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COMMON SPLENDOR INTERNATIONAL HEALTH INDUSTRY GROUP LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 286)

INSIDE INFORMATION

THE ACQUISITION OF 26.5% OF ISSUED CAPITAL OF JP PARTNERS MEDICAL GROUP

This announcement is made by Common Splendor International Health Industry Group Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

Stepping into Medical Market in Hong Kong and Development of Online and Offline “Hong Kong Style” Medical Service in China

On 13 June 2015, Zhaolong International Medical Investment Management Group Limited (the “Zhaolong Medical Group”), being a non-wholly-owned subsidiary of the Company, entered a legally binding agreement with several independent third parties of the Company, among of them, including majority shareholders of JP Partners Medical Group, pursuant to which, after the completion of re-organisation of JP Partners Medical Group, Zhaolong Medical Group will acquire 26.5% of issued share capital of JP Partners Medical Group (the “Acquisition”) at consideration of HK\$27,560,000 (the “Consideration”) which subject to adjustment by the results of JP Partners Medical Group, and then JP Partners Medical Group will become associate company of the Company.

According to this agreement, the Company will require current majority shareholder of JP Partners Medical Group refund not more than HK\$10,974,000 of paid consideration before 31 August 2016, if the net profit of JP Partners Medical Group for the period from 1 August 2015 to 31 July 2016 (the “2016 Net Profit”) is less than HK\$12,500,000. The exact calculation is as follows:

The Consideration - actual 2016 Net Profit x 8 x 26.5%

JP Partners Medical Group was incorporated in 2010. JP Partners Medical Group operates eight medical centres by name of JP Partners Medical and Wellness Medical Centres. After the completion of re-organisation of JP Partners Medical Group before 31 July 2015, it will operate by name of JP Partners Medical. JP Partners Medical Group currently provides family medicine, internal medicine specialist, cardiology, psychiatry, liver, stomach, obstetrics and gynecology, ophthalmology, orthopedics, surgery, otolaryngology, respiratory and dental specialist services, and has relevant medical excellent doctors team. It has three medical centres at Tuen Mun and rest five at Tsim Sha Tsui, Kowloon City, Kowloon Bay, Tseung Kwan O and Tsuen Wan respectively. After the completion of re-organisation, JP Partners Medical Group will provide advanced “Hong Kong style” medical service as its core of the ability to use a new model of “internet + health”, to carry out far-end medical service, to develop the China market extensively, to plan for establishment of the first clinic in China this year. As same time, it will develop Hong Kong market steadily as well as online and offline market and set up a chain of medical institutions coverage Hong Kong and China.

The board of the directors (the “Board”) believes that the global health industry is at rapid development stage, especially in China market. The Group is focus on investment of the five core sectors of health industry include: hospital services, health management and health preservation, medicines and healthcare products, medical devices and equipment and health foods. The Group is committed to develop businesses in China and has made encouraging achievements for past two years. Zhaolong Medical Group is a non-wholly-owned subsidiary of the Company acquired by the Company last year. Its main businesses are merger and acquisition, restructuring and trust management of hospitals. It currently holds 23% of registered capital of two ophthalmological hospitals in China. The Board considers the Acquisition is the important layout in the medical service area. It is aim to enter Hong Kong market, to provide “Hong Kong Style” medical online and offline services in China, and to serve as medical service platform by health management business in China to explore international market. It does not only provide value-added service to customers, but also entirely improve the competitive power of the Group in medical service area. Therefore, the Acquisition is in line with the strategy of the Group and in interest of the shareholders of the Company (the “Shareholders”) as a whole.

Listing Rules Implications

At the date of the announcement, to the best of the knowledge of the directors of the Company, information and belief and having made all reasonable enquiries, each party of this agreement and its respective ultimate beneficial owner(s) are third parties independent of, and not connected with, the Company and its connected persons.

None of the percentage ratios calculated pursuant to the Chapter 14 of the Listing Rules in respect of the transactions contemplated under this agreement exceed 5%.

The Company does not assure that the re-organisation of JP Partners Medical Group and the Acquisition whether complete or not at last. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
**Common Splendor International
Health Industry Group Limited**
Wong Yuet Ying
Company Secretary

Hong Kong, 15 June 2015

As at the date of this announcement, the Board comprises Mr. Cheung Wai Kuen and Mr. Cheng Hau Yan as executive directors of the Company; Mr. Lin Jiang as non-executive director of the Company; and Mr. Mai Yang Guang, Mr. Yau Chi Ming and Mr. Huang Liang as independent non-executive directors of the Company.

The Company website is www.cs-ih.com