
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, 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 the Prospectus Documents.

If you are in any doubt as to any aspect about this prospectus or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Legend Strategy International Holdings Group Company Limited (the “Company”), you should at once hand the Prospectus Documents to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Dealings in the Shares and the Offer Shares may be settled through CCASS established and operated by HKSCC. You should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed “Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of any of these documents.

Subject to the granting of listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or, under contingent situation, such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time. Capitalized terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” in this Prospectus.



LEGEND STRATEGY INTERNATIONAL HOLDINGS GROUP COMPANY LIMITED

枋濬國際集團控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1355)

**PROPOSED OPEN OFFER OF NOT LESS THAN 78,704,999 OFFER SHARES
AND NOT MORE THAN 80,129,999 OFFER SHARES AT
THE SUBSCRIPTION PRICE OF HK\$0.80 EACH
ON THE BASIS OF ONE (1) OFFER SHARE
FOR EVERY FOUR (4) EXISTING SHARES HELD ON THE RECORD DATE**

Financial adviser to the Company



Underwriter of the Open Offer



The latest time for acceptance of and payment for the Offer Shares is 4:00 p.m. on Thursday, 8 October 2015. The procedures for application are set out on pages 22 to 23 of this Prospectus.

Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof.

Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders should note that the Shares have been dealt in on an ex-entitlement basis commencing from on Thursday, 10 September 2015 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be on 4:00 p.m. on Friday, 9, October 2015), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.

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DEFINITIONS

In this prospectus, unless the context otherwise requires, the following expressions shall have the following meanings:

“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“Announcement”	the Company’s announcement dated 28 August 2015 in relation to the Open Offer
“Application Form(s)”	the form(s) of application to be used by the Qualifying Shareholders to apply for the Offer Shares in the form agreed by the Company and the Underwriter
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding a Saturday, Sunday, public holiday in Hong Kong and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning signal is hoisted or remain hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“China Medical”	China Medical Overseas Limited, a company incorporated in the BVI with limited liability and is owned by Mr. Ding Yifan and Mr. Huang Yun, being the executive Director, as to 90% and 10% equity interest respectively. China Medical is the Substantial Shareholder of the Company, owning 51.20% of the issued share capital of the Company
“Company”	Legend Strategy International Holdings Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares are listing on the Main Board of the Stock Exchange
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended from time to time)

DEFINITIONS

“Director(s)”	the director(s) of the Company
“Excel Precise”	Excel Precise International Limited, a company incorporated in Hong Kong and a holder of a money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), as amended from time to time, which is owned as to 25% by Mr. Law and as to 73.5% by True Promise Investments Limited, a company incorporated in the BVI and wholly-owned by Mr. Law. Mr. Law is also a director of Excel Precise
“Excluded Shareholder(s)”	the Overseas Shareholder(s) whose address is/are in a place(s) outside Hong Kong where, the Directors, based on legal opinions provided by legal advisers of the Company, consider it is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Offer Shares to such Overseas Shareholders
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties not connected with or acting in concert with any directors, chief executive or Substantial Shareholder(s) or its subsidiaries of the Company and their respective associates
“Latest Practicable Date”	18 September 2015, being the latest practicable date for ascertaining certain information for inclusion in this Prospectus.
“Last Trading Day”	28 August 2015, being the last trading day for the Shares being the date of the Announcement
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 8 October 2015 or such other time as may be agreed between the Company and the Underwriter in writing, being the latest time for acceptance of the offer of Offer Shares and payment in the manner set out in this Prospectus

DEFINITIONS

“Latest Time for Termination”	4:00 p.m. on Friday, 9 October 2015, or such other time or date as may be agreed between the Company and the Underwriter in writing, being the Business Day after (but excluding) the Latest Time for Acceptance
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	an additional loan facility to the extent of HK\$80 million granted by Excel Precise as lender to the Undertaken Shareholder as borrower for the financing of the Offer Shares to be allotted and issued under the entitlement of the Undertaken Shareholder pursuant to the Open Offer
“Main Board”	Main Board of the Stock Exchange operated by the Stock Exchange
“Mr. Law”	Mr. Law Fei Shing, an executive Director and beneficially owns 98.5% of the entire issued share capital of Excel Precise
“Offer Share(s)”	being the new Shares to be issued by the Company pursuant to the Open Offer
“Offer Shares Undertaking”	the irrevocable undertakings given by the Undertaken Shareholder not to dispose of 161,202,466 Shares from the date of the Offer Share Undertaking to and including the Record Date and to procure the acceptance of an aggregate of 40,300,616 Offer Shares under the Open Offer
“Open Offer”	the proposed issue by way of open offer to the Qualifying Shareholders on the basis of one (1) Offer Share for every four (4) existing Shares held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Optionholder”	the holder of Share option in relation to the Share Option Scheme adopted by the Company on 22 June 2011
“Option Shares”	a maximum of 5,700,000 new Shares to be allotted and issued upon the exercise of all the 5,700,000 vested outstanding Share Options

DEFINITIONS

“Original Loan Agreement”	a loan agreement dated 29 May 2015 made between Excel Precise as the lender to the Undertaken Shareholder as borrower in respect of a loan facility in an amount of HK\$300 million
“Overseas Letter”	a letter from the Company to the Excluded Shareholders explaining the circumstances in which the Excluded Shareholders are not permitted to participate in the Open Offer
“Overseas Shareholder(s)”	the Shareholder(s) with registered address(es) (as shown in the register of members of the Company on the Record Date) are outside of Hong Kong
“PRC”	the People’s Republic of China and for the sole purpose of this Circular shall exclude Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	the document containing details of the Open Offer to be despatched to the Qualifying Shareholders
“Prospectus Documents”	the Prospectus and the Application Form
“Prospectus Posting Date”	Tuesday, 22 September 2015 or such later date as may be agreed between the Underwriter and the Company for the despatch of the Prospectus Documents to the Qualifying Shareholders (or the Prospectus only in case of Excluded Shareholder(s))
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Excluded Shareholders
“Record Date”	Monday, 21 September 2015 or such other date as may be agreed between the Company and the Underwriter for determining entitlements to the Open Offer
“Registrar”	Union Registrars Limited, at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, the Hong Kong branch share registrar of the Company
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.01 each in share capital of the Company
“Share Option(s)”	option(s) to subscribe for Shares granted by the Company in accordance with the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 22 June 2011
“Shareholder(s)”	the holder(s) of the issued Shares
“Shortfall Underwritten Shares”	those, if any, Underwritten Shares not accepted by Shareholders or for which duly completed Application Form(s) (accompanied by cheques or banker’s cashier orders for the full amount payable on application which are honoured on first or, at the option of the Company, subsequent presentation) have not been lodged for acceptance, or received, as the case may be, on or before the Latest Time for Acceptance
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.80 per Offer Share
“Substantial Shareholder(s)”	has the meaning as ascribed thereto under the Listing Rules
“Supplemental Loan Agreement”	the supplemental loan agreement entered into between the Undertaken Shareholder as borrower and Excel Precise as lender on 28 August 2015 in respect of the Loan which is supplemental to the Original Loan Agreement
“Takeovers Code”	the Codes of Takeovers and Mergers and Share Buy-backs
“Undertaken Shareholder”	China Medical, who has irrevocably undertaken to the Company that it will not dispose an aggregate of 161,202,466 Shares and will procure the acceptance of an aggregate of 40,300,616 Offer Shares pursuant to the Offer Shares Undertaking
“Undertaken Shares”	the aggregate of 40,300,616 Offer Shares undertaken to be applied for by the Undertaken Shareholder in its capacity as a Qualifying Shareholder under the Open Offer pursuant to the Offer Shares Undertaking

DEFINITIONS

“Underwriter”	Sheng Yuan Securities Limited, a license corporation to carry on Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 4 (advising on securities) regulated activities for the purpose of the SFO
“Underwritten Shares”	all the Offer Shares (which do not include the Undertaken Shares), being not less than 38,404,383 Offer Shares (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the Record Date) and not more than 39,829,383 Offer Shares (assuming full exercise of all the outstanding and exercisable Share Options and no other issue of any new Shares on or before the Record Date)
“Underwriting Agreement”	the underwriting agreement dated 28 August 2015 entered into among the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer
“Warranties”	the warranties, representations and undertakings set out in the Undertaking Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

EXPECTED TIMETABLE

The expected timetable for the Open Offer is set out below:

Event	(Hong Kong time)
Register of members of the Company closes	Monday, 14 September 2015 to Monday, 21 September 2015 (both dates inclusive)
Record Date for the Open Offer	Monday, 21 September 2015
Despatch of the Prospectus Documents (in case of the Excluded Shareholders, the Prospectus only)	Tuesday, 22 September 2015
Latest Time for Acceptance of, and payment of Offer Shares	4:00 p.m. on Thursday, 8 October 2015
Latest Time for Termination by the Underwriter	4:00 p.m. on Friday, 9 October 2015
Announcement of results of acceptance of the Offer Shares	Thursday, 15 October 2015
Despatch of share certificates for Offer Shares or refund cheques if the Open Offer terminated	Friday, 16 October 2015
Dealings in Offer Shares commences	9:00 a.m. on Monday, 19 October 2015

All times and dates stated in this Prospectus refer to Hong Kong local times and dates. Dates or deadlines specified in expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to Shareholders as and when appropriate.

EXPECTED TIMETABLE

Effect of bad weather on the Latest Time for Acceptance

If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Thursday, 8 October 2015, being the date of the Latest Time for Acceptance:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same business day; or
- (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be postponed to 4:00 p.m. on the next business day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on Thursday, 8 October 2015, the dates mentioned in the above section headed “Expected timetable” in this Prospectus may be affected. An announcement will be made by the Company in such event.

TERMINATION OF THE UNDERWRITING AGREEMENT

Termination of the Underwriting Agreement

Notwithstanding anything contained in the Underwriting Agreement, if at any time prior to the Latest Time for Termination:

- (A) the success of the Open Offer would be materially and adversely affected by the development, occurrence or enforcement of:
 - (I) any new law or regulation or any change in existing laws or regulations which in the absolute opinion of the Underwriter has or is likely to have a material adverse effect on the financial position of the Group as a whole; or
 - (II) any significant change (whether or not permanent) in local, national or international economic, financial, political or military conditions which in the absolute opinion of the Underwriter is or would be materially adverse to the success of the Open Offer; or
 - (III) any significant change (whether or not permanent) in local, national or international securities market conditions or currency exchange rates or exchange controls which in the absolute opinion of the Underwriter is or would be materially adverse to the success of the Open Offer; or makes it impracticable or inadvisable or inexpedient to proceed therewith; or
 - (IV) any suspension of dealings in the Shares for any period longer than five consecutive Business Days after the date of the Underwriting Agreement (other than as a result of the Open Offer); or
 - (V) any moratorium, suspension or material restriction on trading in shares or securities of the Company generally on the Stock Exchange due to exceptional financial circumstances or otherwise at any time prior to the Latest Time for Termination; or
- (B) any breach of any of the Warranties by the Company comes to the knowledge of the Underwriter; or
- (C) any event occurs or any matter arises on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of such Warranties untrue or incorrect in any material respect in such a manner as would in the absolute opinion of the Underwriter materially and adversely affect the financial position or business of the Group as a whole; or
- (D) any matter arises or is discovered which would, if the Prospectus was to be issued at the time, constitute material omission therefrom; or
- (E) the Company's application to the Listing Committee of the Stock Exchange for permission for the listing of and permission to deal in the Offer Shares on the Stock Exchange is withdrawn by the Company and/or refused by the Stock Exchange; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (F) there is any such adverse change in the general affairs, management, business, stockholders' equity or in the financial or trading position of the Group as a whole which in the absolute opinion of the Underwriter is materially adverse to the success of the Open Offer; or
- (G) there is any change in the composition of the Board which in the absolute opinion of the Underwriter may affect the management and general affairs of the Company; or
- (H) any of the Company, its subsidiaries or any Director is involved in any material litigation proceedings from the date of the Underwriting Agreement to the Latest Time for Acceptance,

then and in any such case, the Underwriter may terminate the Underwriting Agreement without liability to the Company by giving notice in writing to the Company, served prior to the Latest Time for Termination.

LETTER FROM THE BOARD



LEGEND STRATEGY INTERNATIONAL HOLDINGS GROUP COMPANY LIMITED

枋濬國際集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1355)

Executive Directors:

Mr. Huang Yun
Mr. Law Fei Shing

Independent Non-executive Directors:

Mr. Leung Siu Hong
Mr. Tso Hon Sai, Bosco
Mr. Chung Wai Man

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Principal place of business
in Hong Kong:*

Room 2401-02, 24/F
Jubilee Centre
46 Gloucester Road
Wanchai, Hong Kong

22 September 2015

To the shareholders of the Company

Dear Sir or Madam,

**OPEN OFFER
ON THE BASIS OF ONE (1) OFFER SHARE
FOR EVERY FOUR (4) EXISTING SHARES HELD ON THE RECORD DATE**

INTRODUCTION

On Friday, 28 August 2015, the Company announced that the Company had entered into the Underwriting Agreement which is conditional upon certain conditions as disclosed on page 21 and is not subject to the Shareholders' approval.

LETTER FROM THE BOARD

The Company proposes to raise not less than HK\$62.96 million and not more than HK\$64.10 million before expenses by issuing not less than 78,704,999 Offer Shares and not more than 80,129,999 Offer Shares at the Subscription Price of HK\$0.80 per Offer Share on the basis of one (1) Offer Share for every four (4) existing Shares held on the Record Date and payable in full upon application. No excess Offer Shares will be offered to the Qualifying Shareholders and any Offer Shares (excluding the Undertaken Shares) not taken up by the Qualifying Shareholders will be underwritten by the Underwriter.

The purpose of this Prospectus is to provide you with, among other things, further details of (i) the Open Offer including the procedures for application and payment for the Offer Shares; (ii) the financial information of the Group; and (iii) the general information of the Group.

THE OPEN OFFER

Issue statistics

Basis of the Open Offer	:	One (1) Offer Share for every four (4) existing Shares held on the Record Date
Subscription Price	:	HK\$0.80 per Offer Share
Number of Shares in issue as at the Latest Practicable Date	:	314,820,001 Shares
Number of Offer Shares	:	Not less than 78,704,999 Offer Shares (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the Record Date) and not more than 80,129,999 Offer Shares (assuming full exercise of all the outstanding and exercisable Share Options and no other issue of any Shares on or before the Record Date) (<i>Note</i>)
Number of Offer Shares underwritten by the Underwriter	:	Save for the Undertaken Shares, all of remaining Offer Shares to be issued under the Open Offer, being not less than 38,404,383 Offer Shares (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the Record Date) and not more than 39,829,383 Offer Shares (assuming full exercise of all the outstanding and exercisable Share Options and no other issue of any Shares on or before the Record Date). Taking into account the Offer Shares Undertaking, the Open Offer is fully underwritten (<i>Note</i>)

LETTER FROM THE BOARD

Number of enlarged Shares : Not less than 393,525,000 Shares (assuming no new
in issue upon completion Shares being issued and no Shares being repurchased
of the Open Offer by the Company on or before the Record Date) and not
more than 400,650,000 Shares (assuming full exercise of
all the outstanding and exercisable Share Options and no
other issue of any Shares on or before the Record Date)
(Note)

Note: As at the Latest Practicable Date, the Company has outstanding Share Options carrying rights to subscribe for total of 5,700,000 new Shares. Such outstanding Share Options have all been vested and are exercisable as at the Latest Practicable Date and before the Record Date. Assuming no grant of Share Options by the Company and full exercise of the subscription rights attaching to such outstanding and exercisable Share Options, an additional 1,425,000 Offer Shares will be issued.

Save for the Share Options, as at the Latest Practicable Date, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

Share Options outstanding at the Latest Practicable Date have the following exercise price, exercise period and expiry date:

Exercise price per Share (HK\$)	Exercise period	Expiry date	Number of Share Options Employees/Consultant
1.822	8 October 2013- 7 October 2015	7 October 2015	5,700,000

Adjustments to the exercise price and number of Shares which may be subscribed pursuant to the outstanding Share Options may be required under the terms and conditions of the Share Option Scheme as a result of the completion of the Open Offer. The auditors or an approved financial adviser of the Company will be appointed to certify the necessary adjustments, if any, to the exercise prices and number of the Shares which may be subscribed pursuant to the outstanding Share Options. Further announcement will be made by the Company in this regard as and when appropriate.

Assuming (i) no exercise of any outstanding and exercisable Share Options; (ii) no new Shares being issued; and (iii) and no Shares being repurchased by the Company on or before the Record Date, the 78,704,999 Offer Shares proposed to be allotted and issued represents approximately 25.0% of the Company's issued share capital as at the Latest Practicable Date and approximately 20.0% of the Company's issued share capital of 393,525,000 Shares as enlarged by the allotment and issue of 78,704,999 Offer Shares immediately after completion of the Open Offer.

The aggregate nominal value of the Offer Shares will be not less than HK\$787,049.99 (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the Record Date) and not more than HK\$801,299.99 (assuming full exercise of all the outstanding and exercisable Share Options and no other issue of any Shares on or before the Record Date).

LETTER FROM THE BOARD

Subscription Price

The Subscription Price is HK\$0.80 per Offer Share, which will be payable in full upon application.

The Subscription Price represents:

- (a) a discount of approximately 36.51% to the closing price of HK\$1.26 per Share as quoted on the Stock Exchange on the date of the Underwriting Agreement and the Last Trading Day;
- (b) a discount of approximately 31.62% to the theoretical ex-entitlement price of HK\$1.17 per Share based on the closing price of HK\$1.26 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a discount of approximately 28.57% to the average closing price of approximately HK\$1.12 per Share for the last five consecutive trading days immediately prior to and including the Last Trading Day;
- (d) a premium of approximately 45.45% over the unaudited consolidated net asset value per Share of approximately HK\$0.55 (based on the latest published unaudited net asset value of the Group of HK\$173,669,215 as at 30 June 2015 and 314,820,001 Shares in issue as at the Latest Practicable Date); and
- (e) a discount of approximately 28.57% to the closing price of HK\$1.12 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to, among others, (i) the prevailing market price of the Shares prior to the Last Trading Day and the theoretical ex-entitlement price; and (ii) the net loss of the Group for the two consecutive years since 2013. The Directors consider that each Qualifying Shareholder will be entitled to subscribe for the Offer Shares at the same Subscription Price in proportion to his/her/its shareholding held on the Record Date. In addition, the Subscription Price has been set as a discount to the recent closing prices of the Shares with an objective of encouraging Qualifying Shareholders to take up their entitlements so as to share in the potential growth of the Company. Accordingly, the Directors (including the independent non-executive Directors) consider the terms of the Open Offer, including the Subscription Price, to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole. After deducting all relevant expenses relating to the Open Offer, the net price per Offer Share will be approximately HK\$0.80 (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the Record Date) or approximately HK\$0.78 (assuming full exercise of all the outstanding and exercisable Share Options and no other issue of any Shares on or before the Record Date).

LETTER FROM THE BOARD

Basis of entitlement

The basis of the entitlement shall be one (1) Offer Share for every four (4) existing Shares held on the Record Date, being not less than 78,704,999 Offer Shares (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the Record Date) and not more than 80,129,999 Offer Shares (assuming full exercise of all the outstanding and exercisable Share Options and no other issue of any Shares on or before the Record Date). Acceptance for all or any part entitlement of a Qualifying Shareholder should be made by completing the Application Form and lodging the same with a remittance for the offer Shares being accepted for.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders.

To qualify for the Open Offer, the Shareholders must at the close of business on the Record Date (a) be registered on the register of members of the Company; and (b) not being the Excluded Shareholders.

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

In order to be registered as members of the Company prior to the close of business on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificates) for registration with the Registrar at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, no later than 4:00 p.m. on Friday, 11 September 2015.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. In compliance with the necessary requirements of the Listing Rules, the Company will make enquiries regarding the feasibility of extending the Open Offer to the Overseas Shareholders.

LETTER FROM THE BOARD

According to the register of members of the Company as at the Record Date, there was only one Overseas Shareholder with registered addresses situated in BVI. Pursuant to Rule 13.36(2) of the Listing Rules (including notes 1 and 2 thereto), the Company has made enquiry with its legal adviser regarding the legal restrictions (if any) under the laws of the relevant jurisdictions and the requirements of the relevant body or the stock exchange in respect of extending the Open Offer to the Overseas Shareholders.

Based on the advice provided by the Company's BVI legal adviser, the Directors are of the view that it is expedient to extend the Open Offer to the Overseas Shareholder in the BVI as there are no legal restrictions prohibiting the making of Open Offer in BVI and no local legal or regulatory compliance is required to be followed in BVI. As such, no shareholder is excluded under the Open Offer.

Those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Excluded Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.

Ranking of the Offer Shares

The Offer Shares, when allotted, issued and fully paid, will rank pari passu in all respects with the Shares then in issue. Holders of fully-paid Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the Offer Shares in their fully-paid form.

Share certificates and refund cheques for the Offer Shares

Subject to the fulfillment of the conditions of the Open Offer, certificates for all fully-paid Offer Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on Friday, 16 October 2015. If the Open Offer is terminated, refund cheques will be despatched on Friday, 16 October 2015 by ordinary post at the respective Shareholders' own risk.

No application for excess Offer Shares

Considering that the Open Offer will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company, if application for excess Offer Shares is arranged, the Company will be required to put in additional effort and costs to administer the excess application procedures. Accordingly, no excess Offer Shares will be offered to the Qualifying Shareholders and any Offer Shares not taken up by the Qualifying Shareholders will be underwritten by the Underwriter.

LETTER FROM THE BOARD

Fractions of the Offer Shares

Fractions of the Offer Shares will not be allotted to the Qualifying Shareholders and fractional entitlements will be round down to the nearest whole number of Offer Shares. Any Offer Shares created from the aggregation of fraction of Offer Shares will be counted as the Shortfall Underwritten Shares.

Application for the Offer Shares

The Application Form in respect of the entitlement of the Offer Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Offer Shares as shown therein by completing such form and lodging the same with a remittance for the Offer Shares being taken up with the Registrar by the Latest Time for Acceptance.

Application for listing

The Company has applied to the Listing Committee for the listing of and permission to deal in, the Offer Shares. Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty (if any) in Hong Kong and any other applicable fees and charges in Hong Kong.

Subject to the granting of the approval for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

UNDERWRITING AGREEMENT

Date : 28 August 2015 (after trading hours)

Underwriter : Sheng Yuan Securities Limited

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Number of Offer Shares : Save for the Undertaken Shares, all of the remaining
to be underwritten Offer Shares to be issued under the Open Offer, being
not less than 38,404,383 Offer Shares (assuming no new
Shares being issued and no Shares being repurchased
by the Company on or before the Record Date) and
not more than 39,829,383 Offer Shares (assuming full
exercise of all the outstanding and exercisable Share
Options and no other issue of any Shares on or before
the Record Date). Taking into account the Offer Shares
Undertaking, the Open Offer is fully underwritten.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Underwriter and their respective ultimate beneficial owners are Independent Third Parties. As at the date of the Underwriting Agreement, the Underwriter was not interested in any Shares.

Under the Underwriting Agreement, taking into account the Offer Shares Undertaking, the Open Offer is fully underwritten by the Underwriter who shall not subscribe, for its own account, for such number of the Shortfall Underwritten Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company equal to or exceeding 10% of the voting rights of the Company immediately after completion of the Open Offer.

Underwriting commission

The Company will pay the Underwriter an underwriting commission of 1.50% of the aggregate Subscription Price in respect of the maximum number of the Underwritten Shares agreed to be underwritten by the Underwriter as determined on the Record Date. The commission rate was determined after arm's length negotiation between the Company and the Underwriter by reference to the market rate, the size of the Open Offer and the current and expected market condition. The Directors (including the independent non-executive Directors) are of the view that the terms of the Underwriting Agreement, including the commission, accord with the market practice, and are fair and reasonable so far as the Company and the Shareholders are concerned.

Irrevocable undertaking given by the Undertaken Shareholder

Offer Shares Undertakings:

As at the date of the Underwriting Agreement, the Undertaken Shareholder is interested in 161,202,466 Shares, representing approximately 51.20% of the total issued share capital of the Company. The Undertaken Shareholder has irrevocably undertaken to the Company and the Underwriter:

- (a) not to sell, transfer or otherwise dispose of such 161,202,466 Shares from the date of the Offer Shares Undertaking up to and including the Record Date (both dates inclusive); and

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- (b) to procure the acceptance of 40,300,616 Offer Shares to be allotted and issued under its entitlement pursuant to the Open Offer by no later than the Latest Time for Acceptance.

In any event, if the Undertaken Shareholder does not fulfill the Offer Shares Undertaking, the Company shall be entitled and is irrevocably authorised to treat the Offer Shares Undertaking as an application by the Undertaken Shareholder for all the Undertaken Shares and procure the issue of the same to the Undertaken Shareholder and to procure the registration of the same in name of the Undertaken Shareholder and payment for the same shall be made by the Undertaken Shareholder under the Offer Shares Undertaking. As at the Latest Practicable Date, the Board had not received any information from the Undertaken Shareholder of their intention to not fulfill the Offer Shares Undertaking.

The Undertaken Shareholder intends to finance the consideration payable under the Offer Shares Undertaking by the Loan. The Undertaken Shareholder entered into the Supplemental Loan Agreement with Excel Precise, a holder of money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), on 28 August 2015, pursuant to which Excel Precise agreed to grant to the Undertaken Shareholder a loan facility to the extent of HK\$80 million for financing of the Undertaken Shares. Pursuant to the provisions of the Supplemental Loan Agreement, among other things, (a) the Undertaken Shareholder will charge the Offer Shares to be allotted and issued under its entitlement pursuant to the Open Offer in favour of Excel Precise to secure the repayment obligations of the Undertaken Shareholder, and (b) the Undertaken Shareholder will repay the Loan and interests thereon in full on the date falling on the last day of the period of three months following the date of the drawdown is made or the date falling on the last day of the period of six months following the date of the drawdown is made (if Excel Precise shall have exercised its right of extension under the Supplemental Loan Agreement).

Termination of the Underwriting Agreement

Notwithstanding anything contained in the Underwriting Agreement, if at any time prior to the Latest Time for Termination:

- (A) the success of the Open Offer would be materially and adversely affected by the development, occurrence or enforcement of:
- (I) any new law or regulation or any change in existing laws or regulations which in the absolute opinion of the Underwriter has or is likely to have a material adverse effect on the financial position of the Group as a whole; or
 - (II) any significant change (whether or not permanent) in local, national or international economic, financial, political or military conditions which in the absolute opinion of the Underwriter is or would be materially adverse to the success of the Open Offer; or

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- (III) any significant change (whether or not permanent) in local, national or international securities market conditions or currency exchange rates or exchange controls which in the absolute opinion of the Underwriter is or would be materially adverse to the success of the Open Offer; or makes it impracticable or inadvisable or inexpedient to proceed therewith; or
- (IV) any suspension of dealings in the Shares for any period longer than five consecutive Business Days after the date of the Underwriting Agreement (other than as a result of the Open Offer); or
- (V) any moratorium, suspension or material restriction on trading in shares or securities of the Company generally on the Stock Exchange due to exceptional financial circumstances or otherwise at any time prior to the Latest Time for Termination; or
- (B) any breach of any of the Warranties by the Company comes to the knowledge of the Underwriter; or
- (C) any event occurs or any matter arises on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of such Warranties untrue or incorrect in any material respect in such a manner as would in the absolute opinion of the Underwriter materially and adversely affect the financial position or business of the Group as a whole; or
- (D) any matter arises or is discovered which would, if the Prospectus was to be issued at the time, constitute material omission therefrom; or
- (E) the Company's application to the Listing Committee of the Stock Exchange for permission for the listing of and permission to deal in the Offer Shares on the Stock Exchange is withdrawn by the Company and/or refused by the Stock Exchange; or
- (F) there is any such adverse change in the general affairs, management, business, stockholders' equity or in the financial or trading position of the Group as a whole which in the absolute opinion of the Underwriter is materially adverse to the success of the Open Offer; or
- (G) there is any change in the composition of the Board which in the absolute opinion of the Underwriter may affect the management and general affairs of the Company; or
- (H) any of the Company, its Subsidiaries or any Director of the Company is involved in any material litigation proceedings from the date of the Underwriting Agreement to the Latest Time for Acceptance,

then and in any such case, the Underwriter may terminate the Underwriting Agreement without liability to the Company by giving notice in writing to the Company, served prior to the Latest Time for Termination.

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Conditions of the Open Offer

The obligations of the Underwriter under the Underwriting Agreement are conditional on the following conditions precedent being fulfilled or so far as the conditions are capable of being waived by the Underwriter on or before the Latest Time for Acceptance:

- (A) the Listing Committee of the Stock Exchange granting or agreeing to grant in principle (subject to allotment of Offer Shares) and not having withdrawn or revoked the listing of and permission to deal in all the Offer Shares (in their fully-paid form);
- (B) compliance with the requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands;
- (C) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement (including the filing and registration of the Prospectus Documents and all documents relating to the Open Offer, which are required to be filed or registered with the Registrar of Companies in Hong Kong under the Companies (WUMP) Ordinance);
- (D) the despatch of the Prospectus Documents to the Qualifying Shareholders, and the despatch of the Prospectus stamped “For Information Only” to the Excluded Shareholders (if and to the extent legally and practicably permissible) on the Prospectus Posting Date;
- (E) the delivery of the Offer Shares Undertaking to the Underwriter on the date of the Underwriting Agreement; and
- (F) trading of Shares on the Stock Exchange not being suspended for more than five (5) consecutive Business Days at any time prior to the Latest Time for Acceptance (excluding any suspension in connection with the clearance of the Announcement or the Prospectus Documents or other announcements or circulars in connection with the Open Offer).

The Company shall use all reasonable endeavours to procure the fulfilment of the conditions set out in the Underwriting Agreement by the due time and/or date referred to in each case and in particular shall furnish such information, supply such documents, pay such fees, give such undertakings and do all such acts and things as may be necessary in connection with the listing of the Offer Shares or to give effect to the Open Offer and the arrangements contemplated under the Underwriting Agreement. Save for the condition as referred to in paragraph (F) above, all other conditions set out above cannot be waived.

If the conditions referred to above are not satisfied and/or waived in whole or in part by the Underwriter by the Latest Time for Termination, the Underwriting Agreement shall terminate (save in respect of any rights or obligations which may accrue under the Underwriting Agreement prior to such termination) and no party will have any claim against the other party for costs, damages, compensation or otherwise.

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PROCEDURES FOR APPLICATION

The Application Form is enclosed with this Prospectus which entitles the Qualifying Shareholders to whom it is addressed to subscribe for the number of Offer Shares as shown therein subject to payment in full by the Latest Time for Acceptance. Qualifying Shareholders should note that they may subscribe for any number of Offer Shares only up to the number set out in the Application Form. If Qualifying Shareholders wish to exercise their rights to subscribe for all the Offer Shares offered to them as specified in the Application Form or to exercise their rights to subscribe for any number less than their entitlements under the Open Offer, they must complete, sign and lodge the Application Form in accordance with the instructions printed thereon, together with remittance for the full amount payable in respect of such number of Offer Shares they have subscribed for with the Registrar, at A 18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong by no later than 4:00 p.m. on Thursday, 8 October 2015. All remittance(s) must be made in Hong Kong dollars and cheques must be drawn on an account with, or bankers' cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "Legend Strategy International Holdings Group Limited — Open Offer Account" and crossed "Account Payee Only".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Registrar, by no later than 4:00 p.m. on Thursday, 8 October 2015, the relevant assured allotment of Offer Shares and all rights and entitlements in relation thereto shall be deemed to have been declined and will be cancelled.

The Application Form contains full information regarding the procedures to be followed if you wish to accept the whole or part of your assured entitlement.

All cheques or cashier's orders accompanying completed Application Form will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of an Application Form with a cheque and/or cashier's order, will constitute a warranty by the applicant that the cheque and/or cashier's order will be honoured on first presentation. Any application in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to be rejected, and in that event the assured entitlement and all rights thereunder will be deemed to have been declined and will be cancelled.

If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms before the Latest Time for Termination, the monies received in respect of acceptance of Offer Shares will be refunded, without interests, by sending a cheque made out to the applicant (or in the case of joint applicants, to the first named applicant) and crossed "Account Payee Only", through ordinary post at the risk of the applicant(s) to the address specified in the register of members of the Company on Friday, 16 October 2015.

No action has been taken to permit the offering of the Offer Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong. Accordingly, no person receiving this Prospectus or the Application Form in any territory outside Hong Kong may treat it as an offer or invitation to apply for the Offer Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. It is the responsibility of anyone receiving the Prospectus Documents outside Hong Kong wishing to make an application for the Offer Shares to satisfy himself/herself/itself

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before subscribing for the assured allotted Offer Shares, as to the full observance of the laws and regulations of all relevant jurisdictions, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in any such jurisdiction in connection therewith. The Company reserves the right to refuse to accept any application for the Offer Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. No application for the Offer Shares will be accepted from any person who is an Excluded Shareholder.

The Application Form is for use only by the person(s) name therein and is not transferable.

No receipt will be issued in respect of any application monies received.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company before and after the completion of the Open Offer:

(a) Assuming no exercise of any outstanding and exercisable Share Option on or before the Record Date

	As at the Latest Practicable Date		Upon completion of the Open Offer (assuming all Offer Shares are subscribed for by the Qualifying Shareholders)		Upon completion of the Open Offer (assuming none of the Offer Shares are subscribed for by the Qualifying Shareholders other than the Undertaken Shareholder under the Offer Shares Undertaking)	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Substantial Shareholders						
China Medical (Note 1)	161,202,466	51.20	201,503,082	51.20	201,503,082	51.20
Sub-total	161,202,466	51.20	201,503,082	51.20	201,503,082	51.20
Public						
Underwriter	—	—	—	—	38,404,384	9.76
Existing public Shareholders	153,617,535	48.80	192,021,919	48.80	153,617,535	39.04
Total	<u>314,820,001</u>	<u>100.00%</u>	<u>393,525,001</u>	<u>100.00%</u>	<u>393,525,001</u>	<u>100.00%</u>

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(b) Assuming full exercise of all outstanding and exercisable Share Option on or before the Record Date

	As at the Latest Practicable Date		Upon issue of the Share Options on or before Record Date		Upon completion of the Open Offer (assuming all Offer Shares are subscribed for by the Qualifying Shareholders)		Upon completion of the Open Offer (assuming none of the Offer Shares are subscribed for by the Qualifying Shareholders other than Undertaken Shareholder under the Offer Shares Undertaking)	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Substantial Shareholders								
China Medical (Note 1)	161,202,466	51.20	161,202,466	50.29	201,503,082	50.29	201,503,082	50.29
Sub-total	161,202,466	51.20	161,202,466	50.29	201,503,082	50.29	201,503,082	50.29
Public								
Underwriter	—	—	—	—	—	—	39,829,383	9.94
Optionholders	—	—	5,700,000	1.78	7,125,000	1.78	5,700,000	1.42
Existing public Shareholders	153,617,535	48.80	153,617,535	47.93	192,021,918	47.93	153,617,535	38.35
Total	314,820,001	100.00%	320,520,001	100.00%	400,650,000	100.00%	400,650,000	100.00%

Notes:

- Pursuant to the Offer Shares Undertaking, the Undertaken Shareholder has irrevocably undertaken to the Company (i) not to dispose of, an aggregate of 161,202,466 Shares beneficially owned by it from the date of the Offer Shares Undertakings up to and including the Record Date; and (ii) to procure the acceptance of an aggregate of 40,300,616 Offer Shares to be allotted and issued to Undertaken Shareholder under its entitlement pursuant to the Open Offer.

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As at the Latest Practicable Date, the existing public shareholders hold in aggregate approximately 48.80% of the entire issued share capital of the Company. Upon completion of the Open Offer (i) assuming none of the Offer Shares are subscribed for the Qualifying Shareholders, the existing public shareholders will hold as to in aggregate approximately 39.04% of the entire enlarged issued share capital of the Company. Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Excluded Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer. The possible maximum dilution to shareholdings of those Qualifying Shareholders who do not subscribe to the Open Offer is approximately 20.00%; and (ii) assuming full exercise of all the outstanding and exercisable Share Options and none of the Offer Shares are subscribed by the Qualifying Shareholders, the existing public shareholders and Optionholders will hold in aggregate approximately 38.35% of the entire enlarged issued share capital of the Company. Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Excluded Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer. The possible maximum dilution to shareholdings of those Qualifying Shareholders who do not subscribe to the Open Offer is approximately 19.99%.

Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Excluded Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open offer.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Company is a company incorporated in the Cayman Islands with limited liability, and the Shares have been listed on the Main Board of the Stock Exchange since 21 August 2013 by way of transfer of listing from the Growth Enterprise Market of the Stock Exchange to the Main Board of the Stock Exchange. The Group is principally engaged in operating budget hip hotels and providing hotel consultancy and management services in the PRC.

The gross proceeds from the Open Offer will not be less than HK\$62.96 million and not more than HK\$64.10 million. The net proceeds from the Open Offer after deducting all relevant expenses are estimated to be not less than HK\$61.80 million but not more than HK\$62.94 million.

With reference to the composite document of the Company and China Medical Overseas Limited dated 25 June 2015 in relation to the unconditional mandatory cash general offer, the Group will explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. The Board considers that it is prudent to strength the financial position of the Company and increase its available financial resources to prepare for the capital needs if any opportunity materialises and provide sufficient surplus capital to support the development of existing and future businesses of the Group such as capital commitments and operating lease commitments of the Group by way of the Open Offer.

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The Group intends to apply the net proceeds from the Open Offer in the following manner:

- approximately 70% of the net proceeds from the Open Offer for investment activities in the hotel industry when such investment opportunities arise to enrich the business of the Group. As at the date of the Announcement and up to the Latest Practicable Date, the Company has not identified and/or is not in discussion or negotiation of any potential investment opportunity in the hotel industry; and
- approximately 30% of the net proceeds from the Open Offer for general working capital of the Group, which is mainly used for the operating expenses of the existing businesses of the Group, including approximately 77% for rental cost, approximately 20% for salary, approximately 3% for professional fee and miscellaneous of the Group in Hong Kong and the PRC.

The Board aims to maintain the Group's presence in the existing business operation and services. The bank and cash balances of approximately HK\$18.67 million as disclosed in the interim report for the six months ended 30 June 2015 ("2015 Interim Report") and the net proceeds of approximately HK\$18.54 million from the Open Offer for general working capital of the Group, the Group will have not less than approximately HK\$37.21 million general working capital available for the operation of the Group upon completion of the Open Offer. As disclosed in the 2015 Interim Report, the total operating lease expenses, employee benefit expenses, utilities and other operating expenses of the Group for the six months ended 30 June 2015 was approximately HK\$25.31 million and the revenue for the six months ended 30 June 2015 was approximately HK\$11.95 million. In addition, the Group plans to continue to develop its business in the hotel industry to enrich its revenue source of the Group. It is assumed that the total operating lease expenses, employee benefit expenses, utilities and other operating expenses of the Group and the revenue of the Group will remain constant and with similar patterns for the next 12 months, the Directors are of the view that as at the date of the Announcement and up to the date of this Prospectus, the proceeds from the Open Offer can satisfy the Company's expected funding needs for the next 12 months.

Save for the Open Offer, the Company does not have any immediate plan and is not contemplating to conduct further fund raising exercise for funding its existing operations of the Group in the next 12 months since the date of the Announcement.

The Board has considered other fund raising alternatives before resolving to the Open Offer, including but not limited to debt financing, placing of new Shares and rights issue. Debt financing or bank loans would result in additional interest burden to the Group and higher gearing ratio of the Group and subject the Group to repayment obligations. In addition, it may not be achievable to secure a debt financing with favourable terms in a timely manner. Placing of new Shares would only be available to certain placees who were not necessarily the existing Shareholders and would dilute the shareholding of the existing Shareholders in the Company.

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Although rights issue, as compared to an Open Offer, can provide an additional option to those Shareholders who do not wish to take up the entitlements by selling their entitled nil-paid rights, the Directors are of the view that if the Company is to carry out a rights issue instead of the Open Offer, the Company will incur (i) splitting costs for Shareholders who only take up their rights issue entitlement partially; (ii) the fee payable for nil-paid rights trading arrangement; (iii) additional printing cost of share certificates for new Shareholders who will purchase the nil-paid rights on the market; and (iv) additional professional fee for preparing and reviewing the provisional allotment letters and the excess application forms and liaising with the registrar of the Company. It is estimated that the additional costs and expenses of around HK\$200,000 would be incurred for such administrative work and arrangement of trading the nil paid rights. The Board intends not to invest the resources for the extra administrative work and cost for the trading arrangements in relation to the nil-paid rights. In view of the above, the Board considers that raising funds by way of the Open Offer is more cost-effective and efficient as compared to a rights issue.

The objective of the Open Offer is to enable the Shareholders to maintain their proportionate interests in the Company should they wish to do so, ensuring stability in the Company's Shareholders base, and to participate in the Company's future growth and development. The Board therefore considers, since the Open Offer will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro-rata shareholding interests in the Company, even without the rights to trade their nil-paid rights as in a rights issue, on balance, to conduct an Open Offer instead of a rights issue will be more beneficial to the Company and the Shareholders in the current circumstances.

Having considered other fund raising alternatives for the Group, as discussed above, and taking into account the benefits and cost of each of the alternatives, the Directors (including the independent non-executive Directors) are of the view that the Open Offer is in the interest of the Company and the Shareholders as a whole since it offers the Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company.

In the course of considering the Open Offer and prior to the entering into of the Underwriting Agreement with the Underwriter, the Company has approached another underwriter on an informal basis, trying to obtain the best available terms for the Open Offer, however no positive feedback was received by such other underwriter due to (i) the relatively small size of the gross proceeds of the Open Offer and (ii) the prevailing market conditions of the capital market in Hong Kong.

Having considered the aforesaid factors and that (i) the Open Offer has to be fully underwritten; (ii) the underwriting commission accords with the market practice; and (iii) in the interest of time, the Company decided to engage the Underwriter to underwrite the Open Offer and not to formally approach other independent third parties. Therefore, in view of the reasons as stated above, the Directors (including the independent non-executive Directors) consider that the engagement of the Underwriter is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

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FUND RAISING EXERCISES OF THE COMPANY IN THE PAST 12 MONTHS

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
22 December 2014	Placing of 52,300,000 new shares of an aggregate principal amount of HK\$34.5 million.	Approximately HK\$33.9 million	General working capital of the Group	(i) Approximately HK\$23.9 million was used for general working capital of the Group which (a) approximately HK\$7.4 million was used for repayment of accrued expenses; (b) approximately HK\$7.0 million was used for administration expenses; and (c) approximately HK\$9.5 million was used for operating expenses; and (ii) the remaining balance of approximately HK\$10.0 million was maintained at the Group's bank accounts.

Save for the above, the Company had not conducted any other fund raising exercise in the past 12 months immediately preceding the Latest Practicable Date.

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WARNING OF THE RISK OF DEALINGS IN SHARES

Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof.

Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

GENERAL

Your attention is drawn to the information contained in the appendices to this prospectus.

By the Order of the Board
Legend Strategy International Holdings Group Company Limited
Law Fei Shing
Executive Director

1. FINANCIAL INFORMATION

The consolidated financial statements of the Group, including the notes thereto, for each of the three years ended 31 December 2012, 31 December 2013 and 31 December 2014 and the six months period ended 30 June 2015, have been disclosed in the following financial reports of the Company which are available on the Company's website at www.legendstrategy.com and the website of the Stock Exchange at www.hkexnews.hk:

- the annual report of the Company for the year ended 31 December 2012 (pages 46 to 132) published on 12 March 2013;
- the annual report of the Company for the year ended 31 December 2013 (pages 44 to 132) published 28 March 2014;
- the annual report of the Company for the year ended 31 December 2014 (pages 46 to 112) published on 27 March 2015; and
- the interim results announcement of the Company for the six months period ended 30 June 2015 (pages 2 to 16) published on 28 August 2015.

2. FINANCIAL TRADING PROSPECTS

The Group is principally engaged in budget hotel operations, provision of hotel consultancy services and hotel management service in the PRC. As at 30 June 2015, the Group has three leased-and-operated hotels and four managed hotels under operation.

Due to the uncertainty of economic situation and increasing of competition in hospitality industry in the PRC, the financial performance of the Group is deteriorating. For the six months ended 30 June 2015, the Group recorded a turnover of HK\$11,949,401 representing a decrease of 18.74% from HK\$14,705,163 of the corresponding period in the last financial year. This is mainly due to the 17.15% decrease of the average room revenue to RMB124.6 for the six months ended 30 June 2015 from RMB150.4 for the same period of last financial year as result from the increase of competition in hotel industry in the PRC. In addition, the average occupancy rate decreased significantly from 89.00% for the six months ended 30 June 2014 to 72.32% for the six months ended 30 June 2015. The Target Company incurred operating expenses of approximately HK\$29,306,715 for the six months ended 30 June 2015, representing a decrease of approximately 4.27% compared to approximately HK\$30,613,960 for the six months period ended 30 June 2014 mainly attributable to (i) the decrease in employee benefit expenses by deployment of some employees in the PRC and (ii) the decrease in other operating expenses after the adoption of the cost saving strategy in the six months period ended 30 June 2015. The Group incurred a loss of HK\$19,017,545 for the six months period ended 30 June 2015 representing an increase of 85.27% from the loss of HK\$10,264,736 for the same period of last financial year mainly attributable to the decrease of 18.74% in the turnover and the income tax credit of HK\$8,430,008 for the six months period ended 30 June 2014.

Due to the uncertainty of economic situation and increasing of competition in hospitality, the Group plans to slowdown the expansion of its hotel network and maintain the number of hotel in the PRC. Looking ahead, the Group will continue to minimize the cost of operation and review all current hotel projects. Moreover, the Group will start to look for other investment opportunities in the PRC to diversify the risk and increase the Shareholders' values.

3. INDEBTEDNESS STATEMENT

At the close of business on 31 July 2015, being the latest practicable date for ascertaining the information prior to the printing of this document, apart from intra-group liabilities and normal trade payables, the Group did not have any debt securities authorised or created but unissued, issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance leases, hire purchase commitments, guarantees or other material contingent liabilities.

Save as disclosed above, the Directors have confirmed that there have been no material changes in the indebtedness and contingent liabilities of the Group since 31 July 2015.

4. WORKING CAPITAL SUFFICIENCY

The Directors, after due and careful enquiry, are of the opinion that, after taking into consideration the financial resources presently available to the Group, including facilities provided by persons, other internal resources and the estimated net proceeds from the Open Offer, the Group has sufficient working capital for its present requirements, that is for at least the next twelve months from the date of this Prospectus.

5. MATERIAL ADVERSE CHANGE

As at the date of this Prospectus, the Directors are not aware of any material change in the financial or trading position of the Group since 31 December 2014, being the date to which the latest published audited financial statements of the Group were made up.

For illustrative purpose only, set out below is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group after the completion of the Open Offer.

1. STATEMENT OF UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group prepared in accordance with Paragraph 13 of Appendix 1B and Paragraph 29 of Chapter 4 of the Listing Rules is set out below to illustrate the effects of the Open Offer on the consolidated net tangible assets of the Group as if the Open Offer had taken place on 30 June 2015.

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group has been prepared for illustrative purposes only, based on the judgements and assumptions of the Directors of the Company, and because of its hypothetical nature, may not give a true picture of the financial position of the Group following the Open Offer.

The following statement of unaudited pro forma adjusted consolidated net tangible assets of the Group is based on the unaudited consolidated net tangible assets of the Group as at 30 June 2015, adjusted as described below:

	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2015 (Note 1) HK\$	Estimated net proceeds from the Open Offer (Note 2) HK\$	Unaudited pro forma adjusted consolidated net tangible assets of the Group as at 30 June 2015 HK\$
	150,497,368	61,800,000	212,297,368
Unaudited consolidated net tangible assets per existing Share before completion of the Open Offer (Note 3)			HK\$0.478
Unaudited pro forma adjusted consolidated net tangible assets per Share immediately after completion of the Open Offer (Note 4)			HK\$0.539

Notes:

1. The unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2015 are based on the consolidated net assets in the unaudited consolidated statement of financial position of the Group as at 30 June 2015.
2. The estimated net proceeds from the Open Offer are based on 78,704,999 Offer Shares at the Subscription Price of HK\$0.80 per Offer Share, after deduction of the underwriting fees and other share issue related expenses payable by the Company of approximately HK\$1,164,000.
3. Based on 314,820,001 existing Shares in issue as at 30 June 2015 before implementation of the Open Offer.
4. Based on 393,525,000 Shares, on which 314,820,001 existing Shares and 78,704,999 Offer Shares were in issue as at 30 June 2015, assuming that the Open Offer had been completed on 30 June 2015.

2. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the text of a report, prepared for the sole purpose of inclusion in this Prospectus, from the independent reporting accountant, ZHONGHUI ANDA CPA Limited, Certified Public Accountants, Hong Kong.



22 September 2015

The Board of Directors
Legend Strategy International Holdings Group Company Limited

Dear Sirs,

We have completed our assurance engagement to report on the compilation of pro forma financial information of Legend Strategy International Holdings Group Company Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the pro forma adjusted consolidated net tangible assets as at 30 June 2015 as set out in Appendix II-1 to Appendix II-2 of the prospectus issued by the Company. The applicable criteria on the basis of which the directors have compiled the pro forma financial information are described in Appendix II.

The pro forma financial information has been compiled by the directors to illustrate the impact of the Open Offer on the Group’s net tangible assets as at 30 June 2015 as if the transaction had been taken place at 30 June 2015. As part of this process, information about the Group’s net tangible assets has been extracted by the directors from the Group’s consolidated financial statements as included in the interim report for the period ended 30 June 2015, on which a review report has been published.

Directors’ Responsibility for the Pro Forma Financial Information

The directors are responsible for compiling the pro forma financial information in accordance with paragraph 13 of Appendix 1B and paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock exchange of Hong Kong Limited (the “Listing Rules”) and with reference to Accounting Guideline (“AG”) 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2015 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We make no comments regarding the reasonableness of the amount of net proceeds from the Open Offer, the application of those net proceeds, or whether such use will actually take place as described under “Reasons for the Open Offer and the use of proceeds” set out on page 25 to page 27 of the Prospectus.

Opinion

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Ng Ka Lok

Practising Certificate Number P06084

Hong Kong

1. RESPONSIBILITY STATEMENT

The Prospectus Documents, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Prospectus Document is accurate and complete in all material respects and not misleading or deceptive, there are no other matters the omission of which would make any statement herein or in the Prospectus Document misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company (i) as at the Latest Practicable Date and immediately upon completion of the Open Offer (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the Record Date) and (ii) as at the Latest Practicable Date and immediately upon completion of the Open Offer (assuming full exercise of all the outstanding and exercisable Share Options and no other issue of any Shares on or before the Record Date) as follows:

- (i) **as at the Latest Practicable Date and immediately upon completion of the Open Offer (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the Record Date)**

Authorised share capital:

		<i>HK\$</i>
<u>780,000,000</u>	Shares	<u>7,800,000.00</u>

Issued and fully paid share capital or credited as fully paid:

314,820,001	Shares in issue as at the Latest Practicable Date	3,148,200.01
<u>78,704,999</u>	Offer Shares to be issued	<u>787,049.99</u>
393,525,000	Shares in issue and fully paid immediately upon completion of the Open Offer	3,935,250.00
<u><u> </u></u>		<u><u> </u></u>

- (ii) as at the Latest Practicable Date and immediately upon completion of the Open Offer (assuming full exercise of all the outstanding and exercisable Share Options and no other issue of any Shares on or before the Record Date)

Authorised share capital:

		<i>HK\$</i>
780,000,000	Shares	7,800,000.00

Issued and fully paid share capital or credited as fully paid:

314,820,001	Shares in issue as at the Latest Practicable Date	3,148,200.01
5,700,000	Shares in issue as a result of exercise of all of the Share Options	57,000.00
80,129,999	Offer Shares to be issued assuming full exercise of all the outstanding and exercisable Share Options	801,299.99
400,650,000	Shares in issue and fully paid immediately upon completion of the Open Offer	4,006,500.00

Save for the Share Options, as at the Latest Practicable Date, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

No capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under option as at the Latest Practicable Date.

All Shares in issue rank pari passu in all respects with each other including, in particular, as to rights to dividends, voting rights and return of capital. The Offer Shares to be allotted and issued will, when issued and fully paid, rank pari passu in all respects with the existing Shares.

The issued Shares are listed and traded on the Stock Exchange. None of the securities of the Company is listed, or dealt in, on any other exchange, nor is any listing of or permission to deal in the securities of the Company being, or proposed to be, sought on any other stock exchange.

As at the Latest Practicable Date, there were no arrangement under which future dividends are waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

(i) Interests of Directors

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and chief executives had interests and short positions in the Shares, the underlying Shares and/or the debentures (as the case may be) of the Company or any its associated corporations (within the meaning of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such Director or chief executive is taken or deemed to have under such provisions of the SFO) or which were required to be entered into the register required to be kept by the Company under section 352 of the SFO or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in the Listing Rules:

Long positions in the shares and underlying shares of the Company and its associated corporations.

Name of Director	Capacity	Number of shares held	Approximate percentage of interest in the Company's issued share capital
Mr. Law	Person having a security interest in shares	161,202,466 (Note)	51.20%

Note: These Shares are subject to a charge under the share charge dated 29 May 2015 made between the China Medical (as charger) and Excel Precise (as chargee) which is owned as to 25% by Mr. Law and as to 73.5% by True Promise Investment Limited, a company which in turn is wholly-owned by Mr. Law.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company or their respective associates had interests and short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules.

(ii) Interests of Substantial Shareholders

As at the Latest Practicable Date, so far as is known to the Directors and the chief executives of the Company, each of the following persons (other than a Director or chief executive of the Company) had an interest or a short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any members of the Company and were recorded in the register to be kept under section 336 of the SFO:

Name of Shareholder	Personal interests	Number of Shares held	Approximate percentage of interest in the Company's issued share capital
China Medical	Beneficial owner	161,202,466 (Note)	51.20%
Ding Yifan	Interest in a controlled corporation	161,202,466	51.20%
Excel Precise	Person having a security interest in Shares	161,202,466	51.20%
True Promise Investment Limited	Interest in a controlled corporation	161,202,466	51.20%
呂娜	Interest of Child under 18 or spouse	161,202,466	51.20%

Note: As at the Latest Practicable Date, China Medical was owned by Mr. Ding Yifan and Mr. Huang Yun as to 90% and 10% equity interest respectively and they were both the directors of China Medical.

Save as disclosed above, as at the Latest Practicable Date, there was no other person (other than a Director or chief executive of the Company or a member of the Group) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

As at the Latest Practicable Date, save and except for information above, no other Director nor any parties acting in concert with any of them was interested in any Shares or any convertible securities, warrants, options or derivatives in respect of Shares.

4. OTHER INTERESTS OF THE DIRECTORS

Save as disclosed in this Prospectus and as at the Latest Practicable Date,

(a) Interests in service contracts

None of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the Company within one year without payment of compensation (other than statutory compensation);

(b) Interests in assets

None of the Directors has or had any interest, direct or indirect, in any asset which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to member of the Group since 31 December 2014, being the date to which the latest published audited financial statements of the Group were made up;

(c) Interests in contracts or arrangements

Save for the Undertaken Shareholder in the Offer Shares Undertaking, none of the Directors was materially interested in any contract or arrangement entered into with any member of the Group, which contract or arrangement is subsisting as at the Latest Practicable Date and which is significant in relation to the business of the Group; and

(d) Directorship or employment with substantial Shareholders

Mr. Huang Yun is also a director of China Medical. China Medical had an interest in the Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

5. DIRECTORS' COMPETING INTERESTS

As at the Latest Practicable Date, save as disclosed above, none of the Directors and their respective close associates have any interest in any businesses which are considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group other than those businesses to which the Directors and their close associates were appointed to represent the interests of the Company and/or the Group.

6. CORPORATE INFORMATION**Board of Directors***Executive Directors*

Mr. Huang Yun
Flat C, 22/F, Chuang's On the Park
162 Tung Lo Wan Road
Causeway Bay, Hong Kong

Mr. Law Fei Shing
Room 1321, Leighton Centre
77 Leighton Road
Causeway Bay, Hong Kong

Independent non-executive Directors

Mr. Leung Siu Hong
Flat E, 22/F, Block 2, Academic Terrace
No. 101 Pok Fu Lam Road
Pok Fu Lam, Hong Kong

Mr. Tso Hon Sai, Bosco
Flat A, 3/F, Tower 16, One Beacon Hill
1 Beacon Hill Road
Kowloon, Hong Kong

Mr. Chung Wai Man
Flat G, 13/F, Block 5, Park Central
Tseung Kwan O
New Territories, Hong Kong

Audit Committee

Mr. Leung Siu Hong (*Committee Chairman*)
Mr. Tso Hon Sai, Bosco
Mr. Chung Wai Man

Nomination Committee

Mr. Tso Hon Sai, Bosco (*Committee Chairman*)
Mr. Leung Siu Hong
Mr. Chung Wai Man

Remuneration Committee

Mr. Chung Wai Man (*Committee Chairman*)
Mr. Leung Siu Hong
Mr. Tso Hon Sai, Bosco

Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Head office and principal place of business in Hong Kong	Room 2401-02, 24/F Jubilee Centre 46 Gloucester Road Wanchai, Hong Kong
Company secretary	Ms. Au Man Wai
Authorised representatives	Mr. Huang Yun Ms. Au Man Wai 2401-02, 24/F Jubilee Centre 46 Gloucester Road Wanchai, Hong Kong
Hong Kong branch share registrar and transfer office	Union Registrars Limited A18/F., Asia Orient Tower Town Place, 33 Lockhart Road Wanchai, Hong Kong
Auditors	ZHONGHUI ANDA CPA Limited Unit 701-3 & 8, Citicorp Centre 18 Whitfield Road Causeway Bay, Hong Kong
Principal Bankers	Hang Seng Bank Limited Shop 7, 1/F, Crocodile Center 79 Hoi Yuen Road Kwun Tong, Kowloon Hong Kong Bank of China (Hong Kong) 1 Garden Road Central Hong Kong Industrial Bank Co. Ltd. Industrial Bank Building No. 4013 Shennan Road Futian District Shenzhen The PRC

Industrial and Commercial Bank of China
1st Floor, New Century Garden
Nanshan Road
Nanshan District
Shenzhen
The PRC

Stock code 1355

Website www.legendstrategy.com

7. PARTIES INVOLVED IN THE OPEN OFFER

The Company Legend Strategy International Holdings
Group Co. Ltd.
Room 2401-02, 24/F
Jubilee Centre
46 Gloucester Road
Wanchai, Hong Kong

Underwriter Sheng Yuan Securities Limited
Address: Suites 4303-5, 43/F., Tower 1
Times Square, 1 Matheson Street
Causeway Bay, Hong Kong

Financial adviser of the Company Octal Capital Limited
801-805, 8th Floor, Nan Fung Tower
88 Connaught Road Central
Hong Kong

Legal advisers to the Company Stevenson, Wong & Co.
4/F, 5/F & 1602, Central Tower
No.28 Queen's Road Central, Hong Kong

Reporting Accountants ZHONGHUI ANDA CPA Limited
Unit 701, 7/F., Citicorp Centre
18 Whitfield Road
Causeway Bay, Hong Kong

**Hong Kong branch share registrar
and transfer office** Union Registrars Limited
A18/F., Asia Orient Tower
Town Place, 33 Lockhart Road
Wanchai, Hong Kong

8. LITIGATION

As at the Latest Practicable Date, none of the Company or any of its subsidiaries were engaged in any litigation or arbitration or claim of material importance and no litigation or claim of material importance is pending or threatened by or against the Company or any member of the Group.

9. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within the two years immediately preceding the date of this Prospectus:

- (a) the underwriting agreement dated 28 August 2015 entered into among the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer;
- (b) a deed of release dated 4 June 2015 made between Mr. Fong Man, Kelvin and the Company pursuant to which Mr. Fong Man, Kelvin has irrevocable and unconditionally exempted and released all liabilities due from the Group to Mr. Fong Man, Kelvin and unconditionally exempted and released any claim against the Group;
- (c) a placing agreement dated 22 December 2014 made between the Company and Emperor Securities Limited in respect of the placing of a maximum of 52,300,000 new Shares on a best effort basis, details of which are disclosed in the Company's announcement dated 22 December 2014;
- (d) a placing agreement dated 23 July 2014 made between the Company and Emperor Securities Limited in respect of the placing of a maximum of 43,500,000 new Shares on a best effort basis, details of which are disclosed in the Company's announcement dated 23 July 2014;
- (e) a loan agreement dated 25 March 2014 made between Emperor Finance Limited as lender and the Company as borrower in respect of a revolving loan facility to an aggregate extent of HK\$45,000,000; and
- (f) a memorandum of understanding dated 27 January 2014 made between the Company and Vanli Holdings Company Limited in respect of a proposed business cooperation in developing or operating budget hip hotels, details of which are disclosed in the Company's announcement dated 27 January 2014.

10. PARTICULARS OF DIRECTORS**Executive Directors**

Mr. Huang Yun, aged 53, is also the chairman of 新傑致遠(北京)投資有限責任公司 (transliterated as “Xin Jie Zhi Yuan (Beijing) Investment Co., Ltd.”), an investment holding company holding interest in a chain of restaurants in the PRC. Mr. Huang has over 16 years of business experience, including investments on real estate, finance and securities, major chain catering enterprises and extensive experience in operation and investment management.

Mr. Law Fei Shing, aged 55, is a member of American Institute of Certified Public Accountants (AICPA), USA and an associate member of the Hong Kong Institute of Certified Public Accountants (HKICPA). Mr. Law has over 24 years of experience in the audit and accounting services.

Currently, Mr. Law is an executive director and the company secretary of Anxian Yuan China Holdings Limited (stock code: 922); and a nonexecutive director of Beautiful China Holdings Company Limited (stock code: 706) and Pak Tak International Limited (stock code: 2668), those shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). He is also a company secretary of Orient Securities International Holdings Limited (stock code: 8001), the shares of which are listed on the GEM Board of the Stock Exchange.

Independent non-executive Directors

Mr. Tso Hon Sai, Bosco, aged 50, obtained his Bachelor of Laws degree from King’s College London. He is currently a partner with Messrs Tso Au Yim & Yeung, Solicitors and has been a Hong Kong practising solicitor since 1990. Mr. Tso has been appointed as an independent non-executive director of China Fortune Investment (Holdings) Limited, (formerly known as “Neolink Cyber Technology (Holdings) Limited”) listed on GEM of the Stock Exchange (stock code: 8116) since 21 May 2007 and Imperial Pacific International Holdings Limited (formerly known as “First Natural Foods Holdings Limited”) listed on the Main Board of the Stock Exchange (stock code: 1076) since 21 November 2013. He also acted as an independent non-executive director of Goldin Financial Holdings Limited (formerly known as “Fortuna International Holdings Limited”) listed on the Main Board of the Stock Exchange (stock code: 530) during the period from 30 July 2003 to 15 November 2012 and acted as an independent non-executive director of China Smarter Energy Group Holdings Limited (formerly known as “Rising Development Holdings Limited”) listed on the Main Board of the Stock Exchange (stock code: 1004) during the period from 31 August 2007 to 3 August 2012.

Mr. Leung Siu Hong, aged 39, holds a master's degree in Accountancy from the University of Aberdeen, Scotland. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, Association of Chartered Certified Accountant, The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. He has served as the company secretary and financial controller of China Starch Holdings Limited listed on the Main Board of the Stock Exchange (stock code: 3838) since February 2008. Mr. Leung also acted as the company secretary and financial controller of Ta Yang Group Holdings Limited listed on the Main Board of the Stock Exchange (stock code: 1991) during the period from March 2006 to January 2008.

Mr. Chung Wai Man, aged 51, obtained a Bachelor's degree (honours) in social sciences from the University of Hong Kong in December 1989 and a Master's degree in international business management from the City University of Hong Kong in November 1998. Mr. Chung became an associate member of the Hong Kong Institute of Certified Public Accountants (then known as "The Hong Kong Society of Accountants") in April 1995 and a fellow member of the Association of Chartered Certified Accountants in the United Kingdom in November 1999. He has been appointed as an independent non-executive director of E Lighting Group Holdings Limited listed on GEM of the Stock Exchange (stock code: 8222) since 11 September 2014. Mr. Chung held a managerial position with Deloitte Touche Tohmatsu from July 1995 to August 2000. Mr. Chung was a chief financial officer of Artel Solutions Group Holdings Limited listed on Main Board of the Stock Exchange (stock code: 931) from August 2000 to August 2002. He was the chief financial officer and company secretary of Venturepharm Laboratories Limited listed on GEM (stock code: 8225) from August 2002 to September 2003.

11. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent as referred to under the paragraph headed "Expert and Consent" in this appendix, have been delivered to the Registrar of Companies in Hong Kong for registration pursuant to section 38D of the Companies (WUMP) Ordinance (Chapter 32 of the Laws of Hong Kong).

12. LEGAL EFFECT

The Prospectus Documents and all acceptance of any offer or application in such documents are governed by and shall be construed in accordance with the laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all person concerned bound by the provisions (other than the penal provisions) of Section 44A and 44B of the Companies (WUMP) Ordinance.

13. EXPERT AND CONSENT

The following sets out the qualifications of the experts who have given their opinions or advice as contained in this Prospectus:

Name	Qualifications
ZHONGHUI ANDA CPA Limited	Certified Public Accountants

ZHONGHUI ANDA CPA Limited has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion of its report and references to its name in the form and context in which it appear.

ZHONGHUI ANDA CPA Limited does not have any shareholding in any company in the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any company in the Group.

ZHONGHUI ANDA CPA Limited does not have or had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2014, being the date to which the latest published audited accounts of the Group were made up.

14. EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges and other related expenses, are estimated to amount to approximately HK\$1.16 million and are payable by the Company.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business in Hong Kong of the Company at Room 2401-02, 24/F, Jubilee Centre, 46 Gloucester Road, Wanchai, Hong Kong during normal business hours on any weekday other than public holidays from the date of this Prospectus up to and including the Latest Time of Acceptance:

- (a) the memorandum of association and articles of association of the Company;
- (b) the annual reports of the Company for the three financial years ended 31 December 2014;
- (c) the interim report of the Company for the six months period ended 30 June 2015;

- (d) the independent reporting accountants' assurance report on the compilation of pro forma financial information of the Group, the text of which is set out in Appendix II to this Prospectus;
- (e) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix;
- (f) the letter from the Board the text of which is set out in this Prospectus;
- (g) the written consent from ZHONGHUI ANDA CPA Limited referred to in the section headed "Expert and Consent" of this appendix; and
- (h) this Prospectus.

16. MISCELLANEOUS

- (a) The company secretary of the Company is Ms. Au Man Wai, an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrations.
- (b) The registered office and transfer office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the Company's principal place of business in Hong Kong is located at Room 2401-02, 24/F, Jubilee Centre, 46 Gloucester Road, Wanchai, Hong Kong.
- (c) The branch share registrar and transfer office of the Company in Hong Kong is Union Registrars Limited, A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong.
- (d) As at the Latest Practicable Date, save for the Offer Shares Undertaking, the Board had not received any information from any Substantial Shareholders (as defined under the Listing Rules) of their intention to take up the Offer Shares to be provisionally allotted or offered to them under the Open Offer.
- (e) As at the Latest Practicable Date, there was no restriction affecting the remittance of profits or repatriation of capital of the Company into Hong Kong and from outside Hong Kong.
- (f) In case of any inconsistency, the English text of this Prospectus shall prevail over its Chinese text.