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**同方康泰產業集團有限公司**  
**Tongfang Kontafarma Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1312)**

**COMPLETION OF MAJOR TRANSACTION  
IN RELATION TO  
THE ACQUISITION OF COMPANIES  
ENGAGING IN FITNESS BUSINESSES**

References are made to the announcements of Tongfang Kontafarma Holdings Limited (the “**Company**”) dated 6 and 11 May 2017, in relation to, among other things, the major transaction regarding the acquisition of companies engaged in fitness businesses (the “**Announcements**”). Capitalised terms used in this announcement have the same meanings as defined in the Announcements unless otherwise defined.

The Board is pleased to announce that the Completion took place on 29 May 2017 in accordance with the terms and conditions of the Sale and Purchase Agreements.

Upon Completion, True Cayman becomes an indirect non-wholly owned subsidiary of the Company and True Yoga Cayman becomes an associate of the Company. The financial results and assets and liabilities of the True Cayman Group will be consolidated with, and accounted for as subsidiaries in, the Company’s financial statements.

After Completion, the True Cayman Group expects to grow its footprint in the fitness and yoga business through corporate-owned and franchised clubs across tier-one and tier-two Chinese cities with up to 20 new clubs expected to be opened by end 2019 with a combination of green field clubs and acquisitions. As mentioned in the Announcements, the expansion plans involve an injection of an initial US\$5 million by the Purchaser into the business to help fuel the growth in China.

By Order of the Board  
**Tongfang Kontafarma Holdings Limited**  
**Huang Yu**  
*Chairman*

Hong Kong, 29 May 2017

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Huang Yu (Chairman), Mr. Ng Qing Hai (Managing Director) and Mr. Zhang Yi; and three independent non-executive Directors, namely Mr. Chan Sze Chung, Mr. Zhang Ruibin and Mr. Zhang Junxi Jack.*