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**COMMON SPLENDOR INTERNATIONAL
HEALTH INDUSTRY GROUP LIMITED**

(Incorporated in Bermuda with limited liability)

(Stock Code: 286)

**DISCLOSEABLE TRANSACTION
DISPOSAL OF 14.26% EQUITY INTEREST IN AIDIGONG**

The Company is pleased to announce that, on 23 March 2016 (after trading hours), the Purchaser, Ms. Zhu, Common Splendor Assets, Common Splendor Investment, Shenzhen Taorun, Shenzhen Aixinhengjiuyuan, Shenzhen Sanhaotaifu, Shenzhen Chuangfuboda and Aidigong (all as defined below) entered into the Agreement pursuant to which, among other things, (i) the Purchaser has agreed to acquire and Common Splendor Assets has agreed to sell 14.26% equity interest in Aidigong at the consideration of RMB92,690,000; (ii) the Purchaser has also agreed to acquire and Ms. Zhu has agreed to sell 2.41% equity interest in Aidigong at the consideration of RMB15,665,000; and (iii) the Purchaser has agreed to make contribution in the amount RMB27,080,000 into Aidigong upon completion of the Disposal and the Disposal by Ms. Zhu.

Upon the completion of the Disposal, the Disposal by Ms. Zhu and the Capital Contribution, assuming that save for the aforesaid, there will be no other changes to the equity interest in and shareholding structure of Aidigong, the Purchaser will hold approximately 20.00% equity interest in Aidigong, while the aggregate equity interest in Aidigong originally held by the Company will be reduced from 26.22% (through Common Splendor Assets and Common Splendor Investment) to 11.48% (through Common Splendor Investment only).

As one or more of the relevant percentage ratios calculated pursuant to Chapter 14 of the Listing Rules reaches or exceeds 5% but all relevant percentage ratios are less than 25%, the Disposal constitutes a discloseable transaction for the Company. Accordingly, the Disposal will be subject to the announcement and reporting requirements pursuant to Chapters 14 of the Listing Rules.

THE AGREEMENT

The Company is pleased to announce that, on 23 March 2016 (after trading hours), the Purchaser, Ms. Zhu, Common Splendor Assets, Common Splendor Investment, Shenzhen Taorun, Shenzhen Aixinhengjiuyuan, Shenzhen Sanhaotaifu, Shenzhen Chuangfuboda and Aidigong (all as defined below) entered into the Agreement pursuant to which, among other things, (i) the Purchaser has agreed to acquire and Common Splendor Assets has agreed to sell 14.26% equity interest in Aidigong at the consideration of RMB92,690,000; (ii) the Purchaser has also agreed to acquire and Ms. Zhu has agreed to sell 2.41% equity interest in Aidigong at the consideration of RMB15,665,000; and (iii) the Purchaser has agreed to make contribution in the amount RMB27,080,000 into Aidigong upon completion of the Disposal and the Disposal by Ms. Zhu.

The principal terms of the Agreement are summarised as follows:

Date

23 March 2016

Parties

- (a) Perennial Healthcare Pte Ltd., a limited liability company incorporated with valid existence under the laws of Singapore, and a member of the Perennial Group (the “**Purchaser**”);
- (b) Ms. Zhu Yufei, the chairman and a shareholder of Aidigong who owns 48.59% equity interest of Aidigong as at the date of this announcement (“**Ms. Zhu**”);
- (c) 東莞同佳資產管理合夥企業(有限合夥) (Dongguan Common Splendor Assets Management Partnership (Limited Partnership)*), a limited liability partnership established in the PRC and indirectly wholly-owned by the Company (“**Common Splendor Assets**”);

- (d) 東莞同佳投資管理合夥企業（有限合夥）(Dongguan Common Splendor Investment Management Partnership (Limited Partnership)*), a limited liability partnership established in the PRC and indirectly wholly-owned by the Company (“**Common Splendor Investment**”);
- (e) 深圳市陶潤股權投資基金合夥企業（有限合夥）(Shenzhen City Taorun Equity Investment Fund Partnership (Limited Partnership)*), a limited liability partnership established in the PRC (“**Shenzhen Taorun**”);
- (f) 深圳市愛心恒久遠資本管理合夥企業（有限合夥）(Shenzhen City Aixinhengjiuyuan Assets Management Partnership (Limited Partnership)*), a limited liability partnership established in the PRC (“**Shenzhen Aixinhengjiuyuan**”);
- (g) 深圳市三好泰富資本投資合夥企業（有限合夥）(Shenzhen City Sanhaotaifu Capital Investment Partnership) (Limited Partnership)*), a limited liability partnership established in the PRC (“**Shenzhen Sanhaotaifu**”);
- (h) 深圳市創富博大投資中心（有限合夥）(Shenzhen City Chuangfuboda Investment Centre (Limited Partnership)*), a limited liability partnership established in the PRC (“**Shenzhen Chuangfuboda**”); and
- (i) 深圳愛帝宮現代母嬰健康管理有限公司 (Shenzhen Aidigong Modern Maternity Health Management Co., Ltd.*), a company established under the laws of the PRC with limited liability (“**Aidigong**”).

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiry, as at the date of the Agreement, save and except for Common Splendor Assets and Common Splendor Investment, which are limited liability partnerships indirectly wholly-owned by the Company, each of the Purchaser, Ms. Zhu, Shenzhen Taorun, Shenzhen Aixinhengjiuyuan, Shenzhen Sanhaotaifu, Shenzhen Chuangfuboda and their respective ultimate beneficial owners (where applicable), other than in respect of their investments in Aidigong, are third parties independent of and not connected with the Company and its connected persons.

The Disposal

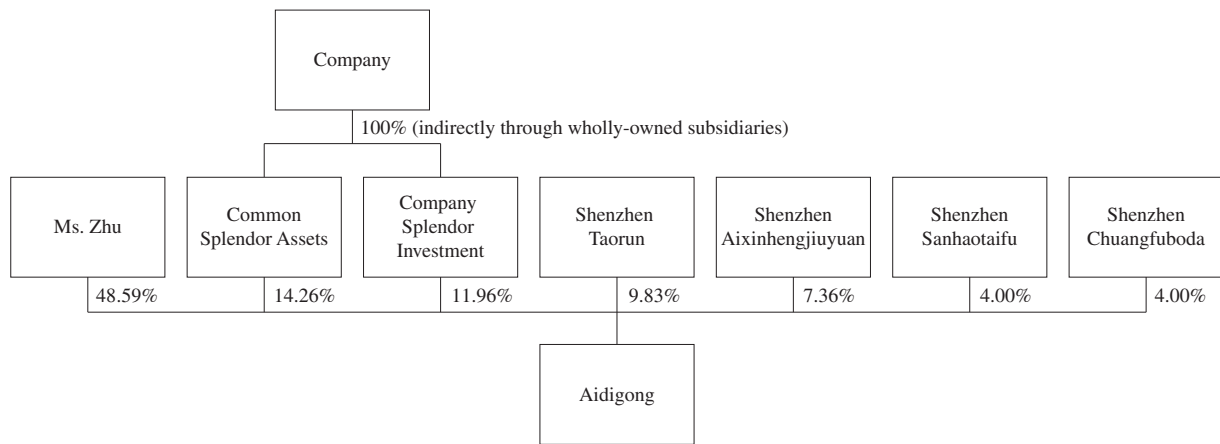
Pursuant to the Agreement, among other things, the Purchaser has agreed to acquire and Common Splendor Assets has agreed to sell 14.26% equity interest in Aidigong (i.e. the Disposal) at the consideration of RMB92,690,000, to be satisfied in the following manner:

- A first installment of RMB46,345,000, representing 50% of the consideration, to be paid by the Purchaser (or its nominee) in cash on the date on which (a) the Agreement is signed and witnessed and (b) a lease agreement for a premises located in 深圳香蜜湖度假村 (Shenzhen Xiangmihu Holiday Village*) in Shenzhen, PRC (“**Xiangmihu Holiday Village**”) is entered into by Aidigong with the landlord; and
- a second installment of RMB46,345,000, representing the remaining 50% of the consideration, to be paid by the Purchaser (or its nominee) in cash within 5 days after the revised business registration in respect of the equity interest transfer pursuant to the Disposal and the Disposal by Ms. Zhu and the Capital Contribution is issued.

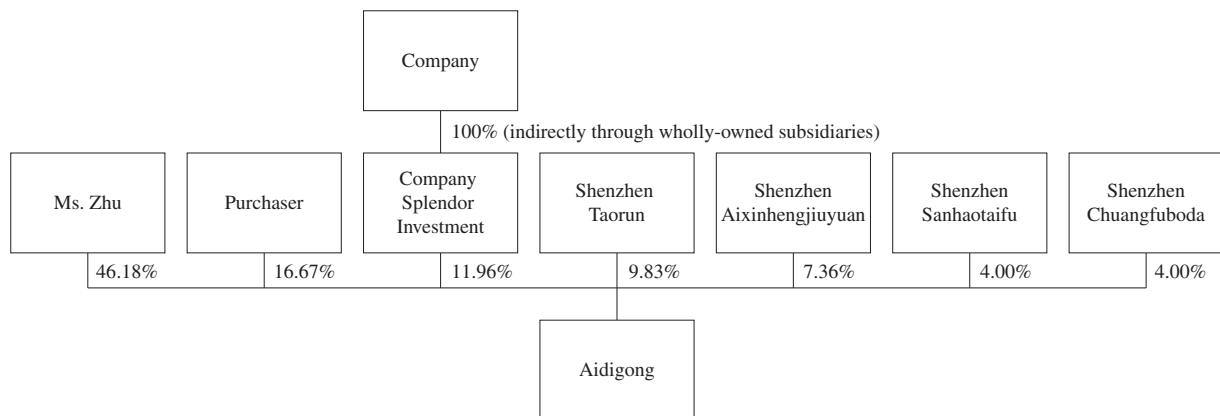
Pursuant to the Agreement, the Purchaser has also agreed to acquire and Ms. Zhu has agreed to sell 2.41% equity interest in Aidigong at the consideration of RMB15,665,000 (i.e. the Disposal by Ms. Zhu).

The consideration for the Disposal and the Disposal by Ms. Zhu were arrived at after arm’s length negotiations between the Purchaser and Common Splendor Assets, and between the Purchaser and Ms. Zhu, respectively, and were determined with reference to, among other things, the estimated valuation of the entire equity interest of Aidigong of RMB650,000,000.

As at the date of this announcement, the Company in aggregate holds 26.22% equity interest in Aidigong through Common Splendor Assets and Common Splendor Investment. To the best of the knowledge, information and belief of the Board, the following diagram sets out the shareholding structure of Aidigong as at the date of this announcement:



Upon completion of the Disposal and the Disposal by Ms. Zhu, the shareholding structure of Aidigong will be as follows:

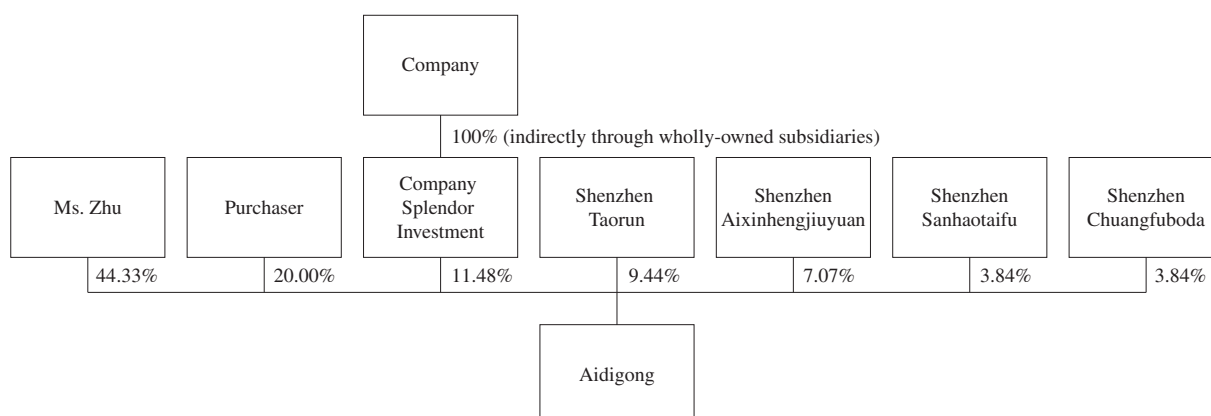


Each of Shenzhen Taorun, Shenzhen Aixinhengjiuyuan, Shenzhen Sanhaotaifu, Shenzhen Chuangfuboda, being the shareholders of Aidigong, entered into the Agreement as a party to acknowledge and consent to (and waive any first right of refusal in respect of) the Disposal and the Disposal by Ms. Zhu, and to acknowledge and consent to the dilution effect to the equity interest in Aidigong arising from the Capital Contribution.

Capital Contribution

Pursuant to the Agreement, the Purchaser has agreed to make capital contribution in the amount of RMB27,080,000 into Aidigong upon completion of the Disposal and the Disposal by Ms. Zhu.

Upon the completion of the Disposal, the Disposal by Ms. Zhu and the Capital Contribution, assuming that save for the aforesaid, there will be no other changes to the equity interest in and shareholding structure of Aidigong, the Purchaser will hold approximately 20.00% equity interest in Aidigong, while the aggregate equity interest in Aidigong originally held by the Company will be reduced from 26.22% (through Common Splendor Assets and Common Splendor Investment) to 11.48% (through Common Splendor Investment only), as illustrated as in the diagram below:



Aidigong is not a subsidiary of the Company whether before or after the completion of the Disposal and the Capital Contribution.

Conditions Precedent and Long Stop Date

Completion of the Disposal, Disposal by Ms. Zhu and the Capital Contribution is conditional upon certain conditions precedent, including, among other things, (a) satisfactory due diligence by the Purchaser in respect of Aidigong; (b) shareholders of Aidigong having approved the transactions contemplated under the Agreement; and (c) the signing of the lease agreement for a premises located in Xiangmihu Holiday Village by Aidigong. If any of the conditions is not satisfied on or before 31 March 2016, the Purchaser is entitled to terminate the Agreement by notice.

FINANCIAL INFORMATION OF AIDIGONG

The financial information of Aidigong based on its unaudited consolidated management accounts for the two years ended 31 December 2014 and 31 December 2015 was as follows:

	For the year ended 31 December 2014 RMB	For the year ended 31 December 2015 RMB
Revenue	86,303,000	129,003,000
Profit before taxation	12,021,000	29,012,000
Profit after taxation	10,251,000	20,365,000

The unaudited consolidated net assets of Aidigong as at 31 December 2015 amounted to approximately RMB78,280,000.

The Group expects to accrue a before-tax gain of approximately RMB31,370,000 in relation to the Disposal, which is calculated based on the consideration for the Disposal of RMB92,690,000 less the carrying value of the 14.26% equity interest in Aidigong recognized by the Group as at 31 December 2015 of approximately RMB61,320,000. Shareholders should note that the exact amount of the gain of the Disposal accruing to the Group is subject to audit and therefore may be different from the amount mentioned above. The proceeds from the Disposal will be applied to the general funding of the Group's operating activities.

INFORMATION OF THE PARTIES

The principal business activities of the Group are health management and investing and financing. Common Splendor Assets and Common Splendor Investment are limited liability partnerships indirectly wholly-owned by the Company, and are principally engaged in investment holding.

To the best of the knowledge, information and belief of the Directors, the Purchaser is a limited liability company incorporated under the laws of Singapore, a group company of a Singapore listed group, Perennial Real Estate Holdings Limited. The Purchaser has established a foreign investment enterprise in Chengdu (Chengdu Pengyi Management Co., Ltd.) to hold its 20.00% equity interest in Aidigong. Perennial Real Estate Holdings Limited (“**Perennial Group**”) is an integrated real estate company with capabilities in development, investments, assets management, property management and capital management. Headquartered in Singapore, Perennial Group focuses strategically on predominantly retail mixed-use developments in Singapore and the PRC. Perennial Group has also set up jointly invested enterprises for the merger and acquisitions, development and management of hospitals and healthcare services industry in the PRC.

To the best of the knowledge, information and belief of the Directors, the principal business activities of Shenzhen Taorun, Shenzhen Aixinhengjiuyuan, Shenzhen Sanhaotaihu and Shenzhen Chuangfuboda are securities investments.

REASONS AND BENEFITS OF THE DISPOSAL

The Group is mainly engaged in the development of health industry. Aidigong is mainly engaged in the provision of maternal and child health services and postpartum recovery services.

The Group acquired 30% equity interest of Aidigong back in August 2015. Aidigong is going to further develop its chain stores in the PRC. The Purchaser is a group company of a Singapore listed group, Perennial Group, which has also invested in the healthcare industry in the PRC. The Board believes that the Purchaser will provide suitable premises for Aidigong to develop its chain stores. The disposal of a partial equity holding in Aidigong is mainly because of the introduction of a strategic cooperation partner to procure the development of Aidigong’s business. As disclosure above, the Group expects to accrue a before-tax gain of approximately RMB31,370,000 in relation to the Disposal, which is calculated based on the consideration for the Disposal of RMB92,690,000 less the carrying value of the 14.26% equity interest in Aidigong recognized by the Group as at 31 December 2015 of approximately RMB61,320,000.

The Group has entered the healthcare industry since 2013 and has successfully invested in a series of healthcare services. In the future, the Group will further strengthen the development of its core business. The core business of the Group is the provision of life and healthcare services to the elites. The Group is expediting the global development strategy of its “Life Club” (previously known as “Healthcare Management Centre”), including setting up of the second club in Shenzhen which is at the final stage of renovation and will commence operation in the near future. The Shenzhen club will provide advanced medical methodology precision life healthcare services such as blood purification; metabolic therapy; cell therapy and gene therapy. The Shenzhen club is the second club developed by the Group following the first Life Club of the Group in the Guangzhou International Biological Island. The Group will keep looking for suitable cities globally to further develop the chain.

The Board considers that the disposal of partial equity holding of Aidigong to the Purchaser is in line with the Group’s operational strategy and the Agreement is on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the relevant percentage ratios calculated pursuant to Chapter 14 of the Listing Rules reaches or exceeds 5% but all relevant percentage ratios are less than 25%, the Disposal constitutes a discloseable transaction for the Company. Accordingly, the Disposal will be subject to the announcement and reporting requirements pursuant to Chapters 14 of the Listing Rules.

Shareholders and potential investors should note that the transactions contemplated under the Agreement are subject to conditions to be fulfilled and may or may not proceed. Shareholders and potential investors are reminded to exercise extreme caution when dealing in the Shares and other securities of the Company.

DEFINITIONS

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

“Agreement”	the agreement titled “Shenzhen Aidigong Modern Maternity Health Management Co., Ltd. Investment Agreement” entered into between the Purchaser, Ms. Zhu, Common Splendor Assets, Common Splendor Investment, Shenzhen Taorun, Shenzhen Aixinhengjiuyuan, Shenzhen Sahaotaifu, Shenzhen Chuangfuboda and Aidigong dated 23 March 2016 and as supplemented from time to time
“Board”	the board of Directors
“Capital Contribution”	the capital contribution of RMB27,080,000 by the Purchaser into Aidigong upon the completion of the Disposal and the Disposal by Ms. Zhu, pursuant to the terms of the Agreement
“Company”	Common Splendor International Health Industry Group Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 286)
“Directors”	the directors of the Company
“Disposal”	the sale of 14.26% equity interest in Aidigong by Common Splendor Assets to the Purchaser pursuant to the terms of the Agreement
“Disposal by Ms. Zhu”	the sale of 2.41% equity interest in Aidigong by Ms. Zhu to the Purchaser pursuant to the terms of the Agreement
“Group”	the Company and its subsidiaries
“HKD”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China and, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Share(s)”	ordinary share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percent

By order of the Board
**Common Splendor International
Health Industry Group Limited**
Cheung Wai Kuen
Chairman

Hong Kong, 23 March 2016

As at the date of this announcement, the Board comprises Mr. Cheung Wai Kuen, Mr. Cheng Hau Yan and Mr. Ye Jiong Xian as executive Directors; Mr. Lin Jiang as non-executive Director; and Mr. Mai Yang Guang, Mr. Yau Chi Ming and Mr. Lam Chi Wing as independent non-executive Directors.

* *For identification purposes only*