COMMON SPLENDOR INTERNATIONAL HEALTH INDUSTRY GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 286)

(i) MAJOR TRANSACTION — ACQUISITION OF 88.5184% EQUITY INTEREST IN SHENZHEN AIDIGONG MATERNITY HEALTH MANAGEMENT CO., LTD; (ii) POSSIBLE ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE; AND (iii) RESUMPTION OF TRADING

THE EQUITY TRANSFER AGREEMENT

The Board is pleased to announce that, on 24 January 2019 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company), the Company and the Vendors entered into the Equity Transfer Agreement, pursuant to which, among other matters, the Vendors conditionally agreed to sell and the Purchaser conditionally agreed to acquire, the Aidigong Interest, representing 88.5184% of the issued share capital of the Target Company, at the aggregate maximum Consideration of RMB888,000,000 (equivalent to approximately HK$1,025,404,157) (subject to downward adjustments), which will be satisfied by way of cash.

THE SUBSCRIPTION AGREEMENT

On 25 January 2019 (after trading hours), the Company and the Subscribers entered into the Subscription Agreement pursuant to which, subject to the fulfillment of the conditions precedent as mentioned herein, each of the First Subscriber and the Second Subscriber will respectively subscribe for, and the Company will allot and issue up to 222,006,334 and 42,093,632 new Shares, at the Subscription Price of HK$0.70 per Subscription Share. The aggregate nominal value of the 264,099,966 Subscription Shares is HK$2,640,999.66.

The 264,099,966 Subscription Shares represent approximately (i) 8.81% of the existing issued share capital of the Company as at the date of this announcement; and (ii) 8.10% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, subject to completion of the Subscriptions (assuming that there will not be any changes in the issued share capital of the Company from the date of this announcement up to and including the Subscription Completion Date, save for the allotment and issue of the Subscription Shares).

The Subscriptions are subject to the Shareholders' approval. The Subscription Shares will be issued and allotted pursuant to the Specific Mandate to be sought from the Shareholders at the SGM. Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Assuming all the Subscription Shares are fully subscribed, the gross proceeds from the Subscriptions are expected to be approximately HK$184.87 million. This is the Hong Kong dollar equivalent amount of the sum of approximately 63.05% and approximately 75.00% of the respective entitlement to the Earn-out Payment (both denominated in RMB) to be received by the First Subscriber and Second Subscriber respectively, after deduction of the income tax and other related expenses, of a maximum amount of RMB134,580,240 and RMB25,517,160 respectively, and being converted to Hong Kong dollar at the exchange rate of HK$1.00 to RMB0.866. The estimated net proceeds from the Subscriptions, after deduction of expenses, will amount to approximately HK$182.87 million, representing a net Subscription Price of approximately HK$0.69 per Subscription Share. The net proceeds are currently intended to be used for the business development of the Target Group and/or (where applicable) repayment of loan and related cost for the financing of the Consideration.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios of the Acquisition calculated in accordance with Rule 14.07 of the Listing Rules exceeds 25% but less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The SGM will be convened and held for the Shareholders to consider, and if thought fit, to approve, (i) the Equity Transfer Agreement and the transactions contemplated thereunder; and (ii) the Subscription Agreement and the transactions contemplated thereunder, including the grant of the Specific Mandate to the Directors for the allotment and issue of the Subscription Shares.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders have any material interest in the Acquisition and the Subscriptions and as such, none of the Shareholders is required to abstain from voting at the SGM in respect of the approval of the Equity Transfer Agreement, the Subscription Agreement and the transactions contemplated thereunder.

As more time is needed to prepare the relevant financial and other information to be included in the circular as required under the Listing Rules, a circular containing, among other things, (i) details of the Equity Transfer Agreement and the transactions contemplated thereunder; (ii) an accountants' report on the Target Group; (iii) financial information of the Group and the Target Group; (iv) pro forma financial information on the Enlarged Group; (v) the Subscription Agreement and the transactions contemplated thereunder, including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares to the Directors; and (vi) notice of the SGM and other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 27 February 2019.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted with effect from 9:00 a.m. on Friday, 25 January 2019 pending the publication of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on Monday, 28 January 2019.

INTRODUCTION

The Board is pleased to announce that,

(i) on 24 January 2019 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company), the Company and the Vendors entered into the Equity Transfer Agreement, pursuant to which, among other matters, the Vendors conditionally agreed to sell and the Purchaser conditionally agreed to acquire the Aidigong Interest; and

(ii) on 25 January 2019 (after trading hours), the Company and the Subscribers entered into the Subscription Agreement pursuant to which the Company conditionally agreed to issue, and the First Subscriber and the Second Subscriber conditionally agreed to subscribe for, the First Subscription Shares and the Second Subscription Shares, respectively.

THE EQUITY TRANSFER AGREEMENT

The principal terms and conditions of the Equity Transfer Agreement are as follows:

Date

24 January 2019

Parties

(i) Purchaser: the Purchaser (a wholly-owned subsidiary of the Company)

(ii) Vendors:
(1) Vendor A as to 44.3304% of the issued share capital of the Target Company;

(2) Vendor B as to 20.0032% of the issued share capital of the Target Company;

(3) Vendor C as to 9.4392% of the issued share capital of the Target Company;

(4) Vendor D as to 7.0656% of the issued share capital of the Target Company;

(5) Vendor E as to 3.8400% of the issued share capital of the Target Company; and

(6) Vendor F as to 3.8400% of the issued share capital of the Target Company

(iii) Purchaser's Guarantor: the Company

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, save for (i) the entering into of the Subscription Agreement by each of the Management Vendors with the Company, whereby the Management Vendors may become Shareholders immediately upon the completion of Subscriptions (for details, please refer to the section headed "The Subscription Agreement" below in this announcement); and (ii) each of the Vendors and Common Splendor Investment (a non-wholly owned subsidiary owned as to 56% by the Company) being the existing shareholders of the Target Company, each of the Vendors and their respective ultimate beneficial owners are Independent Third Parties.

Assets to be acquired

The Vendors have conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the Aidigong Interest, representing 88.5184% of the issued share capital of the Target Company.

The Aidigong Interest represents the entire aggregate shareholding of Aidigong owned by the Vendors as at the date of the Equity Transfer Agreement.

Guarantee

The Company agreed to guarantee the due payment of the Consideration by the Purchaser to the Vendors.

Consideration

The maximum Consideration of RMB888,000,000 (equivalent to approximately HK$1,025,404,157) comprises the Share Purchase Price of RMB578,642,000 and the maximum Earn-out Payment of RMB309,358,000. The Share Purchase Price shall be payable to each of the Vendors in three (3) installments, while the Earn-out Payment is only payable to the Management Vendors subject to the Earn-out Mechanisms as set out in (iv) and (v) below.

The payment terms for the Consideration is set out in the below table.

Vendors	First Installment (RMB) [A]	Second Installment (RMB) [B]	Third Installment (RMB) [C]	Share Purchase Price (RMB) [D]=[A]+[B]+[C]	Maximum Earn-out Payment (RMB) [E]	Aggregate maximum Consideration payable to each of the Vendors (RMB) [F]=[D]+[E]
Vendor A	26,683,000	124,520,000	26,683,000	177,886,000	266,829,000	444,715,000
Vendor B	30,100,000	140,468,000	30,100,000	200,668,000	—	200,668,000
Vendor C	14,204,000	66,284,000	14,204,000	94,692,000	—	94,692,000
Vendor D	4,253,000	19,846,000	4,253,000	28,352,000	42,529,000	70,881,000
Vendor E	5,778,000	26,966,000	5,778,000	38,522,000	—	38,522,000
Vendor F	5,778,000	26,966,000	5,778,000	38,522,000	—	38,522,000
Total	86,796,000	405,050,000	86,796,000	578,642,000	309,358,000	888,000,000

The Consideration shall be satisfied by the Purchaser by way of cash in the following manners:

(i) RMB86,796,000 (equivalent to approximately HK$100,226,328), being the first installment, will be payable on the day of signing of the documents for registration in respect of the transfer of Aidigong Interest in accordance with the requirement of the relevant authorities ("**Registration Authorities**") for registration of equity applicable to the Target Company (the "**First Installment**"), the relevant documents shall be submitted to the Registration Authorities by the Vendors within seven (7) Business Days after the receipt of the First Installment. The Vendors agreed that the First Installment shall be paid to a designated account under the name of Vendor A. The Purchaser will be deemed to have paid the First Installment in full to the Vendors in the amounts as set out in the table above upon the payment of the First Installment to Vendor A's designated bank account.

(ii) RMB405,050,000 (equivalent to approximately HK$467,725,173), being the second installment, will be payable to the bank accounts of each of the Vendors in the amounts as set out in the table above within ten (10) Business Days from the date on which the registration with the Registration Authorities in respect of the transfer of Aidigong Interest having been completed (the "**Second Installment**").

(iii) RMB86,796,000 (equivalent to approximately HK$100,226,328), being the third installment, will be payable to the bank accounts of each of the Vendors in the amounts as set out in the table above within twenty (20) Business Days from the date on which the registration with the Registration Authorities in respect of the transfer of Aidigong Interest having been completed (the "**Third Installment**").

(iv) the fourth installment to be payable to the bank accounts of each of the Management Vendors in proportion to their respective shareholdings in the Target Company within ten (10) Business Days after the issue of the audited account of the Target Company for the financial year ending 31 December 2019 prepared in accordance with the PRC GAAP by a PRC auditor (in any event no later than 31 March 2020), the amount of which is to be calculated in accordance with the following formula (the "**Fourth Installment**"):

$$\left(\begin{array}{c}\text{Net Profit for the}\\ \text{financial year ending}\\ \text{31 December 2019}\end{array} \times 13 \times 51.3960\% \right) - \begin{array}{c}\text{Accumulated portions of}\\ \text{the Consideration already}\\ \text{paid to the Management}\\ \text{Vendors}\end{array}$$

where (i) the "Accumulated portions of the Consideration already paid to the Management Vendors" shall refer to the sum of the First Installment, Second Installment and Third Installment received by each of the Management Vendors, which amounts to a total of RMB206,238,000 (equivalent to approximately HK$238,150,115); and (ii) 51.3960% refers to the aggregate shareholdings in the Target Company owned by the Management Vendors as at the date of the Equity Transfer Agreement. The amount of the Fourth Installment shall not exceed RMB200,000,000 (equivalent to approximately HK$230,946,882) (if the calculated amount of the Fourth Installment is a negative number, the Purchaser shall not be required to pay the Fourth Installment and the Management Vendors shall not be required to compensate the Purchaser for the negative amount). The above formula and the amount calculated do not apply where the Net Profit for the year ending 31 December 2019 being less than RMB52,000,000. If the Net Profit is less than RMB52,000,000, the Purchaser shall not be required to pay the Fourth Installment to the Management Vendors; and

(v) the fifth installment to be payable to the bank accounts of each of the Management Vendors in proportion to their respective shareholdings in the Target Company within ten (10) Business Days after the issue of the audited account of the Target Company for the financial year ending 31 December 2020 prepared in accordance with the PRC GAAP by a PRC auditor (in any event no later than 31 March 2021), the amount of which is to be calculated in accordance with the following formula (the "**Fifth Installment**"):

$$\left(\frac{\text{Aggregate Net Profits for all three financial years ending 31 December 2020}}{\text{RMB197,000,000}} \times \frac{\text{RMB888,000,000}}{88.5184\%} \times 51.3960\% \right) - \text{Aggregate of the portions of the First Installment, Second Installment, Third Installment and Fourth Installment already paid to the Management Vendors}$$

if the calculated amount of the Fifth Installment is a negative number, the Purchaser shall not be required to pay the Fifth Installment and the Management Vendors shall not be required to compensate the Purchaser for the negative amount.

For the avoidance of doubt, the aggregate Consideration payable by the Purchaser to the Vendors shall not exceed RMB888,000,000. Should the amount calculated for the Fifth Installment, together with the aggregate sum of First Installment, Second Installment, Third Installment and the Fourth Installment, exceed RMB888,000,000, the Purchaser shall not be required to pay the amount in excess of RMB888,000,000 to the Vendors.

In respect of the Consideration payable to the Vendors, the breakdown between the Share Purchase Price and the Earn-out Payment (if applicable) payable to the Management Vendors and the Non-Management Vendors as a percentage out of the respective total amount receivable are set out in the below table.

	Share Purchase Price	**Earn-out Payment for the year ending 31 December 2019** *(Note)*	**Earn-out Payment for the year ending 31 December 2020** *(Note)*
Percentage out of the total amount receivable by the Management Vendors	40%	39%	21%
Percentage out of the total amount receivable by the Non-Management Vendors	100%	Not applicable	Not applicable

Note: The above is based on the assumption that the Management Vendors will receive the maximum amount of the Earn-out Payment for the years ending 31 December 2019 and 2020 as set out in (iv) and (v) above.

Effective conditions

The Equity Transfer Agreement shall become effective upon the fulfilment of the following conditions:

(a) the Net Profit for the financial year ended 31 December 2018 shall not be less than RMB57,000,000 (equivalent to approximately HK$65,819,861);

(b) the Equity Transfer Agreement and the transactions contemplated thereunder having been approved by each of the Vendors and the Target Company;

(c) since the date of the Equity Transfer Agreement, there being no circumstance which would hinder the transactions contemplated under the Equity Transfer Agreement;

(d) the Equity Transfer Agreement and the transactions contemplated thereunder having been internally approved by each of the Purchaser and the Company;

(e) the passing of the resolution(s) by the Shareholders at the SGM approving the Equity Transfer Agreement and the transactions contemplated thereunder, as well as the relevant documents;

(f) the Purchaser and the Company having obtained the necessary consent, approval or filing regarding the transactions contemplated under the Equity Transfer Agreement from the relevant securities regulatory authority; and

(g) all necessary consents, approvals or permissions (if applicable) from or by the relevant regulatory authorities in respect of the Equity Transfer Agreement and the transactions contemplated thereunder required for the Equity Transfer Agreement to become effective having been obtained.

For the avoidance of doubt, and to further clarify condition (c) above, if there is any obstacle hindering the equity transfer under the Equity Transfer Agreement caused by any of the Vendors, the Equity Transfer Agreement shall not become effective for that/those particular Vendor(s), but shall not affect the other parties from performing their obligations under the Equity Transfer Agreement.

All the conditions set out above shall have to be satisfied on or before the Acquisition Long Stop Date.

As at the date of this announcement, none of the above conditions to the Equity Transfer Agreement has been fulfilled.

Retention of Ms. Zhu as the chairman and general manager of the Target Company

Upon completion of the transfer of the Aidigong Interest, during the Earn-out Period, Ms. Zhu shall be retained as the chairman and the general manager of the Target Company and shall be fully responsible for the operation of the Target Company.

To ensure the business expansion and profit growth of the Target Company, without the written consent of Ms. Zhu, the Purchaser shall not transfer the funds of the Target Company out of its bank account during the Earn-out Period.

Non-competition Undertaking from Ms. Zhu

Ms. Zhu irrevocably undertakes that during her tenure and within two years after the end of the tenure at the Target Company, save for her interest in the Target Company, Ms. Zhu will not engage in any form of competitive business anywhere in or outside the PRC (including but not limited to any forms of investment, acquisition, custody, joint venture, contracting, operating lease or other means of owning shares and interests), will not engage in any business identical or similar to that of the Target Company and will not engage in business that may be related to or constitute a direct or indirect competition with the business of the Target Company.

Other Principal Terms

(i) In the event that the Purchaser appoints any person other than Ms. Zhu as the chairman and the general manager of the Target Company during the Earn-out Period, and Ms. Zhu is not legally prohibited to take up the aforesaid roles, then unless Ms. Zhu resigned from the aforesaid roles on her own accord, the Purchaser shall, within ten (10) Business Days after the completion of the registration and filing of the record with the relevant authorities in the PRC for the aforesaid changes, pay the remaining unpaid amount of the maximum aggregate Consideration to the Vendors in one go regardless of the amount of the Net Profit during the Earn-out Period.

(ii) If the Purchaser delays the payment of any of the First Installment, Second Installment or Third Installment under the Equity Transfer Agreement for more than twenty (20) Business Days, Vendor A has the right to make the decision to terminate the Equity Transfer Agreement on behalf of all the Vendors. The Purchaser shall pay the default penalty which is equivalent to 25% of the total maximum Consideration (in proportion to the Vendors' respective shareholdings in the Target Company) together with the compensation for the losses caused by the Purchaser to the Vendors.

(iii) If the Purchaser delays the payment of any of the Fourth Installment or Fifth Installment under the Equity Transfer Agreement for more than twenty (20) Business Days, the Purchaser shall, within five (5) Business Days upon the written request of Vendor A, transfer their respective interest of Aidigong under the Equity Transfer Agreement back to each of the Management Vendors at nil consideration and the Consideration already paid to each of the Management Vendors shall not be required to be refunded to the Purchaser.

Completion

Completion shall take place when the Consideration has been settled in full in accordance with the terms of the Equity Transfer Agreement.

BASIS OF CONSIDERATION

The Consideration was arrived at after arm's length negotiations among the parties to the Equity Transfer Agreement after taking into account, among others, (i) the preliminary valuation report of the Target Group prepared by an independent valuer; (ii) the price to earnings ratios of various listed companies in Hong Kong engaged in healthcare industry; (iii) the Earn-out Mechanisms; (iv) the implied price to earnings ratio of the Consideration; (v) the business potential and prospects of the Target Group and the industry in which the Target Group is engaged; and (vi) the benefits to be derived by the Group from the Acquisition as described under the section headed "Reasons for and benefits of the Acquisition" below in this announcement.

The Consideration is intended to be financed through bank borrowings, debt financing and/or equity fund raising as the Directors may deem appropriate at the relevant time.

INFORMATION OF THE VENDORS

To the best of the knowledge, information and belief of the Directors,

(i) Vendor A is a PRC citizen. As at the date of this announcement, she is the chairman, the general manager, a director and a shareholder of Aidigong;

(ii) Vendor B is a limited company established in the PRC and principally engaged in equity investments;

(iii) Vendor D is a limited liability partnership established in the PRC and is an employee stock ownership platform. Vendor A and her sibling in aggregate own approximately 75.59% of the equity interest of Vendor D, and Vendor A is the executive partner of Vendor D as at the date of this announcement; and

(iv) each of the Vendor C, Vendor E and Vendor F is a limited liability partnership established in the PRC and principally engaged in equity investments.

INFORMATION OF THE TARGET GROUP

Background of the Target Group

The Target Company was established in 2007 whose main business is to provide one-stop postpartum and newborn healthcare services to postpartum mothers and newborn babies while the postpartum mothers and the newborn babies are accommodated in the postpartum care centres suites owned and operated by the Target Group in the PRC during the postnatal period. The postpartum health services consist of four main areas of (i) health care, (ii) dietary and nutrition, (iii) postpartum recovery and (iv) postpartum beauty, while newborn health services consist of two main areas of (i) health care and (ii) intellectual development. Other ancillary services include photo shooting for mothers and the newborns as well as hosting "full moon" parties for newborns turning one month old. The Target Group has teams of specialists comprising professional nurses, senior nutritionists, postpartum recovery caregivers, lactation consultants, yoga trainers and logistics support staff, to provide professional one-stop postpartum and newborn healthcare services integrated with modern medical, psychological, nutritional and nursing knowledge for the satisfaction of the needs of different families.

The Target Company opened new postpartum care centres in Nanshan, Shenzhen in 2017, and in Chengdu, the PRC in 2018 to expand their geographical presence in second-tier cities in the PRC. The construction work for those two new postpartum care centres commenced in mid 2016 and mid 2017, respectively. The capacity (in terms of number of suites) of those two (2) new postpartum care centres are relatively bigger than that of the then existing three (3) postpartum care centres in aggregate, and accounts for more than 50% of the total capacity of the Target Group.

Set out below are the number of suites of each of the five (5) existing postpartum care centres and their business commencement date:

Location of postpartum care centres	**Number of suites**	**Commencement of business since**
Futian, Shenzhen	81	November 2007
Luohu, Shenzhen	47	October 2014
Beijing	42	May 2016
Nanshan, Shenzhen	139	May 2017
Chengdu	72	October 2018
Total	381	

As disclosed in the above table, the Target Group currently operates, through its subsidiaries, five (5) postpartum care centres in first-tier and second-tier cities in the PRC. The postpartum care centres operated by the Target Group have a total of 381 suites which is capable of accommodating 381 pairs of parents and newborns (or their whole family) simultaneously for the provision of postpartum and newborn healthcare services.

In addition to the above five (5) postpartum care centres, the Target Group will continue to expand and develop its principal business, including:

a. continuing to find suitable cities to establish new postpartum care centres, and to increase the number of suites and the market share in the PRC;

b. developing artificial intelligence maternal and child management system to manage the health of maternal and child online, to serve off-site customers and to greatly increase the service population; and

c. developing all kinds of products with inelastic demand for maternal and child health for sales in and out of the store.

Financial information of the Target Group

The audited consolidated financial information of the Target Group for the two years ended 31 December 2016 and 2017 prepared under PRC GAAP are set out below:

	For the year ended 31 December 2017	**For the year ended 31 December 2016**
	RMB'000	*RMB'000*
Profit before taxation	5,176	13,725
Profit after taxation	5,153	12,420

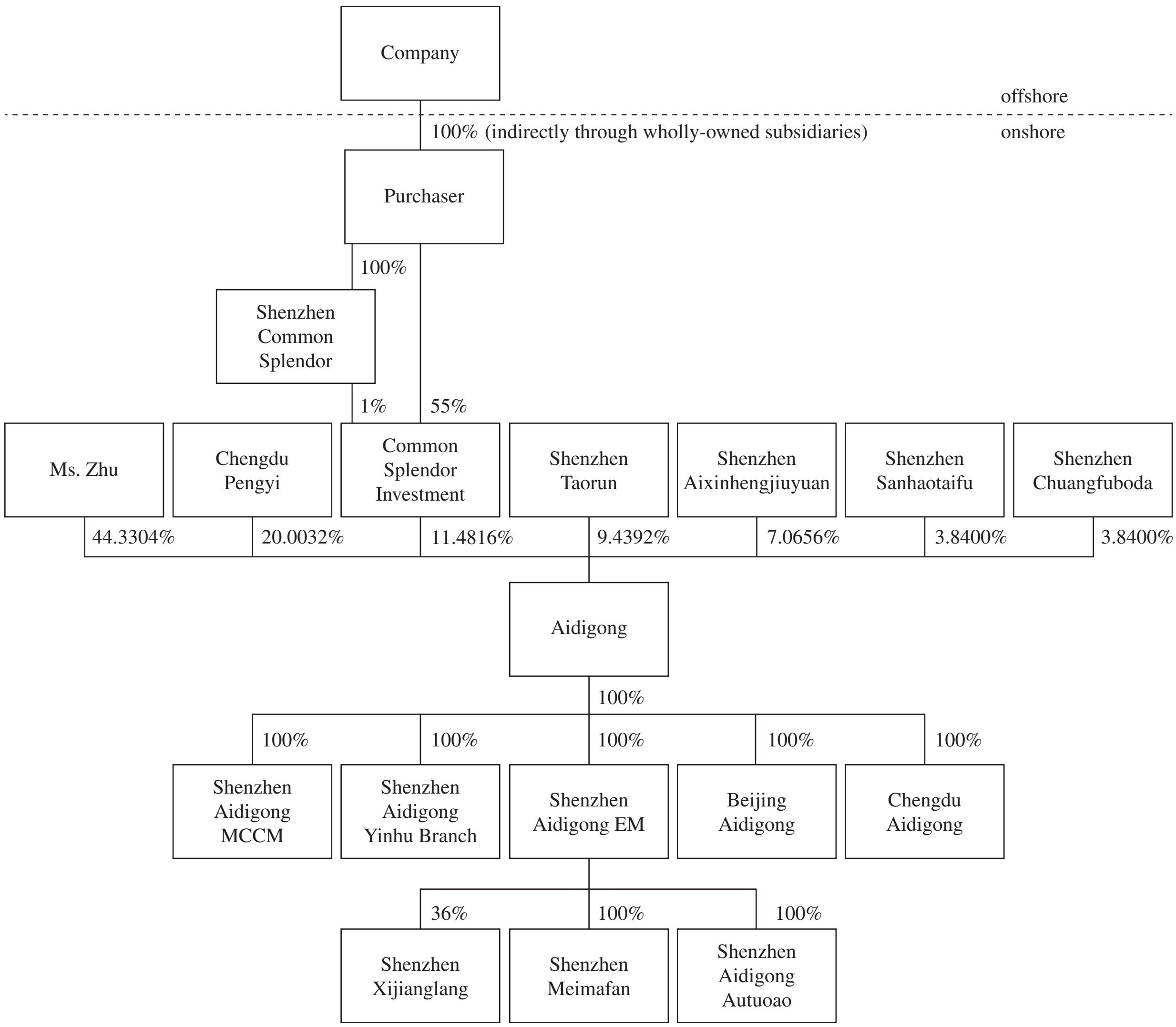
The unaudited consolidated net asset value of the Target Group as at 31 October 2018 was approximately RMB141.74 million (equivalent to approximately HK$163.67 million).

Upon completion of the transfer of the Aidigong Interest, (i) the Target Company will be owned by the Company through the Purchaser (a wholly-owned subsidiary of the Company) as to 88.5184% and through Common Splendor Investment (a non-wholly owned subsidiary owned as to 56% by the Company) as to 11.4816% respectively; and (ii) the Target Company will become an indirect non-wholly owned subsidiary of the Company and its financial results will be consolidated to the consolidated financial statements of the Group.

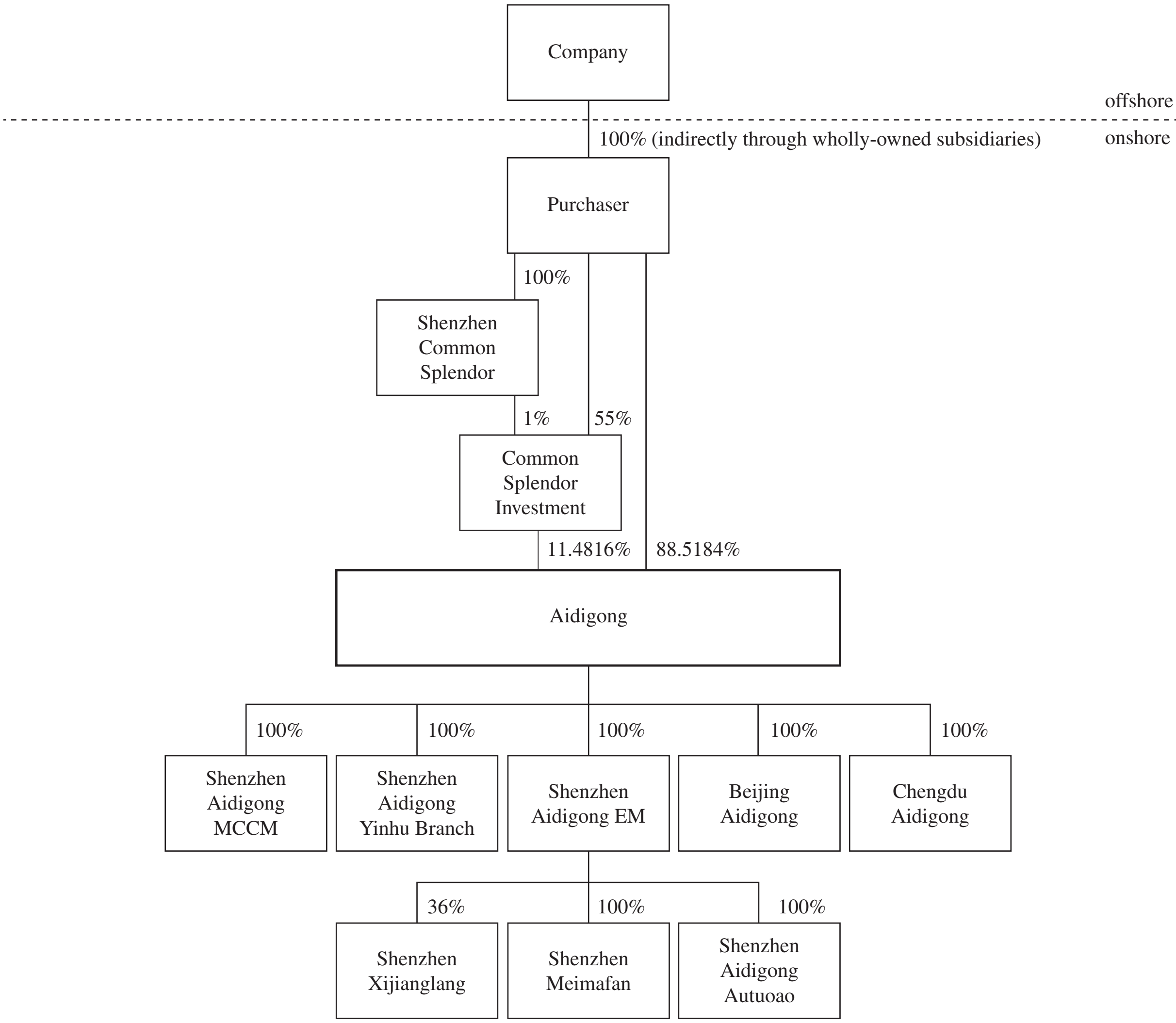
Shareholding Structure of Target Company

The following diagrams set out the shareholding structure of Aidigong

(i) *As at the date of this announcement:*



(ii) *Immediately upon completion of the transfer of the Aidigong Interest to the Purchaser*



REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is mainly engaged in health industry business, including medical anti-aging and health preservation base, medical and healthcare industry investment management, natural health food business, as well as investing and financing activities.

With the adjustments on the development strategies of the Group in recent years, the Group currently has formed a relatively integrated business system in medical anti-aging area including the businesses of "medical anti-aging" (mainly focused on internal health) and the "medical beauty anti-aging" (mainly focused on external health), as well as the "health preservation base" which covers traditional medical anti-aging methods.

The Group is committed to building itself into an international leading healthcare conglomerate, focusing on life healthcare and committed to the industrialisation development in respect of human health solutions. By employing the development strategy of "global integration, global layout", the Group will continue to draw in top talent and technology, deploy services, products and various resources, and will through acquisition and reorganization rapidly establish its life healthcare core business and seek various investment development opportunities from time to time in the healthcare field.

As at the date of this announcement, the Group holds 11.4816% of the Target Company through Common Splendor Investment (a non-wholly owned subsidiary owned as to 56% by the Company). As at the date of this announcement, the Target Group has five (5) postpartum care centres in Shenzhen, Beijing and Chengdu, all being the first-tier or second-tier cities in the PRC, providing healthcare services to newborns and postpartum mothers.

With the relaxation of its birth control policy through the implementation of the two-child policy in the PRC in 2015 (whereas before that, each couple was allowed to give birth to one-child only in the PRC), together with the increase in the per capita disposable income and per capita healthcare expenditure in the PRC, with a compound annual growth rate of approximately 10.99% and 14.24% from 2010 to 2017, respectively, the Directors are of the view that the maternal and child healthcare related services have a rigid demand and the overall market will continue to grow rapidly.

Taking into account (i) the operating history of the Target Group of the postpartum care service in the PRC since 2007; (ii) the extensive experience of Ms. Zhu in the postpartum care industry (her biography is set out in the section headed "Biography of Ms. Zhu" below); (iii) the established network of postpartum care centres in first-tier and second-tier cities in the PRC; and (iv) the relaxation of birth control policy and the improvement in standard of living of citizens in the PRC, the Board considers that the Acquisition is in line with the Group's investment strategy and the Equity Transfer Agreement is on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders taken as a whole.

Biography of Ms. Zhu

Ms. Zhu, aged 55, is the founder and the chairman of Aidigong since its establishment in October 2007. Graduated from Affiliated Nursing School of Guizhou Medical University* (貴陽醫學院附屬衛校) in 1978. Before the establishment of Aidigong, she was the head nurse of the delivery room at the Peking University Shenzhen Hospital* (北京大學深圳醫院產科). She is the current president of Shenzhen Maternal and Child Services Association* (深圳市母嬰服務業協會), and she was awarded as "The Most Influential Female Entrepreneur in Shenzhen for the First Session"* (首屆深圳最具影響力女企業家) and "2018 (Eighth Session) Shenzhen Top 10 Outstanding Female Entrepreneurs"* (2018(第八屆)深圳十大傑出女企業家).

THE SUBSCRIPTION AGREEMENT

The principal terms and conditions of the Subscription Agreement are as follows:

Date:

25 January 2019

Parties:

(1) The Company as issuer

(2) Vendor A as the First Subscriber

(3) Vendor D as the Second Subscriber

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, save for (i) the entering into of the Equity Transfer Agreement; and (ii) each of the Subscribers and Common Splendor Investment (a non-wholly owned subsidiary owned as to 56% by the Company) being the existing shareholders of the Target Company, each of the First Subscriber, the Second Subscriber and their respective ultimate beneficial owners are Independent Third Parties.

Subscriptions

The Company and the Subscribers are required to make arrangements in relation to the Subscriptions in accordance with the relevant laws and regulations for the Subscribers to subscribe for the Subscription Shares. Upon the Subscribers having properly received their respective entitlements of the Earn-out Payment (based on their respective shareholdings in the Target Company as at the date of the Equity Transfer Agreement), (i) the First Subscriber shall use the cash consideration equals to approximately 63.05% of her entitlements to the Earn-out Payment, after deducting the income tax and related expenses, for the purpose of subscription of the First Subscription Shares in the maximum amount of RMB134,580,240; and (ii) the Second Subscriber shall use the cash consideration equals to approximately 75.00% of its entitlements of the Earn-out Payment, after deducting the income tax and related expenses, for the purpose of subscription of the Second Subscription Shares in the maximum amount of RMB25,517,160. The Subscribers shall arrange the Subscriptions according to the Company's subscription arrangement process.

For the avoidance of doubt, should the First Subscriber and the Second Subscriber not be entitled to any payment under the Fourth Installment and/or the Fifth Installment, or if the Subscribers receive such amount of their respective entitlement to the Fourth Installment or the Fifth Installment which is only enough to subscribe for less than one Subscription Share, then the Subscribers do not have to fulfil their respective Subscription commitments under the Subscription Agreement and the Company will not issue the Subscription Shares to the Subscribers.

The Subscription Price is HK$0.70 per Subscription Share, and the Earn-out Payment to be received is denominated in RMB, the amount to be received will be converted to Hong Kong Dollar at the exchange rate of HK$1.00 to RMB0.866.

In the event there are any gains or losses arising from the difference of the above mentioned exchange rate and the actual exchange rate on the Subscription Completion Date, the Company shall be liable for the expenses in relation to the arrangement in connection thereto.

Subscription Shares

An aggregate of not more than 264,099,966 Subscription Shares, of which each of the First Subscriber and the Second Subscriber will subscribe for not more than 222,006,334 First Subscription Shares and 42,093,632 Second Subscription Shares, respectively.

The 264,099,966 Subscription Shares represent approximately (i) 8.81% of the existing issued share capital of the Company as at the date of this announcement; and (ii) 8.10% of the issued share capital of the Company as enlarged by the allotment and issue of the maximum number of the Subscription Shares, subject to completion of the Subscriptions (assuming that there will not be any changes in the issued share capital of the Company from the date of this announcement up to and including the Subscription Completion Date, save for the allotment and issue of the Subscription Shares).

The aggregate nominal value of the maximum number of the Subscription Shares is HK$2,640,999.66.

Subscription Price

The Subscription Price is HK$0.70 per Subscription Share.

The Subscription Price of HK$0.70 per Subscription Share represents:

(i) a premium of approximately 14.75% over the closing price of HK$0.61 per Share as quoted on the Stock Exchange as at the Last Trading Day; and

(ii) a premium of approximately 17.06% over the average closing price of HK$0.598 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day.

The Subscription Price was determined after arm's length negotiation between the Company and the Subscribers with reference to the prevailing market prices of the Shares immediately before the date of the Subscription Agreement. The Directors consider that the Subscription Price is fair and reasonable.

Conditions precedent to the completion of the Subscriptions

Completion of the Subscriptions pursuant to the Subscription Agreement is conditional upon, amongst other things, the fulfillment or waiver of following conditions:

(a) the Shareholders duly passing the resolutions approving, *inter alia*, the Subscription Agreement and the transactions contemplated thereunder, including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares by the Directors, at the SGM;

(b) the Listing Committee granting approval for the listing of and permission to deal in the Subscription Shares to be issued (and such approval not being subsequently revoked prior to the Subscription Completion Date);

(c) the First Subscriber and the Second Subscriber having received their respective entitlement of the Fourth Installment and the Fifth Installment (as the case may be);

(d) there are no proposed or passed laws, rules or regulations to prohibit or materially restrict the execution of the Subscription Agreement;

(e) up to the Subscription Completion Date (inclusive of the Subscription Completion Date), the warranties given by the Subscribers under the Subscription Agreement remain true, accurate, complete and correct in all respects and are not misleading in any respect;

(f) the Company and the Subscribers having made appropriate subscription channels or arrangements in relation to the Subscriptions in accordance with the relevant laws, rules and regulations; and

(g) each of the Subscribers having completed the necessary registration/filing procedures as required by relevant laws, rules and regulations in respect of the Subscriptions, including but not limited to the foreign exchange, commerce and National Development and Reform Commission (NDRC) related registration/filing procedures (if required).

The Company and the Subscribers undertake that they will use reasonable endeavours to procure the fulfilment of the conditions precedents on or before the Subscription Long Stop Date.

If the above conditions are not fulfilled on or prior to the Subscription Long Stop Date, the Company and the Subscribers will waive all obligations of the other party under the Subscription Agreement, and neither party may claim against the other party for any costs or losses arising from any previous breach of the Subscription Agreement.

As at the date of this announcement, none of the conditions above have been fulfilled.

Subscription Completion

The Subscription Completion Date shall fall on no later than the 20th Subscription Business Day after the conditions precedent under the Subscription Agreement having been fulfilled and the Subscribers having received their respective entitlement of all the Earn-out Payment (or such other date as the Company and the Subscribers may agree in writing).

On the Subscription Completion Date, the Company will issue, and the Subscribers (or any entity wholly-owned by each of them, or any person or entity designated by the Subscribers and agreed by the Company) will subscribe, in aggregate of not more than 264,099,966 Subscription Shares of which each of the First Subscriber and the Second Subscriber will subscribe not more than 222,006,334 First Subscription Shares and 42,093,632 Second Subscription Shares, respectively.

RANKING OF THE SUBSCRIPTION SHARES

The Subscription Shares will rank, upon issue, *pari passu* in all respect with the Shares in issue on the date of the allotment and issue of the Subscription Shares.

SPECIFIC MANDATE

The issue of the Subscription Shares is subject to the Shareholders' approval. The Subscription Shares will be issued and allotted pursuant to the Specific Mandate to be sought from the Shareholders at the SGM.

APPLICATION FOR LISTING

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

REASONS FOR THE SUBSCRIPTIONS

Immediately upon subscription of the Subscription Shares (assuming the Subscribers will subscribe the maximum number of the Subscription Shares in full), the Subscribers will in aggregate own approximately 8.10% of the issued share capital of the Company as enlarged by the issue and allotment of the Subscription Shares. As the First Subscriber, or Ms. Zhu, owns a controlling stake of the Second Subscriber and is executive partner of the Second Subscriber as at the date of this announcement, Ms. Zhu will be deemed to be interested in the Shares to be subscribed by the Second Subscriber.

Upon completion of the transfer of the Aidigong Interest, the Target Company will become a non-wholly owned subsidiary of the Company while Ms. Zhu will no longer have a direct equity interest in Aidigong. By subscribing for the Subscription Shares using the Earn-out Payment and becoming a Shareholder, (i) the Group can use the net proceeds from the Subscriptions for the business development of the Target Group; and (ii) Ms. Zhu, who is the founder and the single largest shareholder of Aidigong since its establishment in 2007, will continue to benefit from the financial performance of the Target Company in the capacity as a Shareholder. The Subscriptions also show Ms. Zhu's confidence in the future performance of the Target Company, and thus the financial performance of the Group.

The Directors consider that the Subscriptions represent a good opportunity to raise capital for the Company and broaden the Shareholder base and capital base of the Company.

Use of Proceeds

Assuming the maximum of 264,099,966 Subscription Shares will be subscribed by the Subscribers, the gross proceeds from the Subscriptions will be approximately HK$184.87 million. This is equivalent amount of the sum of approximately 63.05% and approximately 75.00% of the respective entitlement to the Earn-out Payment (both denominated in RMB) to be received by the First Subscriber and Second Subscriber respectively after deduction of the income tax and other related expenses of RMB160,097,400, and being converted to Hong Kong dollar at the exchange rate of HK$1.00 to RMB0.866. The estimated maximum net proceeds from the Subscriptions, after deduction of the related expenses, will amount to approximately HK$182.87 million, representing a net Subscription Price of approximately HK$0.69. The net proceeds are currently intended to be used for business development of the Target Group and/or (where applicable) repayment of loan and related cost for the financing the Consideration. The Directors are of the view that the terms of the Subscription Agreement are normal commercial terms and are fair and reasonable so far as the Company and the Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

For the avoidance of doubt, should the First Subscriber and the Second Subscriber not be entitled to any payment under the Fourth Installment and the Fifth Installment, neither of the Subscribers are required to subscribe for any of the Subscription Shares. The number of Subscription Shares to be subscribed by the Subscribers depends mainly on the Fourth Installment and the Fifth Installment received by the Subscribers and the related income tax and any other payment that they are liable to pay under the laws, rules and regulations of the relevant jurisdiction(s) for the receipt of the Fourth Installment and the Fifth Installment or the execution of the Subscription Agreement.

EFFECT OF THE SUBSCRIPTIONS ON THE SHAREHOLDING STRUCTURE

The changes in the shareholding structure of the Company as a result of the Subscriptions are as follows (assuming (i) each of the Subscribers will subscribe for the maximum number of the Subscription Shares; and (ii) there is no change in the issued share capital of the Company from the date of this announcement up to and including the date when the Subscription Shares have been issued):

	As at the date of this announcement		**Immediately after the issue of the maximum number of the Subscription Shares**	
	No. of Shares	*Approximate %*	*No. of Shares*	*Approximate %*
Substantial Shareholder:				
Champion Dynasty Limited *(Note 1)*	930,379,671	31.05%	930,379,671	28.54%
Beauty Sunrise Investments Limited *(Note 2)*	295,000,000	9.85%	295,000,000	9.05%
Director:				
Mr. Cheng Hau Yan *(Note 3)*	4,300,000	0.14%	4,300,000	0.13%
Sub-total:	1,229,679,671	41.04%	1,229,679,671	37.72%
The Subscribers:				
First Subscriber *(Note 4)*	—	—	222,006,334	6.81%
Second Subscriber *(Note 4)*	—	—	42,093,632	1.29%
Sub-total:	—	—	264,099,966	8.10%
Other public Shareholders:	1,766,575,337	58.96%	1,766,575,337	54.18%
Total:	2,996,255,008	100.00%	3,260,354,974	100.00%

Notes:

1. Champion Dynasty Limited is a company wholly owned by Mr. Cheung Wai Kuen, an executive Director, chairman and the controlling shareholder (such term has the meaning as ascribed to it under the Listing Rules) of the Company.

2. Pursuant to the Disclosure of Interests published on the HKEXnews website, Beauty Sunrise Investments Limited is a company wholly owned by Zhang Wenli.

3. Mr. Cheng owned 4,000,000 Shares and his spouse, being a staff of a subsidiary of the Company, owned 300,000 Shares. Pursuant to the Securities and Futures Ordinance, Mr. Cheng was deemed to be interested in same parcel of Shares which his spouse was interested.

4. The First Subscriber and her sibling in aggregate own approximately 75.59% of the equity interest of the Second Subscriber and is the executive partner of the Second Subscriber as at the date of this announcement. Ms. Zhu therefore will be deemed to be interested in the Shares to be subscribed by the Second Subscriber.

INFORMATION OF THE SUBSCRIBERS

The information of the First Subscriber and Second Subscriber, both of them who are also the Management Vendors, has been disclosed in the sections headed "Information of the Vendors" and "Biography of Ms. Zhu" above in this announcement.

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past 12 months immediately prior to the date of this announcement.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios of the Acquisition calculated in accordance with Rule 14.07 of the Listing Rules exceeds 25% but less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The SGM will be convened and held for the Shareholders to consider, and if thought fit, to approve, (i) the Equity Transfer Agreement and the transactions contemplated thereunder; and (ii) the Subscription Agreement and the transactions contemplated thereunder, including the grant of the Specific Mandate to the Directors for the allotment and issue of the Subscription Shares.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders have any material interest in the Acquisition and the Subscriptions and as such, none of the Shareholders is required to abstain from voting at the SGM in respect of the approval of the Equity Transfer Agreement, the Subscription Agreement and the transactions contemplated thereunder.

As more time is needed to prepare the relevant financial and other information to be included in the circular as required under the Listing Rules, a circular containing, among other things, (i) details of the Equity Transfer Agreement and the transactions contemplated thereunder; (ii) an accountants' report on the Target Group; (iii) financial information of the Group and the Target Group; (iv) pro forma financial information on the Enlarged Group; (v) the Subscription Agreement and the transactions contemplated thereunder, including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares to the Directors; and (vi) notice of the SGM and other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 27 February 2019.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted with effect from 9:00 a.m. on Friday, 25 January 2019 pending the publication of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on Monday, 28 January 2019.

Shareholders and potential investors of the Company should note that completion of each of the Acquisition and the Subscriptions is subject to the fulfilment of the conditions set out in the Equity Transfer Agreement and Subscription Agreement respectively. The Acquisition or the Subscriptions may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise 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:

"Acquisition"	the acquisition of the Aidigong Interest by the Purchaser from the Vendors pursuant to the Equity Transfer Agreement
"Acquisition Long Stop Date"	the date falling on the 180th day from the date of the Equity Transfer Agreement or such later date to be agreed between Vendor A and the Purchaser in writing
"Aidigong Interest"	88.5184% of the entire issued share capital of the Target Company owned by the Vendors as at the date of the Equity Transfer Agreement

"Aidigong" or "Target Company"	深圳愛帝宮母嬰健康管理股份有限公司 (Shenzhen Aidigong Maternity Health Management Co., Ltd.*), a non-listed joint stock company established under the laws of the PRC with limited liability
"Beijing Aidigong"	北京愛帝宮健康管理有限公司 (Beijing Aidigong Health Management Co., Ltd*), a company established under the laws of the PRC with limited liability
"Board"	the board of Directors
"Business Day(s)"	a day other than a Saturday or Sunday or statutory holidays in the PRC and Hong Kong
"Chengdu Aidigong"	成都愛帝宮母嬰護理有限責任公司 (Chengdu Aidigong Maternal and Child Nursing Co., Ltd*), a company established under the laws of the PRC with limited liability
"Common Splendor Investment"	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 owned as to 56% by the Company
"Company" or "Purchaser's Guarantor"	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
"Completion"	completion of the Equity Transfer Agreement pursuant to the terms and conditions thereof
"Consideration"	a maximum of RMB888,000,000 (equivalent to approximately HK$1,025,404,157) (subject to downward adjustments), being the aggregate consideration for the Acquisition pursuant to the Equity Transfer Agreement, the sum of the Share Purchase Price and the Earn-out Payment
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company

"Earn-out Payment"	the sum of the Fourth Installment and the Fifth Installment
"Earn-out Period"	the three calendar years of 2018, 2019 and 2020
"Earn-out Mechanisms"	the mechanisms to adjust the Consideration in accordance with the terms and formulae of the Fourth Installment and the Fifth Installment
"Enlarged Group"	the Group as enlarged by the Target Company upon the Completion
"Equity Transfer Agreement"	the conditional equity transfer agreement dated 24 January 2019 entered into between the Purchaser, the Company and the Vendors in relation to the Acquisition
"First Subscription Shares"	an aggregate of up to 222,006,334 new Shares to be issued to the First Subscriber pursuant to the Subscription Agreement
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	third party(ies) which are independent of the Company and its connected persons
"Last Trading Day"	24 January 2019, being the last trading day of the Shares on the Stock Exchange prior to the publication of this announcement
"Listing Committee"	the listing sub-committee of the board of directors of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Management Vendors"	Vendor A and Vendor D

"Net Profit(s)"	the audited consolidated net profit attributable to the equity owners of the parent company as disclosed in the audited consolidated account of the Target Group prepared in accordance with the PRC GAAP
"Non-Management Vendors"	Vendor B, Vendor C, Vendor E and Vendor F
"PRC"	the People's Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"PRC GAAP"	accounting principles generally accepted in the PRC
"Purchaser"	廣東同佳健康產業集團有限公司 (Guangdong Common Splendor Health Industry Company Limited*), a limited liability company established in the PRC and indirectly wholly-owned by the Company
"RMB"	Renminbi, the lawful currency of the PRC
"Second Subscription Shares"	an aggregate of up to 42,093,632 new Shares to be issued to the Second Subscriber pursuant to the Subscription Agreement
"SGM"	the special general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving the (i) Equity Transfer Agreement and the transactions contemplated thereunder; and (ii) the Subscription Agreement and the transactions contemplated thereunder, including the grant of the Specific Mandate to the Directors for the allotment and issue of the Subscription Shares
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the issued Share(s)
"Share Purchase Price"	the aggregate sum of the First Installment, Second Installment and the Third Installment, being RMB578,642,000

"Shenzhen Aidigong Autuoao"	深圳市愛帝宮奧拓奧網絡有限公司 (Shenzhen Aidigong Autuoao Network Co., Ltd*), a company established under the laws of the PRC with limited liability
"Shenzhen Aidigong EM"	深圳愛帝宮企業管理有限公司 (Shenzhen Aidigong Enterprise Management Co., Ltd*), a company established under the laws of the PRC with limited liability
"Shenzhen Aidigong Yinhu Branch"	深圳愛帝宮母嬰健康管理股份有限公司銀湖分公司 (Shenzhen Aidigong Maternity Health Management Co., Ltd Yinhu Branch Office*), a branch company of Aidigong
"Shenzhen Aidigong MCCM"	深圳愛帝宮母嬰園管理有限公司 (Shenzhen Aidigong Maternal and Child Centre Management Co., Ltd*), a company established under the laws of the PRC with limited liability
"Shenzhen Common Splendor"	深圳同佳投資基金管理有限公司 (Shenzhen Common Splendor Investment Funds Management Company Limited*), a limited liability company established in the PRC and indirectly wholly-owned by the Company
"Shenzhen Meimafan"	深圳市美媽範健康科技有限公司 (Shenzhen Meimafan Health Technology Co., Ltd*), a company established under the laws of the PRC with limited liability
"Shenzhen Xijianglang"	深圳市溪江浪科技文化有限公司 (Shenzhen Xijianglang Technology Culture Co., Ltd*), a company established under the laws of the PRC with limited liability
"Specific Mandate"	a specific mandate to allot and issue the Subscription Shares to be sought from the Shareholders at the SGM
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscribers"	the First Subscriber and the Second Subscriber
"Subscription Agreement"	the agreement dated 25 January 2019 entered into between the Company, the First Subscriber and the Second Subscriber
"Subscription Business Day(s)"	a day is other than a Saturday on which banks in Hong Kong are generally open for business

"Subscription Completion Date"	no later than the 20th Subscription Business Day after the conditions precedent having been fulfilled and the Subscribers having received the Earn-out Payment pursuant to the Subscription Agreement or such other date as the Company and the Subscribers may agree in writing
"Subscription Long Stop Date"	4:00 p.m. on the date falling on the 20th Subscription Business Day after the First Subscriber and the Second Subscriber having received their respective entitlement of the Fifth Installment
"Subscription Price"	HK$0.70 per Subscription Share
"Subscription Share(s)"	an aggregate of up to 264,099,966 new Shares to be issued pursuant to the Subscription Agreement
"Subscriptions"	the subscriptions for the First Subscription Shares by the First Subscriber and for the Second Subscription Shares by the Second Subscriber pursuant to the terms and conditions of the Subscription Agreement
"Target Group"	the Target Company and its subsidiaries
"Vendor A" or "Ms. Zhu" or "First Subscriber"	Ms. Zhu Yufei, the chairman, the general manager, a director and a shareholder of Aidigong as at the date of this announcement
"Vendor B" or "Chengdu Pengyi"	成都鵬益企業管理有限公司 (Chengdu Pengyi Enterprise Management Company Limited*), a limited liability company established in the PRC
"Vendor C" or "Shenzhen Taorun"	深圳市陶潤管理諮詢合夥企業(有限合夥) (Shenzhen City Taorun Management Advisory Partnership (Limited Partnership)*), a limited liability partnership established in the PRC
"Vendor D" or "Shenzhen Aixinhengjiuyuan" or "Second Subscriber"	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

"Vendor E" or "Shenzhen Chuangfuboda"	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
"Vendor F" or "Shenzhen Sanhaotaifu"	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
"Vendors"	Vendor A, Vendor B, Vendor C, Vendor D, Vendor E and Vendor F, or the Management Vendors and the Non-Management Vendors
"%"	per cent

* *For identification purpose only*

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

Hong Kong, 25 January 2019

For the purpose of this announcement, translations of Hong Kong dollars into Renminbi or vice versa have been calculated by using an exchange rate of HK$1.00 equal to RMB0.866. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were, may have been or will be exchanged at such rate or any other rates or at all.

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. Hou Kai Wen and Mr. Lin Jiang as non-executive Directors; and Mr. Lam Chi Wing, Mr. Mai Yang Guang, and Mr. Wong Yiu Kit, Ernest as independent non-executive Directors.