
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Aidigong Maternal & Child Health Limited (the “Company”), you should at once hand this Prospectus and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed “14. Documents delivered to the Registrar of Companies” in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility as to the contents of any of these documents.

Dealings in the Rights Shares in their nil-paid and fully-paid forms may be settled through CCASS. You should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from their respective commencement dates of dealings in the Rights Shares on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.



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)

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY THREE (3) EXISTING SHARES HELD ON RECORD DATE

Underwriter to the Rights Issue

RaffAello
Securities (HK) Ltd

Raffaello Securities (HK) Limited

Capitalised terms used in this cover page shall have the same meanings as defined in this Prospectus.

Dealings in the Rights Shares in the nil-paid form will take place from Tuesday, 23 April 2024 to Tuesday, 30 April 2024 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated by the Underwriter, the Rights Issue will not proceed. Any person contemplating dealing in the nil-paid Rights Shares during the period from Tuesday, 23 April 2024 to Tuesday, 30 April 2024 (both dates inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed. Any person contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult his/her/its/their own professional advisers.

The Underwriting Agreement contains provisions granting the Underwriter, by notice in writing to the Company, served prior to the Latest Time for Termination, the right to terminate the Underwriting Agreement on the occurrence of certain events including force majeure. These certain events are set out in the section headed “Termination of the Underwriting Agreement” on pages 9 to 10 of this Prospectus. If the Underwriting Agreement is terminated by the Underwriter, the Rights Issue will not proceed.

The latest time for acceptance of, and payment for, the Rights Shares is 4:00 p.m. on Monday, 6 May 2024. The procedures for acceptance and payment for or transfer of the Rights Share are set out in the Letter from the Board on pages 19 to 20 of this Prospectus.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

The Rights Issue will proceed on a fully underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares and is subject to the fulfilment of conditions. Please refer to the section headed “Conditions of the Rights Issue” in this Prospectus.

19 April 2024

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DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following terms or expressions shall have the following meanings:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Announcement”	the announcement of the Company dated 20 March 2024 relating to, among other things, the Rights Issue
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (other than a Saturday or Sunday or public holiday or a day on which a tropical cyclone warning signal no. 8 or above or “black” rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Bye-laws”	the bye-laws for the time being adopted by the Company and as amended from time to time
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Class A Convertible Preference Share(s)”	the 187,265,918 Class A non-voting and redeemable convertible preference shares of par value of HK\$0.01 each in the share capital of the Company
“Class B Convertible Preference Share(s)”	the 187,265,918 Class B non-voting and redeemable convertible preference shares of par value of HK\$0.01 each in the share capital of the Company
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended from time to time)
“Company”	Aidigong Maternal & Child Health Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 286)
“connected person”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Director(s)”	the director(s) of the Company
“EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares, being in such form as may be agreed between the Company and the Underwriter
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) who, to the best of the Director’ knowledge, information and belief having made all reasonable enquiries, are independent of the Company and any connected person(s) of the Company or any of their respective associates, and not a connected person of the Company
“Last Trading Day”	20 March 2024, being the last full trading day of the Shares on the Stock Exchange prior to the release of the Announcement
“Latest Acceptance Date”	6 May 2024
“Latest Lodging Time”	4:30 p.m. on Thursday, 11 April 2024 or such other date as the Underwriter and the Company may agree, being the latest time for the Shareholders to lodge transfer of Shares in order to qualify for the Rights Issue
“Latest Practicable Date”	9 April 2024, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information contained herein
“Latest Time for Acceptance”	4:00 p.m. on Monday, 6 May 2024 or such later time or date as may be agreed between the Underwriter and the Company, being the latest time for acceptance of, and payment for, the Rights Shares as described in the Prospectus Documents

DEFINITIONS

“Latest Time for Termination”	4:00 p.m. on Tuesday, 7 May 2024 or such later time or date as may be agreed between the Company and the Underwriter, being the latest time to terminate the Underwriting Agreement
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Nil Paid Rights”	rights to subscribe for Rights Shares (in the form of Rights Shares in nil-paid form) before the Subscription Price is paid
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Board, based on legal advice provided by legal advisers in the relevant jurisdictions, considers it necessary or expedient to exclude from the Rights Issue, on account either of the restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company as at the close of business on the Record Date and whose address(es) as shown on such register is/are outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) in respect of the Rights Issue to be issued to the Qualifying Shareholders
“PRC”	the People’s Republic of China which, for the purpose of this Prospectus, excludes Hong Kong, Macau and Taiwan
“Prospectus”	this prospectus to be issued by the Company in relation to the Rights Issue
“Prospectus Documents”	the Prospectus, the PAL and the EAF

DEFINITIONS

“Prospectus Posting Date”	means 19 April 2024 (or such later date as may be agreed between the Underwriter and the Company) for the despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus to the Non-Qualifying Shareholders (as the case may be)
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear on the register of members of the Company as at the close of business on the Record Date
“Record Date”	Thursday, 18 April 2024 or such other date as may be agreed between the Company and the Underwriter in writing for the determination of the entitlements under the Rights Issue
“Registrar”	the branch share registrar and transfer office of the Company, being Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the proposed offer of the Rights Shares to the Qualifying Shareholders at the Subscription Price, on the basis of one (1) Rights Share for every three (3) existing Shares held by each Qualifying Shareholder on the Record Date, subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Rights Share(s)”	the new Share(s) to be allotted and issued in respect of the Rights Issue
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

DEFINITIONS

“Share Award Scheme”	the share award scheme approved by the Shareholders at the special general meeting of the Company on 30 August 2018, further details of which are set out in the circular of the Company dated 15 August 2018 and the announcements of the Company dated 5 July 2018, 8 August 2018 and 12 November 2021
“Shareholder(s)”	holder(s) of the Share(s)
“Specified Event”	an event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before such date would have rendered any of the warranties contained in the Underwriting Agreement untrue or inaccurate in any material respect
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.042 per Rights Share
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers and Share Buy-backs (as amended and supplemented from time to time)
“Underwriter”	Raffaello Securities (HK) Limited, a corporation licensed to carry on type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO
“Underwriting Agreement”	the underwriting agreement dated 20 March 2024 and entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue
“Underwritten Share”	up to 1,478,338,324 Rights Shares
“United States” or “US”	the United States of America (including its territories and dependencies, any state in the US and the District of Columbia)

DEFINITIONS

“US person(s)” any person(s) or entity(ies) deemed to be a US person for the purposes of Regulation S under the US Securities Act of 1933, as amended

“%” per cent

EXPECTED TIMETABLE

Set out below is the expected timetable for the Rights Issue which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled:

Event	2024 (Hong Kong time)
First day of dealing in nil-paid Rights Shares	Tuesday, 23 April
Latest time for splitting of the PAL	4:30 p.m. on Thursday, 25 April
Last day of dealing in nil-paid Rights Shares	Tuesday, 30 April
Latest Time for Acceptance of and payment for the Rights Shares and application and payment for excess Rights Shares	4:00 p.m. on Monday, 6 May
Latest Time for Termination for the Rights Issue to become unconditional	4:00 p.m. on Tuesday, 7 May
Announcement of results of the Rights Issue	Monday, 13 May
Despatch of certificates for fully-paid Rights Shares and refund cheques, if any, in respect of wholly or partially unsuccessful application for excess Rights Shares	Tuesday, 14 May
Expected first day of dealings in fully-paid Rights Shares	Thursday, 16 May

Dates or deadlines specified in expected timetable above or in other parts of this announcement are indicative only and may be varied by agreement between the Company and Underwriter. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The latest time for acceptance of and payment for Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning and/or “extreme conditions caused by super typhoons” as announced by the Hong Kong Government:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Latest Acceptance Date. Instead the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same day; and
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Latest Acceptance Date. Instead the latest time of acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares does not take place on the Latest Acceptance Date, the dates mentioned in this section above may be affected. The Company will notify the Shareholders by way of announcement(s) of any change to the expected timetable as soon as practicable.

TERMINATION OF THE UNDERWRITING AGREEMENT

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter shall be entitled by giving notice in writing to the Company prior to the Latest Time for Termination to terminate the Underwriting Agreement if:

- (a) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
 - (1) the introduction of any law or regulation or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Underwriter, would materially and adversely affect the business or the financial or trading position of the Group as a whole or would be materially adverse in the context of the Rights Issue; or
 - (2) 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 hereof), of a political, military, financial, economic or other nature (whether or not ejusdem generic with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter, would materially and adversely affect the business or the financial or trading position or prospect of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (b) any material adverse change in market conditions (including, without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction of trading in securities) occurs which in the reasonable opinion of the Underwriter are likely to materially and adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (c) there is any change in the circumstances of the Company or any member of the Group which in the reasonable opinion of the Underwriter will materially and adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (d) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (e) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (f) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the reasonable opinion of any of the Underwriter, a material omission in the context of the Rights Issue; or
- (g) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of the Announcement, the Prospectus Documents or other announcements or circulars in connection with the Rights Issue.

The Underwriter shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (a) any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (b) any Specified Event comes to the knowledge of the Underwriter.

LETTER FROM THE BOARD



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)

Executive Directors:

Ms. Wang Aier (*Chairman and
Chief Executive Officer*)
Mr. Lin Jiang
Mr. Li Runping
Ms. Meng Lijia

Non-executive Director:

Mr. Lee Kar Lung

Independent non-executive Directors:

Mr. Lam Chi Wing
Mr. Wong Yiu Kit, Ernest

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Office in Hong Kong:

Unit 3607, 36th Floor,
China Resources Building,
26 Harbour Road, Wan Chai,
Hong Kong

19 April 2024

To the Qualifying Shareholders, and for information only, the Non-Qualifying Shareholders

Dear Sir/Madam,

**RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE
FOR EVERY THREE (3) EXISTING SHARES
HELD ON THE RECORD DATE**

INTRODUCTION

Reference is made to the Announcement of the Company dated 20 March 2024 in relation to, among other things, the Rights Issue. The purpose of this Prospectus is to provide you with, among other things, (i) further details of the Rights Issue; (ii) the financial information of the Group; and (iii) the general information of the Group.

LETTER FROM THE BOARD

On 20 March 2024 (after trading hours), the Board announced that the Company proposes to raise gross proceeds of approximately HK\$62.09 million before expenses by way of the Rights Issue to the Shareholders (on the basis that no Shares are issued or repurchased on or before the Record Date). The Rights Issue involves the issue of up to 1,478,338,324 Rights Shares (on the basis that no Shares are issued or repurchased on or before the Record Date) at the Subscription Price of HK\$0.042 per Rights Share on the basis of one (1) Rights Share for every three (3) existing Shares in issue on the Record Date to the Qualifying Shareholders.

On 20 March 2024 (after trading hours), the Company entered into the Underwriting Agreement with the Underwriter in respect of the Rights Issue, details of which are set out in the section headed “The Underwriting Agreement” in this Letter from the Board.

Further details of the Rights Issue are set out below:

Issue statistics

Basis of the Rights Issue:	One (1) Rights Share for every three (3) existing Shares held on the Record Date
Subscription Price:	HK\$0.042 per Rights Share
Number of the existing Shares in issue as at the date of this announcement:	4,435,014,974 Shares
Number of Rights Shares to be issued under the Rights Issue:	Up to 1,478,338,324 Rights Shares (assuming no new Shares are issued or repurchased on or before the Record Date)
Maximum enlarged issued share capital upon completion of the Rights Issue:	5,913,353,298 Shares (assuming no Shares are issued (other than the Rights Shares) or repurchased on or before the completion of the Rights Issue)
Maximum proceeds to be raised under the Rights Issue before expenses:	HK\$62.09 million (assuming no Shares are issued or repurchased on or before the Record Date)
Number of Rights Shares underwritten by the Underwriter:	Up to 1,478,338,324 Rights Shares, on fully underwritten basis

LETTER FROM THE BOARD

As at the Latest Practicable Date, there are (i) 374,531,836 outstanding Convertible Preference Shares issued by the Company, which are exercisable into 374,531,836 Shares; and (ii) 63,500,000 outstanding award shares granted by the Company to 69 selected persons under the Share Award Scheme, which are exercisable into 63,500,000 Shares. Save for the foregoing, the Company has no other outstanding convertible bonds, options, derivatives, warrants, conversion rights or other similar rights entitling holders thereof to subscribe for or convert into or exchange for new Shares.

Assuming no Shares are issued or repurchased on or before the Record Date, the maximum number of 1,478,338,324 Rights Shares to be issued pursuant to the terms of the Rights Issue represents 33.3% of the total number of the existing issued Shares as at the Latest Practicable Date and 25.0% of the total number of the issued Shares as enlarged by the allotment and issue of the Rights Shares immediately upon completion of the Rights Issue.

Reference is made to the announcements of the Company dated 9 September 2022 and 23 March 2023 in relation to the issue of 187,265,918 Class A Convertible Preference Shares and 187,265,918 Class B Convertible Preference Shares under specific mandate. Save as disclosed, the Company has not conducted any rights issue, open offer and/or specific mandate placing within the 12-month period immediately preceding the Latest Practicable Date, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities as part of such rights issue, open offers and/or specific mandate placings within such 12-month period. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own.

Subscription Price

The Subscription Price of HK\$0.042 per Rights Share is payable in full when a Qualifying Shareholder accepts his/her/its provisional allotment under the Rights Issue and, where applicable, applies for excess Rights Shares under the Rights Issue or when a transferee of Nil Paid Rights applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 38.24% to the closing price of HK\$0.068 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 42.47% to the average of the closing prices per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day of approximately HK\$0.073;

LETTER FROM THE BOARD

- (iii) a discount of approximately 43.24% to the average of the closing prices per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day of approximately HK\$0.074;
- (iv) a discount of approximately 8.82% to the theoretical ex-rights price of approximately HK\$0.062 per Share as adjusted for the effect of the Rights issue, based on the closing price of HK\$0.068 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) a discount of approximately 79.87% to the audited consolidated net asset value attributable to the Shareholders as at 31 December 2022 as extracted from the annual report of the Company for the year ended 31 December 2022 of approximately HK\$0.209 per Share;
- (vi) a discount of approximately 80.03% to the unaudited consolidated net asset value attributable to the Shareholders as at 30 June 2023 as extracted from the interim report of the Company for the six months ended 30 June 2023 of approximately HK\$0.210 per Share;
- (vii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 11.00% of the theoretical diluted price of HK\$0.0668 based on the benchmarked price of HK\$0.075 per Share; and
- (viii) a cumulative theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of the Rights Issue and the Convertible Preference Shares of approximately 10.29%.

In determining the structure and the terms of the Rights Issue (including the Subscription Price), the Board has considered, amongst other things, the market price of the Shares under the prevailing market conditions, the theoretical dilution effect of the Rights Issue, the support of the substantial shareholders of the Company, the best available terms of underwriting the Rights Issue and the fairness to all the Shareholders as a whole, and the reasons for and benefits of Rights Issue as discussed in the section headed “Reasons for and benefits of the Rights Issue and intended use of proceeds” in this Letter from the Board.

In particular, the Subscription Price was determined with reference to, among other factors, (i) the prevailing market price and recent trading performance of the Shares during the six months prior to the Last Trading Day, which the daily closing price of the Shares demonstrated a general downward trend from HK\$0.256 per Share on 26 September 2023 to HK\$0.048 per Share on the Last Trading Day with an average daily trading volume amounting to approximately 0.10% of the total issued Shares as at the Last Trading Day, indicating a lack of liquidity and demand for the Shares; (ii) the latest business and financial position of the Group, particularly the consecutive loss-making performance of the Group; (iii) the current bearish Hong Kong stock market condition, which is evidenced by the

LETTER FROM THE BOARD

continuous general downward trend of the Hang Seng Index from approximately 17,466.9 on 26 September 2023 to approximately 16,618.32 on the Last Trading Day; (iv) the Board's view that it is reasonable to set the Subscription Price at a discount to the closing price per Share on the Last Trading Day and the consolidated net asset value attributable to the Shareholders as described above and with a cumulative theoretical dilution effect of 10.29% in order to enhance the attractiveness of the Rights Issue and encourage the Qualifying Shareholders and investors to participate, given that the challenging market conditions, unfavourable price trend and lack of liquidity of the Shares; (v) the relatively large fundraising size when compared with the market capitalisation of the Company as at the Last Trading Day; and (vi) the reasons and benefits of the Rights Issue as discussed in the section headed "Reasons for and benefits of the Rights Issue and intended use of proceeds" in this Letter from the Board.

In view of the above, and having considered that each Qualifying Shareholder will be provisionally allotted the Rights Shares at the same Subscription Price in proportion to his/her/its shareholdings held on the Record Date and the structure and terms of the Rights Issue, including the Subscription Price which has been set as a discount to the recent closing prices of the Shares with an objective of encouraging existing Shareholders to take up their provisional allotments so as to participate in the potential growth of the Company, the Board is of the view that the structure and terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders only. For the Non-Qualifying Shareholders, the Company will send copies of the Prospectus to them for their information only, but no PAL and EAF will be sent to the Non-Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be a Non-Qualifying Shareholder on the Record Date.

Shareholders whose Shares are held by nominee companies (or which are deposited in CCASS) should note that the Board will regard a nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies (or which are deposited in CCASS) are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors of the Company should consult their professional advisers if they are in doubt.

Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted.

LETTER FROM THE BOARD

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholder(s) may not be eligible to take part in the Rights Issue as explained below.

As at the Latest Practicable Date, there are 17 Overseas Shareholders with registered addresses situated in the British Virgin Islands, Japan, Macau, Malaysia and the United Kingdom with details as follows:

Jurisdiction	Number of Overseas Shareholder(s)	Aggregate number of Shares held by Overseas Shareholder(s) in the jurisdiction	Approximate percentage of shareholding
British Virgin Islands	3	350,000,000	7.8917%
Japan	1	10,443	0.0002%
Macau	11	84	Nominal
Malaysia	1	36	Nominal
United Kingdom	1	22	Nominal

The Company has, in compliance with Rule 13.36(2)(a) of the Listing Rules, made reasonable enquiries of the legal requirements regarding the feasibility of extending the Rights Issue to the Overseas Shareholders.

The Company has obtained advice from legal advisers in the British Virgin Islands, Japan, Macau and the United Kingdom, and has been advised that under the applicable legislations of these jurisdictions, either (i) there is no regulatory restriction or requirement of any regulatory body or stock exchange with respect to extending the Rights Issue to the Overseas Shareholders in the relevant jurisdictions; or (ii) making the Rights Issue to those Overseas Shareholders detailed above meets the relevant exemption requirements under the relevant jurisdictions so that it would be exempt from obtaining approval or recognition from and/or registration of the Prospectus Documents with the relevant regulatory authorities under the applicable laws and regulations of the relevant jurisdictions.

Accordingly, the Rights Issue will be extended to the Overseas Shareholders having registered addresses in the British Virgin Islands, Japan, Macau and the United Kingdom and such Overseas Shareholders are Qualifying Shareholders.

Set out below are some disclaimers in relation to the mailing of the Prospectus Documents to the Shareholders in these jurisdictions:

LETTER FROM THE BOARD

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No invitation or solicitation has been made or will be made, directly or indirectly, to any member of the public in the British Virgin Islands to subscribe for the Rights Shares for the purposes of the Securities and Investment Business Act 2010 of the British Virgin Islands, and the Rights Shares are not being offered or sold and may not be offered or sold, directly or indirectly, in the British Virgin Islands, except as otherwise permitted by the British Virgin Islands laws. The Company is not in any way supervised, regulated or monitored by any British Virgin Islands financial services regulatory or such similar competent authority. The Prospectus Documents have not been, and will not be, registered or filed under the laws and regulations of the British Virgin Islands with any such regulatory authority.

Japan

According to the relevant laws in Japan, Japanese resident shareholders are prohibited from transferring the Rights Shares in Japan unless they transfer all of their Rights Shares in one lump.

United Kingdom

This Prospectus is not a prospectus for the purpose of the UK version of Regulation (EU) 2017/1129 of the European Parliament and of the Council (the “**UK Prospectus Regulation**”), and no offering document, prospectus or admission document has been or will be prepared or submitted to be approved by the Financial Conduct Authority (or any other authority) in relation to the Rights Shares. The offer of Rights Shares pursuant to the Rights Issue is being made in the United Kingdom under the exemption from the requirement to publish a prospectus in Article 1(3)(c) of the UK Prospectus Regulation.

The communication of the Rights Issue by the Company, this Prospectus, the PALs and EAFs is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. In the United Kingdom, this Prospectus, the PALs and EAFs are being distributed only to, and are directed only at, and any offer subsequently made may only be directed at persons: (i) falling within Article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, or (ii) to whom this Prospectus and related documents and/or materials may otherwise lawfully be communicated (all such persons together being referred to as “relevant persons”). This Prospectus, the PALs and EAFs must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this Prospectus relates is only available to, and will be engaged in only with, relevant persons.

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The Company has also obtained advice from legal advisers in Malaysia. As the Prospectus Documents may be required to be registered or filed with or subject to approval by the relevant regulatory authorities in Malaysia, the Company would need to take additional steps to comply with the regulatory requirements of the relevant regulatory authorities in Malaysia. Thus, having considered the circumstances, the Board is of the view that it is not expedient to extend the Rights Issue to such Overseas Shareholders taking into account that the time and costs involved in complying with the Malaysian legal requirements will outweigh the possible benefits to the Company. Therefore, the Rights Issue would not be extended to such Overseas Shareholders in Malaysia and such Overseas Shareholders shall be Non-Qualifying Shareholders.

The Company will send the Prospectus (without the PAL and the EAF) and a letter explaining the circumstances in which the Non-Qualifying Shareholders are not permitted to participate in the Rights Issue to the Non-Qualifying Shareholders for their information only.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholder(s) to be sold in the market in their nil-paid form as soon as practicable after dealings in the Nil-Paid Rights commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, of more than HK\$100 will be paid pro rata to the Non-Qualifying Shareholder(s). The Company will retain individual amounts of HK\$100 or less for the benefit of the Company. Any unsold entitlement of Non-Qualifying Shareholder(s) to the Rights Shares and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders will be made available for excess applications by Qualifying Shareholders under the EAF(s).

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share for every three (3) existing Shares in issue and held by the Qualifying Shareholders at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by lodging a duly completed PAL and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

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Fractional entitlements to the Rights Shares

No fractional entitlements to the Rights Shares shall be issued to the Shareholders and no entitlements of the Non-Qualifying Shareholders to the Rights Shares shall be issued to the Non-Qualifying Shareholders. All fractions of the Rights Shares shall be rounded down to the nearest whole number of Rights Shares and aggregated and, if a premium (net of expenses) can be achieved, sold in the market by the Company. Any unsold entitlements shall be made available for excess application by the Qualifying Shareholders. Should there be no excess application by the Qualifying Shareholders, those Rights Shares created from the aggregation of fraction of the Rights Shares will be taken up by the Underwriter. No odd lot matching services will be provided.

Status of the Rights Shares

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* in all respects with the existing Shares in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid with a record date falling after the date of allotment and issue of the Rights Shares in their fully-paid form.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered addresses at their own risk on or before Tuesday, 14 May 2024. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Tuesday, 14 May 2024 by ordinary post to the applicants at their own risk, to their registered addresses.

Procedures for acceptance and payment or transfer

A PAL and a EAF is enclosed with this Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein. If a Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to him/her/it as specified in the PAL, he/she/it must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by not later than 4:00 p.m. on Monday, 6 May 2024. All remittances must be made in Hong Kong dollars (rounded up to 2 decimal points) by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "Aidigong Maternal & Child Health Limited" and crossed "Account Payee Only". It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Monday, 6 May 2024, whether by the original allottee or any person in whose favour the rights have

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been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled and such Rights Shares will be available for excess application under the EAF by other Qualifying Shareholders. The Company may, at its sole discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicants at a later stage.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL or to transfer part or all of his/her/its rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Thursday, 25 April 2024 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier's order, whether by a Qualifying Shareholder or by any nominated transferee(s), will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

If the Underwriter exercises the right to terminate or rescind the Underwriting Agreement or if the condition of the Rights Issue as set out in the section headed "Conditions of the Rights Issue" below is not fulfilled, the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in their nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Tuesday, 14 May 2024.

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Application for excess Rights Shares

Qualifying Shareholders shall be entitled to apply, by way of excess application, for (i) the Rights Shares representing the entitlement of the Non-Qualifying Shareholders; and (ii) any Rights Shares provisionally allotted but not validly accepted by the Qualifying Shareholders.

Applications for the excess Rights Shares may be made by completing the EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for.

The Board will allocate the excess Rights Shares at its discretion, but on a fair and equitable basis as far as practicable on the following principles:

- (i) no preference will be given to applications for topping-up odd-Non-Qualifying Shareholders holdings to whole-lot holdings as the giving of such preference may potentially be abused by certain investors by splitting their Shares and thereby receiving more Rights Shares than they would receive if such preference is not given, which is an unintended and undesirable result; and
- (ii) subject to availability of the excess Rights Shares, the excess Rights Shares will be allocated to the Qualifying Shareholders who have applied for excess application on a pro rata basis based on the number of excess Rights Shares applied for by them. No reference will be made to Rights Shares subscribed through PALs, or the number of Shares held by the Qualifying Shareholders.

Beneficial owners of Shares whose Shares are held by a nominee company (including HKSCC Nominees Limited) should note that for the purpose of the Rights Issue, the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the beneficial owners of Shares whose Shares are registered in name of nominee companies should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually and are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

For those beneficial owners of Shares whose Shares are held by their nominee(s) (including HKSCC Nominees Limited) and who would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the Registrar in Hong Kong, Tricor Secretaries Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for completion of the relevant registration not later than 4:30 p.m. (Hong Kong time) by no later than the Latest Lodging Time.

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Qualifying Shareholders who wish to apply for the excess Rights Shares in addition to their provisional allotment must complete and sign an EAF (in accordance with the instructions printed thereon) and lodge it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the Registrar in Hong Kong, Tricor Secretaries Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:00 p.m. on Monday, 6 May 2024. All remittances must be made in Hong Kong dollars (rounded up to 2 decimal points) and cheques must be drawn on an account with, or cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "Aidigong Maternal & Child Health Limited" and crossed "Account Payee Only".

An announcement of results of acceptance of and excess applications for the Rights Issue will be published on the websites of the Stock Exchange and the Company on Monday, 13 May 2024. If no excess Rights Shares are allotted and issued to a Qualifying Shareholder, the amount tendered on application is expected to be refunded to that Shareholder in full without any interest by means of cheque(s) despatched by ordinary post and at risk of such Qualifying Shareholder on or before Tuesday, 14 May 2024. If the number of excess Rights Shares allotted and issued to a Qualifying Shareholder is less than the number applied for, the surplus application monies are also expected to be refunded to such Qualifying Shareholder without any interest by means of cheque(s) despatched by ordinary post and at risk of such Qualifying Shareholder on or before Tuesday, 14 May 2024.

Application for listing of the Rights Shares

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be issued and allotted pursuant to the Rights Issue. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of the dealings in the Rights Shares in both their nil- paid and fully-paid forms or such other dates as may be determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

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Dealing in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be in the board lots of 2,000 Rights Shares and will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the Nil-Paid Rights or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the Nil-Paid Rights on their behalf.

Conditions of the Rights Issue

The Rights Issue is conditional upon the Underwriting Agreement having become unconditional and not being terminated in accordance with the terms thereof.

THE UNDERWRITING AGREEMENT

The Underwriting Agreement

On 20 March 2024 (after trading hours), the Company entered into the Underwriting Agreement with the Underwriter, pursuant to which the Underwriter has conditionally agreed to fully underwrite up to 1,478,338,324 Rights Shares, subject to the terms and conditions of the Underwriting Agreement.

Principal terms of the Underwriting Agreement

Date:	20 March 2024 (after trading hours)
Underwriter:	Raffaello Securities (HK) Limited
	To the best of the Director's knowledge, information and belief having made all reasonable enquiries, as at Latest Practicable Date, the Underwriter and its ultimate beneficial owner(s) are Independent Third Parties. The Underwriter confirmed that it has complied with Rule 7.19(1)(a) of the Listing Rules
Number of Rights Shares to be underwritten:	Up to 1,478,338,324 Rights Shares (assuming no Shares are issued or repurchased on or before the Record Date), on fully underwritten basis
Underwriting Commission:	7.07% of the aggregate subscription amount in respect of the Underwritten Shares, being the gross proceeds from the Rights Issue

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The terms of the Underwriting Agreement, including the underwriting commission rate, were determined after arm's length negotiation between the Company and the Underwriter with reference to the existing financial position of the Group, the size of the Rights Issue, and the current and expected market condition. Having considered (i) the underwriting commission offered by the Underwriter is comparable to or more favourable than that offered by other financial institutions which the Company had reached out to prior to engaging the Underwriter; and (ii) the experience and financial resources of the Underwriter for underwriting of the Right Shares, the Board considers the entering into of the Underwriting Agreement with the Underwriter and the terms of the Underwriting Agreement (including the underwriting commission) is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Save for the Underwriting Agreement, the Company has not entered into any agreement, arrangement, understanding or undertaking in regard of the Rights Issue with the Underwriter or any of its connected persons and their respective associate.

Conditions of the Rights Issue

The Rights Issue is conditional upon:

- (a) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively of the Prospectus Documents in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Prospectus Posting Date;
- (b) the posting of the Prospectus Documents to the Qualifying Shareholders on or before the Prospectus Posting Date;
- (c) the Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares, in nil-paid and fully-paid forms;
- (d) the obligations of the Underwriter becoming unconditional and that this Agreement not being terminated in accordance with the terms hereof on or before the Latest Time for Termination; and
- (e) the representation, warranties and undertakings of the Company as set out in the Underwriting Agreement remain true and accurate in all material respects.

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Save for the condition (e) which can be waived by the Underwriter, none of the above conditions can be waived. If any of the conditions above is not fulfilled or waived (where applicable) in whole or in part by the Underwriter by the Latest Time for Termination, the Underwriting Agreement shall terminate and no party thereto shall have any claim against the other party for costs, damages, compensation or otherwise save for any antecedent breaches. As at the Latest Practicable Date, none of the above conditions has been fulfilled.

Irrevocable undertaking

As at the Latest Practicable Date, the Company has not received any information from any Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them under the Rights Issue.

Termination of the Underwriting Agreement

The Underwriter may terminate the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination upon the occurrence of certain events. For details, please refer to the section headed “Termination of the Underwriting Agreement” on pages 9 to 10 of this Prospectus.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND INTENDED USE OF PROCEEDS

The Group primarily engages in the postpartum care services business. As a leading enterprise in the postpartum care service industry, Aidigong has been operating postpartum care centres for 17 years and has served nearly 50,000 newborn families with its scientific and professional postpartum care service system. The Group has achieved market coverage in ten cities, namely Shenzhen, Beijing, Chengdu, Zhuhai, Xiamen, Dongguan, Wuxi, Guangzhou, Quanzhou and Fuzhou, with a total of 19 centres in operation. The Group has been set up its postpartum care services centres under the brand name of “Aidigong” and “Yuegege” in China and has been new developments in the field of residential postpartum services.

As at 30 June 2023, the Group’s unaudited bank and cash balances amounted to approximately HK\$81.3 million, while its current liabilities stood at approximately HK\$426.3 million. The borrowings, including bank loans, other borrowings, and bonds payable, totalled approximately HK\$96.7 million, with a repayment period of one year. The effective interest rates on these borrowings range from 6.9% to 14.8%. Considering the current market conditions, the Group’s limited cash reserves, and the high financial costs it incurs, the Board believes that the Rights Issue could serve as a viable solution to secure sufficient funds for repaying the Group’s loans and payables, which in turn, would improve the Group’s financial position and enhance its profitability by reducing the burden of interest expenses.

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As disclosed in the Company's annual report for the year ended 31 December 2022, the Company will prioritise expanding to new cities and let the team in the city develop and expand postpartum care centres and rooms after achieving breakthroughs. With the strategic goal of continuously developing new cities and expanding market share, the Group will continue to open postpartum care centres in new cities. Based on the proven ultra-light asset model, the Group has adopted the gradual growth model for rooms through the leasing of decorated properties, which not only continues to reduce the initial investment of new postpartum care centres, but also effectively reduces the loss caused by room vacancy in the improvement of occupancy rate of new postpartum care centres, thus further shortens the investment payback period. The Group will continue to strengthen its business by launching new business lines in a timely manner in accordance with the market demand and industry changes in order to gain a larger market share. The Board is of the opinion that the Rights Issue would provide the Group with the necessary resources to pursue expansion opportunities and make investments related to its postpartum care service businesses.

Based on above, the Company intends to apply the net proceeds from the Rights Issue as follows: as to (i) approximately HK\$39.69 million for repayment of loans and other payables of the Group (which are intended to be applied on or before June 2024); (ii) approximately HK\$8.51 million towards expanding the Group's postpartum care services business (which are intended to be applied on or before December 2024); and (iii) approximately HK\$8.51 million towards the Group's general working capital, such as overhead expenses including salary, rental and other expenses of the Group (which are intended to be applied on or before December 2024).

The net proceeds of the Rights Issue are estimated to be up to approximately HK\$56.70 million after the deduction of the underwriting commission and other estimated expenses (assuming full acceptance of the Rights Issue and assuming that no new Shares will be allotted or issued on or before the Record Date). The estimated net subscription price per Rights Share after deducting the related expenses of the Rights Issue is expected to be approximately HK\$0.038. The aggregate nominal value of the Rights Shares will be approximately HK\$1,478,338.24 (assuming no change in number of Shares on or before the Record Date).

The Board has considered alternative methods of raising funds, including debt financing and equity placement. The Board noted that bank borrowings will carry interest costs and may require the provision of security and creditors will rank before the Shareholders, and placings will dilute the interests of Shareholders without giving them the opportunity to take part in the exercise. In contrast to an open offer, the Rights Issue allows Shareholders to sell the nil-paid rights in the market. The Rights Issue presents an opportunity for Qualifying Shareholders to maintain their respective pro-rata shareholding in the Company and actively partake in its future growth and development.

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In addition, the Rights Issue is pre-emptive in nature, allowing Qualifying Shareholders to maintain their respective pro-rata shareholding through their participation in the Rights Issue. Pursuant to the Rights Issue, the Qualifying Shareholders may (a) increase their respective interests in the shareholding of the Company by acquiring additional rights entitlement in the open market (subject to availability); or (b) reduce their respective interests in the shareholding of the Company by disposing of their rights entitlements in the open market (subject to market demand). The Board considers that the Rights Issue effected on a pro-rata basis gives all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company.

Considering the above factors, the Board believes that raising capital through the Rights Issue is in the best interests of both the Company and its Shareholders as a whole. Furthermore, having assessed the capital requirements of the Group, the terms of the Rights Issue, and the Subscription Price, the Board has concluded that it is beneficial for the Company to proceed with the Rights Issue.

CHANGE IN THE SHAREHOLDING STRUCTURE OF THE COMPANY ARISING FROM THE RIGHTS ISSUE

For illustration purposes only, set out below is the shareholding structure of the Company as at the Latest Practicable Date, and the effect on the shareholding structure of the Company upon completion of the Rights Issue in the manner contemplated under the Underwriting Agreement (assuming no Shares are issued or repurchased by the Company on or before the Record Date and assuming the maximum number of Rights Issues are issued):

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue assuming full acceptance by the Qualifying Shareholders		Immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders	
	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>
Substantial Shareholders						
Ms. Zhu Yufei ⁽¹⁾	517,161,755	11.66	689,549,006	11.66	517,161,755	8.74
Ms. Wang Aier ⁽²⁾	401,412,379	9.05	535,216,505	9.05	401,412,279	6.79
Mr. Cheung Wai Kuen ⁽³⁾	372,989,671	8.41	497,319,561	8.41	372,989,671	6.31
Underwriter ⁽⁴⁾	–	–	–	–	1,478,338,324	25.00
Holders of Convertible Preference Share(s)	–	–	–	–	–	–
Public Shareholders	<u>3,146,559,169</u>	<u>70.88</u>	<u>4,195,412,226</u>	<u>70.88</u>	<u>3,146,559,169</u>	<u>53.16</u>
Total	<u>4,435,014,974</u>	<u>100</u>	<u>5,913,353,298</u>	<u>100</u>	<u>5,913,353,298</u>	<u>100</u>

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Notes:

- (1) Ms. Zhu Yufei is (i) beneficially interested in 167,161,755 Ordinary Shares; (ii) deemed to be interested in 150,000,000 Ordinary Shares through Hongchang International Investment Limited; and (iii) deemed to be interested in 200,000,000 Ordinary Shares through Hongyuan Investment Limited, both being her controlled corporations.
- (2) Ms. Wang Aier, an executive Director of the Company, is beneficially interested in 401,412,379 Ordinary Shares.
- (3) Mr. Cheung Wai Kuen, is deemed to be interested in 372,989,671 Ordinary Shares through Champion Dynasty Limited, being a company wholly owned by Mr. Cheung Wai Kuen.
- (4) Pursuant to the Underwriting Agreement, the Underwriter undertakes to the Company that:
 - (a) without affecting the Underwriter's obligation to underwrite all the Underwritten Shares (whether to underwrite the same by itself or procure sub-underwriting of the same), the Underwriter shall not subscribe, for its own account, for such number of Underwritten Shares, which will result in the aggregate shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to exceed 9.9% upon completion of the Rights Issue;
 - (b) the Underwriter shall use all reasonable endeavours to ensure that each of the sub-underwriters or subscribers or purchasers of the Underwritten Shares procured by it (i) shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with the Company, any of the Directors, chief executive of the Company or substantial shareholders of the Company or their respective associates (as defined in the Listing Rules); and (ii) shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it, hold such number of Underwritten Shares which in aggregate exceed 9.9% of the total number of issued Shares upon completion of the Rights Issue; and
 - (c) the Underwriter shall use all reasonable endeavours to procure that the minimum public float requirement under the Listing Rules be fulfilled by the Company upon completion of the Rights Issue.

The 9.9% threshold as set out in (a) and (b) above was based on arm's length negotiation between the Company and the Underwriter considering that the Company would like to attract more investors and broaden/diversify its shareholder base, which is beneficial to the Group in the long run as the investors may be able to bring in more insights for the better development of the Group.

- (4) The above percentages are subject to rounding adjustments.

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FUND RAISING EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS

The Company has conducted the following equity fund raising activities during the 12 months immediately preceding the Latest Practicable Date:

Date of announcement	Event	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
9 September 2022	The issue of the Class A Convertible Preference Shares and the issue of the Class B Convertible Preference Shares	HK\$222.7 million	Repayment of debts and general working capital	HK\$153.6 million have been utilised as repayment of debts; HK\$69.1 million have been utilised as working capital for the Group

Save as the abovementioned, the Company had not conducted any other fundraising exercise in the past 12 months immediately preceding the Latest Practicable Date.

POSSIBLE ADJUSTMENTS TO THE CONVERSION PRICES OF THE EXISTING CONVERTIBLE PREFERENCE SHARES

As at the Latest Practicable Date, the Company has outstanding 374,531,836 outstanding Convertible Preference Shares issued by the Company. Such outstanding Convertible Preference Shares are exercisable into 374,531,836 Shares. Pursuant to the terms of the Convertible Preference Shares, the conversion prices of the Convertible Preference Shares are subject to adjustment mechanism in accordance with the terms and conditions of the Convertible Preference Shares. For details, please refer to the circular of the Company dated 9 December 2022.

The Rights Issue may lead to adjustments to the conversion prices and the resulting number of Shares to be issued upon exercise of the conversion right attached to the Convertible Preference Shares. The Company will notify the holders of the Convertible Preference Shares and the Shareholders by way of announcement as and when appropriate regarding adjustments to be made (if any) pursuant to the terms and conditions of the Convertible Preference Shares.

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LISTING RULES IMPLICATIONS

As the Company has not conducted any rights issue or open offer within the 12-month period prior to the date of the Announcement and the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50% within the 12-month period immediately preceding the date of the Announcement and the Rights Issue is not underwritten by a Director, chief executive or substantial shareholder of the Company (or any of their respective close associates). The Rights Issue is not subject to Shareholders' approval under the Listing Rules.

GENERAL

Subject to the fulfilment of certain conditions of the Rights Issue, the Company will despatch the Prospectus Documents containing, among other things, the Prospectus setting out details of the Rights Issue and the PAL to the Qualifying Shareholders on Friday, 19 April 2024. A copy of the Prospectus will also be made available on the websites of the Company (www.aidigong.hk) and the Stock Exchange (www.hkexnews.hk). The Company will despatch copies of the Prospectus to the Non-Qualifying Shareholders (if any) for their information only, but will not send any PAL to them.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND THE NIL-PAID RIGHTS

Shareholders should note that the Shares have been dealt in on an ex-right basis from Wednesday, 10 April 2024. Dealings in the Rights Shares in the nil-paid form will take place from Tuesday, 23 April 2024 to Tuesday, 30 April 2024 (both dates inclusive).

Any Shareholder or other person contemplating selling or purchasing the Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealings in the Shares and any dealings in the Rights Shares in their nil-paid form from Tuesday, 23 April 2024 to Tuesday, 30 April 2024 (both dates inclusive) will accordingly bear the risk that the Rights Issue cannot become unconditional and may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

By order of the Board
Aidigong Maternal & Child Health Limited
Wang Aier
Chairman

1. SUMMARY OF THE FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for each of the last three financial years ended 31 December 2020, 2021 and 2022 and for the six months ended 30 June 2023 were disclosed in the annual reports and interim report of the Company for the years ended 31 December 2020 (pages 93 to 214), 2021 (pages 101 to 222) and 2022 (pages 97 to 214), and for the six months ended 30 June 2023 (pages 18 to 40), respectively. The aforementioned financial information of the Group has been published on both the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (www.aidigong.hk). Please refer to the hyperlinks as stated below:

Annual report for the year ended 31 December 2020:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0429/2021042901011.pdf>

Annual report for the year ended 31 December 2021:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0429/2022042900630.pdf>

Annual report for the year ended 31 December 2022:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0428/2023042800997.pdf>

Interim report for the six months ended 30 June 2023:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0929/2023092900201.pdf>

Set out below is the hyperlink of the final results announcement of the Group for the year ended 31 December 2023. The figures in respect of the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position and the related notes thereto for the year ended 31 December 2023 of the Group as set out in such announcement have been agreed by the Company's auditor, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2023.

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0328/2024032806416.pdf>

2. STATEMENT OF INDEBTEDNESS**Indebtedness**

As at the close of business on 29 February 2024, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this Prospectus, the Group had a principal amount of HK\$55,200,000 secured bonds payable, RMB295,000,000 secured bank borrowings and HK\$3,000,000 secured other borrowings. The Group had total lease liabilities of approximately HK\$202,292,000.

Structured bank deposit

Structured bank deposits generally include foreign currency, commodity price, or assets linked structured bank deposits (“SBDs”) placed by the Group to a number of banks. Pursuant to the relevant underlying agreements, the SBDs generally carry interest income at the interest rate range from 0.50% to 3.25% per annum with reference to the performance of foreign currency, commodity price, or assets during the investment period and the principal sums are denominated in RMB. Certain of the structured bank deposits are capital guaranteed. The structured bank deposits are either redeemable on demand or have a maturity date ranged from two months to three months. As at 29 February 2024, the Group held structured bank deposits of RMB31,500,000 at certain banks.

Disclaimer

Save as referred to as above and apart from intra-group liabilities, the Group did not have, at the close of business of 29 February 2024, any debt securities issued and outstanding or authorised or otherwise created but unissued, term loan, bank overdrafts, loan or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, lease payables, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Board is of the opinion that, after taking into account the financial resources available to the Group, including the Group’s internally generated funds and available facilities, the estimated net proceeds from the Rights Issue, and in the absence of unforeseen circumstances, the Group has sufficient working capital for its present requirements for at least the next twelve months from the date of the Prospectus.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Board confirms that there has been no material adverse change in the financial position or trading position of the Group since 31 December 2022, being the date to which the latest published audited financial statements of the Group was made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group primarily engages in the postpartum care services business in the PRC.

The Group gradually broke away from the impact of COVID-19 and the postpartum care services business showed a trend of stable recovery in 2023. The Group launched and began to implement its upgraded strategy of “Establishing presence in 50 Cities in Five Years”, and was able to establish presence in 10 cities in the first year of implementing this strategy by the end of 2023. As at 31 December 2023, the Group has achieved market coverage in 10 cities, namely Shenzhen, Beijing, Chengdu, Zhuhai, Xiamen, Dongguan, Wuxi, Quanzhou, Guangzhou and Fuzhou, with a total of 18 centres in operation.

The Group adopts an ultra-light asset model for its new Aidigong combined postpartum care services centres, which not only further reduces capital expenditure and optimises the financial model but also further enhances the Group’s capability to resist risks and reduces the negative impact on the business caused by changes in the objective operating environment as a result of COVID-19 outbreak.

In addition to the original postpartum care services business of postpartum care centres under the brands of Aidigong and Yuegege, the Group’s newly formed combined Aidigong business division successfully launched a new business line of non-move-in combined postpartum care services in December 2023, and opened the combined Aidigong postpartum care service centres in Quanzhou and Fuzhou respectively. The establishment of the combined Aidigong postpartum care service centres indicates the Group’s first entry into the new market of non-move-in postpartum care services. The establishment and commencement of operation of the combined Aidigong business division is an important milestone in the Group’s development in the postpartum care services sector. With the launching of the new business line of non-move-in combined postpartum care services, the Group has achieved full coverage of the nationwide postpartum care service market through the Aidigong brand postpartum care centres, the Yuegege brand postpartum care centres and the non-move-in combined Aidigong brand postpartum care centres.

Going forward, the Group will continue to promote the strategy upgrade of “Establishing Presence in 50 Cities in Five Years”, and further promote new business development that is customer-centric and driven by maternal and child services and products. The Group will launch new businesses related to maternal and infant products in a timely manner and continue to enrich its business portfolio, increase the number of customers and frequency of consumption, and constantly increase the penetration rate and maternal and child market share in the cities in which the Group has established its presence to achieve the full coverage of the nationwide maternal and child market.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET
TANGIBLE LIABILITIES TO THE GROUP

The following unaudited pro forma statement of adjusted consolidated net tangible liabilities (the “Unaudited Pro Forma Financial Information”) has been prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules to illustrate the effect of the Rights Issue on the consolidated net tangible liabilities of the Group attributable to the owners of the Company as if the Rights Issue had been completed on 31 December 2023 and taking into account of certain assumptions.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not reflect a true picture of the consolidated net tangible liabilities of the Group attributable to the owners of the Company had the Rights Issue been completed as at 31 December 2023 or at any future date.

The Unaudited Pro Forma Financial Information is prepared based on the consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2023, as extracted from the published annual results announcement of the Company for the year ended 31 December 2023, and is adjusted for the effect of the Rights Issue described below.

		Unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2023 immediately after completion of the Rights Issue	Consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2023 prior to the completion of the Rights Issue per Share	Unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2023 immediately after completion of the Rights Issue per Share
	Estimated net proceeds from the Rights Issue	HK\$'000 (Note 2)	HK\$'000 (Note 3)	HK\$ (Note 4)
Consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2023 (Note 1)				HK\$ (Note 5)
Based on 1,478,338,324 Rights Shares to be issued at subscription price of HK\$0.042 per Rights Share				
		(390,748)	56,700	(334,048)
				(0.09)
				(0.06)

Notes:

- (1) The unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company of HK\$390,748,000 as at 31 December 2023 is extracted from the final results announcement of the Company for the year ended 31 December 2023 of approximately HK\$755,949,000, and deducting from it; (a) goodwill in the amount of approximately HK\$397,419,000; (b) intangible assets in the amount of approximately HK\$731,031,000; and (c) non-controlling interests of approximately HK\$18,247,000.
- (2) The estimated net proceeds from the Rights Issue of approximately HK\$56,700,000 are based on 1,478,338,324 Rights Shares to be issued (in the proportion of one (1) rights share for every three (3) existing shares held on record date) at the subscription price of HK\$0.042 per Rights Share, after deduction of the estimated related expenses of approximately HK\$5,390,000, assuming that the Rights Issue had been completed on 31 December 2023.
- (3) The unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to the owners of the Company immediately after completion of the Rights Issue is calculated based on the combination of consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2023 of approximately HK\$390,748,000 (Note 1) and estimated net proceeds from the Rights Issue of approximately HK\$56,700,000 (Note 2).
- (4) The consolidated net tangible liabilities of the Group attributable to the owners of the Company per Share as at 31 December 2023 was HK\$0.09 which was based on the audited consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2023 of approximately HK\$390,748,000, divided by 4,435,014,974 Shares in issue as at 31 December 2023.
- (5) The unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to the owners of the Company immediately after completion of the Rights Issue per Share as at 31 December 2023 was HK\$0.06 which was based on the unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2023 immediately after completion of the Rights Issue of approximately HK\$334,048,000, divided by the sum of 4,435,014,974 Shares and 1,478,338,324 Rights Shares, assuming the Rights Issue had been completed on 31 December 2023.
- (6) No adjustments have been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2023.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

The following is the text of a report received from the reporting accountant, HLB Hodgson Impey Cheng Limited, Certified Public Accountants, Hong Kong, in respect of the Group's unaudited pro forma financial information for the purpose of incorporation in this prospectus.



國衛會計師事務所有限公司
HODGSON IMPEY CHENG LIMITED

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****To the Directors of Aidigong Maternal & Child Health Limited**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Aidigong Maternal & Child Health Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) prepared by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2023 and the related notes (the “**Unaudited Pro Forma Financial Information**”) as set out in Appendix II to the prospectus dated 19 April 2024 (the “**Prospectus**”) issued by the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages APP II-1 to APP II-2 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue of 1,478,338,324 rights shares (assuming no outstanding share options having been exercised on or before the record date) at HK\$0.042 per rights share (the “**Rights Shares**”) on the basis of one (1) Rights Shares for every three (3) share of the Company held on the rights issue record date (the “**Rights Issue**”) on the Group's consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2023 as if the Rights Issue had taken place on 31 December 2023. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's consolidated financial statements for the year ended 31 December 2023, on which an annual results announcement has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, and Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2023 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related unaudited pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Hong Kong, 19 April 2024

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL AND SHARE AWARD SCHEME

(a) Share capital

Assuming no Shares are issued or repurchased on or before the Record Date, the authorised and issued share capital of the Company (a) as at the Latest Practicable Date were; and (b) immediately after completion of the Rights Issue (assuming no new Shares were issued by the Company between the Latest Practicable Date and the Record Date and the Rights Issue becoming unconditional) will be, as follows:

(I) As at the Latest Practicable Date

<i>Authorised:</i>		<i>HK\$</i>
<u>80,000,000,000</u>	Shares	<u>800,000,000.00</u>
<u>400,000,000</u>	Class A Convertible Preference Shares	<u>4,000,000.00</u>
<u>400,000,000</u>	Class B Convertible Preference Shares	<u>4,000,000.00</u>
 <i>Issued and fully paid:</i>		
<u>4,435,014,974</u>	Shares	<u>44,350,149.74</u>
<u>187,265,918</u>	Class A Convertible Preference Shares	<u>1,872,659.18</u>
<u>187,265,918</u>	Class B Convertible Preference Shares	<u>1,872,659.18</u>

(II) Immediately after completion of the Rights Issue

<i>Authorised:</i>		<i>HK\$</i>
<u>80,000,000,000</u>	Shares	<u>800,000,000.00</u>
<u>400,000,000</u>	Class A Convertible Preference Shares	<u>4,000,000.00</u>
<u>400,000,000</u>	Class B Convertible Preference Shares	<u>4,000,000.00</u>
 <i>Issued and fully paid:</i>		
4,435,014,974	Shares	44,350,149.74
<u>1,478,338,324</u>	Rights Shares	<u>14,783,383.24</u>
<u>5,913,353,298</u>	Total Shares	<u>59,133,532.98</u>
<u>187,265,918</u>	Class A Convertible Preference Shares	<u>1,872,659.18</u>
<u>187,265,918</u>	Class B Convertible Preference Shares	<u>1,872,659.18</u>

(b) Share award scheme

	Date of grant	Outstanding at 1 January 2023	Movement during the period			Outstanding at 30 June 2023	Exercising period
			Granted	Exercised	Lapsed		
Employees and others	12 November 2021	19,050,000	-	-	-	19,050,000	48 months from 12 November 2021
	12 November 2021	19,050,000	-	-	-	19,050,000	48 months from 12 November 2021
	12 November 2021	25,400,000	-	-	-	25,400,000	48 months from 12 November 2021
	Total	63,500,000	-	-	-	63,500,000	

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* in all respects with the existing Shares in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid with a record date falling after the date of allotment and issue of the Rights Shares in their fully-paid form.

There is no restriction affecting the remittance of profits or repatriation of capital into Hong Kong from outside Hong Kong.

No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, save for (i) 374,531,836 outstanding Convertible Preference Shares issued by the Company, which are exercisable into 374,531,836 Shares; and (ii) 63,500,000 outstanding award shares granted by the Company to 69 selected persons under the Share Award Scheme, which are exercisable into 63,500,000 Shares, the Company has no other outstanding convertible bonds, options, derivatives, warrants, conversion rights or other similar rights entitling holders thereof to subscribe for or convert into or exchange for new Shares. No capital of any member of the Group is under option, or agreed conditionally or unconditionally to be put under option as at the Latest Practicable Date.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

As at the Latest Practicable Date, the Company had no founder or management or deferred shares.

3. DISCLOSURE OF INTERESTS

Director's and chief executive's interests in the securities of the Company and associated corporations

As at the Latest Practicable Date, the interests and positions of the Directors and the chief executive of the Company in the Shares, underlying shares of the Company and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follow:

Name of Directors	Number of Shares		Total	Capacity	Notes	Percentage of issued Share capital
	Ordinary shares of the Company	Underlying shares of the Company				
Ms. Wang Aier ("Ms. Wang")	401,412,379	–	401,412,379 (L)	Beneficial owner	1	9.05% (L)
Mr. Lee Kar Lung ("Mr. Lee")	200,000,000	–	200,000,000 (L)	Beneficial owner	2	4.51% (L)
	372,989,671	–	372,989,671 (L)	Person having a security interest in Shares		8.41% (L)

Note:

- (1) Ms. Wang Aier, an executive Director of the Company, is beneficially interested in 401,412,379 Ordinary Shares.
- (2) Mr. Lee, a non-executive Director of the Company, is beneficially interested in 200,000,000 Ordinary Shares and holds a security interest in 372,989,671 Ordinary Shares.
- (3) The letter “L” denotes the long position in shares of the Company held by that person.

Save for disclosed above, as at the Latest Practicable Date, none of the Directors, chief executives of the Company, nor their associates, had or was deemed to have any interest or short position in the Shares, underlying shares of the Company or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), that was required to be recorded in the register maintained by the Company under section 352 of the SFO, or otherwise notified the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholder’s interest in the equities of the Company

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following parties (other than the Directors or chief executive of the Company) were recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued ordinary share capital of the Company:

Name of substantial Shareholder	Number of shares of the Company held			Investment manager	Notes	Percentage of issued Share capital
	Beneficial owner	Interest of controlled corporation	Person having a security interest in Shares			
Lee Kar Lung	200,000,000 (L)		372,987,671 (L)		1	12.92% (L)
Zhu Yufei	167,161,755 (L)	400,000,000 (L)			2	12.79% (L)
Suntek Global Growth Fund SPC – Suntek Global Growth Fund Number One SP				398,304,379 (L)	3	8.98% (L)
Wang Aier	401,412,379 (L)				4	9.05% (L)
Forever Heart Holdings Limited		400,000,000 (L)			5	9.02% (L)
Zhuhai Deyou Bohui Enterprise Management Consulting Center (Limited Partnership)	374,531,836 (L)				6	8.44% (L)
Zhuhai Gao Ling Deyou Investment Management Co., Ltd.		374,531,836 (L)			7	8.44% (L)
Champion Dynasty Limited	372,989,671 (L)				8	8.41% (L)
Mr. Cheung		372,989,671 (L)			8	8.41% (L)

Note:

- (1) 372,989,671 Shares held by Champion Dynasty, as chargor, were charged in favour of Lee Kar Lung, and 200,000,000 Shares were held by Lee Kar Lung as a beneficial owner. According to the relevant Disclosure of Interest Notice in connection with the Company available on www.hkex.com.hk, Lee Kar Lung entered into an agreement for the purchase of 200,000,000 Shares on 27 January 2023.
- (2) Mr. Zhu is (i) beneficially interested in 167,161,755 Shares; (ii) deemed to be interested in 200,000,000 Shares through Hongchang International Investment Limited; and (iii) deemed to be interested in 200,000,000 Shares through Hongyuan Investment Limited, both her controlled corporations.
- (3) According to the relevant DI Notice in connection with the Company available on www.hkex.com.hk, as at the Latest Practicable Date, Suntek Global Growth Fund SPC – Suntek Global Growth Fund Number One SP is interested in 398,304,379 Shares as an investment manager.
- (4) 401,412,379 Shares were held by Wang Aier as a beneficial owner.
- (5) Forever Heart Holdings Limited is the holding company of Hongchang International Investment Limited and Hongyuan Investment Limited, and is owned as to 100% by Ms. Zhu. By virtue of the SFO, Forever Heart Holdings Limited is deemed to be interested in the shares held by Hongchang International Investment Limited and Hongyuan Investment Limited.
- (6) On 9 September 2022, the Company and Zhuhai Deyou Bohui Enterprise Management Consulting Center (Limited Partnership) (“**Zhuhai Deyou**”) entered into the Subscription Agreement pursuant to which Zhuhai Deyou has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to Zhuhai Deyou, 374,531,836 convertible preference shares of the Company for an aggregate consideration of HK\$224,719,101.6.
- (7) Zhuhai Gao Ling Deyou Investment Management Co., Ltd. is the general partner of Zhuhai Deyou Bohui Enterprise Management Consulting Center (Limited Partnership). By virtue of the SFO, Zhuhai Gao Ling Deyou Investment Management Co., Ltd. is deemed to be interested in the shares held by Zhuhai Deyou Bohui Enterprise Management Consulting Center (Limited Partnership).
- (8) Mr. Cheung is the sole director of Champion Dynasty and owned its entire issued capital.
- (9) The letter “L” denotes the long position in shares of the Company held by that person, and the letter “S” denotes the short position in shares of the Company held by that person.

Save for disclosed above, as at the Latest Practicable Date, the Directors were not aware of any persons (who were not directors or chief executive of the Company) who had an interest or short position in the Shares, underlying shares or bonds of the Company or its associated corporations which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to section 336 of the SFO, to be entered in the register referred to therein.

4. DIRECTORS' INTERESTS IN CONTRACT AND ASSETS

As at the Latest Practicable Date, saved as disclosed, none of the Directors, directly or indirectly, had any interest in any assets which had since 31 December 2022 (being the date to which the latest published audited financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any subsisting contract or arrangement which is significant in relation to the business of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had a service contract with the Company which was not determinable by the Company within one year without payment of compensation, other than statutory compensation.

6. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within the two years immediately preceding the Latest Practicable Date which are or may be material:

1. a subscription agreement dated 9 September 2022 entered into between the Company and the subscriber regarding the allotment and issuance of 187,265,918 Class A Convertible Preference Shares and 187,265,918 Class B Convertible Preference Shares on 23 March 2023, and a supplemental agreement dated 8 December 2022 entered into between the Company and the subscriber to amend and supplement certain terms of the aforementioned subscription agreement; and
2. the Underwriting Agreement.

7. LITIGATION

The Company was not engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened against the Company as at the Latest Practicable Date.

8. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors or any of their respective associates had any interest in business which competes with or may compete with the business of the Group or had any other conflict of interests which any person has or may have with the Group.

9. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this Prospectus or has given opinions, letter or advice contained in this Prospectus:

Name	Qualification
HLB Hodgson Impey Cheng Limited	Certified Public Accountants

As at the Latest Practicable Date, none of the above-mentioned expert had any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, none of the above-mentioned expert had any interest, direct or indirect, or in any assets which since 31 December 2022, the date to which the latest published audited financial statements of the Group were made up, have been acquired or disposed of by or leased to, any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

The above-mentioned expert has given and has not withdrawn its written consent to the issue of this Prospectus with copies of their reports or letters (as the case maybe), with the inclusion of the references to its name and/or its opinion or report in the form and context in which they are included.

10. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Registered office	Clarendon House 2 Church Street Hamilton HM 11 Bermuda
Principal office in Hong Kong	Unit 3607, 36th Floor, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong

Authorised representative	Mr. Li Runping Unit 3607, 36th Floor China Resources Building 26 Harbour Road Wan Chai, Hong Kong
	Mr. Wong Wing Cheung Unit 3607, 36th Floor China Resources Building 26 Harbour Road Wan Chai, Hong Kong
Company secretary	Mr. Wong Wing Cheung a Practicing Certified Public Accountant certified under the Hong Kong Institute of Certified Public Accountants
Legal adviser to the Company in respect of the Rights Issue	Eric Chow & Co. in Association with Commerce & Finance Law Offices 3401 Alexandra House 18 Chater Road Central Hong Kong
Auditor	HLB Hodgson Impey Cheng Limited 31st Floor, Gloucester Tower The Landmark, 11 Pedder Street Central, Hong Kong
Principal registrar and transfer office in Bermuda	MUFG Fund Services (Bermuda) Limited 4th Floor North Cedar House 41 Cedar Avenue Hamilton HM 12 Bermuda
Branch registrar and transfer office in Hong Kong	Tricor Secretaries Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong

Principal banker	China Construction Bank Corporation No. 25 Financial Street, Xicheng District, Beijing, PRC, 100033
	Dongguan Rural Commercial Bank Co., Ltd No. 2 Hongfu East Road, Dongcheng District, Dongguan City, Guangdong Province, PRC
	The Bank of East Asia Limited The Bank of East Asia Building, 10 Des Voeux Road Central, Central, Hong Kong
Underwriter	Raffaello Securities (HK) Limited 1/F, E168, No. 166-168 Des Voeux Road Central Sheung Wan Hong Kong

11. PARTICULARS OF DIRECTORS

Executive Directors

Ms. Wang Aier, aged 56, was appointed as an executive Director on 7 April 2024. Ms. Wang holds an executive master's degree in business administration from Sun Yat-sen University and is a business person with 30 years of experience in business management. Ms. Wang is a director of Canadian North Resources Inc (CNRI), a company listed in Canada. She also serves as the general manager of a Chinese conglomerate whose industries include processing and manufacturing, medical and health care, real estate and finance.

Mr. Lin Jiang, aged 59, was appointed as a non-executive Director on 1 February 2013 and was re-designated as an executive Director on 14 February 2020. He has over 20 years of experience in economic and financial field. He obtained a bachelor degree and a master degree in economics from Sun Yat-sen University, a doctoral degree in economics from Jinan University, and finished his postdoctoral research on applied economics in Zhongnan University of Economics and Law. Mr. Lin is currently a professor of economics and a doctoral tutor in Lingnan College of Sun Yat-sen University. Moreover, he serves as an instructional committee member of Public Financial Majors of Higher Education Institutes of the Ministry of National Education* (國家教育部高等學校財政學類教學指導委員會), an adjunct research fellow for Cross-Strait Relation Research Center* (海峽兩岸關係研究中心特約研究員), a vice president of Guangdong Rural Finance Research Association* (廣東省農村財政研究會), an advisory member of Guangzhou Municipal Public Finance Experts Committee* (廣州市財政專家諮詢委員會), a member of the Guangzhou Municipal Planning Committee (廣州市規劃委員會) and a consultation expert

of the Budget Work Committee, the Standing Committee of Guangzhou Municipal People's Congress, (廣州市人大常委會預算工作委員會諮詢專家). In addition, he has been the then deputy general manager for the financial division of China Merchants Group Limited.

Mr. Li Runping, aged 42, was appointed as executive Director on 16 April 2020. She obtained a bachelor's degree in accounting from the International Business School, Nankai University (南開大學國際商學院) in June 2004, and a master's degree in administration from Nankai University (南開大學) in June 2011. Mr. Li has over ten years of experience in the financial industry. He served as senior management in a number of corporations and was responsible for industry research, investment and matters relating to mergers and acquisitions.

Ms. Meng Lijia, aged 34, has been appointed as an executive Director with effect from 5 December 2022. She obtained a bachelor's degree in laws from Guangzhou University (廣州大學) in June 2012 and a master's degree in laws from Southwest University of Political Science & Law (西南政法大學) in December 2018. Ms. Meng previously worked in King & Wood Mallesons Beijing (北京市金杜(深圳)律師事務所) and is currently working in Beijing Jincheng Tongda & Neal (Shenzhen) Law Firm (北京金誠同達(深圳)律師事務所) as a lawyer. She has many years of experience in the legal field.

Non-executive Director

Mr. Lee Kar Lung, aged 46, was appointed as a non-executive Director on 7 April 2024. Mr. Lee holds a master's degree in environmental protection from the Chinese University of Hong Kong. Mr. Lee is currently the chairman of Innovest Financial Group Limited, which is mainly engaged in asset management, wealth management, inheritance planning and education, and lending businesses in Hong Kong. Mr. Lee was also a director of Gotong Logistics Limited (Trading) from 2006 to 2016 and was re-designated as a non-executive director of Gotong Logistics (Trading) Company Limited from 2016. Mr. Lee is a business person with more than 15 years of experience in the industry.

Independent non-executive Directors

Mr. Wong Yiu Kit, Ernest, aged 56, has been appointed as an INED with effect from 20 September 2017. He is also the chairman of the Audit Committee and a member of the Remuneration Committee. Mr. Wong has over 30 years of experience in venture capital, corporate finance, business development and general management. He is the president and group chief financial officer of KVB Holdings Limited (“**KVB**”). Mr. Wong is also an independent non-executive director of Progressive Path Group Holdings Limited (Stock Code: 1581), Goldstone Investment Group Limited (Stock Code: 901, liquidators appointed), Kwong Luen Engineering Holdings Limited (Stock Code: 1413) and C&D Newin Paper & Pulp Corporation Limited (formerly known as “Samson Paper Holdings Limited) (Stock Code: 731), each of the shares of such companies are listed on the Stock Exchange. Mr. Wong also served several positions at Adamas Finance Asia Limited, a company listed on the London Stock Exchange (LSE Stock Code: ADAM) (now known as Jade Road Investments Limited (LON: JADE)), including its executive director, chief financial officer and non-executive director. Mr. Wong also served as the executive director, the chief financial officer and the company secretary of KVB Kunlun Financial Group Limited (now known as “CLSA Premium Limited”) (Stock Code: 6877) and an independent non-executive director of RENHENG Enterprise Holdings Limited (Stock Code: 3628) and China Regenerative Medicine International Limited (Stock Code: 8158). Mr. Wong obtained a master’s degree in management from Saïd Business School of Oxford, a bachelor’s degree in business administration from The University of Hong Kong, a master’s degree of science in investment management from The Hong Kong University of Science and Technology and a master’s degree of science in electronic engineering from the Chinese University of Hong Kong. Mr. Wong was admitted as a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants in England and Wales and the Hong Kong Securities Institute. He was admitted as a chartered financial analyst of the Institute of Chartered Financial Analysts. He is also acting as the court member of The University of Hong Kong, and a global council of the Association of Chartered Certified Accountants.

Mr. LAM Chi Wing, aged 43, has been appointed as an INED with effect from 26 October 2023, obtained a bachelor of business administration in accounting and finance degree from The University of Hong Kong in December 2003, a master of science in knowledge management degree from The Hong Kong Polytechnic University in December 2006 and a master of business administration degree from The Chinese University of Hong Kong in December 2010. He is currently a postgraduate of the executive master in Public Administration Hong Kong Administrative Talents Programme conducted by the School of Public Policy & Management at Tsinghua University.

Mr. Lam joined Li & Fung Group in September 2003, where he served as the group chief representative and general manager of Southern China of Li & Fung Development (China) Limited prior to his departure in July 2015. From June 2020 to December 2020, he was a brand and new retail strategic officer of Bonjour Holdings Limited.

Mr. Lam has been a deputy to the 14th National People's Congress (第十四屆全國人大代表), a member of each of the 12th and 13th Guangdong Provincial Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議第十二屆及第十三屆廣東省委員會) and a member of each of the 11th and 12th Zhongshan Municipal Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議第十一屆及第十二屆中山市委員會). Mr. Lam is currently a vice-chairman of each of the Hong Kong Guangdong Youth Association (香港廣東青年總會), the Council of the Guangdong Society of Commercial Economy (廣東省商業經濟學會理事會), the Council for the Promotion of Guangdong Hong Kong-Macao Cooperation (廣東省粵港澳合作促進會) and the Federation of Hong Kong Zhong Shan Community Organisations Limited (香港中山社團總會). He is also currently an adjunct associate professor of the department of information systems, business statistics and operations management of the Business School of The Hong Kong University of Science and Technology, and co-director and an adjunct professor of the Center of Innovation Design and Entrepreneurship of the School of Management and Economics of The Chinese University of Hong Kong, Shenzhen. Mr. Lam served as a part-time member of the Central Policy Unit of the Government of the Hong Kong Special Administrative Region from 2011 to 2012.

From July 2020 to December 2020, Mr. Lam was an executive director of Bonjour Holdings Limited (stock code: 653) and served as an independent non-executive director of Group from March 2016 to December 2022. Currently, Mr. Lam serves as an independent non-executive director of China Wantian Holdings Limited (stock code: 1854), Wai Hung Group Holdings Limited (stock code: 3321), Alco Holdings Limited (stock code: 328) and MTT Group Holdings Limited (stock code: 2350) and Space Group Holdings Limited (stock code: 2448), those shares of which are listed on the Main Board of the Stock Exchange.

Business address of the Directors

The business address of the Directors is the same as the Company's principal office in Hong Kong at Unit 3607, 36th Floor, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong.

12. EXPENSES

The expenses in connection with the Rights Issue, including underwriting commission, printing, registration, translation, legal and accountancy charges are estimated to be not less than HK\$5.0 million and not more than HK\$6.0 million, which are payable by the Company.

13. BINDING EFFECT

The Prospectus Documents and all acceptance of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made pursuant hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

14. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents, having attached thereto the written consent referred to in the paragraph headed “9. Expert and consent” in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

15. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.aidigong.hk) for 14 days from the date of this Prospectus:

- (a) the letter issued by the reporting accountants regarding the unaudited pro forma financial information as set out in appendix II to this Prospectus;
- (b) the written consents referred to in the paragraph headed “EXPERT AND CONSENT” in this appendix; and
- (c) the material contracts, referred in the paragraph headed “MATERIAL CONTRACTS” in this appendix.

16. MISCELLANEOUS

- (a) The company secretary of the Company is Mr. Wong Wing Cheung, who is a Practicing Certified Public Accountant certified under the Hong Kong Institute of Certified Public Accountants;
- (b) The English text of this Prospectus shall prevail over the Chinese text in the event of any inconsistency.