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**碧生源控股有限公司**  
**BESUNYEN HOLDINGS COMPANY LIMITED**

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

**(Stock Code: 926)**

**INSIDE INFORMATION**  
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**RESUMPTION OF TRADING**

The Board hereby announces that on 15 December 2014, the Company entered into a non-legally binding Term Sheet with the Vendors and the Target Company in relation to the Possible Acquisition.

If the Possible Acquisition materialises, it may constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules and/or may therefore be subject to Shareholders' approval requirement under the Listing Rules. Further announcements in respect of the Possible Acquisition will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

**The Company wishes to emphasize that the Possible Acquisition is subject to, among other things, the signing of the Formal Agreement, the terms and conditions of which are yet to be definitively agreed. Shareholders and potential investors of the Company should note that the Possible Acquisition may or may not materialise and the terms of the Possible Acquisition, which are still subject to further negotiations between the parties, have yet to be finalised and may deviate from those set out in the Term Sheet. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares of the Company.**

## **INTRODUCTION**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

## **TERM SHEET**

The Board hereby announces that on 15 December 2014, the Company entered into a non-legally binding Term Sheet with the Vendors and the Target Company in relation to the Possible Acquisition, the principal terms of which are set out below:

### **Date**

15 December 2014

### **Parties**

Purchaser:	the Company
Vendors:	two individuals who are independent third parties and holds 100% equity interest in the Target Company as at the date of the Term Sheet
Target Company:	Beijing Puxiang Investment Management Co. Ltd. (北京普祥投資管理有限公司)

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Vendors and the Target Company and their respective associates are third parties independent of the Company and its connected persons.

### **Subject matter**

Pursuant to the Term Sheet, (i) the Company proposed to acquire the entire equity interest in the Target Company from the Vendors or any overseas company to be incorporated by the Vendors in order to control several significant subsidiaries of the Target Company engaging in the operation of medical business. The consideration, being approximately RMB488 million will be satisfied by the issue and the allotment of approximately 610 million Consideration Shares. Upon the Completion of the Possible Acquisition, the Target Group will become subsidiaries of the Company; (ii) the Company or its subsidiary, upon the completion of the Possible Acquisition, proposed to inject approximately RMB300 million capital to the Target Company to be controlled by the Company for the future possible acquisition of medical institutions in China or other projects which the Board considers appropriate.

## **Exclusivity Period**

During the exclusivity period of 180 days upon the signing of the Term Sheet, the Purchaser, the Vendors and the Target Company and their respective associates shall refrain from any communication, negotiation, reaching any agreement, or taking any action on the following issues (excluding those conducted with the controlling shareholders of each party):

- (i) capital injection in the Company, the Target Company and any other members of the Target Group;
- (ii) disposal in whole or partial of the equity interest, management right or operation right of the Company, the Target Company and any other members of the Target Group; and
- (iii) disposal of any assets of the Company, the Target Company and any other members of the Target Group, except for those made in their respective ordinary and usual course of business.

## **Due Diligence Review**

Pursuant to the Term Sheet, the Company shall be entitled to conduct a due diligence review of the Target Group, which includes commercial, financial, tax and legal due diligence and any other assessment which the Board considers appropriate on the Target Group.

## **Consideration**

Pursuant to the Term Sheet, the consideration for the Possible Acquisition will be approximately RMB488 million, which shall be determined in accordance with the valuation of the Target Group, and shall be satisfied by the issue and allotment of approximately 610 million Consideration Shares at the price of HK\$1.00 per share.

The Consideration Shares represent approximately 38.89% of the existing issued share capital of the Company as at the date of this announcement and approximately 28% of the total issued share capital of the Company as enlarged by issue of the Consideration Shares.

## **Conditions**

The Possible Acquisition is conditional upon, including but not limited to the following key aspects:

- (i) the satisfaction with the due diligence and audit results in relation to commercial, financial, tax and legal aspects of each party by the other parties;
- (ii) the completion, execution and delivery of any definitive contractual documentation, including the Formal Agreement to be governed by the PRC Law;
- (iii) the obtaining of any and all corporate approvals and authorizations by any and all governmental or regulatory authorities required for the Possible Acquisition; and

- (iv) the granting the listing of and permission to deal in the Consideration Shares to be issued as the consideration for the Possible Acquisition.

## **INFORMATION ON THE GROUP**

The Group is the leading provider of therapeutic tea products in China, mainly engaging in the development, production, sales and promotion of therapeutic tea products.

## **INFORMATION ON THE TARGET GROUP**

The Target Group is principally engaged in the operation of medical business in China, including the Target Company and its several significant subsidiaries.

## **REASONS FOR THE POSSIBLE ACQUISITION**

In order to expand the principal business of the Company and reach the strategic objective of the Company for developing the Big Health field, the Company plans to acquire the Target Group so as to enter into the medical industry and through further operation in the medical industry, the Company expects the Possible Acquisition will bring more profits to its Shareholders.

## **IMPLICATIONS UNDER THE LISTING RULES**

If the Possible Acquisition materialises, it may constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules and/or may therefore be subject to Shareholders' approval requirement under the Listing Rules. Further announcements in respect of the Possible Acquisition will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

## **UNUSUAL SHARE PRICE AND TRADING VOLUME MOVEMENTS**

This announcement is made at the request of the Stock Exchange.

The Board has noted the recent increases in the price and trading volume of the shares of the Company. Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Board confirms that, save as disclosed above, it is not aware of any reasons for these price and volume movements or of any information which must be announced to avoid a false market in the Company's securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance.

This announcement is made by the order of the Company. The Board collectively and individually accepts responsibility for the accuracy of this announcement.

## RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 2:37 p.m. on 12 December 2014, pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 16 December 2014.

**The Company wishes to emphasize that the Possible Acquisition is subject to, among other things, the signing of the Formal Agreement, the terms and conditions of which are yet to be definitively agreed. Shareholders and potential investors of the Company should note that the Possible Acquisition may or may not materialise and the terms of the Possible Acquisition, which are still subject to further negotiations between the parties, have yet to be finalised and may deviate from those set out in the Term Sheet. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares of the Company.**

## DEFINITIONS

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

“associate”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, which for the purpose of this announcement and for geographical reference only excludes Taiwan, the Macau Special Administrative Region and Hong Kong
“Consideration Shares”	new Shares to be issued and allotted by the Company at the price of HK\$1.00 per share as the consideration of the Possible Acquisition
“Director(s)”	the director(s) of the Company
“Formal Agreement”	a formal agreement to be executed in relation to the Possible Acquisition
“Hong Kong”	the Hong Kong Special Administrative Regions of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Possible Acquisition”	the possible acquisition of the entire equity interest in the Target Company by the Company by way of the issue of the Consideration Shares

“Purchaser” or the “Company”	Besunyen Holdings Company Limited (碧生源控股有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange
“RMB”	Renminbi yuan, the lawful currency of China
“Share(s)”	ordinary share(s) of US\$0.00000833333 each in the capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Beijing Puxiang Investment Management Co. Ltd. (北京普祥投資管理有限公司), a company incorporated in PRC with limited liability
“Target Group”	the Target Company and its subsidiaries
“Term Sheet”	the non-legally binding term sheet dated 15 December 2014 in relation to the Possible Acquisition entering into between the Company, the Vendors and the Target Company
“Vendors”	two individuals who are Independent Third Parties and holds 100% equity interest in the Target Company as at the date of the Term Sheet

By order of the Board  
**Besunyen Holdings Company Limited**  
**Zhao Yihong**  
*Chairman and Chief Executive Officer*

Hong Kong, 15 December 2014

*As at the date of this announcement, the executive Directors are Mr. Zhao Yihong (Chairman and Chief Executive Officer) and Ms. Gao Yan (Vice Chairman); the non-executive Director is Mr. Zhuo Fumin; and the independent non-executive Directors are Mr. Huang Jingsheng, Mr. Wang Jing and Mr. Ren Guangming.*