agreement, and Mr. Gui shall renew the lease with Cobayer Health Food Company for a further term of three years provided at the date of the exercise the option to renew and at the expiry date there is no subsisting breach of the Cobayer Tenancy Agreement by Cobayer Health Food Company.

Our Company confirmed that we will comply with the applicable requirements under Chapter 14A of the Listing Rules as amended from time to time, and will immediately inform the Hong Kong Stock Exchange if there are any material changes to the aforesaid transaction.

BMI Appraisals Limited, an independent property valuer, has confirmed that the terms of the three leases as stated above are fair and reasonable and rental under the leases are in line with the prevailing market rates in the vicinity of the properties as at the lease commencement dates.

The Sole Sponsor is of the view that the continuing connected transactions as stated above are entered into in our ordinary course of business and on normal commercial terms, and are fair and reasonable and in the interests of our Shareholders as a whole.