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愛 帝 宮 母 嬰 健 康 股 份 有 限 公 司
AIDIGONG MATERNAL & CHILD HEALTH LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 286)

**(1) COMPLETION OF DISCLOSEABLE TRANSACTION –
DISPOSAL OF 51% EQUITY INTEREST IN
GUANGDONG HUATAI HEALTH INDUSTRY CO., LTD*
(2) DISCLOSEABLE TRANSACTION –
PROVISION OF FINANCIAL ASSISTANCE**

COMPLETION OF DISCLOSEABLE TRANSACTION ON DISPOSAL

The Company is pleased to announce that the Completion of the Disposal took place on 4 November 2022 in accordance with the terms and conditions of the Agreement. Upon Completion, the Disposal Company ceased to be a subsidiary of the Group and the debts of the Disposal Group are no longer related to the Group, including approximately RMB390 million bank loan.

EXISTING FINANCIAL ASSISTANCE TO THE DISPOSAL COMPANY

As at the date of this announcement, the Vendor has provided the Existing Shareholder Loan in the amount of approximately RMB107.39 million (equivalent to approximately HK\$116.42 million) to the Disposal Company.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Existing Shareholder Loan exceeds 5% but is less than 25%, the Existing Shareholder Loan constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the announcement requirement, but is exempt from the circular and Shareholders' approval requirements, under the Listing Rules.

COMPLETION OF DISCLOSEABLE TRANSACTION ON DISPOSAL

Reference is made to the announcements of the Company dated 28 August 2022 and 30 September 2022, respectively, in relation to the disposal of the Disposal Company.

The Company is pleased to announce that the Completion of the Disposal took place on 4 November 2022 in accordance with the terms and conditions of the Agreement. Upon Completion, the Disposal Company ceased to be a subsidiary of the Group and the debts of the Disposal Group are no longer related to the Group, including approximately RMB390 million bank loan.

EXISTING FINANCIAL ASSISTANCE TO THE DISPOSAL COMPANY

As at the date of this announcement, the Vendor has provided the Existing Shareholder Loan in the amount of approximately RMB107.39 million (equivalent to approximately HK\$116.42 million) to the Disposal Company.

The Vendor is a company established in the PRC with limited liability. It is an indirect wholly-owned subsidiary of the Company and is principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Disposal Company and its ultimate beneficial owners are Independent Third Parties.

The Existing Shareholder Loan

The Existing Shareholder Loan owed by the Disposal Company to the Vendor is an interest-free shareholder's loan in an aggregate amount of approximately RMB107.39 million (equivalent to approximately HK\$116.42 million) provided to the Disposal Company for the purpose of funding the capital needs of the real estate development projects of the Disposal Company. Prior to the Completion took place, there is no fixed term of the Existing Shareholder Loan and the source of these loans came from the Group's internal resources.

After Completion took place, the Purchaser undertakes to the Vendor that it will ensure all the Existing Shareholder Loan owned by the Disposal Company to the Vendor will be repaid in full within three years after the Completion. The repayment terms of the Existing Shareholder Loan were determined at arm's length negotiation between the parties after taking into other commercial terms as agreed in the Agreement and also the benefits of the Disposal.

Pursuant to the Agreement, the Purchaser pledged 51% equity interest in the Disposal Company in favour of the Vendor as security and such security can only be released upon the completion of all the payment obligations by the Purchaser, which include the payment of all the Existing Shareholder Loan. The Company is of the view that such share pledge offers a protection to the Company. In the event the Purchaser fails to make full payment of the Existing Shareholder Loan, the Group will be able to take back the 51% equity interest in the Disposal Company as security.

INFORMATION ON THE DISPOSAL COMPANY

The Disposal Company is a company established in the PRC with limited liability. It is owned as to 51% by the Purchaser and 49% by Guangzhou Hexiang Enterprise Management Co., Ltd.* (廣州合翔企業管理有限公司), and is principally engaged in properties development.

INFORMATION ON THE PURCHASER

The Purchaser is incorporated in the PRC and is principally engaged in real estate development, property management services and investment. Its ultimate beneficial owners are Li Bihai (李碧海) and Zeng He Ping (曾何平), who are PRC residents and own as to 93% and 7% in the Purchaser, respectively.

REASONS FOR AND BENEFITS OF THE EXISTING SHAREHOLDER LOAN

The Group is principally engaged in the postpartum care services and health industry business. Postpartum care services primarily include provision of postpartum care services that provide healthcare services for postnatal mothers and babies, and the health industry business primarily includes medical anti-aging and healthcare industry investments.

The Existing Shareholder Loan was originally provided to the Disposal Company for the purpose of funding the capital needs of the real estate development projects of the Disposal Company when it was still a subsidiary of the Group. After Completion took place, the Disposal Company ceased to be a subsidiary of the Group and the Existing Shareholder Loan will need to be repaid to the Vendor in full within three years after the Completion. The provision and repayment of the Existing Shareholder Loan is ancillary to the Disposal as contemplated under the Agreement, the Directors have therefore taken into consideration the other commercial terms in the Agreement and the benefits of the Disposal as a whole, which include (i) the Group is no longer required to devote further capital of approximately RMB400,000,000 in the next 18 months for the real estate project, which the Company believe can improve the Group's cash position and allow the Company to use its capital resources more effectively for furthering the remaining business segments of the Group and to source business opportunities that might generate better return; and (ii) the Group's debt position will be improved after the Disposal as the debts of the Disposal Group, including approximately RMB390 million bank loan, are no longer related to the Group. In light of the above, the Company is of the view that the provision and repayment of the Existing Shareholder Loan are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

In case there are any change to the repayment terms in respect of the Existing Shareholder loans granted to the Disposal Company, the Company will make further announcement(s) as and when appropriate to comply with the reporting and announcement requirement under Chapter 14 of the Listing Rules.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Existing Shareholder Loan exceeds 5% but is less than 25%, the Existing Shareholder Loan constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the announcement requirement, but is exempt from the circular and Shareholders' approval requirements, under the Listing Rules.

DEFINITIONS

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

“Agreement”	the equity transfer agreement dated 28 August 2022 entered into among the Vendor, the Purchaser and the Disposal Company in relation to the Disposal
“Board”	the board of Directors
“Company”	Aidigong Maternal & Child Health 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 Disposal in accordance with the terms and conditions of the Agreement
“Director(s)”	director(s) of the Company
“Disposal”	disposal of the 51% equity interest in the Disposal Company
“Disposal Company”	Guangdong Huatai Health Industry Co., Ltd.* (廣東驊泰健康產業有限公司), a company established in the PRC with limited liability and is owned as to 51% by the Vendor and 49% by Guangzhou Hexiang Enterprise Management Co., Ltd.* (廣州合翔企業管理有限公司)
“Existing Shareholder Loan”	the outstanding shareholder’s loan provided by the Vendor to the Disposal Company in the amount of approximately RMB107.39 million (equivalent to approximately HK\$116.42 million) as at the date of this announcement

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party independent of the Company and the connected persons (has the meaning ascribed thereto in the Listing Rules) of the Company and is not a connected person (has the meaning ascribed thereto in the Listing Rules) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Huizhou Love Home Real Estate Co., Ltd.* (惠州市愛的家置業有限公司), a company incorporated in the PRC
“Shareholders”	shareholders of the Company
“Shares”	shares of the company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Dongguan Dongdi Health Industry Co., Ltd.* (東莞市東帝健康產業有限公司), a company established in the PRC with limited liability and is a wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“%” or “per cent.”	percentage or per centum

Unless otherwise defined, for the purpose of this announcement and for the purpose of illustration only, RMB amounts have been translated using the following rates: RMB1.00:HK\$1.16. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.

By Order of the Board
Aidigong Maternal & Child Health Limited
Zhu Yufei
Chairman

Hong Kong, 4 November 2022

As at the date of this announcement, the Board comprises Ms. Zhu Yufei, Mr. Cheung Wai Kuen, Mr. Lin Jiang and Mr. Li Runping as executive Directors; and Ms. Yu Lin, Mr. Lam Chi Wing and Mr. Wong Yiu Kit, Ernest as independent non-executive Directors.

* *For identification purpose only*