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愛帝宮母嬰健康股份有限公司
AIDIGONG MATERNAL & CHILD HEALTH LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 286)

PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

Placing Agent



貝塔國際證券
BETA INTERNATIONAL SECURITIES

On 20 June 2024 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which, the Placing Agent has conditionally agreed, as the placing agent of the Company, to procure, on a best effort basis, not less than six Placees (who and whose ultimate beneficial owners shall be Independent Third Parties) to subscribe for up to 44,350,000 Placing Shares at the Placing Price of HK\$1.68 per Placing Share. The Placing Shares will be allotted and issued under the Specific Mandate.

Assuming that, other than the Share Consolidation, there will be no further changes in the issued share capital of the Company between the date of this announcement and the Completion, the maximum number of Placing Shares of up to 44,350,000 Consolidated Shares represents: (i) approximately 30.00% of the total number of issued Consolidated Shares as at the date of this announcement (assuming the Share Consolidation becoming effective); and (ii) approximately 23.08% of the total number of issued Consolidated Shares as enlarged by the allotment and issue of all the Placing Shares (assuming the Share Consolidation becoming effective).

The Placing Price of HK\$1.68 per Placing Share represents (i) a discount of approximately 14.29% to the theoretical closing price of HK\$1.96 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange on the date of the Placing Agreement; (ii) a discount of approximately 15.15% to the theoretical average closing price of approximately HK\$1.98 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement; and (iii) a discount of approximately 13.85% to the theoretical average closing price of approximately HK\$1.95 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the last ten consecutive trading days immediately preceding the date of the Placing Agreement.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$74,508,000 and the net proceeds will be approximately HK\$72,114,000 (after deduction of commission and other expenses of the Placing), representing a net issue price of approximately HK\$1.63 per Placing Share. The Company intends to apply the net proceeds of the Placing as to: (i) approximately HK\$50,480,000 for repayment of loans and other payables of the Group; and (ii) approximately HK\$21,634,000 towards the Group's general working capital.

Shareholders and potential investors of the Company should note that the Completion is subject to the fulfilment of the conditions as set out in the Placing Agreement. The Placing may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares.

On 20 June 2024 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which, the Placing Agent has conditionally agreed, as the placing agent of the Company, to procure, on a best effort basis, not less than six Placees (who and whose ultimate beneficial owners shall be Independent Third Parties) to subscribe for up to 44,350,000 Placing Shares at the Placing Price of HK\$1.68 per Placing Share. The principal terms of the Placing Agreement are set out below.

THE PLACING AGREEMENT

Date: 20 June 2024

Issuer: The Company

Placing Agent: Beta International Securities Limited

Based on the confirmation of the Placing Agent and to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Placees

The Placing Agent will, on a best effort basis, place the Placing Shares to not less than six Placees, who and whose ultimate beneficial owners shall be Independent Third Parties. Upon Completion, it is expected that none of the Placees will become a substantial Shareholder.

Number of Placing Shares

Assuming that, other than the Share Consolidation, there will be no further changes in the issued share capital of the Company between the date of this announcement and the Completion, the maximum number of Placing Shares of up to 44,350,000 Consolidated Shares represents: (i) approximately 30.00% of the total number of issued Consolidated Shares as at the date of this announcement (assuming the Share Consolidation becoming effective); and (ii) approximately 23.08% of the total number of issued Consolidated Shares as enlarged by the allotment and issue of all the Placing Shares (assuming the Share Consolidation becoming effective). The aggregate nominal value of the maximum number of Placing Shares is HK\$17,740,000.

Placing Price

The Placing Price of HK\$1.68 per Placing Share represents (i) a discount of approximately 14.29% to the theoretical closing price of HK\$1.96 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange on the date of the Placing Agreement; (ii) a discount of approximately 15.15% to the theoretical average closing price of approximately HK\$1.98 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement; and (iii) a discount of approximately 13.85% to the theoretical average closing price of approximately HK\$1.95 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the last ten consecutive trading days immediately preceding the date of the Placing Agreement.

The Placing Price was determined and negotiated on an arm's length basis between the Company and the Placing Agent with reference to the prevailing market price of the Shares and market conditions.

Placing Commission

The Placing Agent will charge the Company a placing commission of 1.2% of the amount equal to the Placing Price multiplied by the number of Placing Shares actually and successfully placed by the Placing Agent. The placing commission was negotiated on arm's length basis between the Company and the Placing Agent and determined with reference to, amongst other things, the prevailing market commission rate charged by other placing agents, the size of the Placing and the price performance of the Shares.

The Directors consider that the terms of the Placing Agreement, including the Placing Price and the placing commission, are arrived at on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Ranking of Placing Shares

The Placing Shares shall rank, upon allotment and issue, pari passu in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares (that is, the Consolidated Shares, assuming the Share Consolidation becoming effective).

Conditions of the Placing

The Placing is conditional upon:

- (i) the Share Consolidation becoming effective and the dealing in the Consolidated Shares having commenced;
- (ii) the passing of necessary resolution(s) at the SGM to be held and convened by the Shareholders who are entitled to vote and not required to be abstained from voting under the Listing Rules and other applicable laws and regulations to approve the Placing Agreement and the transactions contemplated hereunder, including the Specific Mandate for the allotment and issue of the Placing Shares;
- (iii) the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares and such approval and permission not subsequently revoked prior to the Completion;

- (iv) none of the Placées becoming a substantial shareholder (as defined in the Listing Rules) of the Company as a result of the Placing;
- (v) the warranties given by the Company as set out in the Placing Agreement remaining true and correct and as of Completion; and
- (vi) the Company obtaining all necessary consents and approvals (if any) from the relevant authorities in respect of the transactions contemplated under the Placing Agreement, if applicable.

Save for condition (v) above which can be waived by the Placing Agent, none of the conditions can be waived by any parties to the Placing Agreement.

In the event that the conditions above have not been satisfied or waived by the Placing Agent (as the case maybe) on the Long Stop Date, all obligations of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against the other party, save for any liability arising out of any antecedent breaches thereof.

Warranty by the Company

The Company warrants and represents to and for the benefit of the Placing Agent that it shall not in any event issue any new Shares (other than any Shares issued under the existing share option scheme(s) or share award scheme(s) adopted by the Company in compliance with the Listing Rules and any convertible bonds or convertible shares issued by the Company before the date of the Placing Agreement) from the date of the Placing Agreement and up to and including the Closing Date or the termination of the Placing Agreement, whichever is earlier.

Completion

Subject to the fulfilment of the conditions referred to in the Placing Agreement, Completion shall take place on the Closing Date.

Application for listing of the Placing Shares

Application will be made by the Company to the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

Specific Mandate to allot and issue of the Placing Shares

The Placing Shares will be allotted and issued under the Specific Mandate to be sought and approved by the Shareholders at the SGM.

Termination

The Placing Agent may terminate the Placing Agreement by notice in writing to the Company with immediate effect at any time between the date of the Placing Agreement and at or before 5:00 p.m. on the Closing Date upon the occurrence of the following events:

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

- (iv) any suspension of dealings in the Shares on the Stock Exchange for any period of ten consecutive trading days or more (other than as a result of announcing the Placing Agreement); or
- (v) any litigation or claim of any third party being threatened or instigated against any member of the Group which is material in the context of the Placing; or
- (vi) an order is made or a petition is presented for the winding-up or liquidation of any member of the Group or any member of the Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group or anything analogous thereto occurs in respect of any member of the Group; or
- (vii) any demand by any creditor for repayment or payment of any indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity or any event, act or omission which gives rise to or is likely to give rise to any material liability of the Company; or
- (viii) any change, or any development involving a prospective change, in or affecting the business, general affairs, management, prospects, assets and/or liabilities, shareholders' equity, results of operations or position, financial or otherwise, of the Group (other than those already disclosed to the public on or before the date of the Placing Agreement) which in the sole and absolute opinion of the Placing Agent is or is likely to be materially adverse to the success of the Placing, or makes or is likely to make it impracticable or inadvisable or inexpedient to proceed therewith; or
- (ix) the Company commits any material breach of (or where the material breach is capable of being remedied, that breach has not been remedied within a reasonable time) or omits to observe any of the obligations or undertakings expressed or assumed under the Placing Agreement; or
- (x) the Placing Agent shall become aware of the fact that any of the representations or warranties contained in the Placing Agreement was, when given, untrue or inaccurate in any material respect or would in any material respect be untrue or inaccurate, or if repeated the Placing Agent shall determine in its absolute opinion that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Company or will otherwise likely to have a material prejudicial effect on the Placing.

If the Placing Agreement shall be terminated pursuant to the paragraph above, the obligations of the Placing Agent shall be null and void and the Company shall not be liable to pay any commission and other provisions of the Placing Agreement (save for those set out in the Placing Agreement) shall forthwith cease and determine and no party thereto shall, save as provided for in the Placing Agreement, have any claim against the other party for compensation, costs, damages or otherwise.

REASONS FOR THE PLACING AND THE USE OF PROCEEDS

The Company is a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange. The Group principally engaged in postpartum care services business.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$74,508,000 and the net proceeds will be approximately HK\$72,114,000 (after deduction of commission and other expenses of the Placing), representing a net issue price of approximately HK\$1.63 per Placing Share. The Company intends to apply the net proceeds of the Placing as to as to: (i) approximately HK\$50,480,000 for repayment of loans and other payables of the Group; and (ii) approximately HK\$21,634,000 towards the Group's general working capital.

In view of the current market conditions and the uncertainties in the economic, the Company considers it is critical to strengthen the Group's financial position for pursuing business development opportunities to broaden or create synergy for the Group's postpartum care services business. In light of the prevailing financial conditions of the Group, the Directors are of the view that the net proceeds of the Placing can strengthen the financial position and liquidity of the Group and can provide the immediate funding to the Group to satisfy its funding needs without increasing interest burden, within a relatively short time frame and at lower costs when compared with other means of fundraising. The Directors also believe that the Placing represents a good opportunity to raise capital for the Company while broadening its Shareholder and capital base.

Accordingly, the Board is of the view that the terms and conditions of the Placing Agreement are fair and reasonable and are on normal commercial terms and the Placing is in the interest of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following fund raising activity involving issue of its securities in the past twelve months immediately preceding the date of this announcement:

Date of Announcements/ Prospectus	Event	Net proceeds raised (approximately)	Intended use of proceeds		Actual use of proceeds as at the date of this announcement
20 March 2024, 19 April 2024 and 13 May 2024	Rights issue	HK\$56.30 million	(i)	approximately HK\$39.69 million for repayment of loans and other payables of the Group;	(i) approximately HK\$39.6 million for repayment of loans and other payables of the Group;
			(ii)	approximately HK\$8.51 million towards expanding the Group's postpartum care services business; and	(ii) approximately HK\$5 million towards expanding the Group's postpartum care services business; 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.	(iii) approximately HK\$4.5 million towards the Group's general working capital, such as overhead expenses including salary, rental and other expenses of the Group.

Save as the abovementioned, the Company had not conducted any other fund raising activities involving issue of its securities in the past twelve months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon the Completion (subject to the Completion, assuming all the Placing Shares are fully placed and that, other than the Share Consolidation, there is no other change in the shareholding structure of the Company from the date of this announcement up to the Completion) are set out below:

Shareholder	As at the date of this announcement		As at the date of this announcement (assuming the Share Consolidation becoming effective)		Immediately upon the Completion (assuming the Share Consolidation becoming effective and all the Placing Shares are fully placed)	
	Number of Existing Shares	Approximate % ⁽⁴⁾	Number of Consolidated Shares	Approximate % ⁽⁴⁾	Number of Consolidated Shares	Approximate % ⁽⁴⁾
Ms. Zhu Yufei ⁽¹⁾	633,828,421	10.72	15,845,710	10.72	15,845,710	8.25
Ms. Wang Aier ⁽²⁾	535,216,505	9.05	13,380,412	9.05	13,380,412	6.96
Mr. Cheung Wai Kuen ⁽³⁾	372,989,671	6.31	9,324,741	6.31	9,324,741	4.85
Holder(s) of Convertible Preference Share(s) Places	–	–	–	–	–	–
Public Shareholders	4,371,318,701	73.92	109,282,969	73.92	109,282,969	56.86
Total	<u>5,913,353,298</u>	<u>100</u>	<u>147,833,832</u>	<u>100</u>	<u>192,183,832</u>	<u>100</u>

Notes:

- (1) Ms. Zhu Yufei is (i) beneficially interested in 167,161,755 Existing Shares; (ii) deemed to be interested in 200,000,000 Existing Shares through Hongchang International Investment Limited; and (iii) deemed to be interested in 266,666,666 Existing Shares through Hongyuan Investment Limited, both being her controlled corporations.
- (2) Ms. Wang Aier, an executive Director of the Company, is deemed to be interested in 535,216,505 Existing Shares through Suntek Global Growth Fund Number One SP Limited.
- (3) Mr. Cheung Wai Kuen, is deemed to be interested in 372,989,671 Existing Shares through Champion Dynasty Limited, being a company wholly owned by Mr. Cheung Wai Kuen.
- (4) The percentage figures have been subject to rounding adjustments.

GENERAL

The Placing Shares will be allotted and issued under the Specific Mandate and the Placing will be subject to the Shareholders' approval at the SGM.

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Placing Agreement and transactions contemplated thereunder, including the grant of the Specific Mandate for the allotment and issue of the Placing Shares. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, no Shareholders have a material interest in the Placing Agreement and transactions contemplated thereunder and therefore, no Shareholders will be required to abstain from voting at the SGM to approve the relevant resolution(s) regarding the Placing and the Specific Mandate.

A circular containing, among other things, further details of the Placing Agreement, a notice convening the SGM and other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 3 July 2024.

Shareholders and potential investors of the Company should note that the Completion is subject to the fulfilment of the conditions as set out in the Placing Agreement. The Placing may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day(s)”	any day on which licensed banks generally are open for business in Hong Kong, other than (i) a Saturday or a Sunday; or (ii) a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.

“Closing Date”	the fifth Business Day after the fulfilment of the conditions set out in the Placing Agreement (or such other date as the Company and the Placing Agent may agree in writing)
“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)
“Completion”	completion of the placing of the Placing Shares in accordance with the terms and conditions as set out in the Placing Agreement
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consolidated Share(s)”	ordinary share(s) with a par value of HK\$0.4 each in the share capital of Company, upon the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“Existing Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the issued share capital of the Company, prior to the Share Consolidation becoming effective
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Long Stop Date”	15 August 2024, being the 14th day after the expiration of the placing period, or such other date as the Company and the Placing Agent may agree in writing
“Placee(s)”	any professional, institutional and/or other investor(s) who are Independent Third Parties procured by the Placing Agent or its agents to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing, on a best effort basis, of up to 44,350,000 Placing Shares pursuant to the terms of the Placing Agreement by the Placing Agent
“Placing Agent”	Beta International Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO
“Placing Agreement”	the placing agreement dated 20 June 2024 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$1.68 per Placing Share
“Placing Shares”	up to 44,350,000 new Consolidated Shares to be placed under the Placing
“PRC”	the People’s Republic of China which, for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held and convened for the purpose of considering and, if thought fit, approving the Placing and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Placing Shares)

“Share(s)”	the Existing Share(s) and/or the Consolidated Share(s), as the case may be
“Share Consolidation Announcement”	the announcement of the Company dated 19 June 2024 in respect of, among other things, the Share Consolidation
“Share Consolidation”	the proposed consolidation of every forty (40) issued and unissued Existing Shares of par value of HK\$0.01 each in the share capital of the Company into one (1) Consolidated Share of par value of HK\$0.4 each, details of which are disclosed in the Share Consolidation Announcement
“Shareholder(s)”	holder(s) of the Shares
“Specific Mandate”	the specific mandate to allot and issue the Placing Shares to be sought from the Shareholders at the SGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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

Hong Kong, 20 June 2024

As at the date of this announcement, the Board comprises Ms. Wang Aier, Mr. Lin Jiang, Mr. Li Runping, and Ms. Meng Lijia as executive Directors; Mr. Lee Kar Lung as non-executive Director; and Mr. Lam Chi Wing and Mr. Wong Yiu Kit, Ernest as independent non-executive Directors.