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**COMMON SPLENDOR INTERNATIONAL
HEALTH INDUSTRY GROUP LIMITED**

(Incorporated in Bermuda with limited liability)

(Stock Code: 286)

DISCLOSEABLE AND CONNECTED TRANSACTION

**ACQUISITION OF 30% EQUITY INTEREST IN
WEALTHY KINGDOM**

AND

**DISPOSAL OF 12.2% EQUITY INTEREST IN
DRAGON PRIDE**

THE TRANSACTION

On 6 March 2019 (after trading hours of the Stock Exchange), Wealthy Kingdom, a non wholly-owned subsidiary of the Company, as the vendor, and Yellow Dragon, as the purchaser, entered into the Disposal Agreement, pursuant to which, Yellow Dragon has agreed to purchase and Wealthy Kingdom has agreed to sell approximately 12.2% of the issued shares of Dragon Pride at a consideration of approximately HK\$19.52 million.

On 6 March 2019 (after trading hours of the Stock Exchange), Gold Stable, a wholly-owned subsidiary of the Company, as the purchaser, and the Billion High, as the vendor, entered into the Acquisition Agreement, pursuant to which, Gold Stable has conditionally agreed to purchase and Billion High has conditionally agreed to sell the 30% of the issued shares of Wealthy Kingdom at a consideration of approximately HK\$11.71 million.

IMPLICATIONS UNDER THE LISTING RULES

The Transaction involves (i) a disposal of approximately 12.2% of the issued shares of Dragon Pride by Wealthy Kingdom; and (ii) an acquisition of 30% of the issued shares of Wealthy Kingdom by Gold Stable. Pursuant to Rule 14.24 of the Listing Rules, since the Transaction involves both acquisition and disposal, the Transaction is classified by reference to the larger of the Acquisition or the Disposal. As the highest of the applicable percentage ratios in respect of the Acquisition exceeds 5% and is lower than 25% and the highest of the applicable percentage ratios of the Disposal exceeds 5% and is lower than 25%, the Transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Gold Stable (a wholly-owned subsidiary of the Company) and Billion High owns 70% and 30% of the issued shares of Wealthy Kingdom, respectively. Accordingly, Billion High (being a substantial shareholder of Wealthy Kingdom) is a connected person of the Company at the subsidiary level. As such, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As (i) the Board has approved the Agreements and the transactions contemplated thereunder; and (ii) the Directors (including all of the independent non-executive Directors) have confirmed that the terms of the Agreements are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole, pursuant to Rule 14A.101 of the Listing Rules, the Acquisition is subject to the reporting and announcement requirements, but is exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

1. INTRODUCTION

The Transaction involves (i) a disposal of approximately 12.2% of the issued shares of Dragon Pride by Wealthy Kingdom; and (ii) an acquisition of 30% of the issued shares of Wealthy Kingdom by Gold Stable.

On 6 March 2019 (after trading hours of the Stock Exchange), Wealthy Kingdom, a non wholly-owned subsidiary of the Company, as the vendor, and Yellow Dragon, as the purchaser, entered into the Disposal Agreement, pursuant to which, Yellow Dragon has conditionally agreed to purchase and Wealthy Kingdom has conditionally agreed to sell approximately 12.2% of the issued shares of Dragon Pride at a consideration of approximately HK\$19.52 million.

On 6 March 2019 (after trading hours of the Stock Exchange), Gold Stable, a wholly-owned subsidiary of the Company, as the purchaser, and the Billion High, as the vendor, entered into the Acquisition Agreement, pursuant to which, Gold Stable has agreed to purchase and Billion High has agreed to sell the 30% of the issued shares of Wealthy Kingdom at a consideration of approximately HK\$11.71 million.

Upon completion of the Transaction, Wealthy Kingdom will (i) become a wholly-owned subsidiary of the Company; and (ii) directly hold approximately 12.2% of the issued shares of Dragon Pride.

2. THE DISPOSAL AGREEMENT

The principal terms of the Disposal Agreement are summarised below.

Date	:	6 March 2019
Parties	:	(1) Yellow Dragon Medical Alliance Limited, as buyer; and (2) Wealthy Kingdom Group Limited, as seller
Subject matter	:	7,685 ordinary shares, being approximately 12.2% of the total issued share capital, of Dragon Pride
Consideration	:	HK\$19,519,900 Such consideration was determined on an arm's length basis negotiation between Yellow Dragon and Wealthy Kingdom with reference to, among others, the unaudited consolidated net asset value and business prospect of Dragon Pride
Payment terms	:	The consideration of HK\$19,519,900 will be payable in cash in two instalments: (1) HK\$9,759,950 shall be payable by Yellow Dragon to Wealthy Kingdom (or person directed by Wealthy Kingdom) or on the date of the Disposal Agreement; and

(2) HK\$9,759,950 shall be payable by Yellow Dragon to Wealthy Kingdom (or person directed by Wealthy Kingdom) within five Business days from the Disposal Completion Date (as defined below).

Completion : The Disposal shall be completed within ten Business Days from the date of the Disposal Agreement or any other day as agreed by the parties (“**Disposal Completion Date**”).

Upon completion of the Disposal, the Company’s indirect interest in Dragon Pride will fall from approximately 24.4% to approximately 12.2%.

Guarantee : Wealthy Kingdom has agreed not to dispose of or transfer its 7,685 shares or 12.2% of the equity of Dragon Pride within three years from the completion of Disposal without the prior consent from Yellow Dragon.

3. THE ACQUISITION AGREEMENT

The principal terms of the Acquisition Agreement are summarised below.

Date : 6 March 2019

Parties : (1) Gold Stable Limited as buyer; and
(2) Billion High Worldwide Investments Limited, as seller

Subject matter : 30 ordinary shares, being 30% of the total issued share capital, of Wealthy Kingdom

Consideration : HK\$11,711,940

Such consideration was determined on an arm’s length basis negotiation between Gold Stable and Billion High with reference to, among others, the value of its interest in Dragon Pride

Payment terms : The consideration of HK\$11,711,940 will be payable in cash within one month from the Acquisition Completion Date (as defined below).

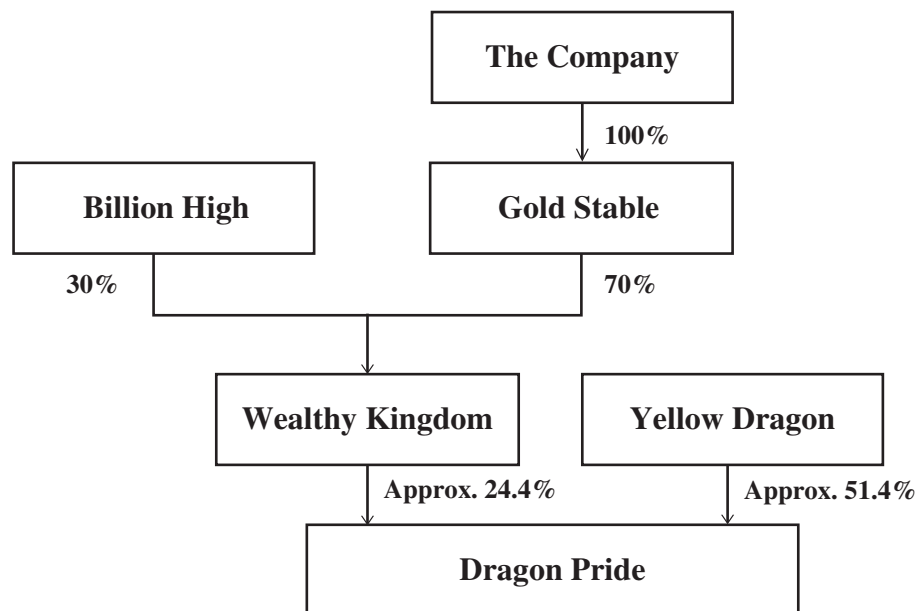
Condition precedent : Completion is subject to and conditional upon the completion of the Disposal (“**Acquisition Condition Precedent**”).

Completion : Subject to the satisfaction of the Acquisition Condition Precedent, the Acquisition shall be completed within ten Business Days from the date of fulfillment of the Acquisition Condition Precedent (“**Acquisition Completion Date**”).

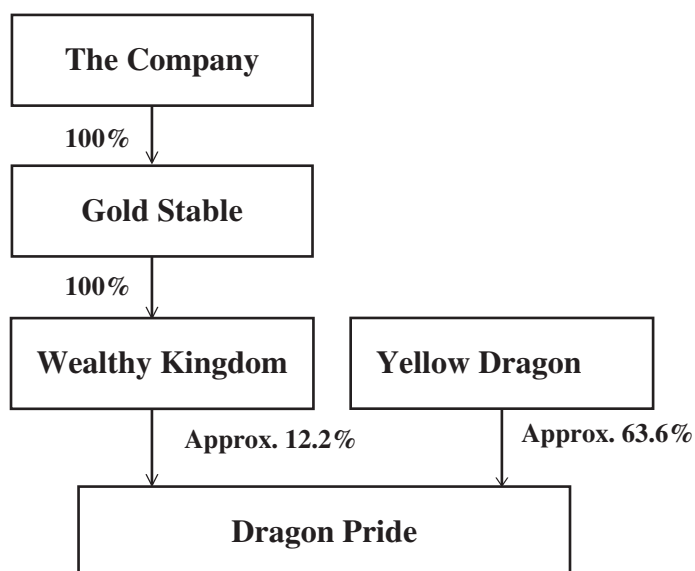
Upon completion of the Acquisition, Wealthy Kingdom will become a wholly-owned subsidiary of the Company.

4. THE SIMPLIFIED CORPORATE STRUCTURE CHARTS IMMEDIATELY BEFORE AND AFTER THE TRANSACTION

The simplified corporate structure chart of the Company immediately before the Transaction



The simplified corporate structure chart of the Company immediately after the Transaction



5. INFORMATION ON THE GROUP

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

The principal activity of Gold Stable Limited and Wealthy Kingdom is investment holding.

6. INFORMATION ON THE PARTIES INVOLVED THE TRANSACTION

(a) Information about Yellow Dragon

Yellow Dragon is a company incorporated in BVI with limited liability. The principal activity of Yellow Dragon is investment holding. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Yellow Dragon (including its ultimate beneficial owner) is a third party independent of the Company and its connected persons.

(b) Information about Billion High

Billion High is an investment holding company wholly-owned by Mr. Huang Zhuliang (黃柱良先生) (“**Mr. Huang**”). The principle activity of Billion High is investment holding. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, save for the 30% shareholding in Wealthy Kingdom by Billion High, Mr. Huang is a third party independent of the Company and its connected persons. For details of the original cost of the Wealthy Kingdom Shares to Billion High, please refer to the Company’s announcement on 15 June 2015.

(c) Information about Dragon Pride

Dragon Pride is a company incorporated in BVI with limited liability. It is an investment holding company of a group of companies that principally engage in the primary and secondary medical care services, endoscopy services and elderly home outreach services trading as JP Partners Medical and The Grand HD Endoscopy Centre.

Based on the management accounts and audited financial statements of Dragon Pride, the unaudited consolidated net asset value of Dragon Pride as at 30 September 2018 was approximately HK\$34.39 million, and the audited consolidated net profit for the financial year ended 30 September 2017 and unaudited consolidated net profit for the financial year ended 30 September 2018 of Dragon Pride were as follows:

	For the financial year ended 30 September 2017 (audited) HK\$	For the financial year ended 30 September 2018 (unaudited) HK\$
Net profit before taxation	17,938,000	18,984,000
Net profit after taxation	15,256,000	15,879,000

(d) Information about Wealthy Kingdom

Wealthy Kingdom is an investment holding company. As at the date of the announcement, Gold Stable (a wholly-owned subsidiary of the Company) and Billion High owns 70% and 30% of the issued shares of Wealthy Kingdom, respectively. Upon completion of the Acquisition, Wealthy Kingdom will become a wholly-owned subsidiary of the Company.

Based on the management accounts and audited financial statements of Wealthy Kingdom, the unaudited net asset value of Wealthy Kingdom as at 31 December 2018 was approximately HK\$29.38 million, and the audited net profit for the financial year ended 31 December 2017 and unaudited net profit for the financial year ended 31 December 2018 of Wealthy Kingdom were as follows:

	For the financial year ended 31 December 2017 (audited) HK\$	For the financial year ended 31 December 2018 (unaudited) HK\$
Net profit before taxation	4,856,000	3,866,000
Net profit after taxation	4,856,000	3,866,000

7. FINANCIAL EFFECTS OF THE TRANSACTION

Based on the preliminary assessment on the unaudited combined financial information, the Group will record a gain of approximately HK\$4.4 million as a result of the Transaction. The net cash inflow upon the completion of the Acquisition and the Disposal would be approximately HK\$7.8 million. The actual gain or loss as a result of the Transaction to be recorded by the Group is subject to final audit to be performed by the auditors of the Company.

8. USE OF PROCEEDS

The net proceeds from the Transaction are intended to be used for the Group's business development and general working capital.

9. REASONS FOR AND BENEFITS OF THE TRANSACTION

The Company will from time to time invest in the health industry when opportunity arises. The Transaction, comprising the Acquisition and Disposal, is in effect a net disposal in the Company's investment in Dragon Pride and the Company will record a gain of approximately HK\$4.4 million based on the preliminary assessment of the unaudited combined financial information. Our Directors are of the view that it is the time to reap the profits in the investment in Dragon Pride but to retain a minority interest of approximately 12.2% in Dragon Pride so as to benefit from any future appreciation.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Agreements are fair and reasonable, the Transaction is on normal commercial terms and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the Transaction or is required to abstain from voting on the board resolutions for approval of the same.

10. LISTING RULES IMPLICATIONS

The Transaction involves (i) a disposal of approximately 12.2% of the issued shares of Dragon Pride by Wealthy Kingdom; and (ii) an acquisition of 30% of the issued shares of Wealthy Kingdom by Gold Stable. Pursuant to Rule 14.24 of the Listing Rules, since the Transaction involves both acquisition and disposal, the Transaction is classified by reference to the larger of the Acquisition or the Disposal. As the highest of the applicable percentage ratios in respect of the Acquisition exceeds 5% and is lower than 25% and the highest of the applicable percentage ratios in respect the Disposal exceeds 5% and is lower than 25%, the Transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Gold Stable (a wholly-owned subsidiary of the Company) and Billion High owns 70% and 30% of the issued shares of Wealthy Kingdom, respectively. Accordingly, Billion High (being a substantial shareholder of Wealthy Kingdom) is a connected person of the Company at the subsidiary level. As such, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As (i) the Board has approved the Agreements and the transactions contemplated thereunder; and (ii) the Directors (including all of the independent non-executive Directors) have confirmed that the terms of the Agreements are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole, pursuant to Rule 14A.101 of the Listing Rules, the Acquisition is subject to the reporting and announcement requirements, but is exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

11. DEFINITIONS

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

“Acquisition”	the proposed acquisition of the 30 ordinary shares in the capital of Wealthy Kingdom, representing 30% of the total issued share capital in Wealthy Kingdom, by Gold Stable from Billion High pursuant to the Acquisition Agreement
“Acquisition Agreement”	the share purchase agreement dated 6 March 2019 into between Gold Stable and Billion High in relation to the Acquisition
“Agreements”	the Acquisition Agreement and the Disposal Agreement
“Billion High”	Billion High Worldwide Investments Limited, a limited liability company incorporated in the BVI
“Board”	the board of Directors
“Business Day”	a day which is not a Saturday, Sunday or a general holiday in Hong Kong
“BVI”	British Virgin Islands
“Company”	Common Splendor International Health Industry Group Limited (Stock Code: 00286), an exempted limited liability company incorporated in Bermuda whose issued shares are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Disposal”	the proposed disposal of the 7,685 ordinary shares in the capital of Dragon Pride, representing approximately 12.2% of the total issued share capital in Dragon Pride, by Wealthy Kingdom to Yellow Dragon pursuant to the Disposal Agreement

“Disposal Agreement”	the share purchase agreement dated 6 March 2019 into between Yellow Dragon and Wealthy Kingdom in relation to the Disposal
“Dragon Pride”	Dragon Pride Enterprises Limited, a limited liability company incorporated in the BVI
“Gold Stable”	Gold Stable Limited, a limited liability company incorporated in the BVI and a direct wholly-owned subsidiary of the Company
“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
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China (for the purposes of this announcement, excluding Hong Kong and the Macau Special Administrative Region of the PRC and Taiwan)
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the Acquisition and the Disposal
“Wealthy Kingdom”	Wealthy Kingdom Group Limited, a limited liability company incorporated in the BVI
“Wealthy Kingdom Shares”	30 ordinary shares, being 30% of the total issued share capital, of Wealthy Kingdom

“Yellow Dragon” Yellow Dragon Medical Alliance Limited, a limited liability company incorporated in the BVI

“%” per cent

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

Hong Kong, 6 March 2019

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.