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COMMON SPLENDOR INTERNATIONAL HEALTH INDUSTRY GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 286)

SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE AND PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

Placing Agent


KINGSTON SECURITIES

SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE

On 28 May 2019 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber pursuant to which the Subscriber has conditionally agreed to subscribe, and the Company has conditionally agreed to allot and issue, an aggregate of 500,000,000 Subscription Shares at the Subscription Price of HK\$0.4 per Subscription Share.

The Subscription Shares represent approximately 16.69% of the existing issued share capital of the Company and approximately 14.30% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares (assuming there is no change to the share capital of the Company between the date of the Subscription Agreement and the date of completion of the Subscription). The Subscription Shares will rank *pari passu* in all respects among themselves and with the existing Shares in issue.

The Subscription Price of HK\$0.4 per Subscription Share represents (i) a discount of 20.00% to the closing price of HK\$0.5 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement; and (ii) a discount of 20.32% to the average closing price of HK\$0.502 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately before the date of the Subscription Agreement.

The Subscriber irrevocably undertakes that, during the period of twenty-four (24) months from the date of Subscription Completion Date, it shall not transfer or seek to dispose of any of the Subscription Shares unless otherwise agreed by the Company.

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

The aggregate gross proceeds of the Subscription will be approximately HK\$200,000,000. The aggregate net proceeds of the Subscription, after the deduction of related expenses, will be approximately HK\$199,000,000. The net proceeds of the Subscription are currently intended to be used for financing of the consideration in relation to the acquisition of 88.5184% equity interest in the Target Company as more fully described in the Acquisition Announcement. The net price of each Subscription Share will be approximately HK\$0.398.

PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

On 28 May 2019 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best efforts basis currently expected to be not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to the maximum of 750,000,000 Placing Shares at the Placing Price of HK\$0.4 per Placing Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum of 750,000,000 Placing Shares represent (i) approximately 25.03% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 20.02% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares.

The Placing Price of HK\$0.4 per Placing Share represents: (i) a discount of 20.00% to the closing price of HK\$0.5 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of 20.32% to the average closing price of HK\$0.502 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Agent shall procure each of the Placées to deliver a duly executed deed of undertaking to the Company prior to Placing Completion to undertake, *inter alia*, not to dispose of any of the Placing Shares for a period of 24 months from the date of the allotment and issuance of the Placing Shares without the Company's prior written consent.

The Placing are subject to the Shareholders' approval. The Placing 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 Placing Shares.

Subject to the completion of the Placing and assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be HK\$300,000,000. The net proceeds of the placing, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements), are estimated to be approximately HK\$296,760,000. The Company intends to apply (i) approximately 60% of the net proceeds of the Placing for financing of the consideration in relation to the acquisition of 88.5184% equity interest in the Target Company as more fully described in the Acquisition Announcement and (ii) approximately 40% of the net proceeds for repayment of indebtedness. The net price of each Placing Share will be approximately HK\$0.39568.

GENERAL

The SGM will be convened and held for the Shareholders to consider, and if thought fit, to approve, among others, the specific mandate, the Subscription Agreement, the Placing Agreement and the transactions contemplated thereunder.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save and except for the Placing Agent who is interested in 170 Shares, no other Shareholders have any material interest in the Subscription and Placing and as such, none of the Shareholders is required to abstain from voting at the SGM in respect of the approval of the Subscription Agreement, the Placing Agreement and the transactions contemplated thereunder.

A circular containing, among other things, the Subscription Agreement, the Placing Agreement and the transactions contemplated thereunder and notice of the SGM and other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 30 June 2019.

The completion of each of the Subscription and the Placing is subject to the fulfilment of the conditions as set out in the Subscription Agreement and the Placing Agreement respectively, as such, the Subscription and/or the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENT

The Subscription Agreement

Date: 28 May 2019 (after trading hours)

Issuer: the Company

Subscriber: the Subscriber

The Subscriber is an exempted company incorporated with limited liability and registered as a segregated portfolio company under the laws of the Cayman Islands participating in Suntek Global Growth Fund Number One SP, a segregated portfolio of such company. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, each of the Subscriber and its ultimate beneficial owner is an Independent Third Party.

Subject matter

Pursuant to the terms of the Subscription Agreement, the Subscriber will subscribe for 500,000,000 Subscription Shares at the Subscription Price.

The Subscription Shares

The Subscriber will subscribe an aggregate of 500,000,000 Subscription Shares, representing approximately 16.69% of the existing issued share capital of the Company as at the date of this announcement and approximately 14.30% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares (assuming there is no other change to the share capital of the Company between the date of the Subscription Agreement and the date of completion of the Subscription).

The aggregate nominal value of the Subscription Shares is HK\$5,000,000, and the market value of the Subscription Shares is HK\$250,000,000, based on the closing price of HK\$0.5 per Share on the date of the Subscription Agreement.

Refundable Deposit

Pursuant to the Subscription Agreement, the Subscriber shall pay to the Company a refundable deposit in the amount equivalent to 20% of the full Subscription Price (the "**Refundable Deposit**") within ten Business Days from the date of the Subscription Agreement or other date to be agreed by both parties. The Refundable Deposit shall be used to satisfy the part payment of the full Subscription Price at the Completion of the Subscription. In the event if the Subscription Agreement is terminated pursuant to the terms and conditions therein, the Refundable Deposit shall be refunded by the Company to the Subscriber in full within two Business Days from such termination.

Subscription Price

The Subscription Price is HK\$0.4 per Subscription Share. The Subscription Price represents:

- (i) a discount of 20.00% to the closing price of HK\$0.5 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement; and
- (ii) a discount of 20.32% to the average closing price of HK\$0.502 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately before the date of the Subscription Agreement.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscriber with reference to the recent trading price and trading volume of the Shares. The Directors consider that the terms and conditions of the Subscription Agreement (including the Subscription Price) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The aggregate Subscription Price in the sum of HK\$200,000,000, after deducting the Refundable Deposit already paid to the Company, which is HK\$160,000,000, will be payable by the Subscriber on the Subscription Completion Date.

Ranking of Subscription Shares

The Subscription Shares, when fully paid and allotted and issued, will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

Conditions Precedent for the Subscription

Completion of the Subscription is conditional upon:

- (a) all the conditions of the Acquisition having been satisfied pursuant to the terms and conditions of the Equity Transfer Agreement;
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares (and such listing and permission not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares);
- (c) the Shareholders having passed special resolution(s) to approve the Subscription Agreement and the transactions contemplated thereunder at the SGM;
- (d) the parties to the Subscription Agreement having obtained all necessary consents and approvals as may be required to be obtained in respect of the Subscription and the transactions contemplated under the Subscription Agreement; and

- (e) the warranties given by the parties to the Subscription Agreement under the Subscription Agreement remaining true, accurate, complete and correct in all respects and not misleading in any respect up to and including the Subscription Completion Date.

Subject to the terms of the Subscription Agreement, in the event that any of the Subscription Conditions shall not have been fulfilled (or waived, if applicable) prior to 30 August 2019 (or such later date which may be agreed by the parties to the Subscription Agreement), the Subscription Agreement shall cease to be of any effect save for antecedent breach.

Completion of the Subscription

Completion of the Subscription of the Subscription Share will take place on the Subscription Completion Date.

Lock-up undertaking

The Subscriber irrevocably undertakes that, during the period of twenty-four (24) months from the date of Subscription Completion Date, it shall not transfer or seek to dispose of any of the Subscription Shares unless otherwise agreed by the Company.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, 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.

PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

On 28 May 2019 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best effort basis currently expected to be not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 750,000,000 Placing Shares at the Placing Price of HK\$0.4 per Placing Share.

The Placing Agreement

Date: 28 May 2019 (after trading hours)

Issuer: the Company

Subscriber: the Placing Agent

As at the date of this announcement, the Placing Agent is interested in 170 Shares. Save as disclosed above, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, each of the Placing Agent and its ultimate beneficial owner is an Independent Third Party.

Pursuant to the terms of the Placing Agreement, the Placing Agent will receive a placing commission of 1% of the amount which is equal to the Placing Price multiplied by the number of Placing Shares actually placed by the Placing Agent. The placing commission in respect of the Placing was negotiated on arm's length basis between the Company and the Placing Agent under normal commercial terms and was determined with reference to, among other things, the prevailing commission rate charged by other placing agents and the price performance of the Shares.

The Directors consider that the placing commission in respect of the Placing are fair and reasonable.

Placees

The Placing Shares will be placed to currently expected to be not less than six Placees who shall be independent of the Company and its connected persons.

Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum of 750,000,000 Placing Shares represent (i) approximately 25.03% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 20.02% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares.

Ranking of the Placing Shares

The Placing Shares, when allotted and issued, will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.

Placing Price

The Placing Price of HK\$0.4 per Placing Share represents:

- (i) a discount of 20.00% to the closing price of HK\$0.5 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of 20.32% to the average closing price of HK\$0.502 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to, amongst others, the prevailing market price and the recent trading performance of the Shares. The Directors consider that the Placing Price and the terms of the Placing Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Placees' Lock-up Undertakings

The Placing Agent shall procure each of the Placees to deliver a duly executed deed of undertaking to the Company prior to Placing Completion to undertake, *inter alia*, not to dispose of any of the Placing Shares for a period of 24 months from the date of the allotment and issuance of the Placing Shares without the Company's prior written consent.

Conditions of the Placing

The Placing is conditional upon the fulfilment of the following conditions:

- (a) the passing of resolution(s) by the Shareholders to approve the Placing Agreement and the transactions contemplated hereunder, including the grant of the specific mandate for the allotment and issue of the Placing Shares, at the SGM;
- (b) the Listing Committee of the Stock Exchange having granted listing of, and permission to deal in, the Shares to be issued under the Placing, and such listing and permission not having been subsequently revoked;
- (c) the Bermuda Monetary Authority having granted all, and not revoking any necessary approvals and permissions for the creation, allotment and issue of the new Shares to be issued under the Placing, if applicable;
- (d) the obligations of the Placing Agent under the Placing Agreement becoming unconditional and not being terminated in accordance with the terms hereof, including provisions regarding force majeure event; and
- (e) the Placees' Lock Up Undertakings having been duly executed.

In the event that the above condition is not satisfied and/or waived (other than (a) above, which cannot be waived) (i) on or before 5:00 p.m. on the 30th (thirtieth) calendar day from the date of the SGM (or any adjournment thereof) of the Company to be convened for approving, among others, the Placing and the proposed acquisition of the Company as set out in the announcement of the Company dated 25 January 2019; or (ii) by 30 August 2019 (whichever is earlier) or such later date to be agreed between the parties to the Placing Agreement in writing, the Placing will be terminated and the Placing will not proceed and all obligations and liabilities of the parties hereunder will forthwith cease and determine and no party will have any claim against the others (save for any antecedent breaches hereof).

Completion of the Placing

Completion of the Placing shall take place on a date falling within four (4) Business Days after the fulfilment of the conditions set out in the Placing Agreement or such other date to be agreed between the parties to the Placing Agreement in writing (the “**Placing Completion Date**”).

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Specific Mandate

The issue and allotment of the Placing Shares is subject to the Shareholders’ approval. The Placing Shares will be issued and allotted pursuant to the specific mandate to be sought from the Shareholders at the SGM.

Termination of the Placing Agreement

Pursuant to the Placing Agreement, the Placing Agent is entitled to terminate the arrangements set out in the Placing Agreement by notice in writing prior to 9:00 a.m. on the Placing Completion Date, if in its absolute opinion, the success of the Placing would be materially and adversely affected by any of the following force majeure events:

- (i) the introduction of any new laws or regulations or any changes in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any natures whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole;

- (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Placing Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or adversely prejudices the success of the Placing (such success being the placing of the Placing Shares to potential investor(s)) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or
- (iii) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction or trading in securities) occurs which affect the success of the Placing (such success being the placing of the Placing Shares to potential investor(s)) or otherwise in the absolute opinion of the Placing Agent makes it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing.

Pursuant to the Placing Agreement, if, at or prior to 9:00 a.m. on the Placing Completion Date,

- (i) the Company commits any material breach of or omits to observe any of the obligations or undertakings expressed or assumed under the Placing Agreement in all material respects; or
- (ii) any suspension in the trading of the Shares on the Stock Exchange for more than ten consecutive trading days save for the purposes of clearing of the any announcement(s) relating to the Placing Agreement relating to the Placing, if applicable in all material respects; or
- (iii) the Placing Agent shall become aware of the fact that any of the representations or warranties contained in the Placing Agreement was, when given, untrue or inaccurate or would in any respect be untrue or inaccurate, in material respects, if repeated and the Placing Agent in its absolute opinion shall determine that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Group taken as a whole or will otherwise likely to have a material prejudicial effect on the Placing,

the Placing Agent shall be entitled (but not bound) by notice in writing to the Company to elect to treat such matter or event as releasing and discharging the Placing Agent from its obligations under the Placing Agreement.

Upon giving notice pursuant to the paragraph above, all obligations of the Company or the Placing Agent under the Placing Agreement shall cease and determine and no party shall have any claim against any other party of the Placing Agreement in respect of any matter arising out of or in connection with the Placing Agreement, save for any antecedent breaches.

Upon termination of the Placing Agreement, all liabilities of the parties shall cease and determine and no party shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save in respect of any antecedent breaches.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Details of the fund raising activities carried out by the Company in the past twelve months are set out below:

Date of announcements	Event	Net proceeds and intended use	Actual use of proceeds
25 January 2019, 27 February 2019 and 29 April 2019	Possible issue of 264,099,966 subscription shares under specific mandate	The estimated maximum net proceeds will amount to approximately HK\$182.87 million, which are intended to be used for business development of the Target Company and its subsidiaries and/or (where applicable) repayment of loan and related cost for the financing the consideration of the acquisition of the Target Company	Not yet completed as at the date of this announcement

Save as disclosed above, the Company had not conducted any equity fund raising activity in the past twelve (12) months immediately preceding the date of this announcement.

EFFECT OF THE SUBSCRIPTION AND PLACING ON THE SHAREHOLDING STRUCTURE

The changes in the shareholding structure of the Company as a result of the Subscription and Placing are as follows (assuming (i) the Subscriber and Placees will subscribe for the maximum number of the Subscription Shares and Placing Shares respectively; 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 and Placing Shares have been issued and allotted):

	As at the date of this announcement		Immediately after the issue and allotment of the maximum number of the Subscription Shares		Immediately after the issue and allotment of the maximum number of the Placing Shares		Immediately after the issue and allotment of the maximum number of both the Subscription Shares and Placing Shares	
	Approximate		Approximate		Approximate		Approximate	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Substantial Shareholder:								
Champion Dynasty Limited (Note 1)	930,379,671	31.05%	930,379,671	26.61%	930,379,671	24.83%	930,379,671	21.91%
Beauty Sunrise Investments Limited (Note 2)	295,000,000	9.85%	295,000,000	8.44%	295,000,000	7.87%	295,000,000	6.95%
Director:								
Mr. Cheng Hau Yan (Note 3)	4,300,000	0.14%	4,300,000	0.12%	4,300,000	0.11%	4,300,000	0.10%
Sub-total:	1,229,679,671	41.04%	1,229,679,671	35.17%	1,229,679,671	32.81%	1,229,679,671	28.96%
Subscriber	—	—	500,000,000	14.30%	—	—	500,000,000	11.78%
Placees	—	—	—	—	750,000,000	20.02%	750,000,000	17.66%
Sub-total:	—	—	500,000,000	14.30%	750,000,000	20.02%	1,250,000,000	29.44%
Other public Shareholders:	1,766,575,337	58.96%	1,766,575,337	50.53%	1,766,575,337	47.17%	1,766,575,337	41.60%
Total:	<u>2,996,255,008</u>	<u>100.00%</u>	<u>3,496,255,008</u>	<u>100.00%</u>	<u>3,746,255,008</u>	<u>100.00%</u>	<u>4,246,255,008</u>	<u>100.00%</u>

Notes:

- 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.
- Pursuant to the Disclosure of Interests published on the HKEXnews website, Beauty Sunrise Investments Limited is a company wholly owned by Zhang Wenli.
- 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.
- The above percentages are subject to rounding adjustments.

REASONS FOR THE SUBSCRIPTION AND PLACING AND USE OF PROCEEDS

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.

The aggregate gross proceeds of the Subscription will be approximately HK\$200,000,000. The aggregate net proceeds of the Subscription, after the deduction of related expenses, will be approximately HK\$199,000,000. The net price of each Subscription Share will be approximately HK\$0.398. The net proceeds of the Subscription are currently intended to be used for financing of the consideration in relation to the acquisition of 88.5184% equity interest in the Target Company as more fully described in the Acquisition Announcement.

The aggregate gross proceeds of the Placing will be approximately HK\$300,000,000. The aggregate net proceeds of the Placing, after the deduction of related expenses, will be approximately HK\$296,760,000. The net price of each Placing Share will be approximately HK\$0.39568. The Company intends to apply (i) approximately 60% of the net proceeds of the Placing for the purpose of financing the consideration in relation to the acquisition of 88.5184% equity interest in the Target Company as more fully described in the Acquisition Announcement and (ii) approximately 40% of the net proceeds of the Placing for repayment of indebtedness.

The Directors are of the view that both the Subscription and Placing can strengthen the financial position of the Group and provide immediate funding to the Group for the financing of the consideration in relation to the above acquisition. The Subscription and the Placing also represent good opportunities to broaden the Shareholders' base and the capital base of the Company.

Given the above, the Directors are of the view that the terms and conditions of the Subscription Agreement and Placing Agreement are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

GENERAL

The SGM will be convened and held for the Shareholders to consider, and if thought fit, to approve, among others, the specific mandate, the Subscription Agreement, the Placing Agreement and the transactions contemplated thereunder.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save and except for the Placing Agent who is interested in 170 Shares, no other Shareholders have any material interest in the Subscription and Placing and as such, none of the Shareholders is required to abstain from voting at the SGM in respect of the approval of the Subscription Agreement, the Placing Agreement and the transactions contemplated thereunder.

A circular containing, among other things, the Subscription Agreement; the Placing Agreement and the transactions contemplated thereunder and notice of the SGM and other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 30 June 2019.

The completion of each of the Subscription and the Placing is subject to the fulfilment of the conditions as set out in the Subscription Agreement and the Placing Agreement respectively, as such, the Subscription and/or the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Acquisition”	the acquisition of 88.5184% equity interest in the Target Company
“Acquisition Announcement”	the Company’s announcement dated 25 January 2019 in relation to, amongst other things, the acquisition of 88.5184% equity interest in the Target Company
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which banks are generally open for business in Hong Kong (excluding Saturdays, Sundays and public holidays)
“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
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Equity Transfer Agreement”	has the meaning as defined in the Company’s announcement dated 25 January 2019
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	individuals who are or companies which are independent of and not connected (within the meaning of the Listing Rules) with the Company and its connected person

“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange with responsibility for considering applications for listing and the granting of listing on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any person or entity procured by the Placing Agent or its agent(s) to subscribe for any Placing Shares pursuant to the Placing Agreement
“Placees’ Lock Up Undertakings”	the Placing Agent shall procure each of the Placees to deliver a duly executed deed of undertaking to the Company prior to Placing Completion to undertake, <i>inter alia</i> , not to dispose of any of the Placing Shares for a period of 24 months from the date of the allotment and issuance of the Placing Shares
“Placing”	the placing, on a best efforts basis, of up to 750,000,000 Placing Shares on and subject to the terms and condition set out in the Placing Agreement
“Placing Agent”	Kingston Securities Limited, a licensed corporation to carry on business in Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement dated 28 May 2019 and entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.4 per Placing Share (exclusive of any brokerage, SFC transaction levy and Stock Exchange trading fee as may be payable)
“Placing Shares”	a maximum of up to 750,000,000 new Shares to be placed pursuant to the Placing Agreement and to be issued under the specific mandate, each a “Placing Share”
“SGM”	the special general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving the (i) 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; and (ii) the Placing Agreement and the transactions contemplated thereunder, including the grant of the specific mandate to the Directors for the allotment and issue of the Placing Shares
“Share(s)”	the ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company

“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Suntek Global Growth Fund SPC, an exempted company incorporated with limited liability and registered as a segregated portfolio company under the laws of the Cayman Islands participating in Suntek Global Growth Fund Number One SP, a segregated portfolio of such company
“Subscription”	the subscription by the Subscriber for, and the allotment and issue by the Company of, the Subscription Shares under the terms and subject to the conditions of the Subscription Agreement
“Subscription Agreement”	the agreement dated 28 May 2019 entered into between the Company and the Subscriber
“Subscription Completion”	completion of the Subscription pursuant to the Subscription Agreement
“Subscription Completion Date”	means the fifth (5th) Business Day (or at such date as may be agreed by the Subscriber and the Company) following the day on which all the Subscription Conditions as set out in the Subscription Agreement are satisfied in full being the date on which Completion occurs in accordance with the terms and conditions of the Subscription Agreement
“Subscription Conditions”	the conditions precedent for the Completion as set out in the Subscription Agreement
“Subscription Price”	HK\$0.4 per Subscription Share
“Subscription Shares”	500,000,000 new Shares to be issued and allotted by the Company to the Subscriber, representing approximately 16.68% of the entire issued share capital of the Company and approximately 14.30% of the enlarged issued share capital of the Company immediately after Subscription Completion, each a “Subscription Share”

“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

“%”

per cent

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

Hong Kong, 28 May 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.

* *for identification purpose only*